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Senate

(Legislative day of Wednesday, September 17, 2008)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the Honorable JIM WEBB, a Senator from the Commonwealth of Virginia.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

God of compassion, You watch the ways of humanity and weave out of challenging happenings wonders of goodness and grace. Surround our lawmakers with Your presence on this critical day of decision. Lord, decisions made today will have far-reaching consequences, so more than human wisdom is needed. Thank You for being on Capitol Hill, providing the guidance our Senators so desperately need. Permit our lawmakers to hear Your unmistakable whisper, advising them regarding the road they must take. Give them a confident trust in Your leading as You work in everything for the good of those who love You.

Lord, transform our national challenges into opportunities for You to manifest Your sovereign power. We pray in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JIM WEBB 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 legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 29, 2008.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JIM WEBB, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WEBB thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. REID. 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. REID. 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 President, I ask unanimous consent that the order for the quorum call be rescinded.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.

SCHEDULE

Mr. REID. Mr. President, following the remarks of the two leaders, we will proceed to a period of morning business until noon today. Senators are allowed to speak for up to 10 minutes each, and the time will be equally divided and controlled between the two leaders or their designees.

At noon, the Senate will consider the Amtrak and rail safety legislation. The Republican leader will control the time from 12 until 12:15, and I will control the time from 12:15 to 12:30. At 12:30, we will have a vote to concur in the House amendment to the Senate amendment to the rail safety legislation.

There will be a 1:30 Democratic caucus, and we are going to talk, of course, about the Emergency Economic Stabilization Act. So I ask unanimous consent that the Senate recess from 1:30 p.m. until 2:30 p.m. while I conduct that conference.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST—H.R. 7060.

Mr. REID. Mr. President, one of the issues we have to address this morning—I have talked here on the floor and I have talked in press conferences about this—is how difficult it has been to get the energy and business tax extenders. It has been very difficult. We have had nine votes to get where we are—nine votes spread over a period of months. Finally, with the work of a number of Senators—principally Senators BAUCUS and GRASSLEY, and two other members of the Finance Committee, Senators CANTWELL and ENSIGN—we have worked to put together a package, and it is delicately put together.

I have tried to explain to my House colleagues how difficult it is for me to accept what they have sent us. They have broken this up and said: Hey, look, this is what we want, and you should take it.

Mr. President, I am going to ask unanimous consent now—they sent us one part of the thing we sent over to them, and that is the tax extenders, both the energy tax extenders and the business tax extenders in one package, and that is what I am going to ask consent about; that this matter I have just acknowledged, H.R. 7060, which is just as I have explained it—the Renewable Energy and Job Creation Tax Act is what they call it—which was received from the House, that the bill be read

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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three times and passed and the motion to consider be laid upon the table with no intervening action or debate.

Remember, out of the package they sent, they broke this up and sent us the tax extenders—the energy and business tax. I ask unanimous consent that matter be accepted.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. KYL. Mr. President, reserving the right to object, and I will object, but I would like to make a brief statement.

The Senate and House are on the verge of a very historic action to deal with the crisis in our economy, an action that would not have been possible if Democrats and Republicans had not worked together and had worked with the administration. In the Senate, over the last several months, we have had the same kind of work with respect to the unanimous consent request that has just been made. We tried, each of us in our partisan ways, to get something passed that we could send over to the House of Representatives that deals with the so-called tax extenders—the energy extenders and AMT relief. What we found was that neither side could prevail if we tried to do it our way.

As the majority leader has said, we had something like nine separate votes, I believe. We finally concluded that the only way we could, for the good of our constituents, extend these important tax provisions and fix the AMT was to have a series of votes which expressed the will of the Senate, work together to pass in a bipartisan way legislation that we would then send to the House of Representatives. Democrats and Republicans in the Senate agreed that the legislation represented by the consent agreement is an important priority for the American people, and that is why we approved this bipartisan package by an overwhelming vote of 93 to 2. But before the package received the overwhelming approval, the energy tax extenders failed as a stand-alone bill, as I said, nine times.

The Senate has spoken clearly. This legislation will pass the Senate if it receives a vote in the same packaged form that passed by the vote of 93 to 2. It is the path we must continue to follow. The majority leader has made that point, the minority leader has made that point, and I reiterate that point again to our colleagues in the House of Representatives. For that reason, I object to the request that has been made.

The ACTING PRESIDENT pro tempore. Objection is heard.

The majority leader.

Mr. REID. Mr. President, I have served in the House of Representatives. My friend, the distinguished Senator from Arizona, has served in the House of Representatives. I understand the House. I loved my experience in the House, but their rules of engagement are different than ours. And if it were up to me, I would accept this in a second. I think it is fine. But, Mr. President, I don't have that ability here. I do not have the strength and the power legislatively and procedurally that they have in the House.

The House is like the British Parliament. If you are in the majority there, you can get a lot of things done that we can't being in the majority here. And my majority is extremely slim; it is 51 to 49 when everybody is here. Many days, I am in the minority.

So I just beg my House colleagues to understand that this isn't something we are trying to surprise them with. It has taken me this long to get here. The ability to get here has been long and hard. And we are not trying to pull anything over on the House.

Mr. President, for us, as a congressional body, House and Senate, to approve this legislation would be historic—long-term tax credits for renewable energy, creating thousands and thousands of jobs. For the first time in a long time, we are extending the business tax credits for 2 years. The business community, small businesses and big businesses, is elated over that because we have given them 1-year extensions time and time again.

In this legislation, there is some really good stuff. There is mental health parity, there is something that every State west of the Mississippi will benefit from—the State of Nevada, as an example. We have been cheated for years because the law is, if you have Federal properties there to take away from your tax base, then the Federal Government should help. And they have helped but not very much. Eighty-seven percent of the State of Nevada is owned by the Federal Government. The legislation we have sent to the House removes some of the unfairness in that.

So I just tell my friends from the House of Representatives, we can't do this. We can't do it. You send us over these things piece by piece; we can't get it done. The reason we were able to get AMT done was because it was part of a package. So I say to my colleagues: I wish we had more votes and we could just run over you, like they do in the House, but we can't do that. I wish we could do what we thought was right on this side of the aisle and not worry about you, but we can't do that.

In the House of Representatives, this matter will get 250, 300 votes. This will pass overwhelmingly in the House. This is bipartisan legislation.

I hope my friends who are part of the Blue Dog caucus would understand. We are not trying to embarrass them or embarrass anyone else. We believe things should be paid for. We look forward to working with them in time to come.

I say, I wish we were not going to spend $700 billion. I wish we weren't going to spend $60 billion, unpaid for, on the AMT, but that is where we are. I hope my friends in the House will understand we are doing the best we can.

Senator KYL said it twice, I said it three times, it took us nine votes to get where we are. If we leave this Congress without having done this, it doesn't speak well of this Congress.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, first, I regret the Senate is unable to take up and pass this legislation. We all know how important it is.

The problem here now is that the Senate has demonstrated the limit of what it can do and what it cannot do. The Senate has now demonstrated it cannot pass the tax extender bills. This cannot be done. I want to follow on what the leader said. This is not a matter of embarrassing anybody. Sometimes our good friends in the other body think we are trying to embarrass them. This is not a matter of trying to embarrass anybody. It is a matter of trying to get some good public policy passed here for our country in these closing days of the Congress. We are talking about energy incentives to help make us more independent from OPEC; mental health, trying to get a mental health parity bill finally passed, which clearly is important for obvious reasons.

Then the awful words are ''tax extenders.'' It helps America be competitive—the research and development tax credit to help kids get to school. This is very simple stuff. It is very basic stuff.

I think some of our colleagues and friends on the other side think we are trying to stuff them, trying to embarrass them, it is partisan. This is not a matter of embarrassing anybody. This is not a partisan matter. This is an American matter—do something for America. If we go back too far in the weeds, some of our colleagues will say: Gee, we have this $700 billion fiscal relief bill and doesn't that add too much to the deficit.

I don't know if it will. It is not like passing a $700 billion appropriations bill. This is an authorization. It is similar to the so-called Chrysler bailout, the so-called New York bailout, where taxpayers made money on the deal.

If I were a Blue Dog, I wouldn't get too worried about the big pricetag. The main point is we need to get this passed now. It is very modest. Next year is another year and we can deal with all kinds of issues we all want to deal with, but for the good of the country I very much say to my colleagues across in the other body on the other side: Please don't miss this opportunity. Please do what is right. Let's pass this bill before you leave town because not to do so would not be a responsible thing to do. It must be passed over there.

It is a Senate bill we are sending over. That is the only responsible way out of this difficult situation we are in. Nothing is perfect. Nobody gets everything. But we have demonstrated now

that the House-passed bills here cannot pass. That has been demonstrated by the objection we just heard. It cannot pass. The only solution then is to take up the bills which were worked in a compromise with the Republican Members here and Blue Dogs over there; insofar as the extender, 2 years, only 1 year paid for. That is the compromise and it seems to me that is pretty fair compromise. It seems to me the House should take it up—I hope they do—and do the right thing.

Mr. REID. Mr. President, while the chairman is here and the assistant Republican leader, the mark of the Blue Dogs is on what we have done in this Congress. We struggled because of the Blue Dogs insisting, and rightfully so, on paying for different things. The chairman of the Finance Committee will remember the difficult time we had on SCHIP, and that was because of the mark of the Blue Dogs, wanting to make sure we paid for what we did. It is not as if we ignored them; we tried to follow their lead because their cause is a righteous cause. They want this Government to start paying for things and stop running up the deficit. We look forward to working with them in the future.

Mr. BAUCUS. As the leader said, we did end up paying for the children's health insurance.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business until 12 noon, with Senators permitted to speak for up to 10 minutes each, with the time equally divided between the two leaders or their designees.

The Senator from Tennessee is recognized.

THE PAULSON PLAN

Mr. ALEXANDER. Mr. President, over the weekend bipartisan congressional negotiators worked hard to amend significantly what we have come to call the Paulson plan. The whole point of the work over the weekend—since last Thursday, in fact—was to do everything we could to protect taxpayers. We owe our thanks to Senators GREGG and DODD and Senators MCCONNELL and REID, as well as Members of the House of Representatives and the administration and their staffs for working hard, sometimes during most of the night, to have this ready for us today. Actually, it was ready yesterday and was posted on the Internet so that not only we, but people across this country and around the world, could see what was proposed.

Under the amended plan, the Secretary of Treasury will have authority to buy and sell troubled mortgage assets to get the economy moving again. Taxpayers will have authority to provide oversight, minimize losses, and make sure profits go to reduce the Federal debt. There will be restrictions on excessive executive compensation and reasonable efforts will be made to make adjustments to help keep people in their homes.

People have been calling my office all week about it, as they have all Senators. They are angry about the need to do this. I am angry, too. But callers' opinions have been changing about whether we should do it, as I believe have the minds of most Senators.

Most realize that the largest reason for this emergency legislation is mortgage loans that people cannot pay back and securities based upon those mortgages. This has derailed housing and created problems for banks. It has spread uncertainty and caused people with cash to be cautious.

Most realize now that we are not spending $700 billion. The Secretary may buy up to $700 billion in troubled mortgage assets—enough to restore confidence—but he may buy much less. Over time, he will sell those assets, hopefully at a profit, sometimes at a loss. My guess—and it is only a guess—net cost to the taxpayer will be $100 billion or less, two-thirds of what Congress spent in January on the economic stimulus package of tax cuts and rebates. There might even be a profit, which under the plan, would go to reduce the Federal debt.

Most now realize it is important for the Secretary of Treasury to be able to buy enough mortgage assets so that institutions are strong again, will start lending again, and people will stop hoarding their cash. Next week we can fix the blame. Today we need to fix the problem.

Congress should approve the amended plan without delay—today. If the House can pass it today, there is no reason why the Senate cannot pass it today and send it to the President. Otherwise, there is a real risk that credit will freeze and Americans will not be able to get car, student, auto, mortgage, or farm credit loans—or even to cash their paychecks.

This has come so fast and taken such an unexpected turn that it is hard for most Americans to know what to think about it. As Senator DOMENICI and Senator GREGG have suggested, think about it as a wreck on the highway.

Think about it as someone who should have known better, dumping thousands of bad mortgage loans and other assets in the middle of an eight-lane interstate, threatening to bring a halt to all economic traffic. Stopped in one lane is your home loan. In the next is your auto loan. In the third lane is your student loan. In the next is your mortgage loan. Next, your money market account. Next, the money for your farm credit loan or even your payroll check.

Vehicles carrying these essential credits that Americans rely on every day have ground to a halt on the economic highway, blocked by a big pile of bad mortgage loans. So we end up with this massive wreck in the middle of the economic highway.

Think of the Federal Government as the salvage crew and Secretary Paulson as the driver of the wrecker. His job is to buy the salvage and get it off the highway as soon as possible so that traffic can start moving again.

And think of yourself, the taxpayer, as the owner of the salvage company—doing everything possible to make sure the driver of the wrecker can get the pile of bad loans off the highway and sell them for at least as much as it cost him to pick them up. If he does this, then the lanes will open again, and the vehicles carrying your auto and mortgage and farm credit loans and payroll checks will start moving again. And the economic traffic will start up again. But that will not be the end of fixing the problem.

The Federal Government's compassion several years ago got out ahead of its common sense when it made it possible for people to borrow money and buy homes who couldn't pay back their mortgage loans. Clever financiers created exotic instruments based upon these loans, some of which turned out to be worth less than the loans. People who should have known what was going on—both in their own companies and in regulatory agencies—didn't understand what was going on or they turned a blind eye to it, or worse, they misled people.

As the New York Times described it yesterday in an article, what apparently has happened is that mortgage foreclosures set off questions about the quality of debts across the entire credit spectrum. These questions set off a spiral of claims against insufficient insurance, as in the case of AIG, and of insufficient capital in the case of banks. So we end up with this massive wreck in the middle of the economic highway.

This week—today—we need to fix the immediate problem. Clean the wreck off the highway. But next week we need to begin to take steps to remodel our regulatory agencies—most of which were designed to deal with the calamities of the 1930s. I suspect it will be a matter of a different kind of regulation that suits these times rather than one of more regulation. And we need to find out if there was fraud or misleading actions so we can do our best to make sure this doesn't happen again.

Next week we can fix the blame. Today we should unclog the economic highway and fix the immediate problem to make sure Americans can buy homes and cars and houses, go to college, get farm credit loans and cash their payroll checks.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized.

AMTRAK

Mr. DURBIN. Mr. President, at 12:30 today the Senate will consider a procedural motion to go to the Amtrak reauthorization bill. I am urging my colleagues on both sides of the aisle to support it.

For a long time Amtrak has been a question mark in Washington—will it survive? Do we need it? It will survive if we have the will to support it. The question whether we need it has been answered convincingly. All across the United States, not just in the northeast corridor, in my State of Illinois, Amtrak has become an affordable alternative for people who cannot afford to pay for gasoline for their cars. Amtrak ridership is higher now than it has been for decades in Illinois. It is very difficult for a person in my State to get a reservation for a seat on an Amtrak train. Clearly it is a popular means of transportation and in demand. Friends of mine who tried to travel from downstate to Chicago say unless you think weeks in advance to make a reservation, you can't get on the train—and of course I think that is the wave of the future, and a good one. More and more people taking this affordable alternative are leaving their cars behind and are leaving congestion and pollution behind. That is a positive development.

But we cannot have an Amtrak moving forward that serves the needs of America without an authorization bill. The last time we passed an Amtrak authorization bill into law was in 1997. It has been 11 years since we passed an authorization and, as a result, this agency has been languishing, surviving from year to year, lurching from one inadequate budget to the next, trying to stay alive. The Amtrak trains you see on the tracks today are rolling stock that is pretty ancient by travel standards.

By travel standards, it has been around 20, 30, 40 years. It has been pushed to the limit. Now we need it more than ever, and we need to pass this authorization bill.

Our leader on the Democratic side is Senator LAUTENBERG. FRANK LAUTENBERG of New Jersey has really made a name for himself in the field of transportation during his service in the Senate, and he has worked so hard to make sure Amtrak moves forward in the 21st century.

We need to pass this authorization bill today. This bill does so many things that are absolutely essential: increases capital grants to Amtrak so it can start rebuilding its trackage, making sure it is safe and that trains can move faster so they can have better ontime performance.

They also develop State passenger corridors. Illinois has a terrific program and a lot of demand for expansion of Amtrak. Downstate, we now have three different corridors: St. Louis to Chicago, Quincy to Chicago, and the route that runs through Champaign and Carbondale. But we have requests from northern Illinois, Rockford, Galena, into Dubuque, IA. We have requests from Chicago to the Quad Cities and into Iowa, even farther. All of these communities begged me for the opportunity for Amtrak service.

Many of these same communities have been coming to Congressmen and Senators over the years asking for air service. They still want it, but they are realistic in realizing short-haul service is now better served by passenger rail or at least can be supplemented with passenger rail, and so they are asking for that alternative too. We need to expand that opportunity around the United States.

If you want to order a new Amtrak train and cars, get on a waiting list in Canada or Europe. We don't make many, if any, here in the United States. That has to change too. With Amtrak with a clear and bright future, I believe there can be more investment in capital in Amtrak here in the United States. I would like to see facilities in my State of Illinois or some adjoining State building the train cars we need for the future instead of heading off to Canada or Europe and trying to bid for them.

We also have to come to a better relationship with the freight railroads. You see, with very few exceptions, Amtrak doesn't own the railroad track, the freight railroads do, and there was a long-standing agreement that Amtrak would have priority to move passengers over that freight rail track. Well, of course, that means Amtrak is at the mercy of dispatchers who will put a loaded passenger train on a siding or a passing track and let it sit for long periods of time waiting for a freight train. That is not the way it is supposed to work. The passenger rail, Amtrak, is supposed to have priority. In this bill, we give the Surface Transportation Board the ability to take a look and see if the freight railroads are discriminating against Amtrak in terms of service and whether damages should be awarded.

Finally, after all of these years, we put some teeth into the enforcement of a law that has been on the books for a long time saying that the freight railroads have to work to give the passenger rails this kind of opportunity. This is an important piece of legislation, long overdue. It has been held up for so many years, and it is so important that we do it now.

We believe, as I think most Americans do, that high-speed rail is part of our future. It is not just a nostalgic view of the past with passenger trains; it is part of our future as well.

This bill has important investments in Amtrak, important improvements when it comes to rail safety.

One of the provisions in this bill will require, over time, that they put on the engines of trains what they call positive train control. What that means is we would have avoided the accident in Los Angeles that killed people recently. When a train would approach a red light, the engineer would have to give a positive force to change the train or it would automatically shut down and slow down. So it really creates a safety measure that could have saved lives in California and will save lives across America if it is instituted. That and several other things here will make a big difference in passenger service.

I hope this bill gets a strong bipartisan rollcall of support. I know there are Republicans who feel strongly, as I do, that this is an important step forward for the 21st century for passenger service on trains for Americans and that Amtrak is part of America's future.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

Mr. DOMENICI. I know we don't have a lot of time, so I will try, if it is all right, to ask for 5 minutes. Is somebody controlling our time here?

The ACTING PRESIDENT pro tempore. Without objection, the Senator is recognized.

ECONOMIC BAILOUT

Mr. DOMENICI. Let me thank the distinguished Senator from Tennessee, LAMAR ALEXANDER, for his eloquent remarks here this morning. I would say to anyone who wants to try to understand the situation we are in, in terms that everybody can see and feel, they ought to read his speech.

I also thank him because he used a metaphor I developed with some of my staff to try to explain this, and he has added to it and amplified it. He has taken the idea that we came up with in my office—I asked my staff to sit down with me and talk, and the only thing we could think of about the clogging of this passageway was a word that didn't sound as though it was a very good word to use, which was ''constipation.'' I said: Could we not think of some metaphor that is better than that?

After 20 minutes or so, the idea came forth of a superhighway, with four or six lanes loaded with cars traveling at full speed, 65, 70 miles an hour, and then there was a crash that took all lanes and stopped all of them and the cars piled up for miles back.

As the good Senator from Tennessee, a wonderful friend of mine, has gone on from that simple beginning I just described to analogize the entire problem we have, that accident where—these cars that are all cracked up are the toxic assets we are buying. They are toxic because they are all broken down, they are not worth anything anymore, and we are going to buy them. That is why we are setting up this rescue fund. When we buy them, eventually get them, all of the cars will be loosened from that long 20, 30 miles that they are blocked by this accident, which is the toxic assets, but it is really the cars stopping movement. And then he went on to explain what all those cars were, because so many people think

this is Wall Street. This rescue plan is not Wall Street. Some of the large institutions that hold this paper that is clogging the highway, some of them are in New York, but we read today that some of them are in Europe. So we should understand that it is where the money moves, where the money comes from, and as it moves out into our country, to the hinterland, that is where the problem is because these assets, these cars that end up in a wreck, these toxic assets, were purchased by banks and institutions all over the country and all over the world, apparently. Some countries bought a lot of them, from what is coming out now, and their banks are having the same kinds of problems thousands of miles away from the United States.

So we are going to be called upon as Senators to decide whether we want to rescue this American financial system which was the greatest delivery system for money that the world has ever seen. The reason we live in such high prosperity with so many material things of wealth, so much wealth that is material, from the number of houses—you might own two of them—from cars to appliances to everything that is there, it is financing; it is the financial system that is so magnificent in America that permits all of that to happen. And it is breaking down. We better rescue it if we can or look what we will be saying to our people: We are unable, in the worst kind of crisis as it pertains to the material wealth of our country, with that breaking down in front of our eyes, so that as my friend the Senator from Tennessee said, the things we want to have—will not be available. In essence, we will be a country that is bankrupt. You do not know where the money will be, you do not know what notes and instruments will be valid, you do not know who will deliver money to whom, and you will have a literal fiscal mess, a literal financial money mess.

Fix it or be charged with letting it break down. Vote for this and fix it. Do the rescue plan or walk out of here as a Senator who can claim no victory, can claim they didn't see fit——

The ACTING PRESIDENT pro tempore. The Senator's 5 minutes has expired.

Mr. DOMENICI. I ask unanimous consent for 1 additional minute

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. That they didn't see fit to lend their vote to a rescue plan of this type. And I believe, no matter how much guff you are getting from your constituents, no matter how much they are talking to you on the phone and in letters and other ways, you have to explain it to them right and then you have to vote what is right for the United States. That is why we are here.

Now, some will say: It is easy for you, DOMENICI; you are leaving the Senate after 36 years. But I hope that I could tell you that in my mind, I can carry back and say: I have only been here 12 years and I am still going to stay here, and I would vote this way if I were a Senator who had to go back and try to run again. It is unequivocal that my responsibility is to produce a rescue plan, and I hope the House passes it soon, and I hope our majority leader sees fit to call it up soon—sooner rather than later. With each day, more damage is being done here and around the world.

I think we are lucky to have two good people managing the affairs of the United States, and I want to close on that note. We could certainly have had leaders in the Treasury and in the Federal Reserve who were not as good as ours on this subject, and that is helpful because most of us who are studying this can go back to our offices and then talk to our families and our constituents and say: We are understanding it, and we think we are being dealt the right information and a good plan.

With that, I once again thank Senator LAMAR ALEXANDER, my good friend, for his excellent speech this morning. I say to anybody who wants to understand it, read it—to understand our problem, read it. I thank him for using a little bit of my thinking in his speech. Once again, thank you.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

TRIBUTE TO SENATORS

Mr. LIEBERMAN. Mr. President, while the Senator from New Mexico is on the floor, I want to, one, thank him for his characteristically lucid and honorable put-the-national-interest first statement and also to say that I gather, this afternoon, colleagues will be coming to the floor to pay tribute to some who are not running again, as Senator DOMENICI is not running. I have to go to Connecticut to join my family for a celebration of Rosh Hashanah right after the vote, so I wish to take this moment to thank Senator DOMENICI for his extraordinary service and to say to him what an honor and a pleasure it has been. Sometimes it is an honor to work with some people but not a pleasure; sometimes it is a pleasure and not an honor. With you, it has been both.

You just spoke to our responsibility to our country in this economic crisis, and you spoke from your inner characteristically American core of optimism, that we have the best financial system in the world and we have every reason to be optimistic, but we are really in a crisis. To me, that is the kind of service you have given our country. And you are a characteristic American story because your family does not go back to the Mayflower, as we used to say in my family, like yours. Your family came from Italy to this country, and they gave you a love for this country, a confidence that if you worked hard and used the abilities God gave you, there was no limit to how far you could go.

Like so many others, you have served your country with extraordinary honor and effect across a wide range of subject areas. I think particularly of the great work you have done in trying to regularize and make orderly and efficient and responsible our budget process; from that kind of nuts-and-bolts dollars-and-cents to the passionate advocacy you have given for equal treatment in our insurance system for those who need assistance from our medical system for mental illness, to treat mental illness exactly as physical illness.

So, Senator DOMENICI, it has been an honor to serve with you. If I may get a little ethnic, which you and I usually do, I would say, in leaving the Senate this year, you are following in the footsteps of another great Italian-American hero whom I grew up admiring in a different field of endeavor, Rocky Marciano. Remember, Rocky retired undefeated, and you are too.

Mr. DOMENICI. It has always been a pleasure working with you and being with you, and I wish you the very best. I know you are heavily involved in another kind of campaign and you are doing something very difficult, and I know you must go through difficult times even though you are enthusiastic about what you are doing. That must be difficult because it is, in fact, very different, and you choose these situations and you handle them well.

I compliment you, wish you the very best, and hope after the Presidential election, whatever happens, you come back and have a very good life in the Senate.

Mr. LIEBERMAN. I thank my friend.

I offer thanks and best wishes to other colleagues who are leaving—Senators ALLARD, HAGEL, and CRAIG.

I particularly wish to say a word about a colleague of the occupant of the chair, Senator WARNER of Virginia. Senator WEBB was kind enough to ask me to join him in a tribute to JOHN WARNER, and I wish to say a few words about him because our lives have intersected so much in service here.

I begin by quoting another great Virginian, Thomas Jefferson, who, when he arrived in Paris as U.S. Minister to France—what we would now call an Ambassador—presented himself to the French Minister of Foreign Affairs. The French Minister of Foreign Affairs asked Jefferson, because he was replacing Benjamin Franklin:

> Do you replace Monsieur Franklin?

Jefferson replied:

> I succeed him. No one can replace him.

I would say of another great Virginian, JOHN WARNER, that no one can replace JOHN WARNER. He is a Senator's Senator, a patriot, a true servant of our country and of his beloved State, the Commonwealth of Virginia, all of which will be forever grateful for his lifetime of service and dedication.

Senator WARNER began his service to our country at the age of 17. Let me say, generally, without revealing his

exact age, that would be more than 60 years ago. He enlisted in the U.S. Navy during World War II. In 1950, at the outbreak of the Korean war, he interrupted his studies of law to return to Active military duty. Similar to so many who served our country in that period—and I meet them all the time in Connecticut, particularly World War II veterans, the ones, for instance, whose families will call and say: My dad or my grandfather thinks he may have been entitled to a medal, but he never got it—they rushed back after the war to return to their families and to their work. We check the records. In almost every case, in fact, these veterans of World War II deserve medals. In almost every case, when we give them to them, as I have had the honor to do on many occasions, the veterans of World War II will say: I didn't want this for myself. I wanted it for my grandchildren. Then they almost always say: I am no hero, I am an ordinary American called to serve our country in a time of crisis.

The truth is, these veterans and those who followed them in succeeding conflicts, including the distinguished occupant of the chair, may each think of themselves as ordinary Americans but, in fact, together they have protected America's security, saved our freedom. Those veterans of World War II defeated the threats of fascism and Naziism. Think about what the world would be like if our enemies in World War II had triumphed and think about the extraordinary period of progress and economic growth that followed after the successful conclusion of World War II.

JOHN WARNER was part of that. His service continued. In 1969, he was appointed Under Secretary of the Navy. From 1972 to 1974, he served as Secretary of the Navy. Throughout the rest of his career, including his long, distinguished, and productive service on the Senate Armed Services Committee, JOHN WARNER has shown unwavering support for the men and women of the Armed Forces and, of course, in a larger sense, unwavering support for the security of America and the ideal of freedom which was the animating impulse and purpose that motivated Jefferson and all the other Founders to create America, a country created on an ideal, with a purpose, with a mission, with a destiny. JOHN WARNER has always understood that. The fact that he is a Virginian is part of that understanding.

It has been my great honor to serve with JOHN WARNER in the Senate, particularlyon the Armed Services Committee, where over the years I have come to work with him. Senator WARNER is a great gentleman, a word that can be used lightly but belongs with Senator WARNER, a person of personal grace, of civility, of honor, of good humor, someone who in his service here has always looked for the common ground. As all of us know, when we make an agreement with JOHN WARNER, even on the most controversial circumstance, his word sticks. He keeps the agreement, no matter how difficult the political crosscurrent may be. He has had an extraordinary record of productive service to America and to Virginia.

One of the things I cherish is that in 1991, after Saddam Hussein's invasion of Kuwait, I was asked to join with Senator WARNER in January of 1991 to cosponsor the resolution which authorized the Commander in Chief to take military action to push Saddam Hussein and Iraqi forces out of Kuwait which they, of course, did successfully, heroically, and with great effect on the stability and future of the Middle East. It turned out that in 2003, when it came time again for the Senate to decide whether we were prepared to authorize yet another Commander in Chief to take military action to overthrow Saddam Hussein—and I don't need to talk about the causes for which we argued for that case—Senator WARNER asked me if I would join him again as a cosponsor. It was a great honor for me to do that, and it passed overwhelmingly with a bipartisan vote.

In a very special way, notwithstanding this kind of work and work we did together, for instance, to establish the Joint Forces Command, located in Norfolk, VA, to make real the promise of joint war fighting that was inherent to the Goldwater-Nichols legislation but was not quite realized, I worked with Senator WARNER and Senator Coats, a former colleague from Indiana, to accomplish that.

Fresh in my mind and expressive of the range of JOHN WARNER's interest and of his commitment to the greater public good was the fact that at the beginning of this session of Congress, he sought to become the ranking member of the Subcommittee on Climate Change of the Environment Committee, which I was privileged to about to be chair of. We talked about the problem. JOHN didn't, as this challenge to mankind has taken shape, rush to the front of it. He was skeptical. He listened. He read. He concluded the planet is warming, that it represents a profound threat to the future of the American people, people all around the globe, and that it represents a threat to our national security, which has been the animating, driving impulse of his public service. We talked and decided to join together. I call it the Warner-Lieberman Climate Security Act; he calls it the Lieberman-Warner Climate Security Act, which is a measure of the relationship we have had and his graciousness. Without his cosponsorship, we would not have gotten it out of subcommittee, first time ever. We wouldn't have gotten it out of the Environment Committee, first time ever reported favorably on this important challenge to the Senate floor. We wouldn't have been able to achieve the support of 54 Members of the Senate, the first time a majority of Members of the Senate said we have to do something about global warming, including our colleagues, Senator MCCAIN and Senator OBAMA, which means the next President will be a proactive leader and partner with Congress in the effort to do something about climate change. It wouldn't have happened without the support of JOHN WARNER, a final extraordinary act of leadership by this great Senator.

He has a lot of great years left in him. I hope we can find a way for him to continue to be part of the work all of us have to do: One, to keep our country secure—and there is no one with more expertise and a more profound commitment to that—and, two, to get America to assume its proper leadership role in the global effort to curb global warming.

He is a dear friend, a great man. It has been a wonderful honor to serve with him. I pray he and his wife and all his family, beloved children and grandchildren, will be blessed by God with many more good years together.

The ACTING PRESIDENT pro tempore. The time of the majority has expired.

Mr. LIEBERMAN. I ask unanimous consent for an additional moment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE BAILOUT

Mr. LIEBERMAN. Mr. President, I wish to say how pleased and, frankly, relieved I am that the negotiators have reached an agreement on the economic rescue plan for our country. I found, as people began to be terribly anxious, justifiably, around our country, about their life savings, about their businesses, about their jobs, I was getting two messages from the public. One was their fear that we would not act to rescue our economy and them, and then their second fear was about what we would do to rescue our economy and them. The negotiators have both come up with a plan that will rescue our economy, will protect our taxpayers. In it, I am proud to say, is a proposal somewhat similar to one that Senator CANTWELL and I put forward for a 9/11-type commission to review the regulations of our financial institutions, to reform them so we learn from this crisis and, to the best of our ability, we make sure it never happens again.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

TAX EXTENDERS

Mr. THUNE. Mr. President, we are at a place, in terms of the legislative calendar, where there are lots of things piled up and not much time to get them done. I am reminded of something someone once said: In the legislative process, you can't allow the perfect to become the enemy of the good, in a place where you are lucky if the adequate even survives.

That is where we find ourselves right now with regard to the issue of the tax extender legislation. We have a bill that impacts a broad range of Americans; 24 million Americans will be subject to the alternative minimum tax if Congress does not act. We have energy tax extenders that put in jeopardy lots of investment in renewable energy sources such as wind and solar. We have students who are affected because of a student loan provision, teachers who are affected by a teacher deduction that is allowed for expenses. We have the rural schools' fix included. All these things will be impacted if Congress fails to act.

Where we are with regard to that is, the Senate has passed a bill with 93 votes that we have sent to the House. The House is now trying to send that back, broken up in different ways and with different sorts of offsets.

The point is, we have to get it done. We have to look at what the traffic will bear. We have done everything we can in the Senate. When I was a Member of the House, I used to gripe about the Senate and its rules. Why can't we send things over there and get them done in a timely way?

The reality is, to get anything comprehensive done and anything consequential, it takes 60 votes. Already it is clear we will not be able to get 60 votes. We voted on this issue numerous times in the Senate. We voted on it repeatedly, the very provisions the House is trying to get us to adopt, without success.

In fact, last week we voted. We only got 53 votes in the Senate out of the 60 that are necessary. So it seems, to me at least, we are at a point where we flat have to get this done. It is no substitute for a comprehensive energy bill, but it is the least we can do. If the least we can do is the best we can do, we ought to do at least the best we can do, which is to pass these energy tax extenders and get some of this investment in energy technologies that would help us toward our goal of energy independence and reducing carbon emissions.

I urge our colleagues on the House side to accept this bill. It is a signable bill. It is very clear we have done everything we can in the Senate with repeated votes. The proposal the House has put forward is not going to move in the Senate, and we have a very short clock to work with here in order to get something done. It should not be a question of the political winners and losers. It ought to be about the American economy and the American people. We need to do something that is a winner for them, and that ought to be moving this piece of legislation in the House. It has 93 votes in the Senate. It is there. It is awaiting action.

It is absolutely clear the proposal they have sent here cannot secure the necessary votes to move. That bill that is over there will be signed by the President. It moves us in a direction of energy independence and puts some energy policy in place that is important to the future of this country, as well as all the other tax provisions I mentioned, including preventing 24 million American families from being hit by the alternative minimum tax at the end of the year. So I hope, again, this legislation will pass. I urge my colleagues on the House side to take it up and pass the Senate bill.

Mr. President, I yield back the remainder of my time.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

FEDERAL RAILROAD SAFETY IMPROVEMENT ACT OF 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the House message to accompany H.R. 2095, which the clerk will report.

The legislative clerk read as follows:

Message from the House of Representatives to accompany H.R. 2095, entitled an Act to amend title 49, United States Code, to prevent railroad fatalities, injuries, and hazardous materials releases, to authorize the Federal Railroad Safety Administration, and for other purposes.

Pending:

Reid amendment No. 5677 (to the motion to concur in the amendment of the House of Representatives to the amendment of the Senate to the bill), to establish the enactment date.

Reid amendment No. 5678 (to amendment No. 5677), of a perfecting nature.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 12:15 will be controlled by the Republican leader, and the time from 12:15 until 12:30 will be controlled by the majority leader.

The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I rise to talk about the rail safety and Amtrak authorization bill. This is a bill that I think will move forward a major alternative option for our passengers and for the mobility of our country—Amtrak.

Most people think of Amtrak as the Northeast corridor, and going from Boston all the way through New York and Washington and on down through Florida. That is a very important route. In fact, that route has more than 2,600 trains operating every day. So it is a major part of our transportation infrastructure in what is called the Northeast corridor.

However, we have a national system for Amtrak as well. It is a national system that goes, of course, down the east coast, as I mentioned, but it also goes down the west coast. It goes all the way up and down the west coast. It has lines that go across the top of our country, across the bottom of our country east to west, and right down the middle, what is called the Texas Eagle, which goes from Chicago, down through St. Louis, down into Texas, and across to San Antonio, where it meets the Sunset Limited, which goes from California to Florida.

So we have the skeleton of a national system. It is a system we must preserve. It is a system that has become more and more of an option as gasoline prices have increased. We saw how many people went to train use after 9/11, when the aviation industry was shut down. It is something we must support and keep.

Now we are increasing ridership every year. During fiscal year 2007, 25.8 million passengers, representing the fifth straight fiscal year of record ridership, boarded Amtrak. Ridership is up 7 percent more over this time last year, as people have gone to the trains because of the high gasoline prices.

This bill authorizes $2.6 billion annually over 5 years. It authorizes that amount. In Congress we authorize, and then the appropriations come later on an annual basis. And $2.6 billion would be the ceiling for the next 5 years for Amtrak. But to put this in perspective, when we are talking about alternatives in our transportation system, we have authorized, in SAFETEA–LU, the highway authorization bill, $40 billion. The FAA bill, introduced in this Congress, proposes to invest $17 billion annually in aviation. Last year we passed a Water Resources Development Act authorizing $23 billion over the next 2 years.

We are talking about $13 billion over 5 years—$2.6 billion each year, which is the very least of the authorizations of any of our transportation systems. If included with the number of passengers served by our aviation industry, in 2007, Amtrak would rank eighth in the number of passengers served, with a market share of right at 4 percent. There are nearly twice as many passengers on an Amtrak train as on a domestic airline flight.

So we have crafted a bill—and I have to tell you honestly, this is not my bill. Actually, it started with Trent Lott. Senator LAUTENBERG on the majority side now has continued to be a leader in this field. I support the bill FRANK LAUTENBERG and Trent Lott negotiated because it is right for our country. I have always said, for me, Amtrak is national or nothing.

There was a time in this Congress when nobody ever talked national. They only talked about saving the Northeast corridor. Of course, that is the rail line that is owned by Amtrak. The other rail lines mostly are not separated, although I would like to see that changed. But we are using freight rail, and we are at the behest of the freight rail lines. So it is not as efficient. But it is very important we keep those relationships and work toward having the separate lines on those rail rights of way. Today, we are talking about a national system.

There was a time when we only talked about the Northeast corridor.

But many of us who are on the national lines, who have been supportive of the Northeast corridor, said: Wait a minute. We cannot create a stepchild in the rest of the country. If my taxpayers in Texas and Trent Lott's taxpayers—now THAD COCHRAN's and ROGER WICKER's taxpayers—are subsidizing Amtrak in the Northeast corridor, we want to have a chance at the national system because it has so much potential to work with States and cities to use mass transit systems that feed into the national system, and it will help all of us with mobility. In fact, all of those who support the Northeast corridor have been very supportive also of the national system.

We have had a partnership in Congress for the last 10 years that I have been here to make sure we are making Amtrak financially responsible with the least amount of Federal help of any of the transportation modes. Highways are $40 billion a year. We are $2.6 billion a year. So we have a bill that has been crafted, I think, in the very most responsible way. I recommend it, and I appreciate very much the opportunity to take this bill as we have crafted it, with a lot of give and take, and recommend to the Congress and the Senate we pass it today.

Mr. President, I wish to yield up to 5 minutes to the distinguished senior Senator from the Acting President pro tempore's home Commonwealth of Virginia, one who I have to say has been a longtime supporter of Amtrak and has been such a leader in this Congress. This is his last term in Congress. He has decided not to seek reelection. He is someone who has been a leader not only on Amtrak but certainly on our military affairs for our country, the man whom we call the squire, the senior Senator from Virginia.

The ACTING PRESIDENT pro tempore. The senior Senator from Virginia.

Mr. WARNER. Mr. President, I thank my long-time friend and colleague in the Senate, the Senator from Texas. For so many reasons she is a real leader on our team, on the team of leadership.

But how many times, if I might ask the Senator from Texas, have you taken this bill to the floor of the Senate on behalf of Amtrak, rail safety, Metro? Would you mind telling us how many times?

Mrs. HUTCHISON. I say to Senator WARNER, thank you. It is my pleasure to have supported Amtrak from the day I walked in the door 15 years ago. I think the partnership between the Northeast corridor supporters of Amtrak and the rest of the country supporters has created a much stronger system. We are seeing that in the ridership. I think if we make the commitment to Amtrak we make to the other modes of transportation, it will be better for our whole country and give more options to the people of our country.

Mr. WARNER. Mr. President, I recognize that great contribution, but I wanted it a part of the RECORD.

I say to my long-time friend, Mr. LAUTENBERG, the distinguished senior Senator from New Jersey, I hope in your remarks you will recite how many times you have gone to the floor on behalf of people seeking the needs of not only Amtrak but the rail safety and the Metro funds which are in this bill this time.

These two Senators have been the engine on this very important piece of legislation. The distinguished Acting President pro tempore and I are proud to represent Virginia, one of the beneficiaries of this system. But I have also tried through my many years in the Senate to have a voice for the District of Columbia.

This Amtrak as well as the Metro funds in here are the pulse beat, the arteries which feed the Nation's Capital. Some 40 to 50 of the various Government agencies serving our Nation are accessed with Amtrak. I say to my colleagues in the Senate, all 100 Senators—all 100 Senators—have staff members and the families of staff, and ourselves, who very often utilize the Metro system and indeed access part of the Amtrak system. This is a 10-year funding for the Metro for capital improvement and operating.

Mrs. HUTCHISON. Mr. President, will the Senator yield?

Mr. WARNER. Yes.

Mrs. HUTCHISON. Mr. President, I wish to say on that point, the distinguished senior Senator from Virginia has mentioned how important the Metro part of it is. I think he has represented so well the interests of all the people who live and work in Virginia, Maryland, and the District of Columbia.

It also applies, I would expand, to the visitors to our capital because the rail line on Amtrak that goes from Baltimore Airport to the District, our capital, and from Washington National Airport to our capital, has been so helped by having this kind of service from Amtrak at National Airport or Baltimore to be able to get on that train and come visit our capital. That is a mode of transportation that is used by the millions of visitors who come to visit our capital.

This is part of the mobility we provide to people who bring their families here. It is the most efficient and least costly way to get into the District to show children the opportunity to see our capital. I appreciate the senior Senator from Virginia pointing out that this is part of our responsibility.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, I wish to add that this system, the Metro system, is a feeder to the Amtrak. It was started in 1960 under President Eisenhower. Each year, the Congress has been a supporter of this system. But key to this—and I compliment my colleagues in the House, Congressmen MORAN and DAVIS—are the matching funds from each State, so the portion of authorization we seek for Metro in this would be matched by the several States and the District of Columbia.

Mr. President, I intend to cast a ''yea'' vote on cloture on the motion to concur with the House amendment to the Railway Safety-Amtrak bill. I believe this legislative package is critical for so many reasons.

Of highest importance to me, though, is a much-needed authorization of $1.5 billion over 10 years for the Washington Metropolitan Area Transit Authority, WMATA, the Metro system that probably brought a majority of our staffers to work this morning.

WMATA has been one of the Washington, DC, metro area's most successful partnerships with the Federal Government.

In 1960, President Eisenhower signed legislation to provide for the development of a regional rail system for the Nation's Capital and to support the Federal Government. Since 1960, Congress has continually reaffirmed the Federal Government's commitment to Metro by passing periodic reauthorizing bills.

Over half of Metro's riders at peak times are Federal employees and contractors, and a large percentage of these riders are Virginia residents.

Based on Metro's 2007 Rail Ridership Survey, approximately 40 percent of respondents identified themselves as Federal workers who ride Metrorail to work. 39 percent of that group identified themselves as Virginia residents.

We are talking about thousands of cars taken off the major roadways each day because of our area's Metro system.

Metro's record riderships have occurred during historic events where people from all over the country flock to the Nation's Capital to honor their Federal Government: President Reagan's funeral, Fourth of July celebrations, Presidential inaugurations. In addition, the Metro system proved indispensable to the Federal Government and the Nation's Capital generally in the aftermath of the terrorist attacks of September 11, 2001.

Over 50 Federal agencies in the National Capital Region are located adjacent to Metro stations. Federal agencies rely on WMATA to get their employees to and from the workplace year-round, in all types of weather.

As I mentioned, the Railway Safety-Amtrak bill includes $1.5 billion in Federal Transit Authority funding over 10 years for capital and preventative maintenance projects for WMATA. This language was added by voice vote to the Amtrak bill by my delegation mate, Congressman TOM DAVIS, as a floor amendment during the House's Amtrak debate over the summer.

These dollars will be matched by the Commonwealth of Virginia, Washington, DC, and the State of Maryland.

This critical investment will help provide for much-needed improvements to this stressed transit system. Projects such as station and facility rehabilitation and tunnel repairs will be undertaken.

These funds will also allow WMATA to add new rail cars and buses to help congestion during peak hours.

This critical legislation, which would authorize much-needed Federal funding, contingent on State and local dedicated matches, recognizes how vital Metro is to the region and the Federal Government.

Such legislation is integral to the well-being of the area's transportation system, as we struggle to address traffic congestion, skyrocketing gas prices, global climate change, and the local quality-of-life concerns.

From its inception, the Federal Government has played a significant role in funding the construction and operation of the Metrorail system. I hope this Congress will continue to show that support.

I ask my colleagues to join me in voting ''yes'' for WMATA today.

Mr. LAUTENBERG. Mr. President, I rise today to ask my colleagues to join me in voting for cloture on this important rail safety and Amtrak reauthorization bill. I am pleased to be doing this with the distinguished Senator from Texas, Mrs. HUTCHISON, and am particularly delighted to have the chance to share in the twilight area of the distinguished career of the senior Senator from Virginia on this issue. JOHN WARNER and I have been friends for many years. We both had some military experience in World War II, and Senator WARNER went on to Korea to continue his duty. We are grateful for not only his duty in the military but his service to the country. Senator WARNER is a man with balance and sensitivity. It doesn't mean he always agrees, and when he doesn't, you know that. He is not hesitant to let you know that he disagrees, but he always does it as a gentleman and always with a courtly touch, if I might say.

So I am pleased to be here and to have his interests in taking care of the District of Columbia, the State of Virginia, and the State of Maryland in terms of having the kind of rail service that is essential now.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, if the Senator would yield, I would just express my appreciation and thanks to the Senator from New Jersey. After 30 years in the Senate, much of that time has been spent working with him on a wide range of issues, many of them international issues of great importance. But I am always happy to come back to the fundamentals of what makes this institution work, and that is our staff and employees and others who are dependent upon this system. I thank the Senator.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that I be given 2 minutes for Senator DEMINT. I overlooked his coming to the floor. It is my fault. I ask unanimous consent for 2 additional minutes and also to give the other side 2 additional minutes.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, when we look at railroads and the role they serve in our country, it is interesting to see that we are now fighting for having better rail service when we are practically overwhelmed with demand for it. However, on an average day in America, two people are killed and more than 24 injured in railroad-related accidents.

The recent Metrolink collision in Chatsworth, CA, that killed 25 people and injured 135 serves as a tragic reminder that we must act to protect the millions of passengers who ride trains each day in this country. Yet Federal rail safety programs have not been reauthorized since 1994. Some railroad employees are working under laws that date back over a century ago. It is critical that we bring our safety laws into the 21st century for travelers, for the rail workers, and our country's railroads.

Under the leadership of Senator INOUYE and the Commerce Committee, working in a bipartisan fashion, we held two hearings to gain input from the administration, large and small railroads, and rail workers. We were very careful with that. The bill we put together was reported out of committee unanimously. It passed then unanimously on the Senate floor last month.

The bill before us today continues an agreement between the Senate Commerce Committee leaders and our counterparts in the House which also passed a rail safety bill. It requires new lifesaving technologies such as positive train control, also called PTC systems. Federal accident investigators say this technology could have made a difference in this month's California crash.

Our bill updates the hours of service laws to ensure that train crews and signal workers get sufficient rest to remain alert and reduce fatigue.

It gives the Federal Railroad Administration the tools to better oversee the safety of the rail industry, including more inspectors and higher penalties for violations of Federal safety laws. In all, the rail safety improvements in this bill are long overdue for workers, for the industry, and for Federal regulators.

In addition to the rail safety legislation, this bill reauthorizes Amtrak for the first time since 1997. As with rail safety, the Senate has passed legislation on this already in this Congress by an overwhelming bipartisan vote on the Senate floor last October. I coauthored that bill with Senator Lott, and it reflects our shared vision for expanding the use of passenger trains in the United States. We held several hearings on this bill and received input from Amtrak, freight railroads, the States, and rail labor.

Since we were blocked from going to conference and reconciling the differences with the House Amtrak bill, we worked out a bipartisan, bicameral agreement with our House counterparts. This portion of the bill before us today substantially changes our Federal policy toward passenger rail travel. It provides the funding that Amtrak needs to succeed as a real option for travelers. Included in this funding is a new $2 billion grant program for States to pursue passenger rail projects. In all, this bill would authorize over $2.5 billion each year for Amtrak, but it includes the States also for the next 5 years. I say ''includes the States also'' because it gives the States an opportunity to establish their own rail corridors that have so much interest now. This level of funding will allow more passenger trains to serve more travelers, will create infrastructure-related jobs in America, and will allow Amtrak to make long-term growth plans.

With this investment also comes more accountability. Our bill contains significant reforms, many called for by Senators who have not always supported Federal funding for Amtrak. These reforms will require the railroad to improve its efficiency and management by mandating a new financial accounting system, requiring States to pay for those Amtrak services they get, and considering passenger trains run by freight railroads. Our bill also allows private firms to submit proposals to build new high-speed lines where there is interest, which allows for a full public discussion of this potential.

Both the rail safety and the Amtrak portions of this bill are needed and long overdue. Since we last passed rail safety legislation, more than 9,000 people have been killed and more than 100,000 have been injured in train-related incidents. Think about that. Here we are, we are having a little battle about this, when we can be saving lives, making people more comfortable in their travel, and making rail service more reliable.

Since we last passed Amtrak legislation, gas prices, everyone has noticed, have tripled, highways have gotten more crowded, and we have suffered two of the worst years ever for flight delays. The House took up this bill and passed it on a bipartisan voice vote last week. Now the Senate needs to invoke cloture, pass this bill, and send it to the President for his signature.

I ask that all Senators let us proceed to this question and help travelers, the rail workers, States, and the American railroad and supply companies in this critical industry.

Mr. President, what is the time situation please?

The ACTING PRESIDENT pro tempore. With the additional time granted, the majority now has 7 minutes 10 seconds, and the minority has 2 minutes.

Mr. LAUTENBERG. Mr. President, our bill will result in a substantially safer railroad industry. In recognition of this, the Association of American Railroads and many railroad labor

unions together strongly support our bill.

Our bill will expand the resources of the Federal Railroad Administration, the agency which regulates railroads for safety. It has provisions which would authorize 200 more inspectors and raise the maximum amounts for civil penalties that the agency can levy for violations of our safety laws. These violations can cost up to $100,000 each.

Too often it takes a catastrophe to get people around here to focus on severe gaps in our laws. Regrettably, earlier this month, America experienced that kind of tragedy. The accident took place in Chatsworth, CA. That train collision was only a couple of weeks ago—September 12, 2008. The devastation we see here, including the loss of life and the number of injuries, is unacceptable if we can do anything about it, and we can.

We also owe it to the residents in communities such as Graniteville, SC. This was January 6, 2005. They had nine fatalities. We want to make sure these things don't happen again. In 2005, we had over 5,400 people evacuated from the area surrounding the accident to avoid the fog of deadly chlorine. Had this accident happened any later that morning, the consequences would have been much worse. Factory workers would have been at work in nearby mills and schoolchildren would have been in the nearby schools. So we owe it to the memory of those people to pledge that wherever we can avoid this kind of thing happening, we must do it.

We also owe it to the people of Luther, OK, who last month watched this massive fireball erupt after a train derailed and caused ethanol tanks to explode. Look at that picture. You can't see the train. That is what happened. We have to be better prepared to prevent these things from happening.

These are not trivial improvements we are talking about today in this legislation. I hope we can quickly finish our work on this bill and get sent to the President's desk for enactment, so that we can avoid the kinds of tragedies that we know are possible.

Mr. WEBB. Mr. President, I rise today in support of the Federal Railroad Safety Improvement Act, H.R. 2095, which reauthorizes our Federal passenger rail program and contains a provision that would provide much needed funding for the Washington Metropolitan Area Transit Authority, WMATA.

I am a proud original cosponsor of the Amtrak reauthorization legislation, which seeks to improve the safety, efficiency, and reliability of our Nation's largest passenger rail service provider. With increasing traffic congestion on our Nation's roadways, it is time to invest in long-term and diversified infrastructure projects that improve passenger rail service. I have long stated my belief that America has been seriously neglecting its infrastructure, and I am pleased that this bill puts us on the path to making a renewed investment in passenger rail service. Notably, the bill before us today authorizes $13 billion for Amtrak over 5 years and includes $1.5 billion to develop high speed rail corridors throughout the United States, including the Southeast corridor which will connect Washington, DC, to Charlotte, NC.

However, most importantly the legislation before us includes a bill that many of us in the Maryland and Virginia delegations have long been pushing for a long time. I want to thank Chairman LAUTENBERG and his staff for working with me and my colleagues to include the National Capital Transportation Amendments Act of 2007, S.1446.

In short, the Metro funding provision would authorize $1.5 billion over 10 years for Metro to finance capital and preventive maintenance projects for the Metrorail system. The Federal funding would share the funding burden with the States because the money would be contingent on the District of Columbia, Maryland, and Virginia jointly matching the Federal contribution toward Washington Metro's capital projects.

Appropriate funding for the Metro system is critically important to our Federal workforce, the millions of tourists who visit our Nation's Capital area, as well as the millions of people who live around Washington, DC. I have worked diligently with my Senate and House colleagues over the past 2 years to pass this legislation, and I ask my colleagues to help secure passage of this provision in the Amtrak authorization bill.

Metrorail and Metrobus ridership continue to grow as more than 1 million riders on average per weekday choose Metro as their preferred mode of transit for traveling around the National Capital Region. As the price of gasoline has soared, more people are turning to Metro as their primary mode of transportation. I would note that in fiscal year 2008, there were 215 million trips taken on Metrorail, which is the highest yearly total ever. This represents an increase of 4 percent over last year. In fact, 31 out of 34 of Metrorail top ridership days have occurred since April of this year. On Metrobus, there were 133 million trips taken, an increase of 1.4 million relative to 2007, and also the highest yearly total ever. New funding authorized in this legislation would provide the necessary resources to increase bus and rail capacity and meet forecasted ridership demands before the system and region become totally mired in congestion.

The Federal role in supporting Metro is clear, with a long track record to draw upon. Washington Metro began building the rail system in 1969 with Federal funding authorized under the National Capital Transportation Act of 1969. On two separate occasions, Congress has authorized additional funding for Metro construction and capital improvements. According to a 2006 Government Accountability Office report:

> WMATA provides transportation to and from work for a substantial portion of the federal workforce, and federal employees' use of WMATA's services is encouraged by General Services Administration guidelines that instruct federal agencies to locate their facilities near mass transit stops whenever possible. WMATA also accommodated increased passenger loads and extends its operating hours during events related to the federal government's presence in Washington, DC, such as presidential inaugurations and funerals, and celebrations and demonstrations on the National Mall.

In fact, during rush hour, Federal employees account for over 40 percent of Metro ridership. The Metro system was also critical to the evacuation of Washington, DC, following the 2001 terrorist attacks. Metro was deemed a ''national security asset'' in a Federal security assessment conducted after 9/11. In short, the operation of the Federal Government would be nearly impossible without the Metro system and the Federal Government's emergency evacuation and recovery plans rely heavily on Metro.

The future of Metro and its continued success relies upon consistent support from the Federal Government and the regional localities it serves. Now is the time for the Federal Government to commit itself to providing more long-term Federal funding for the Washington Metro system. Together, along with our jurisdictional partners, we must continue to invest in the transit system that has brought so many benefits not only to the region but also to the Federal Government and the entire Nation. I urge my colleagues to support passage of this bill.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina is recognized for 2 minutes, and that time will be charged to the minority.

Mr. DEMINT. Mr. President, I do appreciate the leadership on this bill. I am particularly honored to serve with JOHN WARNER. He has been involved with so many great victories here, great leadership. He will certainly be missed.

I don't want to be the one to rain on the parade here because I certainly know there are some good improvements in this bill. Obviously, there is some disagreement whether this bill should go through. The Heritage Foundation calls it the biggest earmark in history. We do have to recognize that with this, on top of the over $20 billion in earmarks we passed last week, the American people have to be looking in on us and asking, What are they thinking?

If we adopt this cloture motion, we are setting up 30 hours of debate on what I am sure to many is an important bill, but this is in a time when we are talking about a financial crisis of proportions we have not seen since the Great Depression. We have instilled panic in the American people, and people are working around the clock to determine whether we should spend $700 billion to intrude into the private markets.

To take 30 hours during this time is to suggest to the American people it is business as usual here while we have a crisis and panic on the outside. I encourage my colleagues to let's put this off until later. Whether you support it or you don't, this is not the time to tell the American people one thing and to proceed as it it is business as usual. We should not be spending 30 hours of debate on an Amtrak bill, with the pork that has been added to it, at a time when we need to be addressing a crisis in America.

I thank the leadership for all their work on this bill.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. DEMINT. I yield the floor.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mrs. BOXER Mr. President, due to the Jewish holidays, I am unable to attend the cloture vote today on the Federal Railroad Safety Improvement Act.

However, I want to take this opportunity to express my support for this important piece of legislation that will have a significant impact on rail safety for my State of California and our Nation.

On September 12, a Union Pacific freight train collided head on with a Metrolink commuter train during rush hour in Chatsworth, CA. This tragedy claimed 25 lives, and injured 135 people, many of whom have sustained lifelong injuries.

This was a senseless tragedy that did not have to occur. Several safety measures could have been employed to help avert this tragedy, including the implementation of positive train control, PTC, systems on single tracks shared by commuter and freight rail.

The National Transportation Safety Board has called for the implementation of positive train control systems since the inception of its Most Wanted Transportation Safety Improvements list in 1990. In its most recent list, the NTSB states:

> The board believes . . . positive train control is particularly important in places where passenger trains and freight trains both operate.

That is why I joined Senator FEINSTEIN in introducing legislation after the accident that would require positive train control systems to be implemented by 2014 nationwide and in areas of high risk by 2012.

While I would have preferred that the Federal Railroad Safety Improvement Act mandate positive train control in high risk areas by 2012, I am pleased this bill takes a step in the right direction by giving the Federal Railroad Administration, FRA, the authority to require the implementation of PTC sooner than 2015.

I also believe the Federal Railroad Safety Improvement Act makes key advances to address other necessary safety improvements.

In addition to requiring the implementation of positive train control systems on rail lines used by passenger trains and trains carrying hazardous materials, the bill authorizes $250 million in grants for States and railroad carriers to aid in the deployment of PTC systems and other rail safety technology.

The legislation also revises work hours for train crews and signal employees by requiring an uninterrupted off-duty period of 10 hours between shifts, a total monthly cap of 276 hours for train crew work hours, and creates the first mandatory ''weekend'' for railroad employees by requiring consecutive days off.

The Senate has an opportunity to vote this week on the first comprehensive rail safety bill since 1994 and send a clear message to Americans that we have taken action to protect the public by making rail safety a priority.

In light of the recent rail tragedy in southern California, there is no excuse for failing to pass rail safety legislation.

This month, I hosted a Commerce Committee briefing on the rail accident. What became clear at this briefing was that the FRA has had a lax attitude toward rail safety oversight in recent years and that Congress must act now to assure the public's concerns and ensure the safety of commuter rail.

In the wake of the California rail tragedy, this is not the time to have a partisan debate over increased regulation of rail safety intended to protect passengers.

Commuter rail systems across the nation need resources and oversight by FRA to keep Americans safe.

As gas prices continue to rise and more and more families turn to public transit, we must take additional steps to ensure the safety of our commuters.

Our colleagues in the House have acted in support of this legislation. Now is the time for the Senate to act so that we can begin to take the steps necessary make our rail commuter and freight rail lines safer.

I look forward to continuing to work with my Senate colleagues on this important issue in the next Congress.•

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

• Mr. NELSON of Florida. Mr. President, with gas prices as high as they are in our country, rail is becoming a more popular mode of transportation. As we find ourselves dealing with more trains on the rails, with crews being asked to work longer hours and make more trips, it is imperative that we ensure these operations are conducted safely.

The Federal Railroad Safety Improvement Act would make sure that rail crews are properly rested and that hazardous materials are properly secured. It also includes critical improvements to our rail infrastructure at bridges and grade crossings. I regret that I could not be here to cast my vote on Monday, but if I were here, I would have voted in favor of cloture. This bill deserves an up-or-down vote because the American people deserve a safe rail transportation system.•

Mrs. FEINSTEIN. Mr. President, I rise to speak in support of the Rail Safety Improvement Act, which passed the House of Representatives last week by voice vote. This legislation is necessary in order to make our rail lines safe. I encourage my colleagues to support it.

First, I thank Chairman INOUYE, Chairman LAUTENBERG, and Senator HUTCHISON for their terrific leadership on this important bill. They worked in a bipartisan fashion to advance the first comprehensive rail safety bill since 1994. I appreciate their genuine efforts to make America's rail system as safe as possible.

The Rail Safety Improvement Act would prevent train accidents by deploying new safety technology.

It would also take steps to minimize train worker distraction and fatigue, and it would help those impacted by accidents.

Finally, it would invest in the future of rail, in which I firmly believe.

Let me explain what this bill does. After years of delay, this bill will mandate and authorize new funding for the installation of advanced train collision avoidance systems known as positive train control. It will also address grade crossings—establishing a grant program to fund improvements at crossings with a history of deadly collisions.

This bill will limit trainmen shifts to 12 hours, preventing tired engineers from falling asleep at the throttle; it will establish new hours of service rules tailored to ensure commuter rail line workers are rested; it will improve training for those who work the rails, and; it will permit the Federal Railroad Administration to ban cell phone use and other distractions.

The bill will create a program to assist victims and their families involved in passenger rail accidents.

The bill will also lay out a path that will guide the future of rail in America. It invests in Amtrak; it establishes competitive grants to expand the existing rail network into new areas; and it establishes significant Federal support for developing high speed rail in the United States.

This legislation is necessary and long overdue. Congress has not reauthorized the Federal Railroad Administration—the FRA—since 1994, and without congressional guidance FRA has failed to respond to the National Transportation Safety Board's repeated calls for improvements. For example: NTSB has called for positive train control collision avoidance systems since the 1970s, and NTSB has called on FRA to ban the use of cell phones by engineers on duty since 2003. Without guidance from Congress, the FRA has done neither.

Beyond the calls made by NTSB, in California, three deadly crashes involving the Metrolink commuter rail system since 2002 demonstrate that the FRA needs a new mandate.

In 2002, a freight train in Orange County, CA, ran a signal and crashed into a stopped commuter train, killing three and injuring hundreds. NTSB found the collision would have been prevented by Positive Train Control, but nothing changed.

In 2005, a Metrolink train hit a vehicle left on the tracks at a highway rail intersection. This crash, which killed 11 southern Californians, was not unique. Such intersections lead to an average of 3,081 collisions and 368 deaths each year.

Seventeen days ago in Chatsworth, a Union Pacific freight train collided head-on with a Metrolink commuter train carrying 225 people headed home for the weekend. Twenty-five people died and 135 were injured.

In response to this terrible tragedy, I joined with Senator BOXER to introduce legislation requiring positive train control systems on America's trains—with priority given to high-risk routes where passenger and freight trains share the same tracks.

How can we have fully loaded freight and passenger trains traveling on the same track in opposite directions with nothing more to prevent a collision than signals and the attentiveness of a single engineer?

How can we apply 19th century safety systems to a very serious modern day problem?

This is a particularly acute issue in California, which has a great deal of single track, heavily traveled rail.

Mr. President, 41 percent—51 of the 125-mile—Los Angeles to San Diego Amtrak and commuter rail corridor is single track. This is the second most heavily traveled passenger rail line in the United States. On the Amtrak and commuter rail line from L.A. north to Santa Barbara and San Luis Obispo, 80 percent the track is single-tracked—177 of 225 miles, with only limited passing sides. Also 88 percent—75 of 85 miles—of the Altamont Commuter Express commuter rail linking Stockton and San Jose is single track.

In California, we cannot afford to wait for crash avoidance systems to come down in cost. We need action now.

Let me point out for a minute how positive train control works.

Every train's position is tracked through global positioning, which is new technology that can monitor its location and speed. These systems constantly watch for excessive speed, improperly aligned switches, whether trains are on the wrong track, unauthorized train movements, and whether trains have missed signals to slow or stop.

Each train also has equipment on board that can take over from the engineer if the train doesn't comply with the safety signals. The system will override the engineer and automatically put on the brakes.

Versions of these systems exist and are in use today. They are in place in the Chicago-Detroit corridor and Amtrak has a system in the Northeast corridor. San Diego has a more simple system, known as Automatic Train Stop, which has been in existence since the 1940s and would have probably prevented the Metrolink's most recent deadly crash. But the railroad industry resists these collision prevention systems. They ask for more time. They say that the technology is still being developed.

By enacting the Rail Safety Improvement Act, Congress will demonstrate that it gets the message that positive train control will save lives. This legislation includes key parts of the Rail Collision Prevention Act that Senator BOXER and I introduced.

The positive train control systems mandated by this bill will prevent 40 to 60 train crashes a year and save lives.

And FRA will have the power to issue civil penalties if the systems are not in place.

While the bill that Senator BOXER and I introduced would have required collision avoidance systems on high risk track to be in place earlier than this legislation, the Rail Safety Improvement Act is nevertheless a major step in the right direction.

The FRA will have the power to move deadlines up on the highest risk rail routes, and I fully expect FRA to impose aggressive deadlines on single track, heavily traveled rail lines.

I believe we must do all we can to see that the Senate acts on it before the session comes to a close.

I believe rail has a bright future in America but only if the public's safety is assured.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that Senator SPECTER be given 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Pennsylvania is recognized for 2 minutes.

Mr. SPECTER. Mr. President, this legislation is vital for the infrastructure of America. Amtrak provides an indispensable service. Contrary to assertions, there is much in this bill which provides for reform: a greater role for the private sector by allowing private companies to bid and operate underperforming Amtrak routes; requires Amtrak to establish and improve financial accounting; requires Amtrak to consult with the Surface Transportation Board, freight railroads, and the FRA.

Most of all, when the Senator from South Carolina comments about this is an earmark, this is thoughtfully considered legislation by both Houses of the Congress. It has been held up by the technical refusal of some Senators to allow conferees to be reported. But this sort of gives lie to the whole challenge of earmarks as a generalization. Of course, if it is a bridge to nowhere or some provision slipped into a bill by a single Member which does not have any merit, but where you have the Congress of the United States authorized by the Constitution to appropriate, this is thoughtful authorization of funds.

If this is an earmark, then those who condemn earmarks in their totality are absolutely dead wrong and nothing proves it as conclusively as saying that the Amtrak legislation is an earmark, when it has been carefully considered by both Houses of Congress, which is our constitutional responsibility and our constitutional authority.

I urge my colleagues to support this bill.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Mr. President, I am going to use leader time. All other time has expired; is that right?

The ACTING PRESIDENT pro tempore. The Senator is right.

Mr. LAUTENBERG. I yield back all our time.

The ACTING PRESIDENT pro tempore. The minority time has expired. The majority has yielded back its time.

The majority leader is recognized.

Mr. REID. Mr. President, we now turn to legislation, thankfully, to improve the safety of America's railroads. This bipartisan, bicameral legislation will achieve something we can all agree on, I hope—the improved safety of our Nation's railroads.

The pictures Senator LAUTENBERG placed before us are, to say the least, descriptive.

Through new technology, updated regulations, and an expanded Federal agency that is up to the challenge of policing the railroads, the bill will save lives.

To reach this goal, Senators from both sides of the aisle have worked tirelessly, putting aside partisanship and overcoming obstacles that would derail the needed safety and infrastructure improvements we owe the American people. The picture we saw a few minutes ago, the tragic collision that occurred in southern California in Chatsworth on September 12, reminded us all it has been entirely too long—almost 15 years—since Congress last reauthorized a bill to set the route of the Federal rail safety programs.

The Senate took its first steps at rectifying this situation by passing, by unanimous consent, Senator LAUTENBERG's rail safety bill, just before the August recess. It is a bill he worked hard on with KAY BAILEY HUTCHISON and which is now an important piece of legislation we must address.

Similar to myself, Senators LAUTENBERG and HUTCHISON believe we cannot wait another day to reauthorize and improve these lifesaving programs. I am glad we can finally move to consider this good piece of legislation today.

In addition to our rail safety programs, this legislation will also reauthorize Amtrak and improve the railroad safety operations infrastructure.

We last passed an Amtrak reauthorization bill more than 10 years ago. Our national railroad has been without

guiding legislation since 2002, and that was only temporary. With all the challenges facing the traveling public today—high gas prices, long delays at airports, and constant highway congestion—improving our Nation's intercity passenger rail system is an idea whose time has come.

Eight years ago, my wife and I decided we would travel from Washington to Chicago on an overnight train. What a good experience that was. Where I was raised, there was no railroad. But now, 8 years later, people would take the trains, such as we did, more often because of the jamming at our airports and our busy highways, but they simply are not available. Trains offer a fuel-efficient and environmentally sound way to quickly enhance our transportation system, and this bill will improve both the existing Amtrak system and help us develop new rail service in corridors across the country, such as in Nevada, where a high-speed rail corridor is being planned and would connect Las Vegas to southern California.

Despite this progress, some Senators took it upon themselves to prevent the House and Senate from going to conference on this bill in an attempt to kill the legislation. It is hard to comprehend, but that is true.

Thankfully, the sponsors of this bill did not give up when they faced these challenges. Senator LAUTENBERG and Senator HUTCHISON instead began working with the House to put together the combined rail safety and Amtrak legislation, and today we see the fruit of their labor.

This package has been approved by the House by voice vote, with near unanimous support, last Wednesday and is now ready to be sent to President Bush for his signature once the Senate passes it, which I hope we do.

It contains important new safety requirements for our railroads, such as the implementation of positive train control systems, known as PTC systems. These systems can prevent train collisions, such as the terrible crash in California less than a month ago.

This bill ensures the railroad industry adopts this vital technology wherever passenger trains and hazardous cargo shipments travel.

This legislation is supported by the railroads and their workers and was developed working closely with the administration.

Democrats and Republicans, in both the Senate and the House, have made a strong statement that we need to move our Federal rail safety programs and our passenger rail system into the 21st century. I hope we can move forward on this legislation quickly and get it to Senator Bush for his signature.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. By unanimous consent, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendment to the Senate amendment to H.R. 2095, the Federal Railroad Safety Improvement Act.

Richard Durbin, Hillary Rodham Clinton, Kay Bailey Hutchison, John Warner, Gordon H. Smith, Olympia J. Snowe, Jim Webb, Jon Tester, Barbara Boxer, Dianne Feinstein, Frank R. Lautenberg, Charles E. Schumer, Thomas R. Carper, John D. Rockefeller, IV, Benjamin L. Cardin, Byron L. Dorgan, Patty Murray, Daniel K. Inouye.

The ACTING PRESIDENT pro tempore. By unanimous consent, the mandatory quorum call is waived.

The question is, Is it the sense of the Senate that the debate on the motion to concur in the amendment of the House to the amendment of the Senate to H.R. 2095, an act to amend title 49, United States Code, to prevent railroad fatalities, injuries, and hazardous materials releases, to authorize the Federal Railroad Safety Administration, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from California (Mrs. BOXER), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Ms. LANDRIEU), the Senator from Michigan (Mr. LEVIN), the Senator from Missouri (Mrs. MCCASKILL), the Senator from Washington (Mrs. MURRAY), the Senator from Florida (Mr. NELSON), the Senator from West Virginia (Mr. ROCKEFELLER), and the Senator from Illinois, (Mr. OBAMA) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent. The Senator from Missouri (Mr. BOND), the Senator from Nevada (Mr. ENSIGN), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Hampshire (Mr. SUNUNU).

The PRESIDING OFFICER (Mr. SANDERS). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 69, nays 17, as follows:

[Rollcall Vote No. 209 Leg.]

YEAS—69

Akaka	Cornyn	Klobuchar
Alexander	Crapo	Kohl
Baucus	Dodd	Lautenberg
Bayh	Dole	Leahy
Bennett	Domenici	Lieberman
Bingaman	Dorgan	Lincoln
Brown	Durbin	Lugar
Byrd	Feingold	Martinez
Cantwell	Feinstein	McConnell
Cardin	Graham	Menendez
Carper	Grassley	Mikulski
Casey	Hagel	Murkowski
Chambliss	Harkin	Nelson (NE)
Clinton	Hatch	Pryor
Cochran	Hutchison	Reed
Coleman	Inouye	Reid
Collins	Isakson	Roberts
Conrad	Johnson	Salazar
Corker	Kerry	Sanders
Schumer	Stabenow	Webb
Smith	Stevens	Whitehouse
Snowe	Tester	Wicker
Specter	Warner	Wyden

NAYS—17

Allard	Craig	Sessions
Barrasso	DeMint	Shelby
Brownback	Enzi	Thune
Bunning	Gregg	Vitter
Burr	Inhofe	Voinovich
Coburn	Kyl	

NOT VOTING—14

Biden	Landrieu	Nelson (FL)
Bond	Levin	Obama
Boxer	McCain	Rockefeller
Ensign	McCaskill	Sununu
Kennedy	Murray	

The PRESIDING OFFICER. On this vote, the yeas are 69, the nays are 17. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The majority leader is recognized.

ORDER OF PROCEDURE

Mr. REID. Mr. President, the House is going to vote in the next half hour on the recovery plan. We are going to attempt this afternoon to get a consent agreement to move so that we will have a 60-vote margin to approve this legislation. We would do that sometime on Wednesday, late in the day.

In the meantime, we are working to see if we can complete an agreement to move and complete the Indian nuclear treaty, also on the same day. That would be Wednesday. I think we are very close to being able to work that out. That would allow all afternoon today, all day on Tuesday, and Wednesday to work on those two items.

Mr. MCCONNELL. Will the majority leader yield for a question?

Mr. REID. I am happy to yield.

Mr. MCCONNELL. I want to make sure I heard correctly, and my colleagues understand, that we would address the rescue package with a vote Wednesday night? A Wednesday night vote on the rescue package, is that what I heard?

Mr. REID. Yes. We have to make sure it passes the House. I am confident that will be the case. Yes, we will work to see if we can get agreement, both the majority and minority, to have a vote on that sometime Wednesday.

I also say I know there is a lot of anxiety, people wanting us to complete this this afternoon. We pushed things a lot, to a 12:30 vote. Many people wanted a much earlier vote. The holiday starts sundown today which, as I understand it, is around 6 o'clock, quarter to 6, maybe even earlier than that. People have to go home so they can prepare for the holiday.

I know people have said let's go ahead and do this anyway. We cannot do that. This is an important piece of legislation. It would be legislative malpractice for us not to talk about it before we vote on it. I am confident everyone understands that.

The one thing I didn't mention is we are going to have to have a final passage vote on the matter on which cloture was just invoked. We will also do

that on Wednesday. We should be able to complete—if things go well, we should complete all of our work Wednesday. The House is leaving today, so that fairly well limits what we can do. But if anyone has any questions, I will be happy to acknowledge them. We are having a caucus at 1:30 so we can talk to Democrats about this recovery program.

Mr. MCCONNELL. Will the majority leader yield further?

Mr. REID. I am happy to.

Mr. MCCONNELL. It is the majority leader's feeling there simply would be no way to address the rescue package this afternoon before sundown?

Mr. REID. That is right. I do say this will, of course—I could be wrong, but I am very confident there are enough votes to pass this legislation. There will be 60 votes to pass this recovery plan once we get it from the House. That should be in the next several hours. That will give people all the time that they need to talk about it. I do not want to be jammed in that regard. But there is no way we could do it. It is just not fair. This is the Senate where people are supposed to be able to talk. We just can't start voting on something that is costing the country up to $700 billion without at least advising our constituents why we are voting for or against something of this importance.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. I don't want to get into a big debate with the leader about this, but the House of Representatives, of course, is voting today, and they have not had the package any longer than we would have had it today. I know all of this is complicated by the holiday that is beginning at sundown. But this is a matter of extraordinary importance. Both sides realize it is important to the financial future of our country. I did at least want to raise the possibility one more time that maybe there would be some way we can vote on it today.

Mr. REID. Mr. President, the House has had—has been debating this since 8 this morning. That is 5 hours. I just think it is inappropriate for us to have that matter—we will not even get the bill for another couple of hours. I think it is inappropriate for us to charge into this without having had the opportunity to work on it. If it passes the House, I have already said publicly I am confident there are enough votes to pass it in the Senate. I have no doubt that is true.

Everyone should just calm down. I know this is a mad rush, but we make mistakes by rushing into things. There is nothing wrong with our talking about this until Wednesday. That is the day after tomorrow. I think the anxiety of the chairman of the committee who has worked so hard on this—I know he would like to get this done so he can go home and spend some time with his little girls. But I think discretion is the better part of valor. I don't think it is appropriate, and I don't think we could do it if we wanted to. We have people who are gone because of the holiday. They are gone right now. It is not fair to them. I do not think it is fair to the body generally that we rush into this, with Senators being gone. There is no question the holiday has been announced for more than a year. For some people this is a very important time of the year for them for their religious observance, and I am not going to tell Senators who are already not here because of this that they are going to miss this most important vote.

Mr. DOMENICI. Mr. Leader, I am not on the committee so I am not here with any rush from having written this or having spent time there. I just want to share with you my concerns.

I believe we are in a time situation that is of utmost importance. I believe the next 2 days could see many bad things happen that will be very harmful and irreversible for millions of people. The banking system and banks, financial institutions in the world during the next 3 days, even though they believe you, that we are going to pass this legislation—things can really happen to those that would not happen if we passed this legislation now. I just want to say I understand religious holidays and I understand the significance of the one you are speaking of. But I also believe—I think I understand what is happening out there and what is happening in the world, and 24 hours is enough time for many things to happen; 48 is too long.

Many things will happen which are detrimental and harmful. I urge you once again to repeat that you think we are going to pass this. I think it is important that we instill some confidence that we are going to get a right decision; that the delay is just an interim delay because it is unavoidable, at least you feel that way as leader of the Senate, but that we are going to pass it. If the world doesn't believe that, once the House passes it, a lot of our work will go for naught and a lot of things will happen that are not good. I am sure of that.

Mr. REID. I say to my friend, we have both Presidential candidates finally agree on one thing—we should pass this. Both agree. There are the two leaders, Senator MCCONNELL and I have done what we can to advance this program. I have no doubt that it will pass the Senate. We will wait to see what happens in the House, but I have no doubt it will pass the Senate.

Mr. LEAHY. Will the majority leader yield for a point?

Mr. REID. I am happy to.

Mr. LEAHY. I have seen the vote count. I know it will pass the Senate. But I urge Senators, let's not be stampeded into things without even reading it. Here is a report from the Department of Justice's Inspector General and Office of Professional Responsibility about the investigation into the firing of the U.S. attorneys, one of the greatest scandals to hit the Department. This came about because we rushed through on a piece of legislation at the last minute. The Administration slipped in a provision that was on the basis of the administration saying: Trust us—and they manipulated it. People eventually may go to jail because of this. Millions of dollars of investigations are going on because of this.

Keep in mind, 10 days ago we were asked to pass something immediately because of the urgency—they told us the world is falling, the sky is falling. That proposal said we would give the Secretary of the Treasury carte blanche to do anything he wants. That proposal said his decisions could not be reviewed by any court, any person, any administrative body, and they insisted that is the only thing—the only thing—the administration could accept.

After it was pointed out by myself and others that meant he could actually write himself a check for $700 billion and nobody could ask about it, when a number of those things came about, they suddenly realized they could make changes. We sat in a meeting, all the Senators, with the Secretary of the Treasury and Chairman Bernanke, the head of the Federal Reserve. I remember asking a question, a simple question. They went around and around and never answered it. Two days later they finally answered it.

Let's take time to read what we are voting on for the sake of this country, realizing what happened before when we were stampeded into voting for something because the sky was falling.

Mr. SALAZAR. Will the majority leader yield for a question?

Mr. REID. I am happy to yield.

Mr. SALAZAR. I say to the majority leader, only 10 days ago we were asked to give a $700 billion blank check to the Secretary of the Treasury because the sky was falling. I think the majority leader, working in a bipartisan way, did the right thing in terms of standing up against that stampede that was being brought upon us by the White House. Because of the process that has been underway in a bipartisan way, the blank check is no longer there. There are constraints on this legislation that make it better. But to have the judgment of the Senate, to have us rush to judgment on a $700 billion rescue package, would be an absolute mistake. I think the majority leader is correct in terms of wanting us to take the time to review this legislation, which none of us have yet seen, to review it through Tuesday, let the Jewish holiday pass, and then come back and take the appropriate steps so we make sure the sound judgment of the Senate is being brought on this legislation.

I am very much in agreement with the majority leader that we should take our time to get it done right.

Mr. REID. Through the Chair to my friend and all Senators, I have indicated what we have left on our plate to do. I hope we can complete that by Wednesday.

There are other things that could come up that may extend the time. We may not be able to finish things on Wednesday. There are things the House is sending over to us today, or not sending to us today, that we may have to act on. I am going to do my very best, working with the Republican leader, to get us out of here on Wednesday, but that is no guarantee. I am going to do the very best we can, but there may be other things that come up that we are forced to work on. Even though the House is gone, certain things they have done, if we decide we have the opportunity to do those, we may have to do some of those things.

I want everyone to know we will do our very best to get out of here sometime Wednesday night, but there is no guarantee on that, so I wouldn't make plans on Thursday to go golfing or anything like that.

FOOD, CONSERVATION, AND ENERGY ACT OF 2008

Mr. CARDIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 6849, which was received from the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 6849) to amend the commodity provisions of the Food, Conservation, and Energy Act of 2008 to permit producers to aggregate base acres and reconstitute farms to avoid the prohibition on receiving direct payments, counter-cyclical payments, or average crop revenue election payments when the sum of the base acres of a farm is 10 acres or less, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. McCONNELL. Mr. President, I rise today in support of H.R. 6849. This important piece of legislation would revise the 2008 farm bill and help thousands of Kentucky farmers.

As many of you may know, the farm bill prohibits producers from receiving certain commodity payments on farms of 10 base acres or less. Unfortunately, Kentucky has the greatest number of farms that will be impacted by this provision. According to the USDA Farm Service Agency and the University of Kentucky, one-fourth of Kentucky's farms are 10 acres or less, which indicates that approximately 20,000 of the Commonwealth's 80,000 farms could be affected by this provision. While I supported the farm bill, I opposed the inclusion of this program in the final legislation.

Last month, I wrote USDA Secretary Ed Schafer to express my concerns regarding USDA's implementation of this provision. I was concerned that USDA had interpreted the law in a way that disqualifies farmers with more than 10 base acres because that land is not located on a single, contiguous tract. As clearly outlined in the Joint Explanatory Statement of the Managers that accompanied this legislation, Congress intended that USDA allow for aggregation of farms for the purposes of determining the suspension of payments on farms with 10 base acres or less.

H.R. 6849 would remedy this issue by suspending this program for the 2008 crop year. I strongly support this provision since it could lessen the impact on my farmers and will perhaps provide encouragement to USDA to implement this provision in the manner that Congress intended.

Mr. CARDIN. I ask unanimous consent that the Harkin-Chambliss 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 any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 5679) was agreed to.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 6849) was read the third time, and passed.

ORDER OF PROCEDURE

Mr. CARDIN. I ask unanimous consent that the time during recess count postcloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL RAILROAD SAFETY IMPROVEMENT ACT OF 2007—Continued

Mr. CARDIN. Mr. President, I am very pleased that the Senate stands poised to approve H.R. 2095, a bill that provides for a new generation of rail safety improvements, the reauthorization of Amtrak, and the critical Federal funding for the Washington Metro system.

All three elements of this legislation are essential to bringing America's rail into the 21st century. There are many reasons we need to do that. We need to do that because it is important for quality of life, we need to do that because it is good for our environment, we need to do that for energy security, we need to do it because it should be an important priority for our Nation.

Now we are ready to move forward. I wished to focus my comments on title VI, which is the National Capital Transportation Amendments, a section that incorporates legislation I sponsored to reinvest in the Washington Metro system.

At the outset, I wish to thank my cosponsors, Senators MIKULSKI, WARNER, and WEBB. This has been a bipartisan regional effort, where we have worked together in an effort to come up with the right proposal.

I noticed a little earlier today that Congressman TOM DAVIS of Virginia was on our floor. I wish to acknowledge his hard work on this legislation. He was critically important in getting this legislation through and the strategies in order to be able to accomplish an opportunity to finally vote on this legislation.

Along with my colleagues from Maryland and Virginia, Congressman HOYER was very instrumental, and others. Our collective thanks also go to the chairman and ranking member of the Homeland Security and Government Affairs Committee, Mr. LIEBERMAN and Ms. COLLINS. They were very helpful in moving forward on this bill. I would like to thank also the Commerce Committee, Senator INOUYE and Senator STEVENS and Senator SMITH for accommodating the strategies so we could actually vote and pass the bill during this session.

A final word of thanks goes to Senator LAUTENBERG. He has been the champion on Amtrak. He has been the real champion to keep us focused on modernizing Amtrak and how important passenger rail is to our Nation. I wish to thank him for his persistence and for being able to marshal this bill through the Congress of the United States.

The record on the interest of the Federal Government in the Washington metropolitan area and transit goes back to 1952, when Congress directed the National Capital Regional Planning Council to prepare a plan for the movement of goods and people. That plan became the basis for the National Capital Transportation Act of 1960, which clearly states the Federal interests. From that legislation I quote:

That Congress finds that an improved transportation system of the Nation's capital region is essential to the continued and effective performance of the functions of the Government of the United States.

In 1966, Congress created the Washington Metropolitan Area Transit Authority, WMATA, to plan, construct, finance, and operate a rapid rail system for the region. By any measure, Metro has succeeded beyond anyone's expectations. Metro is the second-busiest rapid rail transit system in the Nation, carrying the equivalent of the combined subway ridership of BART in San Francisco, MARTA in Atlanta, and SEPTA in Philadelphia. Metrobus is the fifth most heavily used bus system in the Nation. In all, the Metro system moves 1.2 million passengers a day. In the fiscal year which ended 3 months ago, 215 million trips were taken on Metrorail. That is 7 million more than in 2007.

In fact, 22 of the 25 Metrorail top ridership days have occurred since April of this year. And 133 million trips were taken on Metrobus in fiscal year 2008, which is the highest year total ever, an increase of 1.4 million relative to 2007.

But let me get to the Federal Government for one moment, our responsibility. Federal facilities are located within footsteps of 35 of the Metrorail's 86 stations; that is by design. Nearly

half the Metrorail rush hour riders are Federal employees, nearly 50 percent during peak time are Federal employees.

Approximately 10 percent of Metro's riders use the Metrorail stations at the Pentagon, Capitol South or Union Station. In other words, 10 percent of the ridership is directly related to the Capitol and the Pentagon, obviously our responsibility, serving the military, serving the Congress.

GSA's location policy is to site Federal facilities in close proximity to Metro stations. It is in their RFP. They put it there. They want it to be within walking distances of the Metro. Metrobus is available at virtually every Federal facility. Every weekday, 34,000 bus passengers either arrive or depart from the Pentagon.

Metro is now a mature system and showing signs of age. That is no surprise; 60 percent of Metro's system is now more than 20 years old. The average age of our bus facilities is 60 years. It is time we invest in modernization of these facilities. Today we act to protect the substantial investment the Federal Government and the region have made in an asset designed to serve the Federal workforce and the national capital region.

Metro is the only major public transportation in the country without a substantial dedicated source of funding. The need to address the shortcoming is urgent. That is what this legislation is about. The legislation we, hopefully, will pass will put WMATA on firm footing. The legislation authorizes $1.5 billion in Federal funds over 10 years. For every Federal dollar, Metro's funding partners in Maryland, Virginia, the District of Columbia will put up an equal match from dedicated funding sources. We finally get the dedicated funding sources Metro needs.

The bill contains important financial safeguards. It establishes an Office of Inspector General for WMATA and expands the board of directors to include Federal Government appointees.

Also included in the bill is a provision that will improve cell phone coverage within the Metro subway system. I am sure that is going to make some of my colleagues happy that their cell phones will work on the Metro. Within 1 year, the 20 busiest rail station platforms will be required to have cell phone access. That requirement will go systemwide within 4 years.

WMATA can charge licensed wireless providers for access. This is a classic win-win situation, providing customers with enhanced service, giving riders an extra level of security in the event of a national or regional emergency, and giving the Transit Authority a much-needed revenue flow.

We have a great opportunity today to advance passenger rail service and safety in America, and transit in the Nation's Capital. Today, the Senate is taking a major step in putting Metro back on track. That is good for Washington, that is good for America and I thank my colleagues and I urge them to support the final passage of this legislation.

Mr. WARNER. Would the Senator yield?

Mr. CARDIN. I would be happy to yield to Senator WARNER, who has been the real champion on this issue. I mentioned earlier in my remarks the tremendous leadership that Senator WARNER provided in not only supporting this legislation and what he has done as far as regional issues in Washington but figuring a strategy so we could reach this moment. I congratulate him.

Mr. WARNER. I was simply going to rise to say that the portion of the legislation we voted upon relating to the Metro is derivative of your regulation which you, and I was privileged to be a cosponsor, Senator WEBB was a cosponsor, Senator MIKULSKI, the four of us put in. So although it may not be the exact bill number, it is, in fact, building on the foundation you laid.

I thank you very much for that, as do all our colleagues, every one of whom have people who utilize this system, the whole Federal Government.

But the important thing is, the District of Columbia can look to the Senators from Maryland, Virginia, and indeed the Members of the Congress and the House of Representatives, from time to time, to serve its interests. This is one which is very important, if not vital, to our Nation's Capital. I compliment the Senator for his leadership. As I leave the Senate, whatever modest mantle I have in this area, I convey to you and to Senator WEBB and Senator MIKULSKI.

Mr. CARDIN. Senator, you have been an inspiration to all of us on these issues and a model for how we should work together on regional issues. I congratulate you for a great record in the Senate.

Mr. WARNER. Thank you. I have been a lucky man.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

TRIBUTE TO JOHN WARNER

Mr. CARPER. I say to my leader, from my days as a naval flight officer, how privileged I have been having served in Southeast Asia, to serve under his leadership when he was Secretary of the Navy and I was a young naval flight officer, pleased to serve under his leadership then, and delighted to be able to follow his leadership here again today on the important legislation we have been voting and debating here.

I wish to comment on what Senator CARDIN said. You provided an example for us. You provided an example for us how we are supposed to treat other people. You treat other people the way you wish to be treated. You are an embodiment of the Golden Rule.

If you look in the Bible, it talks about the two great commandments. The second one is to love they neighbor as thyself; treat other people the way you want to be treated. You certainly embody that. I, personally, am going to miss you. I know a lot of others are as well.

You talk about passing the mantle to Senator CARDIN. Your mantle is so heavy, it is amazing to me you can even walk around, all you have done and all you have accomplished.

But you are the best. It has been an honor to serve with you, again, here in this capacity.

Mr. WARNER. Mr. President, I thank my good friend and colleague from Delaware. You mentioned naval aviation. It requires an extraordinary person to go into that program to fly those aircraft. I believe yours was a P–2; was it not?

Mr. CARPER. It was a P–3.

Mr. WARNER. I remember that airplane. It flew many missions. Your primary mission was watching the Soviets, I repeat the Soviet Navy, and its submarines operating off the shore and was vital to our security, to track and know where those submarines were because they had missile armaments which could inflict great harm on this country.

So I commend you, sir, for your service and I humbly thank you for your remarks.

Mr. CARPER. Mr. President, I would like to talk a little bit about the legislation Senator WARNER, Senator CARDIN, Senator LAUTENBERG, and others have crafted. It has been described as legislation that will accomplish three things: One, to eventually provide better transit service for folks in this part of the country, to help—whether you happen to work here, live here or visit here, the opportunity in years ahead, to get out of our cars, trucks and vans, leave them wherever they are, at home, in the parking lot or at work and take transit.

It will help the quality of our air. It will help reduce congestion in this part of our country. It will reduce our reliance on foreign oil. It works on all different kinds of levels.

I know Senator WARNER has done good work, along with Senators CARDIN and MIKULSKI and Senator WEBB. I also wished to say to Senator LAUTENBERG how much I appreciate his leadership in crafting the legislation, the Amtrak legislation, the rail safety legislation that is before us today.

On the rail safety legislation, this is the first time in 10 years that we have actually come back and taken up a major reform of rail safety. The legislation provides some money—about $1.5 billion—for rail safety programs over the next 5 years.

The best thing it does is with respect to something called positive train control systems. A terrible accident, a commuter train and freight train accident out in California earlier this month, could have been prevented had those trains been fitted with—especially, the commuter rail train—a positive train control system. This legislation requires the installation of that kind of system in all trains by the year 2015. I would argue that it should be

sooner. My hope is it will be in a number of trains before that date, but it should be on all trains by that date. In the situation in California, apparently the engineer may have been text messaging and missed a stop signal, ran the stop signal and ran right into a freight train, killed a lot of people, including him. Had we had this positive train control system in place, all that damage and heartache would have been spared.

Another major provision of this legislation on the rail safety side deals with hours of service. I used to think we flew a lot of hours. I spent a lot of time when I was on Active Duty in the Navy. People who work on trains spend a lot of time operating the trains as well. Currently, they are able to work up to 400 hours per month. Under current law, they are allowed to work up to 400 hundred hours per month compared to about 100 hours for commercial airline pilots. This legislation drops that limit by about a third, down to around 275 hours per month. That is still a lot of hours to work in a month but better than what they had been working with for years.

The last piece I want to mention on rail safety deals with the highway-rail grade crossing. This is a case where you don't have a rail overpass or a road going under a railroad bridge but a situation where you have the rail and the highway meeting at the same level. This legislation requires the 10 States with the most highway-rail grade crossing collisions to develop plans to address the problem within a year of enactment. It also requires each railroad to submit information to an inventory of highway-rail crossings, including information about warning devices and signage.

In short, this legislation is going to save lives. It is going to save money. It is going to provide a much better situation for people who are running and operating trains, people who are traveling on trains, and for those of us who are driving around in our cars, trucks, and vans, trying to get across a rail crossing.

Next I would like to turn to Amtrak, an issue that is near and dear to my heart. In our State, we have a lot of folks who take the train. Amtrak has a train station in Wilmington, DE, and that train station is about the 11th or 12th busiest in the country. A lot of people depend on Amtrak in my State, as they do up and down the Northeast corridor.

I used to serve on the Amtrak board of directors when I was Governor of Delaware. I rode Amtrak as a passenger. As someone who represents a State where we do a lot of repairs on locomotives, we do a lot of the repair work on the passenger and dining cars and so forth, I wanted to talk in sort of broad terms about this legislation.

Mr. President, what is the situation with the time?

The PRESIDING OFFICER. The Senate has an order to recess at 1:30.

Mr. CARPER. In that case, we better recess. I will have the opportunity later to pick up my remarks and talk about the Amtrak provisions in this bill.

I thank the Chair.

RECESS

The PRESIDING OFFICER. The Senate stands in recess until 2:30.

Thereupon, at 1:33 p.m., the Senate recessed until 2:30 p.m. and reassembled when called to order by the Presiding Officer (Mr. TESTER.)

FEDERAL RAILROAD SAFETY IMPROVEMENT ACT OF 2007

Mr. BARRASSO. 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. WEBB. 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. WEBB. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATORS

Mr. WEBB. Mr. President, I know this afternoon at some point the majority leader intends to speak about the service of a number of the Members of this body who are going to be retiring at the end of the year. But seeing that people are elsewhere right now, I thought I might seize this moment and say a few words about two of my Republican colleagues with whom I have had long relationships, and both of whom I respect a great deal, and to wish both of them success as they leave this body.

SENATOR JOHN WARNER

The first is Senator John Warner. Right now, with the situation facing this country, we are in more turmoil, we are facing greater problems than at any time, probably, since the combination of the Great Depression and the end of World War II. We need people who are willing to work to solve the problems of this country rather than simply falling back into partisan rhetoric or simple party loyalties.

I think it can fairly be said that throughout his lifetime of service, and particularly his service in politics, there is one thing everyone can agree on about JOHN WARNER: He has always put the interests of the people of Virginia and the people of this country ahead of political party. He has been very clear at different times that he and I are in different parties. But this is an individual who has served this body with great wisdom and a deeply ingrained sense of fairness, and someone who has the temperament and the moral courage of a great leader.

Our senior Senator has a history and a family heritage involving public service. If you go into Senator WARNER's office, you will see a picture of a great-uncle who lost his arm serving in the War Between the States. His father was an Army doctor who participated in some of the most difficult campaigns of World War I. Senator WARNER himself enlisted at the age of 17 in the Navy toward the end of World War II and was able to take advantage of the GI bill to go to college. Then when the Korean war came about, he joined the Marine Corps, went to Korea as an officer of marines, and, in fact, remained as a member of the Marine Corps Reserve for some period of time.

He, as most of us know, gave great service in a civilian capacity in the Pentagon. He had more than 5 years in the Pentagon, first as Under Secretary of the Navy, and then as Secretary of the Navy, and after leaving as Secretary of the Navy, was the official responsible for putting together our bicentennial celebrations in 1976.

I first came to know JOHN WARNER my last year in the Marine Corps when I was a 25-year-old captain and was assigned, after having served in Vietnam, as a member of the Secretary of the Navy's staff. JOHN WARNER was the Under Secretary at the time. John Chafee—later also to serve in this body—was the Secretary. Then, toward the end of my time in the Marine Corps, JOHN WARNER was the Secretary of the Navy and, in fact, retired me from the Marine Corps in front of his desk when he was Secretary of the Navy. I have been privileged to know him since that time.

I was privileged to follow him in the Pentagon, when I spent 5 years in the Pentagon and also was able to serve as Secretary of the Navy.

Shortly after I was elected to this body, Senator WARNER and I sat down and worked out a relationship that I think, hopefully, can serve as a model for people who want to serve the country and solve the problems that exist, even if they are on different sides of this Chamber. We figured out what we were not going to agree upon, and then we figured out what we were going to be able to agree upon. I think it is a model of bipartisan cooperation on a wide range of issues, ranging from the nomination of Federal judges, to critical infrastructure projects in the Commonwealth of Virginia, to issues facing our men and women in uniform, to issues of national policy.

It has been a great inspiration for me, it has been a great privilege for me to be able to work with Senator WARNER over these past 2 years.

Last week was a good example of how bipartisan cooperation, looking to the common good, can bring about good results when Judge Anthony Trenga made it through the confirmation process, an individual whom Senator WARNER and I had interviewed and jointly recommended both to the White House and to the Judiciary Committee.

I am particularly mindful—I see the Senator; the senior Senator has joined us on the floor—I particularly am mindful of the journey I took upon myself my first day as a Member of the Senate when I introduced a piece of legislation designed to give those who have been serving since 9/11 the same educational opportunities as the men and women who served during World War II.

Perhaps the key moment in that journey, which over 16 months eventually allowed us to have 58 cosponsors of that legislation, including 11 Republicans, was when Senator WARNER stepped across the aisle and joined me as a principal cosponsor, and we developed four lead sponsors on that legislation—two Republicans, two Democrats; two World War II veterans, two Vietnam veterans—that enabled us to get the broad support of the Congress and eventually pass that legislation. History is going to remember JOHN WARNER as a man who accomplished much here during his distinguished tenure. He was the first Virginia Senator to support an African American for the Federal bench. He was the first to support a woman. He was the first Virginia Senator to offer wilderness legislation. Senator WARNER has never wavered in his determination to do what is right for America, even when it caused him from time to time to break with the leadership of his own party.

There are important legacies, but perhaps more than anything else, we will remember Senator JOHN WARNER's tenure here as having been a positive force for the people who serve in uniform. There is not a person serving in the U.S. military today or who has served over the past 30 years whose life has not been touched by the leadership and the policies of JOHN WARNER and whose military service has not been better for the fact that Senator WARNER, as a veteran, as someone who has served in the Pentagon, and as someone who served on the Armed Services Committee, understood the dynamic under which they had to live, understood the challenges they had to face when they served, and understood the gravity of the cost of military service. Senator JOHN WARNER has stood second to none in protecting our troops and their way of life.

When JOHN WARNER announced his retirement 13 months ago on the grounds of the University of Virginia, he reminded us that at the end of the day, public service is a rare privilege. In my work with him over these many years, and particularly over the last 2 years, I can attest to the fact that he certainly approaches this work in that humble spirit.

So on behalf of the people of Virginia and all those who have worn the uniform of the United States in the past 30 years, I wish to thank Senator WARNER for his exceptionally talented leadership and all he has done and his staff has done for our State and for our country. This institution will miss JOHN WARNER, his kindness, his humility, his wisdom, and his dedicated service. I know we in Virginia will continue to benefit from his advice and his counsel for many years to come.

CHUCK HAGEL

Mr. President, I also wish to say a few words today about Senator CHUCK HAGEL, who will be leaving this body.

CHUCK HAGEL and I have known each other for more than 30 years. We both came to Washington as young Vietnam veterans, determined to try to take care of the readjustment needs of those who had served in Vietnam. Senator HAGEL had been an infantry sergeant in Vietnam; wounded, came up, worked in the Senate for awhile, became a high-ranking official in the Veterans' Administration. He later ran the USO before he came to this body. He is known in this body as an expert on foreign affairs.

Again, as with Senator JOHN WARNER, he is someone who puts country first, who puts the needs of the people who do the hard work of society first. It has been a rare privilege for me to have made a journey with someone, beginning in the same spot in the late 1970s and ending up here in the Senate. I know this country will hear more from CHUCK HAGEL in the future. I certainly wish him well.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The senior Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I am very deeply moved by this moment. As a matter of fact, now—this is just a month or so short of 30 years—I can't think of another opportunity or moment in the Senate when I have been so moved and so grateful to a fellow Senator. I have served with five individuals, you being the fifth now, in the Senate to come from Virginia, to form the team we have all had, some different in different ways, but generally speaking, Virginia's two Senators have worked together on behalf of not only the Commonwealth but what is best for the United States.

I remember one time so vividly we stood together here at the desk on a rather complex issue, and there were clear political reasons for us to vote in a certain way. But you turned to me and you asked what I was going to do, and I replied, and you said: That is what I will do because that is in the best interest of the country though it may not be politically to our benefit, or possibly to our State. But that is this fine man whom I finished my career in the Senate with as my full partner and, most importantly, my deep and respected friend. Our relationship, as you so stated, started many years ago—over 30—when we worked with the Navy Secretary together.

You mentioned Vietnam. To this day, I think about that chapter in my life. I remember John Chafee, whom I am sure you recall very well. He and I one time were asked to go down to the Mall. The Secretary of Defense sent us down there, and we put on old clothes and went down, and there were a million young men and women—over a million—expressing their concerns about the loss of life, the war in Vietnam, and how the leadership of this country had not given, I believe, the fullest of support to those such as yourself, Senator, and Senator HAGEL, who fought so valiantly and courageously in that war.

In the years I have been privileged since that time to serve here in the Senate—I might add a footnote that Senator Chafee or then-Secretary of the Navy Chafee, and I was Under Secretary—went back directly to the Secretary of Defense and sat in his office, and that was sort of the beginning of the concept of ''Vietnamization'' when we tried to lay those plans to bring our forces home.

But anyway, in the years that passed, I remember so well working with Senator Mathias on the original legislation to establish the Vietnam Veterans Memorial. I felt strongly that it would be some tribute fitting to the men and women who served, as you did, so valiantly during that period. I think time has proven that while there was enormous controversy about that memorial, it has in a very significant measure helped those families and others who bore the brunt of that conflict, you being among them.

I thank the Senator from Virginia for working together this short period we have been here. As I leave, I leave with a sense of knowing that for our Virginia, but perhaps even more importantly, for the United States of America, there is one man in Senator WEBB who will always do what is right for his country and will fear absolutely no one in trying to carry out that mission. Whether it be a vote or a piece of legislation, or whatever it may be, he will persevere. He showed that on the GI bill legislation.

I was privileged, as I might say, just to be a corporal in your squad on that, but you led that squad with the same courage that you fought with in Vietnam and that you will fight with today and tomorrow and so long as you are a Member of the Senate. I hope perhaps maybe you might exceed my career of 30 years in the Senate, and that wonderful family of yours will give you the support my family—my lovely wife today and my children—has given me so that I could serve here in the Senate.

America will always look down on you as a proud son. I don't know what the future may be, but I know there are further steps of greatness that you will achieve, Senator. I wish you the best of luck from the depths of my heart. I thank you for these words today, similar to words we have shared, both of us, in speaking of our working partnership here in the Senate. I thank you, sir. I salute you.

Mr. President, I yield the floor.

Mr. WEBB. Mr. President, if I might address the senior Senator through the

Chair, it is a rare opportunity to say something like this on the Senate floor, but I will reiterate my appreciation for the leadership the senior Senator from Virginia has shown in my case since 1971—it is hard to believe—as an example, the example he has set here in the Senate for 30 years in terms of how to conduct the business of Government. I can think of no one whom I would rather have shared the past 2 years with in terms of learning the business of the Senate and having something of a handoff here in terms of how we take care of the good people of the Commonwealth of Virginia. There is only one other person in this body I can say these words to, but I say them from my heart: Semper fidelis, JOHN WARNER. Thank you very much.

Mr. WARNER. I thank you.

Mr. WEBB. 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. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, parliamentary inquiry: Is the Senate in morning business?

The PRESIDING OFFICER. The Senate is postcloture on the motion to concur.

CHRISTOPHER AND DANA REEVE PARALYSIS ACT

Mr. HARKIN. Mr. President, I come to the Senate floor with a heavy heart and a clear purpose. Last Thursday would have been the 56th birthday of a great actor, a devoted father and husband, Christopher Reeve. Many Americans got to know Christopher Reeve when he put on that blue and red uniform of Superman and acted in so many Superman roles. He was also on television and stage. So we always think of Christopher Reeve as the first Superman.

Then, in May of 1995, Christopher Reeve was involved in an equestrian accident. He was riding a horse and got pitched off the horse. He suffered injuries to his spinal column, starting in his neck, which left him paralyzed from the neck down.

In the years following the accident, Christopher Reeve not only put a face on spinal cord injury for so many, but he motivated neuroscientists around the world to conquer the most complex diseases of the brain and the central nervous system.

Even before I met Mr. Reeve in 1998, I was a big admirer. Of course, I liked Superman movies. Then I watched what he did after he had been paralyzed. After the accident, he could afford the very best doctors and nurses, the best caregivers and therapies. He could have just withdrawn into himself, focused on his own well-being which was a full-time job in and of itself.

Christopher Reeve made a different choice that defined him as a great human being. He chose to become the man whom I first met in 1998 when he first testified before the Senate Appropriations Subcommittee on Labor, Health, Human Services, and Education on which I was a ranking member at that time. I had been chairman before and then Senator SPECTER was ranking. In 1998, Senator SPECTER was chairman of that subcommittee. Mr. Reeve came on a mission to give hope and help to other people with disabilities and thus became a kind of real-life hero to people around the world.

Later on, I got to know Christopher Reeve as a friend, someone who had an impish sense of humor, a great smile, was warm and personable. He spent all of his waking time, days, thinking about and getting information about spinal cord injuries, research that had been done, how it was being researched here and in other parts of the world, at the same time finding time to direct a movie.

Christopher Reeve began to inform me and others on the committee that the kind of research we were doing into spinal cord paralysis was disjointed; it was not well put together. Then he went on a mission to think about, with others—with scientists and researchers and those of us in the Senate and the House—how we might accomplish pulling this research together in a more unified structure.

In 2002, I first introduced the Christopher Reeve Paralysis Act with bipartisan cosponsors. The bill has passed the House twice, but we have never succeeded in passing it here.

As I said, it is a bipartisan bill. It addresses the critical need to accelerate the discovery of better treatments and one day a cure for paralysis. As I said, currently paralysis research is carried out across multiple disciplines with no effective means of coordination or collaboration. Time, effort, and valuable research dollars are used inefficiently because of this problem. Families affected by paralysis are often unaware of critical research results, information about clinical trials, and best practices.

This bill will improve the long-term health prospects of people with paralysis and other disabilities by improving access to services, providing information and support to caregivers and their families, developing assistive technology, providing employment assistance, and encouraging wellness among those with paralysis.

In August of last year, the Health, Education, Labor, and Pensions Committee cleared this bill for full Senate consideration. Two months after that, our colleagues in the House passed the bill unanimously by voice vote. Yet for the last 12 months, this bill has languished in the Senate, as I understand it, due to the objections of one Senator, my friend, the junior Senator from Oklahoma. At least that is what I am told. I could be corrected, but that is what I am told.

In the past, I have heard the Senator from Oklahoma question our role in promoting health legislation because he has said sometimes in the past that too often we get caught up in one cause or another pushed by a celebrity and other worthwhile causes get left behind because they don't have someone famous out there pushing for them. I guess once in a while I might agree with that point. But even though this legislation has Christopher and Dana Reeve's names behind it, it was really written for the thousands of ordinary Americans living with paralysis and spinal cord injuries and their families and friends who pushed the cause of improved research and treatment.

I want to read a couple of stories of Americans today. One story belongs to Marilyn Smith of Hood River, OR. She is one of the many paralysis advocates who volunteer their time through the Unite to Fight Paralysis organization. She took the time recently to share her story with me. I want to read a portion of it for the RECORD. Here is what Marilyn said:

> Paralysis doesn't just happen to an individual, it happens to a family. In December of 2002, our son became a quadriplegic when a careless driver failed to tighten the lug nuts on one of his wheels. It came off and flew into our son's pickup, shattering his cervical vertebra. Our family was thrown into physical, emotional and financial chaos. We have done the best we could after this calamity, but our lives will never be the same. As parents, our greatest wish before we pass on is to see our son's health restored. We have traveled from Oregon to Washington, DC, for 4 straight years to lobby for passage of the Christopher and Dana Reeve Paralysis Act, a well-crafted piece of legislation with bipartisan support that will make a measurable difference in our lives.

I think Marilyn's story underscores the tremendous cost paralysis imposes on families. The Spinal Cord Injuries and Illness Center at the University of Alabama Birmingham has done a lot of work to quantify that cost. I believe their findings might surprise some of my colleagues.

According to the Spinal Cord Injury and Illness Center, the first-year cost of an injury to the C–1, C–4 vertebrae is upwards of $683,000, with costs in each subsequent year averaging out at more than $120,000. Think about that for a moment. That figure represents a cost of personal care attendants, medical treatment and therapy, transportation, and all the necessary modifications made to one's home.

Leo Halland of Yankton, ND, knows this cost all too well. He has been living with paralysis for the past 32 years. He, too, has a story to tell. I will read a short selection from a letter he sent over the weekend. He said:

> I know there is much in life I will never understand, and now near the top of that list are: One, how a single Senator can stop a piece of good legislation; and, two, how some of his colleagues can support those efforts. Failure to act on this legislation is doing great medical harm.

I just have to say, frankly, I am surprised there continues to be an objection to moving this bill. I negotiated this bill with my Republican colleagues before it was marked up in the

HELP Committee in July of last year. During the course of those negotiations, we received through Senator ENZI, who is the ranking member of that committee, specific requests to, one, remove authorizations for the titles related to the National Institute for Health Research. In the interest of getting legislation passed, we accepted this change. We removed the NIH reporting provisions in response to concerns that they were duplicative of reporting requirements in the NIH reauthorization legislation. So we took that out.

We responded to all of the feedback from the Department of Health and Human Services and the NIH by incorporating both substantive and technical changes they wanted.

At that point, we were assured there were no more objections, and the bill passed out of our committee with no amendments and no objections. We just passed it out of committee.

So given all of the efforts we made to meet concerns raised by Senators on the other side of the aisle, and given that Senators had an opportunity to file amendments at that time in the committee but chose not to, I had every expectation that the bill would pass the full Senate. Instead, it continues to be held due to one Republican objection. This bill is long overdue for passage.

When I introduced the bill 17 months ago, Dr. Elias Zerhouni, the Director of the NIH, spoke at a rally in support of the bill. They had suggestions on some changes which we did. But he spoke in support of the bill. Here is something Dr. Zerhouni said that day:

> So really as the Director of an institution that is committed to making the discoveries that will make a difference in people's lives, I feel proud and I feel pleased. But at the same time, I'm humbled. I'm humbled because in many ways [the Christopher and Dana Reeve Paralysis Act] is the harbinger of what I see as the combination of the public, the leadership in Congress, and the administration and government in our country that is absolutely unique, and humbled because at the same time, I know it contains a lot of expectations from us. And I am at the same time confident that we can deliver on these expectations of NIH, with our sister agencies throughout the government. But the key thing I would like to provide is an expression of commitment. At the end of the day, if you do not have leaders and champions that look at a problem in its entirety, today in the 21st century, you cannot make progress.

That was Dr. Zerhouni. I wholeheartedly agree with him. You have to look at it in its entirety. Progress is vital in science and biomedical research. It is also important in the legislative process. As Senators, of course, we have a duty to ensure due diligence in considering legislation. That is one of our responsibilities. But to keep this bill from getting an up-or-down vote, despite strong support from both sides of the aisle, and the fact that the House passed it unanimously, I am not certain that is exercising due diligence. I don't know what it is called, but I don't know if that is due diligence.

Brooke Ellison of Stony Brook, NY, is another passionate advocate. She was paralyzed from the neck down when she was 7 years old after she was struck by a car while walking home from the first day of school. She is now 25 years old. In the years since her accident, she has graduated from college—Harvard—with an undergraduate degree and a master's degree, and founded the Brooke Ellison Project for those facing paralysis and adversity, and she asked me to pass along these words.

> I have seen up close and in person how very quickly any one of our lives can change and we find ourselves facing challenges unlike anything we may have expected. Eighteen years ago, I learned this lesson in a personal and profound way. Yet each day, an increasing number of people find themselves in similar circumstances, and we need to do all we can to alleviate their suffering. Christopher Reeve lived his life as a testament to helping to reduce the challenges people suffering from paralysis face. The Christopher and Dana Reeve Paralysis Act is critical to changing the fate, and sometimes even dire conditions, that millions of people face. And the events in my life have shown me all too clearly how essential it is to be passed.

I wish to be clear; by putting this bill on hold, we are also putting Brooke Ellison and Leo Hallan and other people living in paralysis on hold. It tells the more than 400 Iraq war veterans who have returned with spinal cord injuries that they are on hold. It puts the needs of Bethany Winkler from Yukon on hold. She has been paralyzed for 7 years, since falling in an accident. She has taken the time to come to Washington to lobby for this legislation. I met Bethany in the past, and I can testify to what a passionate and effective advocate she is for the cause of paralysis research and care.

Although we often find ourselves on different sides of the table, I wish to say publicly I respect the fact that Senator COBURN believes strongly this legislation inappropriately grows the size of the Federal Government. I have heard that stated. I see my friend is on the floor, and he can state it if he wants. But if that is the case, I wish to say I disagree with that assessment. I am on the Appropriations Committee, sure, but I am on an authorizing committee as well, and this legislation appropriates no money for paralysis research. It doesn't appropriate any money for care or quality-of-life programs. It simply says we authorize funding for programs. So they still have to be funded through the regular appropriations process.

So I come down to the floor with renewed hope. This past week, the Senate passed several bills by unanimous consent with new authorization for Federal spending. Two of those bills, the Drug Endangered Children Act and the Emmett Till Unsolved Civil Rights Crime Act, which were also being held up, and again were authorizations for appropriations, received unanimous consent and were passed. So I have come to the floor today, and as soon as I finish, in another page or two, I will ask unanimous consent that the Christopher and Dana Reeve Paralysis Act pass.

But I am going to give two more cases. One is from Donna Sullivan, another of the many concerned advocates for paralysis research and care. Donna is fighting not for herself but for her son, and here is what she said:

> Three years ago, my son was the lone survivor of an airplane crash. His injuries were extensive, and my heart literally felt as if it was broken. After numerous operations and procedures, under the care of well-trained doctors in three States, he has overcome all of his injuries except for one, it is his spinal cord injury, which waits for science to move forward and allow him further recovery.
>
> Together, we have attended research symposiums and visited our legislators in Washington, DC, to share our story and the promise that research holds. It is our hope that the Senate will join others who understand the potential and release this bill. When you understand the potential paralysis research holds, it is difficult to ignore, and it is difficult for me to accept that some do.

Christopher Reeve spoke up passionately for people such as Donna Sullivan and her son. Christopher Reeve's untimely death in 2004 robbed the paralysis community of its most passionate and effective advocate. As we know, his widow, wife Dana, continued her husband's quest until her untimely death in 2006 of lung cancer. Across the country, thousands of ordinary Americans, whose lives have been touched by paralysis, have taken up Christopher and Dana Reeve's advocacy work at great cost to their health and wealth.

Well, I have one last story I have to share with you. It has to do with a young man—a big kid; strong. His dad had been in the Navy in World War II and imbued that in each of his kids. Each kid went in the military—different branches. But this one kid, Kelly—big Irish kid—he went in the Navy. He went in the Navy. He went to work on an aircraft carrier. He was one of the launch people, an enlisted guy on the deck of an aircraft carrier.

They were cruising off the coast of Vietnam. Unbeknownst to Kelly, on one of the planes—it was an A–6 Intruder—the pilot had run up his engine. The intakes on an A–6 are on the bottom. They are big intakes. He was not supposed to have run up his engine, but he ran up his engine to 100 percent of power. Kelly, doing his job, got too close to the intake and got sucked into the intake. He had a hard hat on—his Mickey Mouse ears and his hard hat on—and evidently the pilot, through later investigations, saw something going wrong with his engine, heard a thud in his plane, and pulled the power back. Someone saw Kelly's feet sticking out of the intake, and they got people up there and rushed him down to the infirmary on the ship and then put him in some kind of traction thing, got him off the ship, and got him back to the States.

I will never forget the day my sister called me about Kelly. It was my nephew. When my sister called me, I was a

Member of the House of Representatives, and she called me up to see what I could do to help. She was extremely distraught, as you can imagine. Kelly was 20 years old and had his life ahead of him. So I went to work, as any Congressman would, for my family, and I got him in at the VA hospital out in California, near Stanford, and that is the first time I flew out to see him. He was quadriplegic at the time. He couldn't move anything.

I can remember walking in there and seeing this kid—and I don't mean to be overly maudlin about this, but you see, I was a Navy pilot. I used to fly my plane around a lot of times, and these kids always looked up to their father because he was in the Navy and I was in the Navy. I was a Navy pilot. I still have pictures of my jet and young Kelly as a kid sitting in the cockpit of my jet with my helmet on dreaming that someday he, too, would do something such as that. So I kind of felt a lot of responsibility for this because I had encouraged him to get into the Navy, to go into aviation, to do things with airplanes.

I will never forget the first time I saw him lying in that hospital bed at Stanford—I think that is right, the Stanford VA hospital—and the look on his face. I mean, this kid was scared. He couldn't move anything, and he was wondering what was going to happen to him.

Well, he had good medical care, and the good news is that over some years he actually got the use of his arms back, through sheer will and determination. And through those years he then went back to school. I remember how tough it was for him, using a wheelchair to get around on campus. That was before the Americans with Disabilities Act. That was before we had ramps and widened doorways and things such as that. This was in the 1980s when he was going to school.

I remember his father building him ramps and stuff so he could get in and out of places and learn how to live. Well, that happened 28 years ago—28 years ago. Now, the good news is Kelly is alive and well. He lives by himself, in his own home, and has a van that has all these automatic lifts that put him into the van so he can drive himself around. He can't use the lower half of his body, but he can drive around.

He started a small business and he is very self-sufficient. I saw Kelly—well, whenever the Democratic Convention was—because he lives in Colorado, and so I went to see him. We were talking about this and that, a lot of things, and I can't begin to tell you what a profound effect Christopher Reeve had on my nephew's life. It seemed as though all of a sudden there was someone like him, who was big and strapping and full of life, with a lot of energy, and then one accident and that is it. So I could see Kelly could identify with someone such as a Christopher Reeve, a healthy, strong, vibrant man, and suddenly one accident and that is it. So he followed him. Kelly is on the computer, on the Internet, and he follows research all the time. During this period of time in the late 1990s, he became more and more encouraged by what Christopher Reeve was doing and how he was pulling all this stuff together. He kept asking me about it: What are you guys going to do? Are you going to pass this? Are you going to do something about paralysis research? Kelly follows this today to the nth degree.

Then Christopher Reeve passed away, and then his wife. I saw my nephew Kelly out in Colorado last month. Once again he asked me, he said: Are you going to get that bill passed or not?

I said: I don't know. I will try. I am still trying.

Of course he knows all about this. He knows it passed the House. He follows all this. He just wondered what the problem was.

I said: A person has a hold on it.

Can't you bring it up, do this?

I don't know if we can bring it up or not—go through cloture and debate and all that kind of stuff. I don't know. He reminded me it passed the House. I said: I know that, it passed the House unanimously. It passed out of our committee.

So I told Kelly when I saw him in August: We will come back in September and I will try another go at it and we will see what happens. I hope we get it passed.

Here we have the medical community, in the personage of Dr. Zerhouni, saying this does what we should be doing, bringing everything together, coordinating it. It authorizes appropriations but doesn't appropriate any money.

I can tell you, it is not just because there was a famous person behind it. There are people such as my nephew Kelly all over the United States who are wondering, are we going to pursue this? I don't like to give anyone false hope. My nephew is a realistic person. He has lived with this for 28 years now. But he still believes strongly that we ought to be pushing the frontiers and that we ought to be doing everything we can to promote research, of course—obviously into paralysis, because that is what affects him. If anybody wants to talk about this and what needs to be done, he can talk about it at greater length and in more depth and understanding than can I.

I was not going to do this until my colleague from Oklahoma came to the floor. I see him here. All I say is I hope we can move this bill. I am hopeful, after looking it over and understanding we do not appropriate any money, and looking at what we did with a couple of other bills earlier, we can get this bill through. I will be glad to engage in any colloquies such as that.

UNANIMOUS CONSENT REQUEST—S. 1183

I am constrained to ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 326, S. 1183, the Christopher and Dana Reeve Paralysis Act, that the committee substitute amendment be agreed to, the bill as amended be read a third time and passed, and the motions to reconsider be laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. COBURN. Reserving the right to object, first let me say to my colleague, I know he is dedicated to this cause. It is an important cause. I have four basic problems with what we are doing here.

We did negotiate this bill. I also expressed in public that I would not allow this bill to go unless we had a full debate on the Senate floor. That has never been in confusion.

I also stated if we were in fact to offset the authorizations in the bill with some of the wasteful spending that we have today—and I understand the contention by the Senator from Iowa, who is also an appropriator who does not believe this will lead to spending—if we do not believe it will lead to spending, why authorize it in the first place? It is a false hope.

The third point I would make is everything this bill wants to do can already be done, except name it after Christopher and Dana Reeve—everything. So what I would like is a unanimous consent request, after rebuttal from the Senator from Iowa, that I be given 10 minutes to explain my objections to the bill in detail, and also to offer for the record a letter from Dr. Zerhouni, dated July 30 of this year, in which he adamantly opposes any disease-specific bills. He outlined specifically why they should not be there.

The final point I would make, we spend $5.9 billion on this right now. We should spend more, but we do not have the money to spend more because this Congress will not get rid of $300 billion worth of wasteful spending. We appropriate $300 billion that is pure waste every year. It is not that we do not have the money. It is not that this bill will spend the money. It is not that we cannot have this; it can happen right now under the leadership at NIH. It is the fact that the very problems we are faced with today in terms of the financial collapse of this country and the liquidity of this country is because we have gone down a road of fiscal irresponsibility.

On that basis, I will object and await Senator HARKIN's rebuttal. I do congratulate him for his commitment and his dedication. I believe the people at NIH want to solve this as well as anybody else and they recognize that they already have the power to do this.

I will make one final comment. This bill could have come to the floor. We could have taken care of it in 2½ hours if we had debate and amendments. The majority leader refused to let this bill come to the floor.

It is important for the American people know what a hold is. A hold is saying: Let the bill come to the floor, but I don't want to pass it with my vote

unless I have an opportunity to debate it and amend it, and what has been done has precluded us on that.

We did a lot of negotiations on this. The one thing we couldn't get negotiated is offsetting the negotiating level. Everybody knows that is a nonstarter with me. That is the only way we establish fiscal discipline in this country.

The PRESIDING OFFICER (Ms. STABENOW). Objection is heard.

Mr. HARKIN. Madam President, as I mentioned, and I ask my friend from Oklahoma, two bills I understand went through by unanimous consent this week, the Drug Endangered Children's Act and the Emmett Till Unsolved Civil Rights Crimes bills. I understand the Senator from Oklahoma had holds on those bills. Is that correct?

Mr. COBURN. Absolutely. In response to your question, the Emmett Till bill, we attempted to do that. It was passed in connection with other bills, and we believed, since we had assurances that the appropriators would in fact take care of that inside the Department of Justice, we did not have that in the bill but outside, the appropriators would take care of that and we wouldn't spend additional money.

Mr. HARKIN. Do I understand from my friend from Oklahoma there was not an offset for the authorizations in that bill? And then the other was the Drug Endangered Children's Act. I am told there was not an offset for the authorization in that bill either. The Senator did not have a hold on that bill?

Mr. COBURN. No, I never had a hold on that.

Mr. HARKIN. Those were just two passed by unanimous consent that did not have——

Mr. COBURN. Will the Senator yield for a moment?

Mr. HARKIN. Certainly.

Mr. COBURN. What I can tell the Senator is I have held every bill that comes before this body that we have an objection to constitutionally, or from the Director of NIH, that does spend money that is already for them.

Mr. HARKIN. I ask my friend from Oklahoma, did the director of NIH—I don't have a copy of that letter. Did the Director of NIH object to this bill? Because he already said he supported it.

Mr. COBURN. I will gladly deliver to the Senator a copy of his letter. You can read it. What he objects to is any disease-specific bill. The reason for that is very simple. There are over—let me give you the exact number. There are 12,161 subcategories of diseases. His principle is we ought to let the scientists decide the direction of the research, not Congress. Because if we decided on this and we set it up and a consortium will take it directly from the research—if we did that on everything, we would have the most misguided, misdirected, and wasteful expenditures on research you could imagine. He lists specifically the fact that we had 2,036 categories and over 12,000 subcategories, and philosophically he objects to all disease-specific bills.

Mr. HARKIN. I respond to my friend from Oklahoma, one of the reasons he wouldn't mention this is because, as my friend from Oklahoma surely knows, paralysis is not a specific disease. Paralysis can happen across a wide spectrum of diseases and illnesses and conditions. So this is not a specific disease. In that way, this is not a disease-specific bill as such, and that is probably where the confusion comes in. Because Dr. Zerhouni was very supportive of this approach; I read it in his comments that he made. But he is against disease-specific authorizations or appropriations. I can tell the Senator from Oklahoma, so am I, and I chair that. I chair it now. I have been ranking member or chair of that subcommittee going back 18 years. I cannot remember one time ever appropriating specifically one disease over another.

There are times, of course, I say to my friend from Oklahoma, in which we as legislators, as public servants, take information and input from our constituents or from the country and through the hearing process—and this is usually on the authorizing side more than the appropriating side—try to give some guidance and direction to those to whom we give our taxpayers' money. Again, we have prodded NIH in the past to perhaps do certain things.

I mean we, the Congress, have started different institutes at the National Institutes of Health. At different times people come together and say there should be an institute to look at this and we, as public policy people, set that up.

Then there are times when we get the Director of NIH, or some of the other heads, some of these people here from these different institutes, and we ask them, What are you doing about this kind of research? Spinal muscular atrophy, which I never heard of before until a few years ago, I found out it is even more prevalent and has a higher mortality rate than muscular dystrophy. But they weren't doing much research into spinal muscular atrophy, so we talked about that, we explored that. We talked about a lot of things in cancer or Parkinson's disease, in which we explored with these heads of NIH what the public wants and what we are hearing from the public. They take that into account. They may make some adjustments one way or the other.

I don't see anything wrong with that. That is part of our legitimate role as public servants, and responding to the legitimate requests and needs of the public. The people who work at NIH, and the people who run these institutes, are not high priests of some religious order who do not answer to anyone except the head person. They have to answer to the public. These are public moneys that go in there.

Sometimes we consult with them, we talk with them, bring them information and say, here, the public wants to know why we are not doing more in this area. They take that into account, sometimes respond—sometimes better than others—sometimes not. But at least that is the input we have and that is what we are saying here with this legislation. We are not telling them exactly what they have to do.

Again, the Senator from Oklahoma says they can do everything that is in this bill. But they are not doing it. That is the point. They are not doing it. You can disagree. You can say they should not do it. I did not hear the Senator from Oklahoma say they should not be doing what we have in the bill. He is not saying that. All I heard him say was that he wanted to debate it for a couple of hours and offer an amendment.

I say to my friend from Oklahoma, as a member of the HELP Committee from which this bill came, the Senator from Oklahoma had all kinds of opportunities in the committee to amend this bill. For all I know, some of the changes we made may have come from him. They came through Senator ENZI, who is the ranking member, and we incorporated them into the bill. But the Senator from Oklahoma cannot deny that he was a member of this committee when this bill passed out of committee. If the Senator from Oklahoma wanted to amend it, he had every opportunity to do so at that time. Yet no objection was raised when we passed it out of committee; only when we get it here on the floor.

We operate around here a lot of times on unanimous consent. And we usually do it on bills that are generally accepted by everybody. We hotline, and our staffs look at them to see whether anyone has an objection. This bill has been hotlined on both sides of the aisle. Out of 100 Senators, only one Senator has an objection, the Senator from Oklahoma.

Now, again, people wonder—this one letter from this one woman says: How can one Senator stop something like this? Well, you are seeing one Senator can.

Now, again, to the extent that the Senator from Oklahoma has a legitimate point, his point is that this could be brought up under the normal process and debated and passed. Well, it looks as though we are going to be back again on Wednesday. I will have to consult with our leadership. But if the Senator from Oklahoma would agree to a couple of hours of debate, an amendment that would be voted up or down, if he has an amendment or two, and then final passage, maybe we could do that on Wednesday.

I do not know what the heck we are going to be doing Wednesday. Quite frankly, we could do that. I understand we are going to be in tomorrow, but no legislative business can be done tomorrow under the Jewish holiday, but we could on Wednesday.

So if the Senator from Oklahoma wants to enter into an agreement for an hour or two, I do not know if anyone

else wants to debate it. If he wants to offer an amendment or two or something like that, maybe we can have a vote on it, voice vote it. Maybe he wants a record vote on it. I do not know. But I have not heard any kind of a suggestion from the Senator from Oklahoma that we could do something like that.

So, again, we operate around here in a spirit of comity. What that means is we kind of trust one another. You know, I kind of trust the Senator from Michigan; I trust the Senator from Idaho on a lot of things. We build ourselves on trust. We do not try to pull the wool over someone's eyes here. We do not try to slip something through to which someone may have an objection.

So if we have bills like this we hotline them. We have them called around. Lord knows, we have plenty of staff around here. They look at all of these things to see if there is something in a bill their Senator would object to or want to change. We do that for bills that are generally widely accepted. A lot of times bills come back: There is no objection. Go ahead and pass them through.

I thought this was one of those simply because it came out of committee. The Senator from Oklahoma was on the committee—is on the committee—and had no objections when it came out of committee. We had incorporated all of the changes that Senator ENZI gave us. We incorporated those plus changes from NIH and the Department of Health and Human Services. So it is very frustrating then to have this objection at this time.

Now, one other point the Senator from Oklahoma said. He said this is an authorization for appropriations. That is true as most of the bills are that we pass around here. One way or the other it is an authorization. But he says that will lead to new spending and blah, blah, blah. That is not necessarily true. It may be that we may want to put some money in this program, but we may want to take it from someplace else. We could do that. That has been done a lot around here. We may think that, well, perhaps we will take a little bit here and a little bit here and put it into this. Appropriations committees do that all the time. So it is not necessarily true this is going to lead to any new spending. It may lead to a realignment of spending but not necessarily new. So the Senator from Oklahoma is not quite correct that it would lead to new spending.

Secondly, paralysis is not a disease-specific illness. It cuts across all kinds of diseases, illnesses, and conditions. Then I do not know—the Senator mentioned something about $5.9 million. I brought that down, but I have no idea what that is all about.

I also have a letter from the Congressional Budget Office, dated July 25, 2008, to the Honorable KENT CONRAD as chairman of the Committee on Budget. There were certain questions in here that I thought were pertinent to one of the objections raised by the Senator from Oklahoma.

Question No. 1: Does an authorization of future appropriations provide the authority for Federal programs or agencies to incur obligations and make payments from the Treasury?

Answer: No. A simple authorization of appropriations does not provide an agency with the authority to incur obligations or make payments from the Treasury.

Question: Even if legislation authorizes appropriations for a program, is it not the case that a subsequent act of Congress is required before an agency can spend money pursuant to the authorization?

Answer: Yes.

This is from the head of the Congressional Budget Office.

For discretionary programs created through an authorization, the authority to incur obligations is usually provided in a subsequent appropriations act. An agency must have such an appropriation before it can incur obligations.

Question No. 4: If no new spending occurs under authorizing legislation, does it have the effect of increasing the Federal deficit and/or reducing the Federal surplus?

Answer: No. An authorization of appropriations by itself does not increase Federal deficits or decrease surpluses. However, any subsequent appropriation to fund the authorized activity would affect the Federal budget.

I ask unanimous consent this letter appear at this point in the RECORD, as well as the July 30, 2008, letter to Congressman BARTON from Dr. Zerhouni.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 25, 2008.

Hon. KENT CONRAD,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter responds to the questions you posed on July 17, 2008, about the impact on the federal budget from enacting legislation that authorizes future appropriations but does not affect direct spending or revenues. Consequently, this letter does not address legislation that would permit agencies to incur obligations in advance of appropriations (for example, legislation providing new contract authority).

Question #1: Does an authorization of future appropriations provide the authority for federal programs or agencies to incur obligations and make payments from the Treasury?

Answer: No. A simple authorization of appropriations does not provide an agency with the authority to incur obligations or make payments from the Treasury.

Question #2: Can an agency or program spend money without the authority from Congress to incur obligations and make payments from the Treasury?

Answer: No. An agency is not allowed to spend money without the proper authority from Congress to incur obligations. (See 31 U.S.C. §1341, which outlines limitations on expending and obligating funds by officers and employees of the United States Government.)

Question #3: Even if legislation authorizes appropriations for a program, isn't it the case that a subsequent act of Congress is required before an agency can spend money pursuant to the authorization?

Answer: Yes. For discretionary programs created through an authorization, the authority to incur obligations is usually provided in a subsequent appropriations act. An agency must have such an appropriation before it can incur obligations. (Legislation other than appropriation acts that provides such authority is shown as increasing direct spending.)

Question #4: If no new spending can occur under the authorizing legislation, does it have the effect of increasing the federal deficit and/or reducing the federal surplus?

Answer: No. An authorization of appropriations, by itself, does not increase federal deficits or decrease surpluses. However, any subsequent appropriation to fund the authorized activity would affect the federal budget.

Question #5: Would CBO's projection of federal debt change as a result of enacting legislation that only authorizes future appropriations? Is it not correct that the agency's projection of future debt would be identical both before and after the enactment of such legislation?

Answer: Enacting legislation that only authorizes future appropriations would not result in an increase in CBO's projection of federal debt under its baseline assumptions.

I hope this information is useful to you.

Sincerely,

PETER R. ORSZAG,
Director.

DEPARTMENT OF HEALTH & HUMAN SERVICES, NATIONAL INSTITUTES OF HEALTH,
Bethesda, MD, July 30, 2008.

Hon. JOE BARTON,
Ranking Member, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. BARTON: This letter responds to your request to update you on implementation of the NIH Reform Act's provisions requiring trans-NIH research coordination supported by a Common Fund.

I am pleased to report that trans-NIH research has become a vital component of our research enterprise. The NIH Reform Act has enabled this Agency to adapt to new research opportunities while continuing to pursue the latest and best science. Congress has appropriated $495.6 million to support such coordinated research projects as molecular libraries, metabolomics technology development, the human microbiome, epigenomics, computational biology, clinical research and high risk science. These endeavors reflect the value of research not defined by any single disease, but by gaps in our knowledge of human biological systems that play a role in all diseases.

As examples, the Microbiome and Epigenome initiatives are the result of technological advances and discoveries emanating from the Human Genome Project. The subsequent innovations in high-throughput sequencing and other techniques have given us tools to search for microorganisms associated with the human body that have not been previously identified. The Microbiome project will decipher this underworld of particles and define their role in health and disease Similarly, epigenetics follows the success of the Genome Project by focusing on the regulation of gene expression, leading to the understanding of how our genes respond to developmental and environmental signals. Such research efforts are accomplished solely through collaborations and the focus on basic biology unrelated to specific organ systems or diseases.

We also have created multiple-Institute collaborations for the Obesity Research Task Force, the Blueprint for Neuroscience, the NIH Nanotechnology Task Force and the NIH Pain Consortium.

This trend should continue in the best interests of scientific discovery. As I have repeatedly testified before Congress, the key transformation from yesterday's approach to medical research to the science of today has been the convergence of concepts, opportunities and needs across all conditions and diseases. As we learn more about the molecular causes of diseases, we have found great similarities among the mechanisms that lead to diseases—once thought unrelated. Increasingly, research in one field finds unexpected application in another. The greatest research advances of recent years involve the fields of molecular and cell biology as well as genomics and proteomics. These applications will not be limited to specific diseases or populations. Greater interdisciplinary efforts will be required as the mysteries of human biology are uncovered. The approaches mandated by the NIH Reform Act will require NIH to seek new ways of conceptualizing and addressing scientific questions. The translation from discovery to patient care will be better facilitated.

The scientific boundaries between NIH's Institutes and Centers have become blurred by the interdisciplinary coordination among them. The functional integration required by the Reform Act has helped this process. As you consider legislation affecting NIH in the future, I caution you that it would be a grave mistake to go backwards in mandating disease-specific research at a time when barriers need to be torn down, not rebuilt.

Recent discoveries demonstrate common characteristics for many varying diseases. These discoveries have spawned new ideas, methods and technologies leading to a new era of personalized medical treatment that will predict and preempt disease while requiring greater participation of patients in their own care. We are moving from the current paradigm of late, reactive intervention to a future paradigm of early intervention characterized by treatment tailored to the personal makeup of each patient.

We are discovering the underpinnings of disease at a staggering rate. For example, in the case of type 2 diabetes, one of the greatest health threats facing our Nation, we have progressed from having no knowledge of genetic factors ten years ago to discovering two genes associated with the disease five years ago, to 16 genes today. And in a matter of days, an additional 14 genes will be revealed. These discoveries are fueled by various components of medical research, including basic genomics that are part of our multidisciplinary approach to disease research.

We are certain that the best approach to research at NIH is the functional integration of research programs at our Institutes and Centers. The flexibility provided in the NIH Reform Act allows us to adapt to changes in science by pursuing the common factors of disease. Of course, NIH will focus on individual diseases, as appropriate and in accord with independent, peer-reviewed science. However, disease-specific mandates, while well intended, might undermine the progress we have made.

Please let me know if you are interested in additional details of NIH's implementation of the Reform Act. I have sent a similar letter to Chairman Dingell.

Sincerely,

ELIAS A. ZERHOUNI,
Director.

Mr. HARKIN. So, again, I see my friend from Oklahoma has departed the floor briefly.

Madam President, I put in a unanimous consent request. Has it been objected to?

The PRESIDING OFFICER. It has.

Mr. HARKIN. I heard there was a reservation.

The PRESIDING OFFICER. The Senator did object.

Mr. HARKIN. It has been objected to.

Mr. CRAIG. May I inquire of the Senator how much more floor time he will take?

Mr. HARKIN. I am about done.

Well, I am sorry for so many people who suffer from paralysis in this country who really have, many of them, traveled to Washington at their own expense, at great personal not only expense but inconvenience and trouble and effort—can you imagine what it must be like—who had every reason to believe this would pass and give them new hope, new encouragement that we were now going to be able to bring a new focus, coordination, to this.

Now, again, the Senator says they can do everything that is in this bill already. The fact is, they are not. That is why we are here. That is why we are Senators. That is why we are public servants. That is why the public elected us to come here and do things, to get the Government to do things that it is not doing or to stop it from doing something that it is doing.

This is one of the things we ought to be telling the people who are involved in this research they ought to be doing. They ought to do this. We do it all the time. And if they will not do it, we ought to be telling them to do it. I am sorry, again, that this Christopher and Dana Reeve Paralysis Act has been stopped by a single Senator. I wish we could find some way of getting around it. I ask my friend from Oklahoma if he does not mind, the Senator said something about debating this bill and opening it for amendment.

We are going to be here on Wednesday. Now, I have not cleared this with our leadership—I have to do that, of course; I do not run the Senate. But I would have to clear it with our leadership, and then our leadership would have to clear it with the other side. But if we can get a couple of hours on Wednesday to debate this bill and amend it in a 2-hour period of time, with an up-or-down vote on an amendment or two, would that be acceptable to the Senator?

Mr. COBURN. It would be more than acceptable provided the bill comes to the floor and offsets the authorizations. The problem we have is that in the last year, in your subcommittee alone on appropriations, we had 398 million dollars' worth of earmarks outside of the authorization process. None of them were authorized.

Now you want to spend more money on programs that you want to authorize, but you will not take away the $398 million of earmarks that were never authorized. That is my whole point. Bring the bill to the floor, offset some spending somewhere else, and we will not even have to go to the floor. Just offset it; you can have the bill.

But the fact is, nobody wants to offset it. The intention is to spend this money. Even though we play the games, how did we get $9.6 trillion in debt? We got it playing this same game, saying: Here is $115 million; it does not cost anything. But that is really untrue because it does. If you authorize it, you are going to spend more money. We have grown 61 percent since 2001 in terms of discretionary spending in this country, and we are broke. And we have a financial crisis in front of us.

I am trying to stand and say, if you want to do something, get rid of some of the 300 billion dollars' worth of waste, which I consider 398 million dollars' worth of earmarks that were unauthorized waste. So it is easy to bring it up. Bring this bill without the authorizing money, put it in, you got it.

Mr. HARKIN. I say to my friend from Oklahoma again, the Senator from Oklahoma did not object to a bill passing this week by unanimous consent that has an authorization for appropriations in it. Is that not correct?

Mr. COBURN. That is true.

Mr. HARKIN. I say to my friend from Oklahoma, that is very true, on the Emmett Till bill, but not on this one.

Mr. COBURN. We received assurances that it would be offset at the appropriations level.

Mr. HARKIN. Well, I can assure my friend—I said this when my friend from Oklahoma was off the floor—the Senator from Oklahoma seems to say that since it was an authorization for appropriations in here, that we are going to appropriate new money. That is not always the case. Sometimes the Appropriations Committee will take money from other things; maybe take a little bit here, take a little bit here and put it into something else. That happens a lot, I can tell the Senator, as an appropriator.

So it does not always necessarily follow because we authorize the money that we are going to add new money. We could take it from other places. We do not know.

Mr. COBURN. In response to the Senator through the Chair, that is a rarity that occurs here. The fact is, the Federal Government is growing three times faster than the income of the people in this country. It is because we will not put our own financial house in order.

I want to do the best we can do for people with paralysis. I think we ought to get rid of some of the 380 billion dollars' worth of waste and double the money in NIH. That is what I think. But we will not, nobody can, including my colleague from Iowa. When I have offered amendments on the floor to get rid of wasteful spending, rarely, if ever, have you joined me to get rid of the wasteful spending. Instead, we have continued wasteful spending.

Just like we are going to talking about Amtrak. Amtrak has a $100 million subsidy. Nobody in this country,

other than us, would allow Amtrak to continue losing $100 million a year on food subsidies on the train. No airline does that. No bus company does that. But because we have a $2.6 billion subsidy, we think it is fine that we should subsidize people's food on the train.

I can give you a thousand examples of things that we should be doing that we are not. I am not opposed to the efforts that you want to try to accomplish. What I am saying is we need a discipline change in this Congress. The American people have had it with us. We are wasting money hand over foot. And it is not what you want to do is bad, I am for what you want to do, I am saying let's get some discipline and let's make some priority choices.

Every family out there has to choose among priorities. They have to make a hard choice on what is important and what is not.

This is important, yes. We have told your staff the moment this passed the committee that we were going to hold it on the Senate floor unless it was offset. That is not a new threat. That is not news to your staff. They have known that for a long time, and so does every Member of this body. In fact, you received a letter from me in January of 2007 that said very specifically: If you bring a bill to the floor that is not offset, that is going to spend new money, unless we are going to get it debated and offer amendments, we are going to object. So that is where we stand.

Mr. HARKIN. I say to my friend, he just let a bill go through this week that had an authorization for appropriations on it and let it go through under unanimous consent, but not this one. So I see it is up to the Senator from Oklahoma, as one Senator, to decide what is good and what is bad around here.

Mr. COBURN. Well, we also stopped 10 billion dollars' worth of new authorizations this year. We also stopped $10 billion. There is no question the Emmett Till bill went through with the assurances. I am not 100 percent.

Mr. HARKIN. What assurances? I am an appropriator. I did not give you any assurances. No one asked me about it. So, obviously, now the Senator from Oklahoma has set himself up as the arbitrator of what is good and bad and right and wrong and everything else around here.

Now, come on, there are 100 Senators around here.

I wish to respond to one other thing about Amtrak. The Senator from Oklahoma mentioned the airlines. This is something I know a little bit about. I fly a lot of airplanes. Every commercial airline in the country now uses GPS, global positioning satellites. Do you know how much they spent to put all those satellites up there? Zero. The taxpayers of this country put up billions of dollars. We maintain them. We keep them in orbit. When one decays, we put another one up. We keep 24 in orbit all the time. Not only do our airlines use it, every airline around the world uses it, as do ships and everybody else. That is not a subsidy for the airlines? How about all the traffic controllers? They don't work for the airlines, they work for the Government. How about all the navigation systems we maintain, the Approach System, the ILSs, and everything else, paid for by the taxpayers? We appropriate money around here all the time for airports, runway lights, approach systems that all the airlines use. They don't pay for all of those facilities. How about all the airports? Local cities provide the land.

If my friend really wants to see how much we are subsidizing the airlines, add it up. It would be a heck of a lot more than what we are subsidizing Amtrak. But I am not opposed to that, subsidies for transportation, for new technologies, for moving people. I am not opposed.

The Senator from Oklahoma is sort of saying we subsidize Amtrak but we don't the airlines. I didn't mean to get into that, but that is the point I was trying to make.

Lastly, on this issue of offsetting authorizations, now we have to offset every authorization that comes up here. I want to ask the Senator from Oklahoma—we just passed a Defense authorization bill, authorizes a lot of new things in there. I ask the Senator from Oklahoma, were any of those offset?

Mr. COBURN. Absolutely not. I voted against it and proudly did so because we had $16.8 billion worth of earmarks in there that will be forced onto the American taxpayer that will never see the light of day. They were in the report language, and we put something in the bill that said you couldn't amend it. None of those are competitively bid; $16 billion worth of earmarks, none of them competitively bid. So what happens? Defense authorization, we got $16 billion that we probably could have bought for 10, but because we have a system that says we are not going to watch out for the taxpayer, we will not do it.

So what I would say to the Senator is, what you want to do is great. I am not against it. How you are doing it I am against. Unless we change how we do things here, until we start becoming responsible fiscally, there has to be somebody putting on the brakes. I don't want to be known as a Senator who blocks research, but in fact, as the doctor related, this can all be done, and they are probably doing it.

The Senator from Iowa voted for the reform of NIH. You proudly voted for the reform of NIH. Paralysis is a disease-specific category because it is based on a problem in terms of mobility. So it falls into a category.

I don't know whether he wants this specifically, but what I am saying to you is, if you will bring a bill with $115 million worth of offsets to the floor in terms of authorization, we will say yes tomorrow.

The point is, until we establish with the American people that we are going to be as wise with their money as they are with their money, then we have to do some changing.

I do not apologize at all for standing in the way of this bill on principle. Somebody has to say timeout in this country in terms of spending. A newborn child born this year faces $400,000 in unfunded liability. When you fund the $115 million and if you offset it with something else, something else will get offset. The average increase in this area has been about 7.5 percent per year. What is the name of all those children who aren't going to get to go to college, will not have a great opportunity economically for the future, because we won't live within our means?

The last time I knew, when the airlines made money, they paid taxes. So, in fact, they are contributing to all those things that were mentioned because they are taxed at one of the highest corporate tax rates in the world. One of the reasons the airlines can't compete is because we have a tax rate that essentially is close to 50 percent by the time we add in State income taxes. So they participated in the development of all those programs. They are great advancements.

Let's finish this debate. Let's talk off the floor. I will gladly work with Senator HARKIN to accomplish whatever he wants, but I will not break down on the letter I sent in January of 2007 that says I believe we have to change the way we operate. I know there is tremendous resistance to that in this body. I understand that. But the American people don't understand it. What they understand is they have to make hard choices. Either we mean to fund the $115 million or we are sending a charade to the people who want this bill passed. It is one or the other. The fact is, they have had a chance.

I will also put in the RECORD that in the last Labor-HHS-Education appropriations bill, there was $105 million that Senator HARKIN specifically put in for earmarks that he directed. That is real spending. That is enough to pay for the whole bill over 10 years.

The fact is, we have a major disagreement on specifics on how we control and how we change this country. I will fight for the taxpayer every time. I apologize to the Senator for some of my emotion. It is because I am thinking about the kids who are coming, not the political realm of today. I understand that we need to do more in NIH. I am on public record to take that to $60 billion. I will pay for it, easily pay for it. There is $80 billion worth of fraud in Medicare. What have we done about that? Nothing. We gutted the very program that cut spending for medical devices, durable medical equipment, the last bill through here. We had a way to save over $2 billion a year. We gutted it. The Senator voted for it. He voted to gut the $2 billion worth of savings.

So there are plenty of things we can do, but what we are not going to do anymore with my consent is to pass

bills that increase the liability for our children in the future, even when we do it for the sake of doing something good.

I yield the floor.

Mr. HARKIN. You can look at society and say there are a lot of problems out there. You can look at this Congress and say we spend a lot of money that we don't agree on. There is a lot of money spent in this Congress I don't like, that I don't agree with. But does that mean this one Senator should stand here and stop good things from happening just because I don't like the way something is being spent, the way something is being done, that I should use the privilege of being a Senator, a privilege, a right, a privilege of being a Senator to just stop something that is good?

There are 435 Members of the House, not one objection; 99 Members of the Senate, not one objection. But one Senator, the Senator from Oklahoma, is concerned about deficits and about appropriations. OK. I agree. There are some problems. We have to face our deficits and debt. Does that mean, then, that we stop every good thing from happening around here until that is taken care of? That is taking the privilege of being a Senator way beyond what we ought to have a right to do, to stop something like this just because we are upset about something else that is bad about spending.

Heck, I can share with the Senator from Oklahoma a lot of horror stories about how we are wasting money in this Government. He doesn't have a corner on that market, I assure him. Some of the things he may think are wasteful, I might agree. Maybe some of the things I think are wasteful, he may not agree. I don't know. But that is how we work things out here, in a collegial manner, working together to try to get these things solved.

It is very hard to explain, when I tell people that one Senator can stop something like this. They don't understand how that is possible, but it is. One Senator can stop things around here. I wish this weren't so in this case because there are too many people with paralysis who were counting on us to get this done and move ahead to coordinate the research in paralysis and bring all of it together. But we never give up. We just keep trying.

I yield the floor.

The PRESIDING OFFICER (Ms. KLOBUCHAR). The Senator from New Mexico.

Mr. DOMENICI. Are we in morning business?

The PRESIDING OFFICER. We are postcloture on the motion to concur.

Mr. DOMENICI. I ask unanimous consent to speak for 6 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC BAILOUT

Mr. DOMENICI. Madam President, the House of Representatives today defeated the proposed financial rescue plan devised by a bipartisan, multi-institutional group. This action will precipitate an economic catastrophe for the United States of America. While the initial response to this ill-advised action has been so far limited to equity markets and corporate bond markets, I predict the defeat of this plan will soon permeate our entire economy. It will also have serious and not completely predictable consequences in all markets throughout the world.

The plan has many features in it that those who oppose had sought. It added many new safeguards for the taxpayer. Yet a rigid adherence to an ideological purity on both sides that has never existed in our Nation led many in the House to reject this plan.

I do not know right now in what form the consequences of this action will hurt the average American. Higher interest rates for houses and other things, other long-term purchases, a continued freeze on the tax credit markets, loss of jobs and contraction of the economy, loss of billions of dollars in pension plans—the consequences will come.

This action cannot be the last word this Congress has to say. I urge everyone involved to begin to work again immediately on adjustments to the plan that will at least satisfy a majority in the House.

This Congress has an approval rating at an alltime low. None of us should be surprised as to why. We cannot let the situation lie as it now is as a consequence of not passing in the House of Representatives. The leadership and those Members who feel compelled to get something done for the United States in a moment of great economic peril should come together and see to it that we do what is right.

It is difficult to do what is right because frequently our people do not understand. There are those who are obviously concerned that those who vote don't understand and indicate that we should not have a big bailout. This is not a big bailout bill. We got off on the wrong path when we started talking about bailouts.

There are no bailouts here. What we are going to do is buy assets, buy mortgages, buy promissory notes, buy things of value that, as of today, are very low in value and are clogging the pathways for money to flow. We are going to buy those. We are not going to bail anybody out. When we buy those, the channel will be open again. The road will be opened. The freeway will be opened. The cars will run. Money will flow. The liquid channels will become liquid again. Unless and until we do that, they are clogged.

The clogged items, the things that clog up our money market lines, are going to be purchased by this rescue plan. They will be owned by this rescue plan. This rescue plan will hold these assets as nobody else could hold them. It is too big a quantity and you cannot afford to hold them, but we can hold them and then sell them later. There is good indication and justification that if we do not wait too long that this rescue plan will sell these assets and perhaps we will come out with more money than we paid for the rescue plan.

We need this mechanism because in our democracy our President does not have the authority to do it. So somebody must do it, and it means Congress must, even though it is complicated, even though it is comprehensive, and even though it is hard for the public to understand. We must continue to explain this to the public. They will be wondering today and tomorrow and the next day, as banking institutions fail, as other things around them that have money at the bases will stop working right.

As I said, so far the equity markets—that is the stock markets—they can see those falling perhaps by historically large numbers, percentages. Corporate bond markets—we have already seen the effect on them. But there will be other things happening that will make the people understand. But it should not be that we have to let all of these terrible things happen in order to get our heads together and know it is going to happen and try to fix it and tell our people we have to fix something that is broken and that will only cause them and their families more grief and more hard times if we do not use a rescue plan to buy those assets that are clogging the financial highways and freeways so that money will flow.

I know I have spoken two or three times on the subject. Some will say that is enough. But I will speak and I will argue and I will debate and I will attend meetings for as long as they go on with Senators and Representatives in an effort to make the vote that happened today not the last action on this terribly difficult subject for the people of the United States—a rescue plan to let the financial markets work in America.

The greatest financial markets in the world are soon to be rubbish, are soon to be in terrible shape. The best will turn out to be the least. In the meantime, we are all going to suffer. Just remember, without the flow of money we can hardly do anything in our country. We can hardly buy anything. We can hardly sell anything. Anything you look at of value can hardly happen without the flow of money, credit cards, checking accounts, bonds. All of those things we have become acquainted with that are taken for granted are in jeopardy because of what I have just described and what we hope has been described over and over.

For those who read, I urge they read the speech of Senator LAMAR ALEXANDER this morning on the subject. He used a metaphor that I have given to a group of Senators of a freeway full of automobiles at high speed going down the road, and each one of those cars was something valuable happening in America. When the six lanes of the

road were clogged by a six-car accident, the cars loaded with good things for America, financial things, were all stopped because of the car wreck.

Now, if that metaphor makes sense, what our rescue proposal says is, go out and buy the salvage and get it out of the road. Let the cars flow, and each of those cars that contains things that will make our lives different and valuable will be flowing down the road. The salvage can be repaired and, believe it or not, sold for more than we bought it at in salvage off the highway.

That is as best I can do. As somebody said: But we need just one or two words to express it. Somebody answered and said: Yes, the American people like one or two words, but they also like a story. So I just told them the best story I can of what this is all about.

I hope before too long there will be more support so Members of the Congress, the House in particular, will be strengthened by some changes in public opinion that will give them confidence to vote for this rescue plan.

Madam President, I yield the floor and suggest the absence of a quorum.

Madam President, I withdraw that suggestion and yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Well, Madam President, we certainly need to confront the challenges we are facing now with this banking situation. I know Senator DOMENICI is so eloquent and speaks with such conviction on it and believes strongly that we need to get busy.

The underlying business, however, at this time does remain the Amtrak bill, the reauthorization. That is the legislation the majority leader, Senator REID, has brought up. I would assume that the leadership is trying to figure out what to do in light of the House vote. If they want to proceed and discuss that legislation, I will certainly be glad to yield the floor to them. But I do think we need to talk about this reauthorization of Amtrak.

I have watched this issue for a number of years and have drawn increasingly concerned. The legislation provides $9.7 billion for Amtrak and passenger rails through 2013 for operating and capital grants and debt repayment.

Operating—that means in simple language they are losing money, so we are going to make up their losses. Capital grants means they want more money to help them expand the system. Instead of the Amtrak system itself paying for this on a normal basis, they want the taxpayer to pay for it. Debt repayment—we have seen a lot of people having debt and not being able to pay their debt. It appears Amtrak needs a bailout because they cannot pay their debts. I wish we were in better shape, but the fact is, we're not.

It also includes an amount of $1.5 billion for the Washington Metro Area Transit Authority—this is another $1.5 billion on top of the money that has been put in that program for some time. What is it for? For capital and preventative maintenance. I guess that means keeping the system running.

I will talk a little bit more about that in a minute. But I would note that in 1997, a little over a decade ago, Congress had a big discussion about Amtrak and what to do about it, and there was a consensus that the system be fundamentally reformed and that there be new accountability for Amtrak. It provided, in 1997, that by 2002 there would be no more Federal subsidies to Amtrak.

I tell you, we do not have accountability in this Government of ours. It is not functioning sufficiently in my view, and one reason is we make assertions, and when things do not work out the people who did not succeed at whatever task they were given—we just give them more money, and they know that. They expect that to happen, so they do not make the tough decisions necessary to be successful.

Kenneth Mead, the former Department of Transportation inspector general who dealt with accountability, succinctly stated it this way:

> The mismatch between the public resources made available to fund inner city passenger rail service, the total cost to maintain the system that Amtrak continues to operate, and the proposals to restructure the system comprise a dysfunction that must be resolved in the reauthorization process of the Nation's inner city rail system.

Now, the Heritage Foundation, an exceptionally fine think tank, has looked at this, and they have concluded that we do not have the reform that Inspector General Mead said was necessary. In fact, they say that fundamentally this reauthorization makes little reform at all of significance, and this request for money may be the biggest Amtrak has ever asked for. I say we have a problem.

Let me share a few thoughts. I know many people have a romantic attraction to rail systems and want to see them successful and think we could do well if we could have more rails and people would ride the rails and it would save energy and we would all be happy and we could just, I guess, like the Orient Express, play cards and eat meals on white table cloths. Well, let's look at the reality of what we are dealing with.

I do not think Amtrak is going to work in Alabama. Our population is too diverse, and the routes it runs do not seem to fit the traffic patterns of people. I wish it could. I do not want to be a person to say don't send Amtrak through my State. Few people probably benefit from it. Few people might have a job depending on it. But sometimes we as a nation have to ask ourselves what is the proper utilization of our money, and are we making any progress.

I do not think you can justify many, perhaps most, of the routes Amtrak is running, but some of them could be. Some more of them could perhaps become viable if the losses they were taking in this system on bad routes were put into some of the marginal routes, where they upgraded them and they could run the system better, cleaner, and more timely, with fewer delays, and that kind of thing. But fundamentally the romantic view that we are going to have some sort of major international rail system does not seem to be realistic.

I remember as a child growing up in the country we used to say—I grew up on the railroad tracks. It was not but a couple hundred yards from my house to the railroad track. My daddy had a country store there. There were three country stores in that neighborhood and one railroad depot. So we had a passenger train.

When I was a young kid, a passenger train came through there. But there has not been a passenger train through Hybart, AL, in 40, 50 years. Now there is only one store left in the community and no railroad depot. It has been closed for many years.

Things happen. This country changes. People change. Let me ask this question to my colleagues. Would the Nation be better off if somebody in Washington, DC, said: Oh, that is such a shame. This little town of Hybart might lose their three stores, and they might have the depot closed. Maybe we ought to fund the railroad, give them enough money, bail them out, so they can continue to operate their passenger train through there. Would we be better off if we had done that? I do not think so. I hate to see it happen.

We also had a little post office attached to the house of my neighbor, and they closed that a number of years ago. That was heartbreaking. Mrs. Hybart from Hybart ran the post office. When she retired, they closed it. We hated to see that, but maybe the Postal Service was right. Maybe it was such a small operation it couldn't be justified to be continued. Somebody has to make decisions somewhere.

So let me point this out to my colleagues. Using my home State as an example, we have a train that goes through Birmingham and on up to Washington. Birmingham is our largest city. What are your options if you are in Birmingham and want to come to Washington, DC, our Nation's Capital? If you want to go on a commercial airline, which most people do, frankly, there are several flights every day, direct flights from Birmingham to Washington. If you take your personal vehicle you can leave anytime that you desire. You can leave early in the morning or you can leave midday, whatever. If you take the train, though, there is only one train a day leaving, and you have to leave at precisely that time or you don't get on the train. So that limits options at the beginning.

When people are deciding when and how to make a trip, they ask themselves these questions: What about the time it takes to make a trip from Birmingham to Washington, DC? Well, the air time is about 2 hours 12 minutes. The personal vehicle, if you drive by

car, we calculate 11 hours. It may be 10 or 11 hours. By train, it is 18 hours.

How many stops would you make? If you take an airline, of course, a direct flight, there is only one stop—at Washington. If you take your vehicle, maybe you make four or five stops, three or four stops. Let's assume you make four. But Amtrak, Amtrak makes 18 stops, and it does not take the shortest route to the Nation's Capital.

What about cost? How much does it cost? I was surprised, actually, when we looked at these numbers. I questioned my staff. Could it be an error? This is what they told me: The primary cost of a round-trip airline ticket from Birmingham to Washington is $328. It has gone up some. That is what they tell me is the recent fare for this trip. If you look at your automobile, and there is only one person in the car—you may have four—but if one person is driving to Washington, it is about $200 for the gasoline at the current high prices; $4 or so a gallon. What about the Amtrak train ticket that is going to take 18 hours instead of 2, what does it cost? Four hundred and forty-five dollars.

So you think this may have something to do with why people are choosing to fly or drive, rather than take the train? I kind of wish it wasn't so. I wish there was some way we could make this different than it is, but those are the facts and that is why many of the Amtrak routes are not practical.

People say: Well, why don't we make more routes, more trips, more trains, more often every day, and maybe more people would use it. I don't think so. I think the losses would swell even larger. You can't make this happen, in my view. I wish we had a different statement I could say about it, but that is it.

One reason we maintain these routes around the country that are losing money substantially is because Congress maintains them because politics gets into it. Nobody wants to stand, as I am doing right now, and suggest it is not going to be the end of the world for the State of Alabama if we don't have an Amtrak running through there, if it is costing the taxpayers billions of dollars every year to keep it running.

I wish to mention, briefly, the Washington Metro earmark of $1.5 billion. This includes Northern Virginia and the Maryland suburbs—some of the richest, most prosperous areas in the country. But they want us to send huge amounts of money here to fund the extension of their subway, their train system. I think we have a right—the people outside this area need to ask why they should do that.

Let me share this. My home county that I have been talking about has double-digit unemployment. It is reported by the New York Times that in my county—Wilcox County, where I grew up and went to school—the average citizen spends a larger percentage of their income on gasoline than any other county in America. So I guess what we are talking about now is we are going to ask people in my county who are struggling to get by with high unemployment rates and low wages and long distances to work, to subsidize a big, fancy subway system extension and operation that goes beyond, what I think is fair. What principle is being utilized to decide this is a good allocation of limited wealth in America?

So this is a huge mark. It is a huge item. Let me tell my colleagues how huge it is. Our State, as I recall, under the formula for highway distribution moneys, with every State in America, is about average. Alabama is about an average size State in population and probably in size. The tax revenue from gasoline comes to the Federal Government and we allocate it out by complex formulas that we have fought over for years. Alabama and Mississippi felt as though we weren't being fairly treated, but we are doing a little better now under the formula. But the amount of money Alabama gets, as I recall, it is not much over $500 million a year for the entire interstate highway system in Alabama to be utilized with the State highway money: $500 million per year. Whereas, they who are pushing this Metro system—$1.5 billion payment—would, in one project alone, be three times the annual funds that my State gets for highways. I don't think that is fair. I know it is a huge project. But, it is not a project I think can be justified. I wish we could do this and that would be good.

Somebody said: Well, Government employees like it. Many of them live out that way. Well, I have to tell my colleagues that Government employees are treated pretty well. You may not know this, but one reason they take subways is most of the agencies subsidize their ticket. If you take the Metro, the Government agency gives you a transportation allowance. So they have tried everything they can to incentivize riding the subway, but the Metro is still losing money. This is an additional subsidy from the Federal Government to the Washington Metro.

So I have to tell my colleagues I believe this is an important matter. I do not believe this legislation is sound. I don't think it is good for the taxpayers. I believe it is, in many ways, including this very large, one appropriation of $1.5 billion, that is clearly unfair to the rest of the country. We shouldn't pass it. I am sorry the majority leader seems determined to move forward with this bill. But as I said, I would not object if he sets it aside temporarily, to discuss what we are going to do about the financial crisis.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

TRIBUTE TO SENATOR DOMENICI

Mr. COCHRAN. Madam President, it is with mixed feelings of remorse and pleasure that I speak on the subject of the retirement from the Senate of my colleague and friend from New Mexico, PETE DOMENICI. He and his wife Nancy have been close and dear personal friends. When I was elected to serve in the Senate, they reached out to my wife Rose and me and made us feel at home and very comfortable in our new Senate environment. That was 30 years ago.

The Domenici family will surely be missed, but I know we will stay in touch. I wouldn't be surprised to get a call from PETE if he sees or hears about my not doing right on an issue he feels deeply about. He is not bashful, nor easily intimidated, and he is going to continue to be consulted for advice and counsel from time to time by me and others who respect him so highly and realize they would benefit from his good judgment and insight.

From public works to budget and energy, to appropriations, he has been a conspicuous and forceful advocate of public policy in the Senate committees. His contributions to public policy during the years of his service in the Senate are unsurpassed, and the genuineness of the respect in which he is held by his colleagues is unequaled. It has been a great honor to have served with PETE DOMENICI. I extend my sincere congratulations to him on his outstanding career in the Senate.

SPACED-BASED INTERCEPTOR STUDY

Mr. KYL. Madam President, today I wish to describe an important step towards providing the American people with a global, persistent ballistic missile defense system. This step is the space-based interceptor, SBI, study that was recently funded in H.R. 2638, the fiscal year 2009 Continuing Resolution, which contains the fiscal year 2009 appropriations for the Department of Defense.

Congress appropriated $5 million for the Secretary of Defense to conduct an independent assessment of a space-based interceptor element of our missile defense system. This is the first time since the Clinton administration and a Democrat-controlled Congress in 1993 cancelled all work towards a space-based layer missile defense system that we have the potential to expand our space-based capabilities from mere space situational awareness to space protection.

In the past 15 years, the ballistic missile threat has substantially increased and is now undeniable. Today, at least 27 nations have ballistic missile defense capabilities, and last year alone over 120 foreign ballistic missiles were launched. North Korea and Iran are developing and proliferating ballistic missile technology and continue to be major threats to our allies and our deployed forces.

Developments in China, as illustrated in the 2008 Annual Report on Military Power of the People's Republic of China, raise the concern about accidental or unauthorized launches of

intercontinental ballistic missiles, ICBMs, by China's military.

In addition to the long-established threat of ballistic missiles as a delivery system for weapons of mass destruction, on January 11, 2007, the world witnessed the vulnerability of space assets when China launched a ballistic missile to destroy a satellite. This capability extends beyond China; the Director of National Intelligence recently testified, ''over the last decade, the rest of the world has made significant progress in developing counter space capabilities.''

Every part of our daily lives depends upon the capability and reliability of our space systems. An attack on our space systems would not only adversely affect our military and intelligence systems, but also items such as: the Internet backbone, financial systems, navigation systems, manufacturing inventory control systems, emergency response systems, and weather tracking. Our vulnerabilities have not gone unnoticed; Wang Hucheng, an analyst for the People's Liberation Army has called our space systems the ''soft ribs'' of the U.S. military.

The $5 million appropriation for the SBI study allows the Secretary of Defense to enter into a contract with one or more independent entities to review the feasibility and advisability of developing a space-based interceptor element to the ballistic missile defense system. It is clear from the project tables in H.R. 2638, specifically the Program Element numbers in those tables, that Congress understood the importance of funding this study.

I have the utmost confidence in Secretary Gates to make the decision about what research and development entity should perform this study. I would like to recommend that an entity like the Institute for Defense Analysis, IDA, lead the study. IDA has the experience and technical expertise to provide policymakers a complete picture of the merits of a space-based interceptor system.

The study could lead to the development of new technologies and concepts that would provide the United States, our allies, and our deployed forces protection from the threat of rapidly proliferating ballistic missile technology, as well as the rising threat of attacks on our vulnerable national security space systems.

I would like to share the views of a few senior military leaders about what they believe to be the benefits of conducting the space-based interceptor study.

GEN Kevin Chilton, Commander of United States Strategic Command, stated:

> Space based systems have great potential to address many significant global missile defense challenges. The high ground space provides could alleviate many geographic and political challenges.

GEN Henry Obering, Director of Missile Defense Agency, stated, the study is ''a pragmatic hedge against an uncertain future, not an acquisition program for space-based missile defenses. It is opportunity to learn—while there is time to learn—what is possible in space against the day when emerging threats may compel us to decide.''

MG Thomas Deppe, Vice Commander of Air Force Space Command stated:

> Starting the preliminary studies and analysis on a space-based layer now will provide time to understand the potential benefits and technological challenges of such a system. Early studies help to reduce risk and better determine cost and feasibility of any space-based endeavor by identifying required technologies.

The United States must study space-based defenses now while we actually have the time to gather the data necessary to make informed policy decisions and before we are forced to make a decision in a time of crisis.

I would like to thank Senators INHOFE, ALLARD, and SESSIONS for their support in ensuring this important initiative was funded.

This study—some in this body have been afraid of—will help Congress understand what a space-based layer in our missile defense system could do to defend this Nation from ballistic missile attacks and threats to our space systems.

Mr. ALLARD. Madam President, I would like to associate myself with the remarks of Senators KYL and INHOFE. I supported the Space Test Bed study requested by the President. I would have preferred to be here today urging that my fellow Senators keep an open mind until that study can begin providing data to policy makers.

Yet there are those who refuse to study—even study—whether space-based interceptors can offer added defensive capability against ballistic missile threats to the United States, our allies, our deployed forces, even our national security space systems. As a result, this space interceptor study is the best we could get out of the Congress this year.

Let there be no mistake, this is an important step forward. I am pleased to have been able to help to push this study across the finish line.

I urge the Secretary of Defense to move quickly to get this study underway so that the next administration and the next Congress can build on today's study and finally move past the ivory tower debate about the weaponization of space.

Mr. INHOFE. Madam President, I strongly agree with Senator KYL in regard to the space-based interceptor study. This study provides the Secretary of Defense an independent assessment of a space-based interceptor element of our missile defense system. I think we all agree that a layered missile defense capability provides us with the best defense against ballistic missile delivered weapons of mass destruction as well as a defense against attacks against our satellites which have become so necessary to what we do militarily and economically.

This study will be an independent investigation into the technical feasibility and cost effectiveness of incorporating a space-based layer to our ballistic missile defense system. The study is neither a procurement program nor an attempt to weaponize space. It could lead to the development of new technologies and concepts that would provide the United States, our allies and our deployed forces protection from the threat of rapidly proliferating ballistic missile technology, as well as the rising threat of attacks on our vulnerable national security space systems.

As Senator KYL stated, last year 120 foreign ballistic missiles were launched. North Korea, Iran, and China remain likely suspects in ballistic missile proliferation and China has proven its ability to attack satellites. Recent Russian aggression in Georgia and reports on the state of China's military raise concerns about accidental or unauthorized launches of ICBMs.

The threat exists. It is important to do these studies now in order to develop the technologies and the defenses we need. Waiting until our Nation or our allies are attacked is too late. Wishing away the threat, as some in this Congress would have us do, is not a solution.

I thank my colleagues for this important move to ensure the safety of our Nation. Having the knowledge gleaned from this study will allow us to decide on the next step, should it be necessary.

CHANGES TO S. CON. RES. 70

Mr. CONRAD. Madam President, section 225 of S. Con. Res. 70, the 2009 budget resolution, permits the chairman of the Senate Budget Committee to revise the allocations, aggregates, and other levels in the resolution for legislation that enhances medical care and other benefits for America's veterans and servicemembers. The revisions are contingent on certain conditions being met, including that such legislation not worsen the deficit over the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

I find that S. 3001, the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, which was cleared by Congress on September 27, satisfies the conditions of the reserve fund for America's veterans and servicemembers. Therefore, pursuant to section 225, I am adjusting the aggregates in the 2009 budget resolution, as well as the allocation provided to the Senate Armed Services Committee.

I ask unanimous consent to have printed in the RECORD the following revisions to S. Con. Res. 70.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2009—S. CON. RES. 70; REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 225 DEFICIT-NEUTRAL RESERVE FUND FOR AMERICA'S VETERANS AND SERVICEMEMBERS

[In billions of dollars]

Section 101	
(1)(A) Federal Revenues:	
FY 2008	1,875.401
FY 2009	2,029.661
FY 2010	2,204.695
FY 2011	2,413.285
FY 2012	2,506.063
FY 2013	2,626.571
(1)(B) Change in Federal Revenues:	
FY 200	−3.999
FY 2009	−67.738
FY 2010	21.297
FY 2011	−14.785
FY 2012	−151.532
FY 2013	−123.648
(2) New Budget Authority:	
FY 2008	2,564.237
FY 2009	2,538.265
FY 2010	2,566.826
FY 2011	2,692.486
FY 2012	2,734.102
FY 2013	2,858.843
(3) Budget Outlays:	
FY 2008	2,466.678
FY 2009	2,573.277
FY 2010	2,625.751
FY 2011	2,711.447
FY 2012	2,719.529
FY 2013	2,851.939

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2009—S. CON. RES. 70; REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 225 DEFICIT-NEUTRAL RESERVE FUND FOR AMERICAS VETERANS AND SERVICEMEMBERS

[In millions of dollars]

Current Allocation to Senate Armed Services Committee	
FY 2008 Budget Authority	119,050
FY 2008 Outlays	118,842
FY 2009 Budget Authority	126,030
FY 2009 Outlays	125,863
FY 2009–2013 Budget Authority	668,567
FY 2009–2013 Outlays	667,908
Adjustments	
FY 2008 Budget Authority	0
FY 2008 Outlays	0
FY 2009 Budget Authority	−27
FY 2009 Outlays	7
FY 2009–2013 Budget Authority	−2
FY 2009–2013 Outlays	−8
Revised Allocation to Senate Armed Services Committee	
FY 2008 Budget Authority	119,050
FY 2008 Outlays	118,842
FY 2009 Budget Authority	126,003
FY 2009 Outlays	125,870
FY 2009–2013 Budget Authority	668,565
FY 2009–2013 Outlays	667,900

FURTHER CHANGES TO S. CON. RES. 70

Mr. CONRAD. Madam President, section 223 of S. Con. Res. 70, the 2009 budget resolution, permits the chairman of the Senate Budget Committee to revise the allocations, aggregates, and other levels in the resolution for legislation that invests in America's infrastructure, including rail projects. The revisions are contingent on certain conditions being met, including that such legislation not worsen the deficit over the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

I find that H.R. 2095, the Federal Railroad Safety Improvement Act, satisfies the conditions of the reserve fund for investments in America's infrastructure. Therefore, pursuant to section 223, I am adjusting the aggregates in the 2009 budget resolution, as well as the allocation provided to the Senate Commerce, Science, and Transportation Committee.

I ask unanimous consent to have printed in the RECORD the following revisions to S. Con. Res. 70.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2009—S. CON. RES. 70; REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 223 DEFICIT-NEUTRAL RESERVE FUND FOR INVESTMENTS IN AMERICA'S INFRASTRUCTURE

[In billions of dollars]

Section 101	
(1)(A) Federal Revenues:	
FY 2008	1,875.401
FY 2009	2,029.667
FY 2010	2,204.701
FY 2011	2,413.291
FY 2012	2,506.069
FY 2013	2,626.577
(1)(B) Change in Federal Revenues:	
FY 2008	−3.999
FY 2009	−67.732
FY 2010	21.303
FY 2011	−14.779
FY 2012	−151.526
FY 2013	−123.642
(2) New Budget Authority:	
FY 2008	2,564.237
FY 2009	2,538.268
FY 2010	2,566.829
FY 2011	2,692.492
FY 2012	2,734.110
FY 2013	2,858.852
(3) Budget Outlays:	
FY 2008	2,466.678
FY 2009	2,573.280
FY 2010	2,625.754
FY 2011	2,711.453
FY 2012	2,719.537
FY 2013	2,851.948

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2009—S. CON. RES. 70; REVISIONS TO THE CONFERENCE AGREEMENT PURSUANT TO SECTION 223 DEFICIT-NEUTRAL RESERVE FUND FOR INVESTMENTS IN AMERICA'S INFRASTRUCTURE

[In millions of dollars]

Current Allocation to Senate Commerce, Science, and Transportation Committee	
FY 2008 Budget Authority	13,964
FY 2008 Outlays	9,363
FY 2009 Budget Authority	14,432
FY 2009 Outlays	10,250
FY 2009–2013 Budget Authority	75,918
FY 2009–2013 Outlays	49,960
Adjustments	
FY 2008 Budget Authority	0
FY 2008 Outlays	0
FY 2009 Budget Authority	3
FY 2009 Outlays	3
FY 2009–2013 Budget Authority	29
FY 2009–2013 Outlays	29
Revised Allocation to Senate Commerce, Science, and Transportation Committee	
FY 2008 Budget Authority	13,964
FY 2008 Outlays	9,363
FY 2009 Budget Authority	14,435
FY 2009 Outlays	10,253
FY 2009–2013 Budget Authority	75,947
FY 2009–2013 Outlays	49,989

INSPECTOR GENERAL REFORM ACT

Mr. LIEBERMAN. Madam President, I am proud to note that Congress, Saturday, voted to pass and send to the President the Inspector General Reform Act of 2008. This bipartisan bill reflects the broad congressional support for the outstanding work of our inspectors general and our desire to ensure that these important and unique Government officials are given the tools and the accountability to perform at their very best. I want to commend my colleagues, Senator MCCASKILL and Senator COLLINS, with whom I cosponsored this bill in the Senate, for their leadership and hard work on this issue. I also want to recognize the efforts of Congressman COOPER of Tennessee in the House, who has worked diligently on this legislation or some version of it through several Congresses.

It has been 30 years since Congress, as part of its post-Watergate reforms, passed the Inspectors General Act of 1978 that created an Office of Inspector General in 12 major departments and agencies to hold those agencies accountable and report back both to the agency heads and Congress on their findings. The law was amended in 1988 to add an inspector general to almost all executive agencies and departments.

The experiment has been a great success, hailed as a sort of consumer protector for the taxpayer deep within each agency. IG audits generate billions of dollars in potential savings each year. They also safeguard something even more valuable public trust

in our Government by exposing shortcomings in Government practices and official conduct. Some of these efforts generate front page headlines, but most of it unfolds quietly but critically behind the scenes as the IGs help their respective agencies establish effective and efficient programs and practices that make the most of the taxpayers' hard-earned dollars.

It is not an easy job to undertake and, over the years, we have become aware of several instances where the independence of inspectors general appears to be under siege. It is vital that Congress reiterate its strong support for the internal oversight IGs can provide and ensure they have the independence they need to carry out this vital, but often unpopular work.

Unfortunately, we are also aware of instances in which the watchdog needs watching—that is, situations where the inspector general has behaved improperly or failed to provide vigorous oversight.

This legislation attempts to address both problems.

It includes an array of measures designed to strengthen the independence of the inspectors general, such as requiring the administration to notify Congress 30 days before attempting to remove or transfer an IG. This would give us time to consider whether the administration was improperly seeking to displace an inspector general for political reasons because the IG was, in effect, doing his or her job too well. It requires that all IGs be chosen on the basis of qualifications, without regard to political affiliation.

The legislation would codify and strengthen the existing IG councils, creating a unitary council that can provide greater support for IGs throughout the Government.

The bill would provide greater transparency of IG budget needs, including funds for training and council activities, to help ensure the IG offices have the resources they need for their investigations.

The legislation also adjusts IG pay. It prohibits bonuses for IGs to remove a potential avenue for improper influence by the agency head. To compensate for this ban and to reflect the importance of the work they do, most IGs would receive an increase in their regular pay. Currently, some IGs earn less than other senior officials in their agency and sometimes even less than some of their subordinates.

Our bill also enhances IG accountability by strengthening the Integrity Committee that handles allegations against inspectors general and their senior staff, and facilitating greater oversight of the Integrity Committee by Congress.

Both the House and Senate versions of this bill received overwhelming bipartisan support, and since Senate passage last spring we have worked with the House to craft the consensus language that has now won congressional approval. We have also worked with the administration to address many of their initial concerns, and it is my great hope that the President will promptly sign this bill into law.

AFRICA

Mr. FEINGOLD. Madam President, last week I chaired a hearing on the ''resource curse'' and Africa's management of its extractive industries. In too many parts of Africa, a wealth of natural resources that should be fueling economic development are instead sources of corruption and conflict. This is especially the case with Sub-Saharan Africa's leading oil-producing nations. Just a few days ago, Transparency International released its corruption index, naming of Africa's top 3 oil producers—Chad, Equatorial Guinea, and Sudan—among the top 10 most corrupt countries. This corruption as well as the discrepancy between persisting poverty and skyrocketing revenues is a recipe for instability in these countries, breeding weak and failing states.

Nowhere are the consequences of the ''resource curse'' more acute or alarming than Nigeria's Delta region. For the last three decades, local communities there have been marginalized politically and economically as oil companies, with the government's backing, have seized some of the world's richest oil deposits. And, while the private sector is pervasive, the federal government is virtually absent—replaced by roving bands of criminals, working in many cases for local governors. The weak infrastructure, lack of opportunities for political participation by local communities, endemic poverty, influx of arms, and presence of lootable extractives have turned the delta into a powder keg over recent years.

In that swamp—and I say ''swamp'' both literally and metaphorically—have arisen several armed groups that seek to appeal to the legitimate grievances of communities for both political and criminal ends. These groups, many of which claim to be part of a loose coalition called the Movement for the Emancipation of the Niger Delta, or MEND, have targeted oil companies operating in the region, kidnapping employees for ransom and attacking pipelines and other installations. Simultaneously, they have become heavily involved in the lucrative trade in oil stolen from the delta's vast pipelines which is called ''bunkering.'' Some estimates suggest that as much as 10 percent of Nigeria's current production is siphoned off illegally, creating a shadow economy that undermines the security of the wider Gulf of Guinea region.

The Nigeria Government's response to the Delta crisis—sporadic military campaigns, empty promises of development and half-hearted attempts at political dialogue—has only made matters worse. In many cases there are definite but ambiguous links between the military and the militants—each out for personal gain as the political economy of war perpetuates the illicit nature of these activities. In addition, the military campaigns to date have only served to provoke the insurgency, leading to fighting that has left civilians killed and displaced. Furthermore, the lack of clear distinction between the security forces of the oil companies and the Nigerian military feeds communities' perception that the two are interchangeable. Meanwhile, despite promises made, there has still not been a serious initiative to address the underdevelopment of the region. The necessary revenues are clearly available with Nigeria's economic boom, but a lack of political will prevails. This is in part because there are officials at the federal, state, and local levels who continue to benefit from the instability in the delta, either by their involvement in the illegal oil trade or other corruption.

Without a commitment from the top leadership in Nigeria—as well as support from key members in the international community—a growing number of individuals at the top will continue to profit, while those at the bottom have almost no say in the development of their society. Genuine peacemaking in the delta region will require not only legitimate political negotiations but a convincing case for transforming the illicit war economy into one of peace. There will need to be viable institutions, not one hollowed out from corruption, which can address economic and political decision-making. And there will need to be opportunities for local communities to engage and hold their leaders accountable. Only then will we begin to see change in the delta.

Under this administration, the United States has made few efforts to address the instability in the Niger Delta, despite Nigeria being a key U.S. partner and the fifth largest source for U.S. oil imports. I recognize that the insecurity in the delta makes it very hard for our embassy officials—who are doing great work in an already tough posting—to travel there, but without consistent diplomatic outreach and presence in the region, our ability to engage is severely handicapped. How can we be sure the information we are getting is valid if we don't have our own eyes and ears to help inform our strategic thinking? The information gap in the Niger Delta is a very real deficit even though it may not seem pressing compared to some of the other national security threats we face. Getting our diplomatic corps into one of the world's most neglected regions will help us identify the full scope of the area's problems and come up with a sound plan for addressing them.

In June, I wrote to Secretary Rice, expressing my concern and inquiring about the potential for more frequent diplomatic travel to the region. I understand that along with the security concerns, financial costs also play a role here. But the costs to U.S. long-term security of not directly engaging this problem now are much greater.

The work of our diplomats on the ground though must be backed by high-level support from Washington. On the Niger Delta—or Nigerian affairs in general, for that matter—we have not seen adequate leadership from the Secretary of State or the President. Looking to the next administration, we must re-engage at all levels. This must be a top priority for whoever becomes the next Assistant Secretary for African Affairs, and I will work in my capacity in Congress to ensure we give greater attention to the crisis in the delta. We must think creatively about how we can rally our international partners and muster the many resources at our disposal to push for a comprehensive solution. In the months and years ahead, I believe there are few more pressing issues in terms of U.S. security and interests in Africa.

Now is the moment to engage. Just over a week ago, insurgents in the delta declared an ''oil war,'' after accusing the Nigerian military of new and unprovoked attacks. The 6 days of conflict that ensued between the militants and Nigerian soldiers were the most intense violence the region had seen in years. Reports suggest that oil output was cut by at least 150,000 barrels, but more importantly the violence left hundreds of people killed and many more displaced. I fear that we may only see this situation get worse as all sides, regardless of their rhetoric, cling to military strategies that only further entrench this conflict.

Nevertheless, there is an opportunity here to use this escalation to refocus international attention on this crisis and jumpstart a comprehensive political process to address its underlying causes. In the last month, there have been some positive developments that can be built upon.

First, President Yar'Adua recently announced the creation of 40-person technical committee and an entire ministry for the Niger Delta. If managed well and held accountable, these entities hold the potential to finally deliver on promises for economic development in the delta, especially infrastructure construction and job creation.

Second, the Government has called for the development of a certification scheme to track the theft and lucrative sale of so-called ''blood oil.'' It is unclear how such a scheme would work or whether the will really exists in Abuja to support it, but this provides an entry point to discuss ways to improve maritime security. A 2005 report by the Center for Strategic and International Studies suggested that better surveillance of two river systems alone could make a huge dent in the illicit oil trade in the delta.

Third and finally, it should be noted that Nigeria's ranking improved in this week's Transparency International's corruption index, suggesting some progress has been made. Of course, these rankings are not precise and far more progress is needed.

Mr. President, I realize that this situation is very complex and that many talented and thoughtful people have met over the last decade in various conferences, workshops, and summits to devise plans for peace in the delta. I am not under the illusion that stabilizing this region will be easy or straightforward, but I do know that the United States does not currently have the institutional leadership, resources, or coordination that we need to effectively engage in that undertaking and wield meaningful leverage. As we look ahead to the next administration and Congress, this must change not only the sake of African communities caught in the midst of violence and poverty but also for our own security.

IDAHOANS SPEAK OUT ON HIGH ENERGY PRICES

Mr. CRAPO. Madam President, in mid-June, I asked Idahoans to share with me how high energy prices are affecting their lives, and they responded by the hundreds. The stories, numbering well over 1,000, are heartbreaking and touching. To respect their efforts, I am submitting every e-mail sent to me through an address set up specifically for this purpose to the CONGRESSIONAL 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 today's letters printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

I am worried about our country. The Senate is in a position to do something about it. Currently we are being kicked around by oil interests both abroad and within our boundaries. This must come to an end. [Misinformation is being circulated about energy.] For example, if we drill in new areas in Alaska it will affect gas prices of a penny a gallon ten years from now—this is a ridiculous statement. They have no basis for a stupid statement like that. I believe we need to eliminate importation of oil on principle. It is essential to drill by opening up new fields in Alaska, offshore on Pacific coast, the Atlantic coast, and the Gulf of Mexico. Shell Oil indicates that they can extract oil from shale for $28 per gallon. Even with government subsidies, I advocate a crash program to start extracting oil from shale and from oil sands in Canada. It requires energy to extract oil from shale. Why not atomic energy to extract that oil? In American Falls, we are trying to get a coal gasification plant. We could use your help in running that through. Potentially this can be a cheap source of hydrogen. American Falls has the potential of truly being in a county of power. There is also the potential of using plant materials for alcohol production. We have an incredible debt. This is a way of solving that debt problem. All things are possible; we have the means to do it. We can solve our energy problems while simultaneously turning America around economically.

JIM, *Moscow*.

What I want a Senator for Idaho to vote for legislation that will help solve our climate crisis. And a Senator who does not couch his words in terms such as utilizing proven reserves; that means you want to drill in ANWR, right? You are the problem, not the solution.

BUD, *Victor*.

Thank you for asking for our input on this incredibly important matter. I own and operate a 3,000-acre diversified farming operation in Oakley. I raise potatoes, wheat, barley, corn and alfalfa. I probably do not need to say any more about how energy prices are affecting my operation. Not just fuel alone, but so many other inputs that we depend on such as fertilizer, chemicals, PVC pipe for underground irrigation are going up faster than fuel. In the Idaho potato business, we depend on a national market to stay viable because of our distance from large population areas. The cost of sending a semi-trailer load (450 cwt.) of potatoes to Florida is currently over $6,000. That is making it far more difficult to compete with the local growers, even though their product is usually inferior to Idaho.

As far as my view of a solution. Drill here and drill now! It is ludicrous and maddening what the liberals has done in curtailing our ability to use our own resources. They are 100% responsible for this mess, and they will pay down the road if they do not realize it soon. As a nation, we are on the verge of an energy crisis that I am not sure we can ever recover from, if it occurs. Their plan to push conservation and tax the big oil companies is simply irresponsible. No one ever saved their way into prosperity. We need to turn the oil companies loose to tap our own reserves and build more refineries, and allow private enterprise to develop new sources of energy.

Thanks again for this opportunity to vent.

RANDY, *Oakley*.

I ride my bike so my gas price is $0/gallon. Plus, my pollution impact is non-existent, impact to the roads minimal and impact to my health is high.

MIKE, *Boise*.

Our concrete and sand and gravel business uses between 30,000 and 40,000 gallons of diesel fuel per month. So our unexpected increase in costs is almost $500,000 this year. The knee-jerk answer to this problem I hear is ''you guys just pass it along to the consumer''. But we have commitments to certain prices on our jobs. Jobs in our industry do not get repriced every night when fuel goes up. So we cannot pass all of the increase along and so profits suffer.

The other side of this is what about the consumer of our products? What does he do with that kind of increase? He is the homeowner, the small contractor, the big contractor, the farmer, or the dairy owner. He takes the hit so we can export our whole productive economy to foreign countries that hate us anyway. How much of this run up is speculation? When the bubble bursts, will the federal government bail out the speculators?

DAVID, *Rupert*.

I have got a story on energy prices for you. My story is based on fact from the congressional record of Senator Crapo's voting history.

Once upon a time (in 2007), there was a good energy bill (H.R. 6) that supported the research and development of alternative fuels. (This should have been done a long time ago so the work could have been done ahead of time so it is ready we need it, instead of now when it is an ''emergency'', but the Congress did not care about it then.)

There was an amendment to this bill (1505) proposed by Sen. Inhofe that would have given many billions of dollars to the oil companies instead of having that money go to supporting alternative cleaner renewable energy resources. There had already been a history of [giving billions of dollars in tax breaks to the oil companies. I believe that the oil companies have suppressed information on cleaner energy, pollution impact on the environment, and vehicle efficiency technologies through media spin. Senator Crapo says he is a good man and supports cleaner energy sources instead of the oil companies. But when the vote for the Inhofe amendment came up, he voted for it. And the nation lived miserably ever after.]

Seriously, when you go along with the president on such outrageous things as imprisonment and torture of people in secret prisons for indefinite periods without charges filed, suspension of habeas corpus, illegal wiretapping of U.S. citizens without warrants and then giving retroactive immunity to the telecoms for doing it, etc., etc., I find it hard to take seriously your claim that you have the public's best interest in mind. You are voting along with the president's wishes in serious violations of the Constitution. It is against your oath of office, and you should not be doing it.

ROCKFORD, *Boise*.

Historically, the United States has paid less at the pump than all other industrialized nations. Today—with the alleged heinous increases—we continue to pay less than Canada does at the pump (over $2/liter) and as you know it is from Canada that we get most of our oil. I approve of protecting the environment at the pump.

Thanks for asking

LYNN, *Island Park*.

I support your recent position of the ''global warming'' legislation that would have resulted in higher gas prices and higher energy costs, in general. I cannot believe that Congress has failed to act on measures to make this nation independent of OPEC's monopoly; we saw the current situation coming way back in the 1970s with long gas lines etc. I am an environmentalist; however, I believe we should responsibly develop all potential oil reserves including off the coasts and in ANWR. This ''global warming'' hysteria is plain old hogwash, and a lot of players are or will make millions off people's fears. It is a proven fact that the planet and the oceans have been in a cooling state since 1998; the record snowfalls in Idaho this year are testimony. It has been shown that the activity on the sun if far more important than man's activities when it comes to changing climate. Man's activities simply make things worse than they would be naturally.

BILL.

Thank you for taking the time to ask about the people here in Idaho. Recently my husband lost his job. With high gas prices, it has been difficult for his to travel to job interviews. I have had to find a new job, because I cannot afford the 40-minute drive to and from work everyday. My father and mother live in Logan, Utah. My dad has cancer and became very ill last February. He became paralyzed from the cancer, choking off the spinal cord. Luckily, he is recovering very well. But both my parents need help. Unfortunately, with the high gas prices, I have not been able to visit my parents in three months. My family cannot afford to take a vacation. Not even a short drive to Yellowstone Park. With no job for my husband, sky-high gas prices, high food prices, we cannot do anything. My husband may end up taking a job 8½ hours away from us. With gas prices, we will be lucky to see him once a month. This is a sad realization for me and my three children.

My in-laws and several friends are farmers. Their lives are a struggle. Farmers are talking about selling their beloved farms for housing developments. This will happen is the gas prices do not come down. Then where will we be? There will be no food for anyone. At least, we will not be able to afford the food in the stores. The future is looking bleak for the people in our areas.

Senator Crapo, please do something to help the people of Idaho. Let the Senate know we here in Idaho do not want to lose everything. Help the prices go down; help the people feel they can enjoy life.

KATRINA, *Idaho Falls*.

I am the Director of Career Services at ITT Technical Institute here in Boise. Many of our students are driving from as far away as Ontario, Oregon, to come to our school. Since the gas prices have increased, we are seeing it impact our enrollment level and our drop level. Many of our students would love to take the bus to our campus, but our classes get out at 10:30 at night and there are no busses running late enough to get them home. Why is it we do not have buses that run at least until midnight on all of the major streets in the valley? I know that more people would ride bus if it actually accommodated their work, school, and shopping schedules. How can we get out of our cars, when there are no viable alternatives?

I am a baby boomer taking care of elderly parents. As I age and my parents age, I am more aware of the dangers we face with elderly drivers on our roads. Their reflexes are slower, their hearing is bad, and their eyes are often clouded with cataracts. We need a safe an efficient way of transporting people of all ages around the city.

Our elderly and disabled are often confined to their homes where they are out of our sight. Many of them are living at or below the poverty level. These prices are forcing those who already have cut back on everything to now look at whether or not they can even buy food.

To make alternative transportation even worst, we do not have roads that our designed to accommodate both cars and bicycles. I would actually ride a bike to work, or even walk if their was more than 12 inches between me and the cars that are going 45 miles per hour along side me.

My last word is, drill now in the U.S., and help us to become less dependent on countries that hate us. The entire world is looking to find alternative to gas and we have been trying to find alternatives ourselves since the 70s. We are not the only nation hurting from energy prices. Are we so arrogant that we think we are the only ones who are hurting from this, or the only ones who will solve the problem? Alternatives to gas, is not something that will be solved overnight. We can drill safely and we can do it quickly. We know where it is, all we need to do is drill. So while the world is looking for a solution. Let us drill and improve our public transportation systems.

BARBARA, *Boise*.

I bought this 2004 Toyota pickup when gas hit $2 a gallon and traded a V8 4 X 4 gas guzzling Hot rod Dodge! I had to trade it for a car when it hit $4.13 a gallon on June 13, 2008. I have a few friends and relatives that are not so lucky! The dealerships will not take their late model 4 X 4 V8's or Diesels in trade. These aforementioned vehicles are now nearly worthless. In some cases, the owners owe more than twice as much as they are worth.

Drill Drill Drill Build Build Build more refineries. Take the handcuffs off the oil industry. Give huge tax incentive and cut the [rhetoric] about windfall profits.

PERRY, *Meridian*.

Thank you for this opportunity to comment on the current energy situation in Idaho. The increase in gasoline prices has definitely had an impact upon my family. We are feeling the pinch not only in fuel prices but in the prices of everything we buy. We recently purchased two used three-cylinder cars, a Geo Metro and a Subaru Justy as an attempt to save on commuting costs. Sadly, there does not seem to be anything we can do about our other increasing costs.

We are firm believers in the viability of nuclear power. I believe that we have the solution to most of our energy needs already in hand in the form of nuclear power generation. France and Japan produce 85% of their electricity by nuclear power and neither nation has reported any significant problems. We have the technology and the resources to make it safe and economical. The American masses who oppose the use and expansion of this technology are driven by fears based on outdated information and are lead by uninformed or self promoting fear mongers. We need to move quickly to support nuclear technology. We need to expound on the facts and expose the purveyors of false information.

Nuclear power produces far less pollution and has a far safer history than any other type of power generation technology. The waste generated by nuclear power generation can be captured and safely stored in a can until we develop the technology to permanently dispose of it. Can we say the same for fossil fuel-based energy production? No, we spew it out into the atmosphere where it affects everything and everyone. If those who claim that the world is being destroyed by global warming truly believed their own rhetoric they would support the expansion of nuclear power generation. I believe the solution to the so called ''nuclear waste problem'' could have been developed by now had we continued our research funding and as a result we would not be facing the energy crisis we now find ourselves in.

If you would like additional information with supporting documentation I would be happy to provide it. I am not a nuclear scientist and do not profess to be an expert at all. I only hope to see this viable technology considered as part of our policy to reduce foreign oil dependency.

TIM, *Boise*.

In 2004 my mother-in-law passed away in Filer. My father-in-law was not coping well without his wife. My wife and I live in Soda Springs. We made the decision to have the wife move back to Filer with her dad for awhile. She found a great job in Twin and things were going well so we purchased another home in Twin and she stayed there helping her family, Dad and making much more money with a career in Twin Falls that was not available in Soda Springs. This was fine until last year when fuel started rising. With two homes, double utilities and raising gas prices our weekly commutes of 177 miles between Soda and Twin all but ended. We are in the process of moving the wife back to Soda and renting out the Twin Falls home. Fuel costs and rising costs in general have created a huge hardship for us. With both of our incomes, it is just cheaper to combine in Soda rather than try to commute. With two good incomes, you would think we would be in fat city! We give up a very good income by my wife moving back to Soda. We have almost divorced over this as it has caused so much stress.

My thoughts on energy: I know we have much natural gas and it burns in vehicles

but no infrastructure to utilize it. It is also clean. I also know this country has a huge supply of coal. The Germans refined gas from coal in WW2. The tree huggers and go gooders will never permit it. We need to stop any use of foreign oil as soon as possible. They have us over a barrel . . . no pun intended.

BOB and DIANNE, *Soda Springs*.

I am a disabled 52-year-old man on a fixed income; SSI. I am a past City of Pocatello employee for almost 20 years in the field of law enforcement. I have no retirement and depend solely on SSI income. I was born and raised in Pocatello, worked for the municipality and now struggles to survive. I now stay home or go to medical appointments. I no longer has discretionary funds, not even for gas.

That's my story, and I'm stuck with it.

MICHAEL.

Thank you so much for your honest interest in the everyday Idahoan and the effect that gas prices have on our lives. I do not have a unique story to share with you. I am wholeheartedly in agreement that we need new sources for our energy usage. I believe that we need to drill for oil on our own soil. It would seem to me that there must be ways to do that and keep environmental concerns in mind. I believe that there are things that can be done to make vehicles use gasoline more efficiently; perhaps even run on alternate materials. Public transportation needs updated and should include ways to help all members of our population.

I am very fortunate that my husband and I have jobs that have not been cut due to the recent rise in energy costs, but we are making changes in the way we live our day. I got a job closer to home, we stopped going for evening drives as a form of entertainment, we are not going on a vacation this summer, we combine our errands into one trip, we had a more efficient heating/cooling system installed in our home, and got a more efficient roof. We are doing what we know how to do, as I imagine are most people.

I do want to suggest that docking the oil companies with wind-fall taxes isn't going to help. They will just hike the prices of the gas to cover their taxes. Some creative minds need to be gathered together to help the U.S. get themselves out of the mess they've gotten themselves into. It is time to cut the ties with eastern oil producers. That would seem a much more efficient and strong message than fighting with their countries' leaders. Big oil companies will, no doubt, have to make some changes to the way they do business. We all have to make changes. So many people have lost their jobs. For some people, the cost of gas offsets the income they make by going to work.

I hope these thoughts will be of some help to you. I thank you, again, for working to help all of us.

PEGGY, *Boise*.

NATIVE AMERICAN HOUSING ASSISTANCE

Mr. DORGAN. Madam President, today I applaud the passage of the Native American Housing Assistance and Self-Determination Reauthorization Act of 2008, NAHASDA. This act will continue to provide thousands of homes for American Indian and Alaska Native families.

The bill passed today reauthorizes and enhances the Native American Housing Assistance and Self-Determination Act, NAHASDA, adopted in 1996. The act provides formula-based block grant assistance to Indian tribes, which allows them the flexibility to design housing programs to address the needs of their communities.

The system set up by this housing law has been very successful in addressing the housing crisis in Indian Country, and this reauthorization will go even further in providing homes to thousands of Indian families who desperately need them. Instead of being a one size fits all national program; it provides grants to tribes, allowing them to tailor housing programs to fit their needs. It has already enabled thousands of families to rent and own homes, and now thousands more will have access to much needed housing.

Despite the continued success of NAHASDA, there is still a housing crisis in Indian Country, where 90,000 Indian families are homeless or underhoused. Of those who do have housing, approximately 40 percent of on-reservation housing is considered inadequate, and over one-third of Indian homes are overcrowded.

The legislation passed today will strengthen NAHASDA by providing tribes with increased flexibility, with the goal of producing more homes in Indian Country. The bill will allow funds to be utilized for community buildings such as daycare centers, laundromats, and multipurpose community centers, with the hope of not only building homes but also building communities. The bill also authorizes a study to assess the existing data sources for determining the need for housing and funding programs.

Adequate housing is the first and most necessary step in building a strong community, and many people in Indian Country have gone on for far too long without a roof over their heads. This bill is more than just a housing act—it will give tribes more authority over their own land and truly help build stronger communities in Indian Country.

Mr. President, please allow me to thank Leader REID, Senator MURKOWSKI, Senator DODD, Senator INOUYE, Senator AKAKA and Senator SHELBY for their commitment in getting this legislation passed.

Thank you to the Senate staff for their hard work on this bill, including Allison Binney, Heidi Frechette, Tracy Hartzler-Toon, David Mullon, Jim Hall, Jenn Fogel-Bublick, and Mark Calabria.

Also, thank you to Representative KILDEE, Representative FRANK, Representative WATT, and their staff, Kimberly Teehee, Dominique McCoy, Cassandra Duhaney, and Hilary West.

Finally, this bill would not have been possible without the tireless work of tribal leaders, the National American Indian Housing Council, the National Congress of American Indians, the National Indian Health Board, and Indian housing advocates.

(At the request of Mr. REID the following statement was ordered to be printed in the RECORD.

NASA

• Mr. NELSON of Florida. Madam President, we have just passed the NASA reauthorization bill. It is noteworthy that next week, October 1, the 50th anniversary of the start of the National Aeronautics and Space Administration, and if my colleagues will recall, that was 1958. My colleagues may remember what was happening. The Soviet Union had surprised us by putting into orbit the first satellite, Sputnik and America, in midst of the cold war among two superpowers, was absolutely shocked that we were behind in our technology; that we could not be premier. Then, lo and behold, 3 years later, they shocked us again by putting the first human in orbit, Yuri Gagarin, for one orbit when, in fact, we only had a rocket, the Redstone, that could get a human into suborbit. Then we put Alan Shepard and subsequently Gus Grissom in suborbit, and then, in the meantime, the Soviet Union put Titov into several orbits. Of course, the eyes of the world then focused in on Cape Canaveral, when a young marine, one of the original seven American astronauts, named John Glenn, climbed into that capsule knowing that the Atlas rocket had a 20-percent chance of failure. He rode it into the heavens for only three orbits. There was an indication on the instrument panel that his heat shield was loose, and as he started the deorbit burn, John Glenn knew that if that was an accurate reading, on reentry into the Earth's fiery atmosphere, heating up in excess of 3,000 degrees Fahrenheit, he would burn up. It is that memorable time when we heard his last words before he went into the blackout period on radio transmissions: John Glenn humming ''The Battle Hymn of the Republic.'' It is hard to tell that story without getting a lump in my throat.

Of course, what then happened, months before we flew John Glenn, we had a young President who said: We are going to the Moon and back within 9 years. This Nation came together. It focused the political will, it provided the resources, and it did what people did not think could be done.

A generation of young people so inspired by this Nation's space program started pouring into the universities, into math and science and technology and engineering. That generation that was educated in high technology has been the generation that has led us to be the leader in a global marketplace by producing the technology, the innovations, the intellectual capital that has allowed us to continue to be that leader.

So it is with that background that this Senator, who has the privilege of chairing the Space and Science Subcommittee within the Commerce Committee, wants to say: Happy birthday, NASA. We are sending to the House of

Representatives tonight this NASA reauthorization bill, which will give the flexibility to the next President, and his designee as the next leader of NASA, the flexibility in a very troubled program that has not had the resources to do all the things that are demanded of it to try to continue to keep America preeminent in space; also to continue to have access to our own International Space Station that we built and paid for; and then to chart out a course for the future exploration of the heavens that will keep us fulfilling our destiny of our character as an American people, which is that by nature we are explorers and adventurers.

We never want to give that up. If we ever do, we will be a second-rate nation. But we would not because we have always had a frontier, a new frontier. In the development of this country, it used to be westward. Now it i upward and it is inward and that is the frontier we want to continue to explore.

So happy birthday, NASA. It is my hope that we will have the House of Representatives take this up on their suspension calendar tomorrow.

I wish to give great credit to the staff who are in the room for the majority and the minority. They all have worked at enormous overload—Chan Lieu and Jeff Bingham. Jeff, despite the fact of having suffered a heart attack earlier this year, and we didn't even let him out of his recuperative bed but that I was on the phone with him getting him to start corralling all these other Senators and House Members so we could get a consensus, so we could come together in an agreement.

The result tonight is the fact that this has been cleared in a 100-Member Senate, when Senators are on edge and they are always looking for something to object to, and there is no objection here, as ruled by the Presiding Officer.

My congratulations to all the people, to the staff of the Commerce Committee, and to the staff of the Science and Technology Committee in the House of Representatives, chaired by Congressman BART GORDON of Tennessee. I am very grateful for everybody coming together and making this happen.

I want to say a special thanks to all of the Senate staff who worked so hard on the NASA authorization bill. Not just Chan Lieu and Jeff Bingham, but also Ann Zulkosky and Beth Bacon on the Commerce Committee, as well as Art Maples, my Congressional Fellow. We also had tremendous support from our legislative council, Lloyd Ator and John Baggley. Thank you all for your hard work and dedication.●

ADDITIONAL STATEMENTS

CEDAR RAPIDS COMMUNITY EDUCATION

● Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes today to salute the dedicated teachers, administrators, and school board members in the Cedar Rapids Community School District, and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction Grant Program. That is its formal name, but it is better known among educators in Iowa as the Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts, everything from updating fire safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The Cedar Rapids Community School District received Harkin grants totaling $4,912,132 which it used to help modernize and make safety improvements throughout the district. Six Harkin construction grants totaling $3,750,000 have helped with several projects. A 1999 grant was used to help build Viola Gibson Elementary School, and Harkin grants helped the district build additions for science and fine arts at Jefferson, Kennedy, and Washington High Schools; additions which included media centers and additional classrooms at Hoover, Roosevelt, and McKinley Middle Schools and Pierce and Wilson Elementary Schools and to also make plumbing and HVAC improvements at McKinley. These schools are the modern, state-of-the-art facilities that befit the educational ambitions and excellence of this school district. Indeed, they are the kind of schools that every child in America deserves.

The district also received six fire safety grants totaling $1,162,132 to make improvements at buildings throughout the district. The improvements included upgraded fire alarm systems, electrical work and other safety repairs. The Federal grants have made it possible for the district to provide quality and safe schools for their students.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute the entire staff, administration, and governance in the Cedar Rapids Community School District. In particular, I would like to recognize the leadership of the board of education—John Laverty, Keith Westercamp, Lisa Kuzela, Ann Rosenthal, Melissa Kiliper-Ernst, Mary Meisterling, and Judy Goldberg, and former board members Richard Bradford, Ken Childress, Doug Henderson, Jeff Ilten, Dennis Kral, Becki Lynch, Susan McDermott, Ron Olson, and Al Smith.

I would also like to recognize superintendent David Markward, former superintendent Lew Finch, and staff members including Doug Smith, Bob Gertsen, Steve Graham, Susan Peterson, Tom Day, Chris McGuire, Barb Harms, Brian Krob, Kathy Conley, Connie Tesar, Wayne Knapp, Larry Martin, Bill Utterback, Joyce Fowler, Tim Virden, Rick Netolicky, Becky DeWald, Ralph Plagman, Bob Tesar, Terry Strait, Mary Wilcynski, Shannon Bucknell, Richard Sedlacek, Ken Morgan, Valerie Dolezal, Mike Allen, Steve Hilby, Kristen Ricky, Brian Litts, Gregg Petersen, Kathleen Reyner, and David Dvorak, and the following individuals from Shive Hattery: George Kanz, Keith Johnk, Jim Knowles, Doug DuCharme, Tim Fehr, and Chad Siems.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends, but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have to do better.

That is why I am deeply grateful to the professionals and parents in the Cedar Rapids Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them, and wish them a very successful new school year.●

CHARITON COMMUNITY EDUCATION

● Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes today to salute the dedicated teachers, administrators, and school board members in the Chariton Community School District, and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction

Grant Program. That is its formal name, but it is better known among educators in Iowa as the program of Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts—everything from updating fire safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The Chariton Community School District received several Harkin fire safety grants totaling $193,750 which it used to install fire alarm systems with emergency lighting and smoke detectors, replace doors with fire rated doors, and upgrade emergency exits in all five district facilities. The Federal grants have made it possible for the district to provide quality and safe schools for their students.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute superintendent Paula Wright and former superintendent Robert Newsum, the entire staff, administration, and governance in the Chariton Community School District. In particular, I'd like to recognize the leadership of the board of education—president Chuck Crabtree, vice president Nick Hunter, Craig Huff, Craig Scott and Dave Rich as well as buildings and grounds director; Dave DeBok.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends, but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have to do better.

That is why I am deeply grateful to the professionals and parents in the Chariton Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them, and wish them a very successful new school year.●

CLARKE COMMUNITY EDUCATION

● Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes today to salute the dedicated teachers, administrators, and school board members in the Clarke Community School District, and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction Grant Program. That is its formal name, but it is better known among educators in Iowa as the program of Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts—everything from updating fire safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The Clarke Community School District received three Harkin fire safety grants totaling $331,099 which it used to replace wiring and install fire escapes, fire doors, alarm systems, heat detectors, emergency lighting, and firewalls in district school buildings. The Federal grants have made it possible for the district to provide quality and safe schools for their students.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute superintendent Ned Cox and former superintendent Steve Waterman and the entire staff, administration, and governance in the Clarke Community School District. In particular, I would like to recognize the leadership of the board of education—president Linda Henry, vice president Ed White, Michael Evink, Mark Jones, Jeff Wilken, Steve O'Tool, and Larry Gibbs, and former board members Doug Stearns, Kris Lange, Kathy Seelinger, Duane Otto, Darwin Downing, Joni Nelson, Chuck DeVos, Carol Reisinger, Roger Cole, Michael Motsinger, and Kevin Dorland.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends, but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have to do better.

That is why I am deeply grateful to the professionals and parents in the Clarke Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them, and wish them a very successful new school year.●

DOWS COMMUNITY EDUCATION

● Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes, today, to salute the dedicated teachers, administrators, and school board members in the Dows Community School District and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction Grant Program, its formal name, but it is better known among educators in Iowa as the program of Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts—everything from updating fire-safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The Dows Community School District received a 2002 Harkin grant totaling $77,787 to help replace boilers and ceiling tiles at the elementary and middle schools. The district also received two fire safety grants totaling $51,291 for emergency lighting, heat detectors, and other repairs at the schools. The Federal grants have made it possible for the district to provide quality and safe schools for their students.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute the entire staff, administration, and governance in the Dows Community School District. In particular, I would like to recognize the leadership of the board of education—Marty Osterman, Kristi Hinkle, Jon Bakker, Betty Ellis, and Corey Jacobson, and former board members Shelly Howard and Steve Tassinari. I would also like to recognize superintendent Dr. Robert Olson,

former superintendent Lyle Schwartz, board secretary Carol Hanson, and elementary school principal Sara Pralle.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have to do better.

That is why I am deeply grateful to the professionals and parents in the Dows Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them, and wish them a very successful new school year.●

GLENWOOD COMMUNITY EDUCATION

● Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes today to salute the dedicated teachers, administrators, and school board members in the Glenwood Community School District and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction Grant Program. That is its formal name, but it is better known among educators in Iowa as the program of Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts—everything from updating fire-safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The Glenwood Community School District received a 2002 Harkin grant totaling $871,000 which it used to help install a new HVAC system at the High School. This school is a modern, state-of-the-art facility that befits the educational ambitions and excellence of this school district. Indeed, it is the kind of school facility that every child in America deserves. The district also received a fire safety grant totaling $36,048. The Federal grants have made it possible for the district to provide quality and safe schools for their students.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute the entire staff, administration, and governance in the Glenwood Community School District. In particular, I would like to recognize the leadership of the board of education, Bill Agan, David Warren, Frank Overhue, Theresa Romens, and Linda Young, and former members, Nancy Krogstad, Paul Speck, and Marland Gammon. I would also like to recognize director of operations Dave Greenwood and former school improvement coordinator Kerry Newman and current superintendant Dr. Stan Sibley.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have got to do better.

That is why I am deeply grateful to the professionals and parents in the Glenwood Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them and wish them a very successful new school year.●

MOC-FLOYD VALLEY COMMUNITY EDUCATION

● Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes today to salute the dedicated teachers, administrators, and school board members in the MOC-Floyd Valley Community School District, and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction Grant Program. That is its formal name, but it is better known among educators in Iowa as the Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts—everything from updating fire safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The MOC-Floyd Valley Community School District received two Harkin fire safety grants totaling $140,380 which it used to install new wiring, emergency lighting and doors at Hosper Elementary School and at the high school and to install fire detection systems and fire doors as well as perform electrical work at four other schools. The Federal grants have made it possible for the district to provide quality and safe schools for their students.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute the entire staff, administration, and governance in the MOC-Floyd Valley Community School District. In particular, I would like to recognize the leadership of the board of education—Gerald VanRoekel, Patty Thayer, Deb DeHaan, Shane Jager, Dan Duistermars and former board members Ed Grotenhuis and Harry VanderPol. Superintendent Gary Richardson and former superintendent Les Douma and buildings and grounds director Jim VanOmmeren should also be commended for their work on the grant application and implementation.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends, but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have to do better.

That is why I am deeply grateful to the professionals and parents in the MOC-Floyd Valley Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them, and wish them a very successful new school year.●

MOUNT AYR COMMUNITY EDUCATION

• Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes today to salute the dedicated teachers, administrators, and school board members in the Mount Ayr Community School District and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction Grant Program. That is its formal name, but it is better known among educators in Iowa as the Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts—everything from updating fire safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The Mount Ayr Community School District received several Harkin fire safety grants totaling $124,500 which it used to repair fire safety problems. The grants were used to install new heat and smoke sensors, self-closing fire doors, evacuation lighting, and improved emergency exits and to rewire the fire panel. The Federal grants have made it possible for the district to provide quality and safe schools for their students.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute superintendent Russ Reiter, the entire staff, administration, and governance in the Mount Ayr Community School District. In particular I would like to recognize the leadership of the board of education—president Rod Shields, former president and board member Craig Elliott, Beth Whitson, Dave Richards, James Uhlenkamp, and board secretary Jeanette Campbell. I would also like to recognize former superintendent Bill Decker who was instrumental along with the district staff in applying for and implementing the first grants. Also, the work of the following people should be cited: head custodian Clint Poore, secondary head custodian Mike Gilliland, and local contractor Ed Rotert.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have to do better.

That is why I am deeply grateful to the professionals and parents in the Mount Ayr Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them and wish them a very successful new school year.•

NORTH IOWA COMMUNITY EDUCATION

• Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes today to salute the dedicated teachers, administrators, and school board members in the North Iowa Community School District and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction Grant Program. That is its formal name, but it is better known among educators in Iowa as the program of Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts—everything from updating fire-safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The North Iowa Community School District received several Harkin grants totaling $812,000 which it used to help modernize the school building and to make safety improvements. The district received a 2001 Harkin grant for $225,000 to help with classrooms for preschool and before and after school programs. The district received a 2002 grant for $437,500 to help make renovations in the auditorium and to improve accessibility at the elementary school and at the high school. This school is a modern, state-of-the-art facility that befits the educational ambitions and excellence of this school district. Indeed, it is the kind of school facility that every child in America deserves. The district also received $150,000 in fire safety grants to make safety improvements at schools throughout the district.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute the entire staff, administration, and governance in the North Iowa Community School District. In particular, I would like to recognize the leadership of the board of education—Rande Giesking, Diedre Willmert, Renae Sachs, Matt Duve, Julie Balvance, Andrea Bakker, and Michael Holstad, and former board members Kim Ruby, Irven Olsen, Deb Wirth, Brandi Trent, David Brue, Dale Coy, Mark Ostermann, Tom Rygh, Jeff Heitland, Bruce Heetlans, and Christian Miller. I would also like to recognize superintendent Larry D. Hill, board secretary Cheryl Benn, Charlie Smith, K. Lynn Evans, Dr. John Laflen, and Brian Blodgett.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

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That is why I am deeply grateful to the professionals and parents in the North Iowa Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them, and wish them a very successful new school year.•

SIOUX CITY COMMUNITY EDUCATION

• Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes, today to salute the dedicated teachers, administrators, and school board members in the Sioux City Community School District and to report on their participation in a unique Federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction

Grant Program. That is its formal name, but it is better known among educators in Iowa as the program of Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts—everything from updating fire-safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The Sioux City Community School District received six Harkin grants totaling $2,225,000 which it used to help modernize and make safety improvements throughout the district. The district received a 2000 grant for $500,000 to help with a science classroom addition to East Middle School and a 2002 grant for $1 million to install a new HVAC system which improved efficiency and indoor air quality at North High School. The district received four fire-safety grants totaling $725,000 for fire alarms, emergency lighting, and other repairs in several schools throughout the district. The Federal grants have made it possible for the district to provide quality and safe schools for their students.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute the entire staff, administration, and governance in the Sioux City Community School District. In particular, I would like to recognize the leadership of the board of education—president Doug Batcheller, vice president John Meyers, James Daane, Greg Grupp, Walt Johnson, Nancy Mounts and Jackie Warnstadt and former board members Anne James, Flora Lee, John Mayne, Judy Peterson, Bob Scott, Valorie Kruse, Ron Jorgensen, and Barbara Benson. I would like to recognize superintendent Dr. Paul Gausman, former superintendent Larry D. Williams, director of operation and maintenance Mel McKern and supervisor for environmental systems Ralph Guenther.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have to do better.

That is why I am deeply grateful to the professionals and parents in the Sioux City Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them and wish them a very successful new school year.●

TITONKA CONSOLIDATED COMMUNITY EDUCATION

● Mr. HARKIN. Madam President, in Iowa and across the United States, a new school year has begun. As you know, Iowa public schools have an excellent reputation nationwide, and Iowa students' test scores are among the highest in the Nation.

I would like to take just a few minutes today to salute the dedicated teachers, administrators, and school board members in the Titonka Consolidated Community School District, and to report on their participation in a unique federal partnership to repair and modernize school facilities.

This fall marks the 10th year of the Iowa Demonstration Construction Grant Program. That is its formal name, but it is better known among educators in Iowa as the program of Harkin grants for Iowa public schools. Since 1998, I have been fortunate to secure a total of $121 million for the State government in Iowa, which selects worthy school districts to receive these grants for a range of renovation and repair efforts, everything from updating fire safety systems to building new schools or renovating existing facilities. In many cases, this Federal funding is used to leverage public and/or private local funding, so it often has a tremendous multiplier effect in a local school district.

The Titonka Consolidated Community School District received a 2005 Harkin grant totaling $500,000 which it used to help build a new middle school and an addition at the elementary school. These schools are modern, state-of-the-art facilities that befit the educational ambitions and excellence of this school district. Indeed, they are the kind of schools that every child in America deserves. The district also received a fire safety grant totaling $25,000 which it used to update sprinkler systems in the district.

Excellent schools do not just pop up like mushrooms after a rain. They are the product of vision, leadership, persistence, and a tremendous amount of collaboration among local officials and concerned citizens. I salute the entire staff, administration, and governance in the Titonka Consolidated Community School District. In particular, I'd like to recognize the leadership of the board of education—Laura Phelps, Allison Anderson, Gloria Bartelt, Leroy Hoffman and Daryl Chapin as well as former board member Lori Miller. I would also like to recognize superintendent Ron Sadler, Allen Boyken of Titonka Savings Bank, Jeff Carlton of Boyken Insurance, and the staff of Holland Contracting and Allers Associates Architects. Two members of the local community who were also instrumental in the project were Rhonda Sexton and Kathy Studer.

As we mark the 10th anniversary of the Harkin school grant program in Iowa, I am obliged to point out that many thousands of school buildings and facilities across the United States are in dire need of renovation or replacement. In my State of Iowa alone, according to a recent study, some 79 percent of public schools need to be upgraded or repaired. The harsh reality is that the average age of school buildings in the United States is nearly 50 years.

Too often, our children visit ultramodern shopping malls and gleaming sports arenas on weekends, but during the week go to school in rundown or antiquated facilities. This sends exactly the wrong message to our young people about our priorities. We have to do better.

That is why I am deeply grateful to the professionals and parents in the Titonka Consolidated Community School District. There is no question that a quality public education for every child is a top priority in that community. I salute them, and wish them a very successful new school year.●

TRIBUTE TO ROSE LARSON

● Mr. JOHNSON. Madam President, I wish today to recognize Rose Larson of Rapid City, SD. This summer, Rose retired from Federal service after a career spanning over 21 years.

Rose worked as an office manager in the Rapid City district office for Senator Tom Daschle for approximately 18 years and joined my district office staff in March 2005. Over her years of service, she provided consistent and commendable service to both myself and Senator Daschle. Her expertise with the various office technologies often kept the offices up and running efficiently. She was also able to effectively serve as a front line of communication for the general public when they contacted my office with comments on issues of importance.

Over 11 years ago, Rose was diagnosed with breast cancer. She fought cancer with a steadfast passion and commitment to beat the disease. Her success has served as inspiration to others who have battled and are currently battling cancer. She has worked tirelessly to educate friends, family, and the general public on cancer prevention, treatment, and how to fight the disease. She has worked with the American Cancer Society on Relay for Life events in western South Dakota and helped develop teams to raise money to fight cancer. Rose is a beacon of hope and help to many South Dakotans fighting cancer.

I want to congratulate Rose Larson for her many years of public service. Often she worked behind the scenes with little or no credit, but her dedicated service and knowledge of her duties was instrumental in the successful operation of the congressional offices she worked in.

I want to wish Rose all the best in her retirement. I want to thank her for her great work ethic, her professionalism but most of all, her friendship.●

TRIBUTE TO GEORGE STRANDELL

● Mr. JOHNSON. Madam President, I wish today to recognize and commend George Strandell of South Dakota for his nearly 40 years of service to Golden West Telecommunications Cooperative, Inc. George is retiring after serving the past 8 years as general manager and chief executive officer of Golden West.

George worked for 19 years as a primary engineering consultant for the Golden West Telecommunications Cooperative before being hired as the company's outside plant engineer. He served in that capacity for 4 years before serving 8 years as district manager and then 8 years as general manager of Golden West.

Throughout his career, George had dedicated himself to building effective relationships and partnerships on behalf of Golden West and the independent telecommunications industry. He is well-respected throughout South Dakota, the region and Nation as an effective communicator, an administrator willing to tackle and resolve personnel and industry challenges and issues. He is able to effectively communicate to elected leaders and officials on issues affecting Golden West customers, employees, and the independent industry.

Throughout his career, he has always worked hard to put the customer first. He has helped expand and enhance Golden West's role in the industry, among allies and associates, but also improved the company's ability to serve rural communities and customers and the overall general public.

George provided steadfast oversight to the South Dakota Network, which was formed by a number of South Dakota independent telecommunications firms to offer customers more choice in long distance service. George spent considerable time and effort working with other managers to ensure the network's success to move voice, data, and video over 20,000 miles of fiber optics throughout the region. Access lines have increased under George from 31,000 in 2000 to 43,000 in 2008, as well as Internet access increasing from 5,000 to 23,000 in the same period.

On a national level, George has been a stalwart advocate in promoting and assisting the independent industry. He has served on numerous boards and committees that have advanced the promotion and understanding of the issues affecting the independent telecommunications firms and their customers.

Over the years, I have relied on George's guidance and understanding of the many issues affecting the telecommunications industry. I have appreciated his insight and input and I want to wish him all the best in this well-deserved retirement. I know that whatever his pursuits in retirement, he will approach them with the same level-headed, calm, and committed approach that earned him deep respect over his accomplished career with Golden West.●

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.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 11:02 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 496. An act to reauthorize and improve the program authorized by the Appalachian Regional Development Act of 1965.

S. 2482. An act to repeal the provision to title 46, United States Code, requiring a license for employment in the business of salvaging on the coast of Florida.

S. 3560. An act to amend title XIX of the Social Security Act to provide additional funds for the qualifying individual (QI) program, and for other purposes.

H.R. 2638. An act making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2008, and for other purposes.

H.R. 3068. An act to prohibit the award of contracts to provide guard services under the contract security guard program of the Federal Protective Service to a business concern that is owned, controlled, or operated by an individual who has been convicted of a felony.

H.R. 5001. An act to authorize the Administrator of General Services to provide for the redevelopment of the Old Post Office Building located in the District of Columbia.

H.J. Res. 62. Joint resolution to honor the achievements and contributions of Native Americans to the United States, and for other purposes.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore (Mr. BYRD).

At 11:11 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 440. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate:

The message also announced that the House has passed the following bills, without amendment:

S. 906. An act to prohibit the sale, distribution, transfer, and export of elemental mercury, and for other purposes.

S. 1738. An act to require the Department of Justice to develop and implement a National Strategy Child Exploitation Prevention and Interdiction, to improve the Internet Crimes Against Children Task Force, to increase resources for regional computer forensic labs, and to make other improvements to increase the ability of law enforcement agencies to investigate and prosecute child predators.

S. 2816. An act to provide for the appointment of the Chief Human Capital Officer of the Department of Homeland Security by the Secretary of Homeland Security.

S. 2840. An act to establish a liaison with the Federal Bureau of Investigation in United States Citizenship and Immigration Services to expedite naturalization applications filed by members of the Armed Forces and to establish a deadline for processing such applications.

S. 3325. An act to enhance remedies for violations of intellectual property laws, and for other purposes.

S. 3569. An act to make improvements in the operation and administration of the Federal courts, and for other purposes.

S. 3597. An act to provide that funds allocated for community food projects for fiscal year 2008 shall remain available until September 30, 2009.

S. 3605. An act to extend the pilot program for volunteer groups to obtain criminal history background checks.

S. 3606. An act to extend the special immigrant nonminister religious worker program and for other purposes.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 1777) to amend the Improving America's Schools Act of 1994 to make permanent the favorable treatment of need-based educational aid under the antitrust laws.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 5057) to reauthorize the Debbie Smith DNA Backlog Grant Program, and for other purposes.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 5571) to extend for 5 years the program relating to waiver of the foreign country residence requirement with respect to international medical graduates, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 6460) to amend the Federal Water Pollution Control Act to provide for the remediation of sediment contamination in areas of concern, and for other purposes.

At 11:24 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 5932. An act to designate the facility of the United States Postal Service located at 2801 Manhattan Boulevard in Harvey, Louisiana, as the ''Harry Lee Post Office Building''.

H.R. 6197. An act to designate the facility of the United States Postal Service located at 7095 Highway 57 in Counce, Tennessee, as the ''Pickwick Post Office Building''.

H.R. 6489 An act to designate the facility of the United States Postal Service located at 501 4th Street in Lake Oswego, Oregon, as the ''Judie Hammerstad Post Office Building''.

H.R. 6558. An act to designate the facility of the United States Postal Service located at 1750 Lundy Avenue in San Jose, California, as the ''Gordon N. Chan Post Office Building''.

H.R. 6585 An act to designate the facility of the United States Postal Service located at 311 Southwest 2nd Street in Corvallis, Oregon, as the ''Helen Berg Post Office Building''.

H.R. 6834. An act to designate the facility of the United States Postal Service located at 4 South Main Street in Wallingford, Connecticut, as the ''CWO Richard R. Lee Post Office Building''.

H.R. 6837. An act to designate the facility of the United States Postal Service located at 7925 West Russell Road in Las Vegas, Nevada, as the ''Private First Class Irving Joseph Schwartz Post Office Building''.

H.R. 6859 An act to designate the facility of the United States Postal Service located at 1501 South Slappey Boulevard in Albany, Georgia, as the ''Dr. Walter Carl Gordon, Jr. Post Office Building''.

H.R. 6902. An act to designate the facility of the United States Postal Service located at 513 6th Avenue in Dayton, Kentucky, as the ''Staff Sergeant Nicholas Ray Carnes Post Office''.

H.R. 6982. An act to designate the facility of the United States Postal Service located at 210 South Ellsworth Avenue in San Mateo, California, as the ''Leo J. Ryan Post Office Building''.

H.R. 7081. An act to approve the United States-India Agreement for Cooperation on Peaceful Uses of Nuclear Energy, and for other purposes.

H.R. 7082. An act to amend the Internal Revenue Code of 1986 to permit the Secretary of the Treasury to disclose certain prisoner return information to the Federal Bureau of Prisons, and for other purposes.

H.R. 7083. An act to amend the Internal Revenue Code of 1986 to enhance charitable giving and improve disclosure and tax administration.

The message further announced that the House has passed the following bills, without amendment:

S. 3015. An act to designate the facility of the United States Postal Service located at 18 S. G Street, Lakeview, Oregon, as the ''Dr. Bernard Daly Post Office Building''.

S. 3082. An act to designate the facility of the United States Postal Service located at 1700 Cleveland Avenue in Kansas City, Missouri, as the ''Reverend Earl Abel Post Office Building''.

S. 3477. An act to amend title 44, United States Code, to authorize grants for Presidential Centers of Historical Excellence.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 360. Concurrent resolution recognizing the important social and economic contributions and accomplishments of the New Deal to our Nation on the 75th anniversary of legislation establishing the initial New Deal social and public works programs.

H. Con. Res. 376. Concurrent resolution congratulating the 2007–2008 National Basketball Association World Champions, the Boston Celtics, on an outstanding and historic season.

H. Con. Res. 378. Concurrent resolution expressing support for designation of September 6, 2008, as Louisa Swain Day.

H. Con. Res. 429. Concurrent resolution recognizing the importance of the United States wine industry to the American economy.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 84. Concurrent resolution honoring the memory of Robert Mondavi.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 928) to amend the Inspector General Act of 1978 to enhance the independence of the Inspectors General, to create a Council of the Inspectors General on Integrity and Efficiency, and for other purposes.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 2786) to reauthorize the programs for housing assistance for Native Americans.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 5265) to amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Becker, congenital, distal, Duchenne, Emery-Dreifuss facioscapulohumeral, limb-girdle, myotonic, and oculopharyngeal, muscular dystrophies.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 6063) to authorize the programs of the National Aeronautics and Space Administration, and for other purposes.

At 12:11 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. 3174. An act to amend titles 28 and 10, United States Code, to allow for certiorari review of certain cases denied relief or review by the United States court of Appeals for the Armed Forces.

H.R. 6146. An act to amend title 28, United States Code, to prohibit recognition and enforcement of foreign defamation judgments.

H.R. 6838. An act to establish and operate a National Center for Campus Public Safety.

H.R. 7084. An act to amend section 114 of title 17, United States Code, to provide for agreements for the reproduction and performance of sound recordings by webcasters.

H.R. 7177. An act to authorize the transfer of naval vessels to certain foreign recipients, and for other purposes.

The message further announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 431. An act to require convicted sex offenders to register online identifiers, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 426. Concurrent resolution recognizing the 10th anniversary of the establishment of the Minority AIDS Initiative.

At 12:24 p.m., a message from the House of Representatives, delivered by Mr. Zapata, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 100. Joint resolution appointing the day for the convening of the first session of the One Hundred Eleventh Congress and establishing the date for the counting of the electoral votes for President and Vice President cast by the electors in December 2008.

ENROLLED BILLS SIGNED

At 2:29 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 3229. An act to require the Secretary of the Treasury to mint coins in commemoration of the legacy of the United States Army Infantry and the establishment of the National Infantry Museum and Soldier Center.

H.R. 5265. An act to amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Becker, congenital, distal, Duchenne, Emery-Dreifuss facioscapulohumeral, limb-girdle, myotonic, and oculopharyngeal, muscular dystrophies.

H.R. 5872. An act to require the Secretary of the Treasury to mint coins in commemoration of the centennial of the Boy Scouts of America, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 29, 2008, she had presented to the President of the United States the following enrolled bills:

S. 496. An act to reauthorize and improve the program authorized by the Apalachian Regional Development Act of 1965.

S. 1046. An act to modify pay provisions relating to certain senior-level positions in the Federal Government, and for other purposes.

S. 1382. An act to amend the Public Health Service Act to provide for the establishment of an Amyotrophic Lateral Sclerosis Registry.

S. 1810. An act to amend the Public Health Service Act to increase the provision of scientifically sound information and support services to patients receiving a positive test diagnosis for Down syndrome or other prenatally and postnatally diagnosed conditions.

S. 2482. An act to repeal the provision of title 46, United States Code, requiring a license for employment in the business of salvaging on the coast of Florida.

S. 2606. An act to reauthorize the United States Fire Administration, and for other purposes.

S. 2932. An act 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. 3009. An act to designate the Federal Bureau of Investigation building under construction in Omaha, Nebraska, as the ''J. James Exon Federal Bureau of Investigation Building''.

S. 3560. To amend title XIX of the Social Security Act to provide additional funds for the qualifying individual (QI) program, and for other purposes.

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–8111. A communication from the Under Secretary, Food, Nutrition, and Consumer Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Fluid Milk Substitutions in the School Nutrition Programs'' (RIN0584–AD58) received September 26, 2008; to the Committee on Agriculture, Nutrition, and Forestry.

EC–8112. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of Lieutenant General John R. Wood, United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

EC–8113. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of General Benjamin S. Griffin, United States Army, and his advancement to the grade of general on the retired list; to the Committee on Armed Services.

EC–8114. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Suspension of Community Eligibility'' ((Docket No. FEMA–8041)(73 FR 53748)) received on September 26, 2008; to the Committee on Banking, Housing, and Urban Affairs.

EC–8115. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' ((Docket No. FEMA–B–1005)(73 FR 53750)) received on September 26, 2008; to the Committee on Banking, Housing, and Urban Affairs.

EC–8116. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' ((44 CFR Part 65)(73 FR 54321)) received on September 26, 2008; to the Committee on Banking, Housing, and Urban Affairs.

EC–8117. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Suspension of Community Eligibility'' ((73 FR 53747)(Docket No. FEMA–8039)) received on September 26, 2008; to the Committee on Banking, Housing, and Urban Affairs.

EC–8118. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries off West Coast States; Pacific Coast Groundfish Fishery; End of the Pacific Whiting Primary Season for the Catcher-processor, Mothership and Shore-based Sectors'' (RIN0648–XK03) received on September 26, 2008; to the Committee on Commerce, Science, and Transportation.

EC–8119. A communication from the Inspector General, Department of Health and Human Services, transmitting, pursuant to law, a report entitled ''Review of Medicare Contractor Information Security Program Evaluations for Fiscal Year 2005'' received September 26, 2008; to the Committee on Finance.

EC–8120. 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 ''Guidance regarding WHFITs'' (Notice 2008–77) received on September 26, 2008; to the Committee on Finance.

EC–8121. A communication from the Acting Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 2008-154—2008-163); to the Committee on Foreign Relations.

EC–8122. A communication from the White House Liaison, Department of Education, transmitting, pursuant to law, the report of action on a discontinuation of service in acting role, designation of an acting officer, and nomination for the position of Inspector General; to the Committee on Health, Education, Labor, and Pensions.

EC–8123. A communication from General Counsel, Corporation for National and Community Service, transmitting, pursuant to law, the report of a rule entitled ''AmeriCorps National Service Program'' (RIN3045–AA23) received on September 26, 2008; to the Committee on Health, Education, Labor, and Pensions.

EC–8124. A communication from Director of the Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Control of Communicable Diseases; Restrictions on African Rodents, Prairie Dogs, and Certain Other Animals'' ((Docket No. FDA–2003–N–0427)(21 CFR Parts 16 and 1240)) received on September 26, 2008; to the Committee on Health, Education, Labor, and Pensions.

EC–8125. A communication from the Deputy Director for Operations, Legislative and Regulatory Department, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled ''Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits'' (29 CFR Parts 4022 and 4044) received on September 26, 2008; to the Committee on Health, Education, Labor, and Pensions.

EC–8126. A communication from the Senior Vice President, Public Policy, Advocacy and the Research Institute, Girl Scouts of the United States of America, transmitting, pursuant to law, a report entitled ''Girl Scouts of the USA 2007 Annual Report''; 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–436. A resolution adopted by the Senate of the State of Alaska urging Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge to oil and gas exploration, development, and production; to the Committee on Energy and Natural Resources.

SENATE RESOLUTION

Whereas, in 16 U.S.C. 3142 (sec. 1002 of the Alaska National Interest Lands Conservation Act (ANILCA)), the United States Congress reserved the right to permit further oil and gas exploration, development, and production within the coastal plain of the Arctic National Wildlife Refuge; and

Whereas the oil and gas industry, the state, and the United States Department of the Interior consider the Arctic coastal plain to have the highest potential for discovery of very large oil and gas accumulations on the continent of North America, estimated to include as much as 10,000,000,000 barrels of recoverable oil and significant amounts of natural gas; and

Whereas, while new oil and natural gas field developments on the North Slope of Alaska, such as Alpine, Northstar, and West Sak, may temporarily slow the decline in production, only giant coastal plain fields have the theoretical capability of increasing the production volume of Alaska oil and gas to a significant degree; and

Whereas the state's future energy independence would be enhanced with additional natural gas production from the North Slope of Alaska, including what are expected to be significant gas reserves in the Arctic National Wildlife Refuge, and the development of those reserves would enhance the economic viability of the proposed Alaska Natural Gas Pipeline; and

Whereas the proposed Alaska Natural Gas Pipeline and the Trans Alaska Pipeline System are transportation facilities that will be and are national assets that are integral to satisfying the present and future needs of the United States; and

Whereas the ''1002 study area'' is part of the coastal plain located within the North Slope Borough, and many of the residents of the North Slope Borough, who are predominantly Inupiat Eskimo, are supportive of development in the ''1002 study area''; and

Whereas enhancements in technology can be used in a manner that minimizes the area within the refuge that is used for exploration and development, while providing the nation with a needed supply of oil and gas; and

Whereas the oil and gas industry is using innovative technology and environmental practices in the new field developments at Alpine and Northstar, and those techniques are directly applicable to operating on the coastal plain and would enhance environmental protection beyond traditionally high standards; and

Whereas the oil and gas industry has shown at Prudhoe Bay, as well as at other locations along the Arctic coastal plain, that it is capable of conducting oil and gas activity without adversely affecting the environment or wildlife populations; and

Whereas opening the coastal plain of the Arctic National Wildlife Refuge now allows sufficient time for planning environmental safeguards, development, and national security review; and

Whereas the state will ensure the continued health and productivity of the Porcupine caribou herd and the protection of land, water, and wildlife resources during the exploration and development of the coastal plain of the Arctic National Wildlife Refuge; and

Whereas 8,900,000 of the 19,000,000 acres of the refuge have already been set aside as wilderness; and

Whereas the 1,500,000-acre coastal plain of the refuge makes up only eight percent of the 19,000,000-acre refuge, and the development of the oil and gas reserves in the refuge's coastal plain would affect an area of only 2,000 to 7,000 acres, which is less than one-half of one percent of the area of the coastal plain; and

Whereas the continued competitiveness and stability of the state and its economy require that the Senate consider national trends toward renewable energy development; and

Whereas the Senate encourages the use of revenue from any development in the Arctic National Wildlife Refuge for the development of renewable energy resources in the state; be it

Resolved, That the Senate urges the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge to oil and gas exploration, development, and production, and that the Senate is adamantly opposed to further wilderness or other restrictive designation in the area of the coastal plain of the Arctic National Wildlife Refuge; and be it further

Resolved, That the oil and gas exploration, development, and production be conducted in a manner that protects the environment and the naturally occurring population levels of the Porcupine caribou herd on which the Gwich'in and other local residents depend, that uses directional drilling and other advances in technology to minimize the development footprint in the ''1002 study area,'' and that uses the state's workforce to the maximum extent possible; and be it further

Resolved, That the Senate urges the United States Congress to pass legislation opening the ''1002 study area'' for oil and gas development while continuing to work on measures for increasing the development and use of renewable energy technologies; and be it further

Resolved, That the Senate opposes any unilateral reduction in royalty revenue from exploration and development of the coastal plain of the Arctic National Wildlife Refuge and any attempt to coerce the State of Alaska into accepting less than the 90 percent of the oil, gas, and mineral royalties from the federal land in Alaska that was promised to the state at statehood.

POM–437. A joint resolution adopted by the Senate of the State of Colorado concerning state implementation plan credits for remote vehicle emissions testing programs; to the Committee on Environment and Public Works.

SENATE JOINT RESOLUTION 08–014

Whereas Colorado's IM 240 enhanced emissions inspection and repair program was enacted to comply with the federal ''Clean Air Act'' program requirements of the federal Environmental Protection Agency (EPA) and is included in the Colorado State Implementation Plan approved by the EPA; and

Whereas the use of remote sensing technology has been determined to be effective in identifying automobile tailpipe emissions that are cleaner than necessary to achieve compliance with the IM 240 program, and a remote sensing rapid screen program is currently being implemented in the Denver metropolitan area; and

Whereas pursuant to House Bill 06–1302, the Colorado Department of Public Health and Environment is conducting a pilot program to determine whether remote sensing technology can effectively identify high-emitting vehicles in a full-scale program; and

Whereas the high-emitter pilot program is anticipated to be completed no later than July 2010; and

Whereas the implementation of a remote sensing rapid screen program, coupled with a high-emitter identification and repair program, could result in a more efficient and cost-effective means of achieving greater vehicle emissions reductions than the current IM 240 enhanced emissions inspection and repair program; now, therefore, be it

Resolved by the Senate of the Sixty-sixth General Assembly of the State of Colorado, the House of Representatives concurring herein: That, at the conclusion of Colorado's high-emitter pilot program, the EPA is urged to quickly complete its evaluation of whether the high-emitter identification and repair program, coupled with the rapid screen program, may receive state implementation plan emission reduction credits equivalent to those received for the IM 240 enhanced emissions inspection and repair program; be it further

Resolved, That copies of this Joint Resolution be sent to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, each member of Colorado's Congressional delegation, and the Administrator of the EPA.

POM–438. A joint memorial adopted by the Senate of the State of Colorado memorializing Congress to restore funding for the federal Edward Byrne Memorial Justice Assistance Grant Program; to the Committee on the Judiciary.

SENATE JOINT MEMORIAL 08–001

Whereas the Edward Byrne Memorial Justice Assistance Grant Program is the largest justice assistance grant provided to states, and it funds state and local government efforts in a broad range of activities such as drug treatment and enforcement, criminal reentry initiatives, crime prevention, and corrections activities; and

Whereas the Edward Byrne Memorial Justice Assistance Grant Program provides vital criminal justice funding for states because its flexible grant purposes permit states to innovate in a wide variety of criminal justice programs based on shifting community needs; and

Whereas forty percent of the moneys from the Edward Byrne Memorial Justice Assistance Grant Program are sent to local law enforcement agencies in counties and municipalities and sixty percent of the moneys are distributed through the state governments; and

Whereas grants may be used to provide personnel, equipment, training, technical assistance, and rehabilitation of offenders who violate state and local laws; and

Whereas grants may also be used to provide assistance, other than compensation, to victims of offenders; and

Whereas from 2003–07, Colorado's Edward Byrne Memorial Justice Assistance Grant Program funding has been reduced from a high of $8,013,014 in 2003 to $4,304,517 in 2007, a fifty-five percent reduction; and

Whereas in the federal ''Consolidated Appropriations Act, 2008'', Pub. L. 110–161, that was signed into law in December 2007, the Edward Byrne Memorial Justice Assistance Grant Program was cut by sixty-seven percent from $520,000,000 in federal fiscal year 2007 to $170,000,000 in federal fiscal year 2008; and

Whereas the Edward Byrne Memorial Justice Assistance Grant Program currently funds the following programs at the following levels in the state of Colorado:

The 20th JAG Initiative: Probation Department, 20th Judicial District—$117,952

Mental Health Institute Initiative: Colorado State Public Defender's Office—$69,154

Sex Offender Registration and DNA Project: Colorado Department of Corrections—$60,515

Girls Enhanced Treatment and Transition Services: Colorado Division of Youth Corrections—$135,775

CrossPoint Enhanced and Intensive Outpatient Program: University of Colorado Health Sciences Center—$113,603

Gender-Specific Treatment for Women Offenders: University of Colorado Health Sciences Center—$157,328

Violent Criminal Apprehension Project: Colorado Department of Corrections—$68,750

Evaluation of the SOA-R: Colorado Division of Mental Health—$82,386

Differentiated TX for Domestic Violence Offenders: University of Colorado at Denver—$66,391

Developing a Placement Tool for Juvenile Sex Offenders: Colorado Judicial Department, State Court Administrator—$20,000

Intensive Supervision Probation (ISP) Evaluation: Colorado Judicial Department, State Court Administrator—$29,906

CSP Resource and Incident Mapping Project: Colorado State Patrol—$149,310

CBI Case Management System Business Plan Development: Colorado Bureau of Investigation—$75,000

Improving the Effective Administration of Justice: Colorado State Governor's Office—$69,882

Two Rivers Drug Enforcement Team (TRIDENT): City of Glenwood Springs, Police Department—$69,214

Montezuma County Drug Task Force: District Attorney's Office, 22nd Judicial District—$76,000

West Metro Drug Task Force: Jefferson County, Sheriffs Department—$76,000

Summit County Drug Enforcement: Summit County, Sheriffs Office—$58,564

Larimer County Multi-Jurisdictional Drug Task Force: City of Fort Collins, Police Services—$85,500

16th Judicial District Drug Task Force: District Attorney's Office, 16th Judicial District—$58,332

Eagle County Drug Task Force: Eagle County, Sheriffs Office—$85,500

San Luis Valley Drug Task Force: City of Alamosa, Police Department—$93,970

Eastern Colorado Plains Drug Task Force: Yuma County, Sheriffs Department—$147,628

Crisis Communication Throw Phone Project: Teller County, Sheriffs Department—$10,000

Delta/Montrose Drug Task Force: City of Montrose, Police Department—$44,530

GRAMNET: City of Craig, Police Department—$90,245

Project Snow Blower: Lake County, Sheriffs Department—$35,345

Canon City-Fremont County Drug Task Force: City of Canon City, Police Department—$59,040

Metro Gang Task Force: City of Aurora, Police Department—$100,000

South Metro Drug Task Force: Arapahoe County, Sheriffs Department—$66,293

Boulder County Drug Task Force: Boulder County, Sheriffs Department—$95,000

Weld County Task Force: City of Greeley, Police Department—$114,091

North Metro Task Force: City and County of Broomfield, Police Department—$118,750

Prisoner Transport Partitions: Bent County, Sheriffs Department—$1,420

Hazardous Materials Safety Initiative: Town of Dillon, Police Department—$12,000

Internet Sexual Predators Adjunct: District Attorney's Office, 1st Judicial District—$35,000

Tribal Court Drug Screening and Security: Southern Ute Indian Tribe—$50,975

Chinook West: Town of Nederland—$22,708

Ignacio Social Responsibility Training: Town of Ignacio—$34,715

Mentoring Program for the Brown Center: Montrose County, Health and Human Services—$22,660

Reintegration and Recovery Preparation Program: El Paso County, Sheriff's Office—$132,400

Transition Program: Mesa County, Sheriff's Department—$74,675

Correctional Counseling Program: Logan County, Sheriff's Department—$10,000

Pilot Crisis Intervention Team Case Management Program: City of Colorado Springs, Police Department—$86,204

Substance Abuse Evaluation, Testing, and Treatment: City of Arvada, Municipal Court—$6,000

Arapahoe County Aftercare Program: Arapahoe County, Sheriff's Department—$68,414

Finger/Palm Print Database: Arapahoe County, Sheriff's Department—$44,650

A Ten-Co. Partnership/Supervised Pretrial Release: Jefferson County, Criminal Justice Planning—$23,790

Technical Evidence Equipment: Larimer County, Coroner/Medical Examiner—$3,200

Pueblo Police Department Technological Upgrade: City of Pueblo, Police Department—$39,758

Mobile Command Center: City of La Junta, Police Department—$29,650

Mobile Communication and Safety Upgrade: Town of Ault, Police Department—$53,515

Technology Improvement Program: City of Westminster, Police Department—$83,087

Western Elbert County Emergency Operations Center: Town of Elizabeth, Police Department—$18,154

Enhanced Traffic Safety: City of Dacono, Police Department—$3,005

4 Wheel Drive Vehicle Requisition: Town of Kiowa, Police Department—$5,500

Emergency Power and Fuel: Town of Elizabeth, Police Department—$2,889

Acquisition of LIDAR Speed Measuring Device: Town of Frederick, Police Department—$3,000

Crackdown on Underage Drinking: Mineral County, Sheriff's Office—$3,000

Weapons Safe, Vehicle Maintenance and Supplies: Town of Blanca, Marshal's Office—$3,000

Traffic Accident Reduction Project: Logan County, Sheriff's Department—$3,750

Speed Enforcement Program: Montezuma County, Sheriff's Department—$5,500

Longmont Domestic Violence Awareness Program: City of Longmont, Police Department—$3,000

Operation Snapshot: City of Brighton, Police Department—$3,336

Safer Community Through Traffic Control: City of Monte Vista, Police Department—$2,817

Equipment Supplies for Professional Development: Summit County, Sheriffs Office—$3,750

Enhanced School Security Monitoring: City of Lamar, Police Department—$5,400

Officer Safety and Communications: Kit Carson County, Sheriffs Department—$5,082

Project Quick Shot: Lake County, Sheriffs Department—$4,000

Emergency Incident Response: Dolores County, Sheriffs Department—$3,538

Securing Radar Equipment for Patrol: Montrose County, Sheriffs Office—$2,970

High Quality Camera and Digital Imaging Computer: City of Silverthorne, Police Department—$3,750

Communications Upgrade—2007: Town of Minturn, Police Department—$3,249

800 MGz Radio Purchase: City of Fountain, Police Department—$3,600

Efficiency Equipment Request: Sedgwick County, Sheriffs Office—$4,300

Community Policing Enhancement: Town of San Luis, Police Department—$3,750

Supplies and Operating Needs: Town of Granby, Police Department—$3,319

Night Vision Devices: City of Montrose, Police Department—$1,164

Vehicle Computer Project: Town of Mancos, Marshal's Office—$3,469

Low Profile LED Lightbars: Town of Vail, Police Department—$3,600

Community Safety: Reducing Speeds on Main Street: City of Frisco, Police Department—$3,500

Traffic Safety Program: Town of Winter Park, Police Department—$3,750

Support for Probation Services: Southern Ute Indian Tribe—$3,750

Sheriff Patrol Enhancement: Archuleta County, Sheriffs Department—$4,820

MDT Interoperability Upgrade: Town of Gilcrest, Police Department—$3,583

Computer 2008: City of Ouray, Police Department—$3,200

Major Crime Scene Readiness: City of Brush, Police Department—$3,275

Meeting the Demands of Substantial Growth: Yuma County, Sheriffs Department—$3,168

Upgrades for Public and Officer Safety: Town of Fowler, Police Department—$4,580

Mobile Technology Upgrade: Town of Empire, Police Department—$2,608

Patrol Rifle Project: Town of Victor, Police Department—$2,000

Patrol Car Computers: Town of Cedaredge, Marshal's Office—$3,750

Community Safety Compliance and Security Enhancement: Conejos County, Sheriffs Department—$4,653

Residential/School Zone Speed Reduction Program: City of Eagle, Police Department—$5,220

Vehicle Replacement: Town of Hugo, Marshal's Office—$6,000

Improving Auxiliary Capacity: City of Estes Park, Police Department—$5,000

Interoperability and Data Sharing: Town of Milliken, Police Department—$3,750; and

Whereas the Colorado state budget, like other state budgets, is facing a shortfall for the upcoming fiscal year and cannot fill the funding gap left by the federal cut in programs currently funded by the Edward Byrne Memorial Justice Assistance Grant Program; and

Whereas this drastic cut in funding will result in the dissolution or discontinuance of many law enforcement and criminal justice programs; and

Whereas programs that are shut down due to lack of funding cannot simply be restarted when the funding returns because there are informants, ties to the community, and personnel that will be lost with the funding shortfall; so as a result, programs must be rebuilt from scratch; and

Whereas by law, the federal Department of Justice, which is responsible for distributing the moneys for the Edward Byrne Memorial Justice Assistance Grant Program, cannot write checks to local law enforcement agencies for less than $10,000; therefore any state or local entity that received less than $30,000 in the federal fiscal year 2007 will receive no moneys in the federal fiscal year 2008; now, therefore, be it

Resolved by the Senate of the Sixty-sixth General Assembly of the State of Colorado, the House of Representatives concurring herein: (1) That we, the members of the Colorado General Assembly, urge Congress to restore funding for the Edward Bryne Memorial Justice Assistance Grant Program and thereby continue the financial support that is critical to enabling local law enforcement agencies to continue protecting the lives and property of citizens in their communities; and (2) That we urge Colorado's congressional delegation to support funding for the Edward Byrne Memorial Justice Assistance Grant Program through emergency supplemental spending bill legislation. Be it further

Resolved, That copies of this Joint Memorial be sent to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, the Majority Leader and the Minority Leader of the United States Senate, the Majority Leader and the Minority Leader of the United States House of Representatives, and the members of Colorado's Congressional delegation.

POM–439. A joint resolution adopted by the Senate of the State of Colorado concerning endorsement of the federal ''Post 9/11 Veterans Educational Assistance Act of 2007''; to the Committee on Veterans' Affairs.

SENATE JOINT RESOLUTION 08–015

Whereas men and women serving in the United States Armed Forces put their lives on hold in order to serve and protect our country and, as such, deserve a tangible expression of our gratitude; and

Whereas the federal ''Post 9/11 Veterans Educational Assistance Act of 2007'' seeks to expand the list of educational benefits offered to United States military service men and women who have served in the Armed Forces since the terrorist attacks of September 11, 2001; and

Whereas the proposed legislation amends the GI Bill that was passed in the 1940s after World War II to help Veterans readjust to civilian life and to enable them to pursue education and training upon their return from military service; and

Whereas occupational instability is only one of several postwar readjustment problems with which veterans have struggled since their military service, as reported by the National Vietnam Veterans' Readjustment Study; and

Whereas it is of paramount importance that the federal government extend provisions of educational assistance to military personnel serving in the post-9/11 era to help offset the postwar readjustment problems endured by so many veterans to this day; and

Whereas several military and veterans groups, such as the Enlisted Association of the National Guard of the United States (EANGUS), the Veterans of Foreign Wars (VFW), the Vietnam Veterans of America (VVA), and the Air Force Sergeants Association (AFSA), have voiced support for the proposed legislation; now, therefore, be it

Resolved by the Senate of the Sixty-sixth General Assembly of the State of Colorado, the House of Representatives concurring herein: (1) That we, the members of the Colorado General Assembly, support the federal ''Post 9/11 Veterans Educational Assistance Act of 2007''; and (2) That we encourage members of Congress to adopt this legislation in order to enable our country's military service men and women to pursue their educational goals so they can further enrich lives. Be it further

Resolved, That copies of this Joint Resolution be sent to Colorado's Congressional delegation, each member of the United States Senate, the United Veterans Committee of Colorado, and Jim Webb, United States Senator for Virginia.

POM–440. A resolution adopted by the California State Lands Commission relative to supporting the enactment by Congress of the Ocean Conservation, Education, and National Strategy for the 21st Century Act (HR 21); to the Committee on Commerce, Science, and Transportation.

POM–441. 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–442. A collection of petitions from a Polish-American organization relative to concerns regarding Social Security benefits and the Windfall Elimination Provision; to the Committee on Finance.

POM–443. A report from the United Nations World Tourism Organization entitled ''Destination Management and Marketing: Two Strategic Tools to Ensure Quality Tourism''; to the Committee on Foreign Relations.

POM–444. A communication from the Latvian Saeima (Parliament) relative to the Republic of Latvia's independence day; to the Committee on Foreign Relations.

POM–445. A communication from the Parliamentary Assembly of the Organization for Security and Co-operation in Europe relative to the Astana Declaration and adopted resolutions; to the Committee on Foreign Relations.

POM–446. A resolution from the Mayor and City Council of the City of North Miami Beach relative to granting temporary protective status to Haitians in the United States; to the Committee on the Judiciary.

POM–447. A letter from a private citizen relative to Native Americans and the healthcare system; to the Committee on Indian Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. REID (for Mr. KENNEDY (for himself, Mr. OBAMA, and Mr. KERRY)):

S. 3648. A bill to amend the Fair Labor Standards Act to require employers to keep records of non-employees who perform labor or services for remuneration and to provide a special penalty for employers who misclassify employees as non-employees, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. WYDEN (for himself and Mr. BROWNBACK):

S. 3649. A bill to amend section 114 of title 17, United States Code, to provide for agreements for the reproduction and performance of sound recordings by webcasters; to the Committee on the Judiciary.

By Ms. MURKOWSKI (for herself and Mr. STEVENS):

S. 3650. A bill to resolve the claims of the Bering Straits Native Corporation and the State of Alaska to land adjacent to Salmon Lake in the State of Alaska and to provide for the conveyance to the Bering Straits Native Corporation of certain other public land in partial satisfaction of the land entitlement of the Corporation under the Alaska Native Claims Settlement Act; to the Committee on Energy and Natural Resources.

By Ms. MURKOWSKI (for herself, Mr. STEVENS, Mr. AKAKA, and Mr. INOUYE):

S. 3651. A bill to provide for the settlement of certain claims under the Alaska Native Claims Settlement Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Ms. CANTWELL (for herself and Mr. LIEBERMAN):

S. 3652. A bill to provide for financial market investigation, oversight, and reform; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. CLINTON (for herself, Mr. FEINGOLD, and Mr. BROWN):

S. 3653. A bill to amend the Agricultural Marketing Act of 1946 to provide for country of origin labeling for dairy products; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. REED:

S. 3654. A bill to improve research on health hazards in housing, to enhance the capacity of programs to reduce such hazards, to require outreach, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

ADDITIONAL COSPONSORS

S. 714

At the request of Mr. AKAKA, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 714, a bill to amend the Animal Welfare Act to ensure that all dogs and cats used by research facilities are obtained legally.

S. 826

At the request of Mr. MENENDEZ, the names of the Senator from Indiana (Mr. BAYH) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 826, a bill to posthumously award a Congressional gold medal to Alice Paul, in recognition of her role in the women's suffrage movement and in advancing equal rights for women.

S. 1069

At the request of Ms. SNOWE, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1069, a bill to amend the Public Health Service Act regarding early detection, diagnosis, and treatment of hearing loss.

S. 2668

At the request of Mr. KERRY, the names of the Senator from Alaska (Ms. MURKOWSKI), the Senator from Wisconsin (Mr. KOHL) and the Senator from Virginia (Mr. WEBB) were added as cosponsors of S. 2668, a bill to amend the Internal Revenue Code of 1986 to remove cell phones from listed property under section 280F.

S. 3047

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 3047, a bill to provide for the coordination of the Nation's science, technology, engineering, and mathematics education initiatives.

S. 3273

At the request of Mr. LUGAR, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 3273, a bill to promote the international deployment of clean technology, and for other purposes.

S. 3283

At the request of Mr. TESTER, the names of the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from New Jersey (Mr. MENENDEZ), the Senator from North Dakota (Mr. DORGAN), the Senator from Minnesota (Ms. KLOBUCHAR), the Senator from California (Mrs. FEINSTEIN), the Senator from Rhode Island (Mr. REED), the Senator from Virginia (Mr. WEBB), the Senator from Missouri (Mrs. MCCASKILL), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Pennsylvania (Mr. CASEY), the Senator from Hawaii (Mr. INOUYE), the Senator from Iowa (Mr. HARKIN), the Senator from Washington (Mrs. MURRAY) and the Senator from Vermont (Mr. SANDERS) were added as cosponsors of S. 3283, a bill to award a congressional gold medal to Dr. Joseph Medicine Crow, in recognition of his especially meritorious role as a warrior of the Crow Tribe, Army Soldier in World War II, and author.

S. 3429

At the request of Mr. SCHUMER, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 3429, a bill to amend the Internal Revenue Code to provide for an increased mileage rate for charitable deductions.

S. 3490

At the request of Mr. CARDIN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 3490, a bill to amend the Neotropical Migratory Bird Conservation Act to reauthorize the Act.

S. 3498

At the request of Mr. VOINOVICH, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 3498, a bill to amend title 46, United States Code, to extend the exemption from the fire-retardant materials construction requirement for vessels operating within the Boundary Line.

S. 3507

At the request of Mr. REED, the names of the Senator from New Jersey (Mr. MENENDEZ) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 3507, a bill to provide for additional emergency unemployment compensation.

S. 3610

At the request of Mr. MENENDEZ, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 3610, a bill to improve the accuracy of fur product labeling, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MURKOWSKI (for herself, Mr. STEVENS, Mr. AKAKA, and Mr. INOUYE):

S. 3651. A bill to provide for the settlement df certain claims under the Alaska Native Claims Settlement Act, and for other purposes; to the Committee on Energy and Natural Resources.

Ms. MURKOWSKI. Mr. President, the Tlingit and Haida people, the first people of Southeast Alaska, were perhaps the first group of Alaska Natives to organize for the purpose of asserting their aboriginal land claims. The Native land claims movement in the rest of Alaska did not gain momentum until the 1960s when aboriginal land titles were threatened by the impending construction of the Trans Alaska Pipeline. In southeast Alaska, the taking of Native lands for the Tongass National Forest and Glacier Bay National Monument spurred the Tlingit and Haida

people to fight to recover their lands in the early part of the 20th Century.

One of the first steps in this battle came with the formation of the Alaska Native Brotherhood in 1912. In 1935, the Jurisdictional Act, which allowed the Tlingit and Haida Indians to pursue their land claims in the U.S. Court of Claims, was enacted by Congress.

After decades of litigation, the Native people of southeast Alaska received a cash settlement in 1968 from the Court of Claims for the land previously taken to create the Tongass National Forest and the Glacier Bay National Monument. Yes there was a cash settlement of $7.5 million but the Native people of southeast Alaska have long believed that it did not adequately compensate them for the loss of their lands and resources.

Beware the law of unintended consequences. When the Native people of southeast Alaska chose to pursue their land claims in court they could not have foreseen that Congress would ultimately settle the land claims of all of Alaska's Native people through the Alaska Native Claims Settlement Act of 1971. Nor could they have foreseen that they would be disadvantaged in obtaining the return of their aboriginal lands because of their early, and ultimately successful, effort to litigate their land claims. Sadly this was the case.

The Alaska Native Claims Settlement Act of 1971 imposed a series of highly prescriptive limitations on the lands that Sealaska Corporation, the regional Alaska Native Corporation formed for southeast Alaska, could select in satisfaction of the Tlingit and Haida land claim. None of the other 11 Alaska based regional Native corporations were subject to these limitations. Today, I join with Mr. STEVENS, Mr. AKAKA and Mr. INOUYE to introduce legislation to right this wrong.

For the most part, Sealaska Corporation has agreed to live within the constraints imposed by the 1971 legislation. It has taken conveyance to 290,000 acres from the pool of lands it was allowed to select under the 1971 act. As Sealaska moves to finalize its land selections it has asked the Congress for flexibility to receive title to certain lands which it was not permitted to select under the prescriptive, and as Sealaska believes, discriminatory, limitations contained in the 1971 legislation.

The legislation we are introducing today would allow Sealaska to select its remaining entitlement from outside of the withdrawal areas permitted in the 1971 legislation. It allows the Native corporation to select up to 3,600 acres of its remaining land entitlement from lands with sacred, cultural, traditional or historical significance. Substantial restrictions will be placed on the use of these lands.

Up to 5,000 acres of land could be selected for non-timber related economic development. These lands are called ''Native Futures'' lands in the bill. Other lands referred to as ''economic development lands'' in the bill could be used for timber related and nontimber related economic development. These lands are on Prince of Wales Island.

Sealaska observes that if it were required to take title to lands within the constraints prescribed by the 1971 legislation it would take title to large swaths of roadless acres in pristine portions of the Tongass National Forest. The lands it proposes to take for economic uses under this legislation are predominantly in roaded and less sensitive areas of the Tongass National Forest.

The pools of lands which would be available to Sealaska under this legislation are depicted on a series of maps referred to in the bill. It must be emphasized that not all of the lands depicted on these maps will end up in Sealaska's ownership. Sealaska cannot receive title to lands in excess of its remaining acreage entitlement under the 1971 legislation and this legislation does not change that entitlement.

Earlier in the 110th Congress, several of our friends in the other body introduced H.R. 3560 to address these issues. Over the past year, Sealaska and the communities of southeast Alaska have worked collaboratively in good faith to identify issues that may arise from the transfer of lands on which those communities have relied for subsistence and recreation out of the Tongass National Forest and into Native corporation ownership. My colleagues in the Alaska congressional delegation and I have devoted a great deal of time in reaching out and encouraging comment from southeast Alaska on H.R. 3560. Sealaska has itself conducted numerous public meetings on the bill in southeast Alaska. I believe that these efforts have helped us to formulate a bill that addresses the concerns we most frequently heard.

The legislation we are introducing today is different from H.R. 3560 in numerous respects. In some cases, the lands open to Sealaska selection have changed from those which were referred to in H.R. 3560 to accommodate community concerns. Our conversations have led to precedent setting commitments by the Sealaska Corporation to maintain public access to the economic development lands it receives on Prince of Wales Island for subsistence uses and recreational access. These commitments are laid out in Section 4(d) of our bill.

Sealaska has also offered a series of commitments to ensure that the benefits of this legislation flow to the broader southeast Alaska economy and not just to the corporation and its Native shareholders. These commitments are memorialized in a letter from Sealaska's chairman, Alaska State Senator Albert Kookesh, and its president and chief executive officer, Chris E. McNeil, Jr.

It comes as no secret to anyone that this legislation is introduced as we enter what may be the final hours of the 110th Congress. There will not be sufficient opportunity in the remaining hours of this Congress to consider the legislation. It will need to be reintroduced in January 2009. We hope that we can move on it in the early part of the 111th Congress.

In the meantime, we encourage and welcome comments from the people and communities of southeast Alaska on the revised legislation and hope that we will be able to productively use the next few months to identify and resolve any issues or concerns that remain before the 111th Congress begins.

Mr. President, I ask unanimous consent that the text of the bill and a letter of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3651

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 ''Southeast Alaska Native Land Entitlement Finalization Act''.

SEC. 2. FINDINGS; PURPOSE.

(a) FINDINGS.—Congress finds that—

(1)(A) in 1971, Congress enacted the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) to recognize and settle the aboriginal claims of Alaska Natives to land historically used by Alaska Natives for traditional, cultural, and spiritual purposes; and

(B) that Act declared that the land settlement ''should be accomplished rapidly, with certainty, in conformity with the real economic and social needs of Natives'';

(2) the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)—

(A) authorized the distribution of approximately $1,000,000,000 and 44,000,000 acres of land to Alaska Natives; and

(B) provided for the establishment of Native Corporations to receive and manage the funds and that land to meet the cultural, social, and economic needs of Native shareholders;

(3) under section 12 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611), each Regional Corporation, other than Sealaska Corporation (the Regional Corporation for southeast Alaska) (referred to in this Act as ''Sealaska''), was authorized to receive a share of land based on the proportion that the number of Alaska Native shareholders residing in the region of the Regional Corporation bore to the total number of Alaska Native shareholders, or the relative size of the area to which the Regional Corporation had an aboriginal land claim bore to the size of the area to which all Regional Corporations had aboriginal land claims;

(4)(A) Sealaska, the Regional Corporation for Southeast Alaska, 1 of the Regional Corporations with the largest number of Alaska Native shareholders, with more than 21 percent of all original Alaska Native shareholders, did not receive land under section 12 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611);

(B) the Tlingit and Haida Indian Tribes of Alaska was 1 of the entities representing the Alaska Natives of southeast Alaska before the date of enactment of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.); and

(C) Sealaska did not receive land in proportion to the number of Alaska Native shareholders, or in proportion to the size of the

area to which Sealaska had an aboriginal land claim, in part because of a United States Court of Claims cash settlement to the Tlingit and Haida Indian Tribes of Alaska in 1968 for land previously taken to create the Tongass National Forest and Glacier Bay National Monument;

(5) the Court of Claims cash settlement of $7,500,000 did not—

(A) adequately compensate the Alaska Natives of southeast Alaska for the significant quantity of land and resources lost as a result of the creation of the Tongass National Forest and Glacier Bay National Monument or other losses of land and resources; or

(B) justify the significant disparate treatment of Sealaska under the Alaska Native Claims Settlement Act (43 U.S.C. 1611);

(6)(A) while each other Regional Corporation received a significant quantity of land under sections 12 and 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611, 1613), Sealaska only received land under section 14(h) of that Act (43 U.S.C. 1613(h)), which provided a 2,000,000-acre land pool from which Alaska Native selections could be made for historic sites, cemetery sites, Urban Corporation land, Native group land, and Native Allotments;

(B) under section 14(h)(8) of that Act (43 U.S.C. 1613(h)(8)), after selections are made under paragraphs (1) through (7) of that section, the land remaining in the 2,000,000-acre land pool is allocated based on the proportion that the original Alaska Native shareholder population of a Regional Corporation bore to the original Alaska Native shareholder population of all Regional Corporations; and

(C) the only land entitlement of Sealaska derives from a proportion of leftover land remaining from the 2,000,000-acre land pool, estimated as of the date of enactment of this Act at approximately 1,700,000 acres;

(7) despite the small land base of Sealaska as compared to other Regional Corporations (less than 1 percent of the total quantity of land allocated pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)), Sealaska has—

(A) provided considerable benefits to shareholders; and

(B) been a significant economic force in southeast Alaska;

(8) pursuant to the revenue sharing provisions of section 7(i) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(i)), Sealaska has distributed more than $300,000,000 during the period beginning on January 1, 1971, and ending on December 31, 2005, to Native Corporations throughout the State of Alaska from the development of natural resources, which accounts for 42 percent of the total revenues shared under that section during that period;

(9) as a result of the small land entitlement of Sealaska, it is critical that the remaining land entitlement conveyances to Sealaska under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) are fulfilled to continue to meet the economic, social, and cultural needs of the Alaska Native shareholders of southeast Alaska and the Alaska Native community throughout Alaska;

(10)(A) the conveyance requirements of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) for southeast Alaska limit the land eligible for conveyance to Sealaska to the original withdrawal areas surrounding 10 Alaska Native villages in southeast Alaska, which precludes Sealaska from selecting land located—

(i) in any withdrawal area established for the Urban Corporations for Sitka and Juneau, Alaska; or

(ii) outside the 10 Alaska Native village withdrawal areas; and

(B) unlike other Regional Corporations, Sealaska was not authorized to request land located outside the withdrawal areas described in subparagraph (A) if the withdrawal areas were insufficient to complete the land entitlement of Sealaska under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.);

(11) 44 percent (820,000 acres) of the 10 Alaska Native village withdrawal areas established under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) described in paragraph (10) are composed of salt water and not available for selection;

(12) of land subject to the selection rights of Sealaska, 110,000 acres are encumbered by gubernatorial consent requirements under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.);

(13) the Forest Service and the Bureau of Land Management grossly underestimated the land entitlement of Sealaska under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), resulting in an insufficient area from which Sealaska could select land suitable for traditional, cultural, and socioeconomic purposes to accomplish a settlement ''in conformity with the real economic and social needs of Natives'', as required under that Act;

(14) the 10 Alaska Native village withdrawal areas in southeast Alaska surround the Alaska Native communities of Yakutat, Hoonah, Angoon, Kake, Kasaan, Klawock, Craig, Hydaburg, Klukwan, and Saxman;

(15) in each withdrawal area, there exist factors that limit the ability of Sealaska to select sufficient land, and, in particular, economically viable land, to fulfill the land entitlement of Sealaska, including factors such as—

(A) with respect to the Yakutat withdrawal area—

(i) 46 percent of the area is salt water;

(ii) 10 sections (6,400 acres) around the Situk Lake were restricted from selection, with no consideration provided for the restriction; and

(iii)(I) 70,000 acres are subject to a gubernatorial consent requirement before selection; and

(II) Sealaska received no consideration with respect to the consent restriction;

(B) with respect to the Hoonah withdrawal area, 51 percent of the area is salt water;

(C) with respect to the Angoon withdrawal area—

(i) 120,000 acres of the area is salt water;

(ii) Sealaska received no consideration regarding the prohibition on selecting land from the 80,000 acres located within the Admiralty Island National Monument; and

(iii)(I) the Village Corporation for Angoon was allowed to select land located outside the withdrawal area on Prince of Wales Island, subject to the condition that the Village Corporation shall not select land located on Admiralty Island; but

(II) no alternative land adjacent to the out-of-withdrawal land of the Village Corporation was made available for selection by Sealaska;

(D) with respect to the Kake withdrawal area—

(i) 64 percent of the area is salt water; and

(ii) extensive timber harvesting by the Forest Service occurred in the area before 1971 that significantly reduced the value of land available for selection by, and conveyance to, Sealaska;

(E) with respect to the Kasaan withdrawal area—

(i) 54 percent of the area is salt water; and

(ii) the Forest Service previously harvested in the area;

(F) with respect to the Klawock withdrawal area—

(i) the area consists of only 5 townships, as compared to the usual withdrawal area of 9 townships, because of the proximity of the Klawock withdrawal area to the Village of Craig, which reduces the selection area by 92,160 acres; and

(ii) the Klawock and Craig withdrawal areas are 35 percent salt water;

(G) with respect to the Craig withdrawal area, the withdrawal area consists of only 6 townships, as compared to the usual withdrawal area of 9 townships, because of the proximity of the Craig withdrawal area to the Village of Klawock, which reduces the selection area by 69,120 acres;

(H) with respect to the Hydaburg withdrawal area—

(i) 36 percent of the area is salt water; and

(ii) Sealaska received no consideration under the Haida Land Exchange Act of 1986 (Public Law No. 99–664; 100 Stat. 4303) for relinquishing selection rights to land within the withdrawal area that the Haida Corporation exchanged to the Forest Service;

(I) with respect to the Klukwan withdrawal area—

(i) 27 percent of the area is salt water; and

(ii) the withdrawal area is only 70,000 acres, as compared to the usual withdrawal area of 207,360 acres, which reduces the selection area by 137,360 acres; and

(J) with respect to the Saxman withdrawal area—

(i) 29 percent of the area is salt water;

(ii) Sealaska received no consideration for the 50,576 acres within the withdrawal area adjacent to the first-class city of Ketchikan that were excluded from selection;

(iii) Sealaska received no consideration with respect to the 1977 amendment to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) requiring gubernatorial consent for selection of 58,000 acres in that area; and

(iv) 23,888 acres are located within the Annette Island Indian Reservation for the Metlakatla Indian Tribe and are not available for selection;

(16) the selection limitations and guidelines applicable to Sealaska under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)—

(A) are inequitable and inconsistent with the purposes of that Act because there is insufficient land remaining in the withdrawal areas to meet the traditional, cultural, and socioeconomic needs of the shareholders of Sealaska; and

(B) make it difficult for Sealaska to select—

(i) places of sacred, cultural, traditional, and historical significance; and

(ii) Alaska Native futures sites located outside the withdrawal areas of Sealaska;

(17)(A) the deadline for applications for selection of cemetery sites and historic places on land outside withdrawal areas established under section 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1613) was July 1, 1976;

(B)(i) as of that date, the Bureau of Land Management notified Sealaska that the total entitlement of Sealaska would be approximately 200,000 acres; and

(ii) Sealaska made entitlement allocation decisions for cultural sites and economic development sites based on that original estimate;

(C) as a result of the Alaska Land Transfer Acceleration Act (Public Law 108–452; 118 Stat. 3575) and subsequent related determinations and actions of the Bureau of Land Management, Sealaska will receive significantly more than 200,000 acres pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.);

(D) Sealaska would prefer to allocate more of the entitlement of Sealaska to the acquisition of places of sacred, cultural, traditional, and historical significance; and

(E)(i) pursuant to section 11(a)(1) of the Alaska Native Claims Settlement Act (43 U.S.C. 1610(a)(1)), Sealaska was not authorized to select under section 14(h)(1) of that Act (43 U.S.C. 1613(h)(1)) any site within Glacier Bay National Park, despite the abundance of cultural sites within that Park; and

(ii) Sealaska seeks cooperative agreements to ensure that sites within Glacier Bay National Park are subject to cooperative management by Sealaska, Village and Urban Corporations, and federally recognized tribes with ties to the cultural sites and history of the Park;

(18)(A) the cemetery sites and historic places conveyed to Sealaska pursuant to section 14(h)(1) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(h)(1)) are subject to a restrictive covenant not required by law that does not allow any type of management or use that would in any way alter the historic nature of a site, even for cultural education or research purposes;

(B) historic sites managed by the Forest Service are not subject to the limitations referred to in subparagraph (A); and

(C) those limitations hinder the ability of Sealaska to use the sites for cultural, educational, or research purposes for Alaska Natives and others;

(19) unless Sealaska is allowed to select land outside designated withdrawal areas in southeast Alaska, Sealaska will not be able—

(A) to complete the land entitlement selections of Sealaska under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.);

(B) to secure ownership of places of sacred, cultural, traditional, and historical importance to the Alaska Natives of Southeast Alaska;

(C) to maintain the existing resource development and management operations of Sealaska; or

(D) to provide continued economic opportunities for Alaska Natives in southeast Alaska;

(20) in order to realize cultural preservation goals while also diversifying economic opportunities, Sealaska should be authorized to select and receive conveyance of—

(A) sacred, cultural, traditional, and historic sites and other places of traditional cultural significance, including traditional and customary trade and migration routes, to facilitate the perpetuation and preservation of Alaska Native culture and history; and

(B) Alaska Native future sites to facilitate appropriate tourism and outdoor recreation enterprises;

(21) Sealaska has played, and is expected to continue to play, a significant role in the health of the Southeast Alaska economy;

(22)(A) the rate of unemployment in Southeast Alaska exceeds the statewide rate of unemployment on a non-seasonally adjusted basis; and

(B) in January 2008, the Alaska Department of Labor and Workforce Development reported the unemployment rate for the Prince of Wales–Outer Ketchikan census area at 20 percent;

(23) many Southeast Alaska communities—

(A) are dependent on high-cost diesel fuel for the generation of energy; and

(B) desire to diversify their energy supplies with wood biomass alternative fuel and other renewable and alternative fuel sources;

(24) if the resource development operations of Sealaska cease on land appropriate for those operations, there will be a significant negative impact on—

(A) southeast Alaska Native shareholders;

(B) the cultural preservation activities of Sealaska;

(C) the economy of southeast Alaska; and

(D) the Alaska Native community that benefits from the revenue-sharing requirements under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.); and

(25) on completion of the conveyances of land to Sealaska to fulfill the full land entitlement of Sealaska under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), the encumbrances on 327,000 acres of Federal land created by the withdrawal of land for selection by Native Corporations in southeast Alaska would be removed, which will facilitate thorough and complete planning and efficient management relating to national forest land in southeast Alaska by the Forest Service.

(b) PURPOSE.—The purpose of this Act is to address the inequitable treatment of Sealaska by allowing Sealaska to select the remaining land entitlement of Sealaska under section 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1613) from designated Federal land in southeast Alaska located outside the 10 southeast Alaska Native village withdrawal areas.

SEC. 3. SELECTIONS IN SOUTHEAST ALASKA.

(a) SELECTION BY SEALASKA.—

(1) IN GENERAL.—Notwithstanding section 14(h)(8)(B) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(h)(8)(B)), Sealaska is authorized to select and receive conveyance of the remaining land entitlement of Sealaska under that Act (43 U.S.C. 1601 et seq.) from Federal land located in southeast Alaska from each category described in subsection (b).

(2) NATIONAL PARK SERVICE.—The National Park Service is authorized to enter into a cooperative management agreement described in subsection (c)(2) for the purpose, in part, of recognizing and perpetuating the values of the National Park Service, including those values associated with the Tlingit homeland and culture, wilderness, and ecological preservation.

(b) CATEGORIES.—The categories referred to in subsection (a) are the following:

(1) Economic development land from the area of land identified on the map entitled ''Sealaska ANCSA Land Entitlement Rationalization Pool'', dated March 6, 2008, and labeled ''Attachment A''.

(2) Sites with sacred, cultural, traditional, or historic significance, including traditional and customary trade and migration routes, archeological sites, cultural landscapes, and natural features having cultural significance, subject to the condition that—

(A) not more than 2,400 acres shall be selected for this purpose, from land identified on—

(i) the map entitled ''Places of Sacred, Cultural, Traditional and Historic Significance'', dated March 6, 2008, and labeled ''Attachment B''; and

(ii) the map entitled ''Traditional and Customary Trade and Migration Routes'', dated March 6, 2008, and labeled ''Attachment C'', which includes an identification of—

(I) a conveyance of land 25 feet in width, together with 1-acre sites at each terminus and at 8 locations along the route, with the route, location, and boundaries of the conveyance described on the map inset entitled ''Yakutat to Dry Bay Trade and Migration Route'', dated March 6, 2008, and labeled ''Attachment C'';

(II) a conveyance of land 25 feet in width, together with 1-acre sites at each terminus, with the route, location, and boundaries of the conveyance described on the map inset entitled ''Bay of Pillars to Port Camden Trade and Migration Route'', dated March 6, 2008, and labeled ''Attachment C''; and

(III) a conveyance of land 25 feet in width, together with 1-acre sites at each terminus, with the route, location, and boundaries of the conveyance described on the map inset entitled ''Portage Bay to Duncan Canal Trade and Migration Route,'' dated March 6, 2008, and labeled ''Attachment C''; and

(B) an additional 1,200 acres may be used by Sealaska to acquire places of sacred, cultural, traditional, and historic significance, archeological sites, traditional, and customary trade and migration routes, and other sites with scientific value that advance the understanding and protection of Alaska Native culture and heritage that—

(i) as of the date of enactment of this Act, are not fully identified or adequately documented for cultural significance; and

(ii) are located outside of a unit of the National Park Service.

(3) Alaska Native futures sites with traditional and recreational use value, as identified on the map entitled ''Native Futures Sites'', dated March 6, 2008, and labeled ''Attachment D'', subject to the condition that not more than 5,000 acres shall be selected for those purposes.

(c) SITES IN CONSERVATION SYSTEM UNITS.—

(1) IN GENERAL.—No site with sacred, cultural, traditional, or historic significance that is identified in the document labeled ''Attachment B'' and located within a unit of the National Park System shall be conveyed to Sealaska pursuant to this Act.

(2) COOPERATIVE AGREEMENTS.—

(A) IN GENERAL.—The Director of the National Park Service shall offer to enter into a cooperative management agreement with Sealaska, other Village Corporations and Urban Corporations, and federally recognized Indian tribes with cultural and historical ties to Glacier Bay National Park, in accordance with the requirements of subparagraph (B).

(B) REQUIREMENTS.—A cooperative agreement under this paragraph shall—

(i) recognize the contributions of the Alaska Natives of Southeast Alaska to the history, culture, and ecology of Glacier Bay National Park and the surrounding area;

(ii) ensure that the resources within the Park are protected and enhanced by cooperative activities and partnerships among federally recognized Indian tribes, Village Corporations and Urban Corporations, Sealaska, and the National Park Service;

(iii) provide opportunities for a richer visitor experience at the Park through direct interactions between visitors and Alaska Natives, including guided tours, interpretation, and the establishment of culturally relevant visitor sites; and

(iv) provide appropriate opportunities for ecologically sustainable visitor-related education and cultural interpretation within the Park—

(I) in a manner that is not in derogation of the purposes and values of the Park (including those values associated with the Park as a Tlingit homeland); and

(II) for wilderness and ecological preservation.

(C) REPORT.—Not later than 2 years after the date of enactment of this Act, the Director of the National Park Service shall submit to Congress a report describing each activity for cooperative management of each site described in subparagraph (A) carried out under a cooperative agreement under this paragraph.

SEC. 4. CONVEYANCES TO SEALASKA.

(a) TIMELINE FOR CONVEYANCE.—

(1) IN GENERAL.—Not later than 1 year after the date of selection of land by Sealaska under paragraphs (1) and (3) of section 3(b), the Secretary of the Interior (referred to in this Act as the ''Secretary'') shall complete the conveyance of the land to Sealaska.

(2) SIGNIFICANT SITES.—Not later than 2 years after the date of selection of land by Sealaska under section 3(b)(2), the Secretary shall complete the conveyance of the land to Sealaska.

(b) EXPIRATION OF WITHDRAWALS.—On completion of the selection by Sealaska and the conveyances to Sealaska of land under subsection (a) in a manner that is sufficient to fulfill the land entitlement of Sealaska under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)—

(1) the original withdrawal areas set aside for selection by Native Corporations in Southeast Alaska under that Act (as in effect on the day before the date of enactment of this Act) shall be rescinded; and

(2) land located within a withdrawal area that is not conveyed to a southeast Alaska Regional Corporation or Village Corporation shall be returned to the unencumbered management of the Forest Service as a part of the Tongass National Forest.

(c) LIMITATION.—Sealaska shall not select or receive under this Act any conveyance of land pursuant to paragraph (1) or (3) of section 3(b) located within—

(1) any conservation system unit;

(2) any federally designated wilderness area; or

(3) any land use designation I or II area.

(d) APPLICABLE EASEMENTS AND PUBLIC ACCESS.—

(1) IN GENERAL.—The conveyance to Sealaska of land pursuant to section 3(b)(1) that is located outside a withdrawal area designated under section 16(a) of the Alaska Native Claims Settlement Act (43 U.S.C. 1615(a)) shall be subject to—

(A) a reservation for easements for public access on the public roads depicted on the document labeled ''Attachment E'' and dated March 6, 2008;

(B) a reservation for easements along the temporary roads designated by the Forest Service as of the date of enactment of this Act for the public access trails depicted on the document labeled ''Attachment E'' and dated March 6, 2008;

(C) any valid preexisting right reserved pursuant to section 14(g) or 17(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(g), 1616(b)); and

(D)(i) the right of noncommercial public access for subsistence uses, consistent with title VIII of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3111 et seq.), and recreational access without liability to Sealaska; and

(ii) the right of Sealaska to regulate access for public safety, cultural, or scientific purposes, environmental protection, and uses incompatible with natural resource development, subject to the condition that Sealaska shall post on any applicable property, in accordance with State law, notices of any such condition.

(2) EFFECT.—No right of access provided to any individual or entity (other than Sealaska) by this subsection—

(A) creates any interest of such an individual or entity in the land conveyed to Sealaska in excess of that right of access; or

(B) provides standing in any review of, or challenge to, any determination by Sealaska regarding the management or development of the applicable land.

(e) CONDITIONS ON SACRED, CULTURAL, AND HISTORIC SITES.—The conveyance to Sealaska of land selected pursuant to section 3(b)(2)—

(1) shall be subject to a covenant prohibiting any commercial timber harvest or mineral development on the land;

(2) shall not be subject to any additional restrictive covenant based on cultural or historic values, or any other restriction, encumbrance, or easement, except as provided in sections 14(g) and 17(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(g), 1616(b)); and

(3) shall allow use of the land as described in subsection (f).

(f) USES OF SACRED, CULTURAL, TRADITIONAL, AND HISTORIC SITES.—Any sacred, cultural, traditional, or historic site or trade or migration route conveyed pursuant to this Act may be used for—

(1) preservation of cultural knowledge and traditions associated with such a site;

(2) historical, cultural, and scientific research and education;

(3) public interpretation and education regarding the cultural significance of those sites to Alaska Natives;

(4) protection and management of the site to preserve the natural and cultural features of the site, including cultural traditions, values, songs, stories, names, crests, and clan usage, for the benefit of future generations; and

(5) site improvement activities for any purpose described in paragraphs (1) through (4), subject to the condition that the activities are consistent with the sacred, cultural, traditional, or historic nature of the site.

(g) TERMINATION OF RESTRICTIVE COVENANTS.—

(1) IN GENERAL.—Each restrictive covenant regarding cultural or historical values with respect to any interim conveyance or patent for a historic or cemetery site issued to Sealaska pursuant to the regulations contained in sections 2653.3 and 2653.11 of title 43, Code of Federal Regulations (as in effect on the date of enactment of this Act), in accordance with section 14(h)(1) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(h))), terminates on the date of enactment of this Act.

(2) REMAINING CONDITIONS.—Land subject to a covenant described in paragraph (1) on the day before the date of enactment of this Act shall be subject to the conditions described in subsection (e).

(3) RECORDS.—Sealaska shall be responsible for recording with the land title recorders office of the State of Alaska any modification to an existing conveyance of land under section 14(h)(1) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(h)(1)) as a result of this Act.

(h) CONDITIONS ON ALASKA NATIVE FUTURES LAND.—Each conveyance of land to Sealaska selected under section 3(b)(3) shall be subject only to—

(1) a covenant prohibiting any commercial timber harvest or mineral development; and

(2) the restrictive covenants, encumbrances, or easements under sections 14(g) and 17(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1613(g), 1616(b)).

SEC. 5. MISCELLANEOUS.

(a) STATUS OF CONVEYED LAND.—Each conveyance of Federal land to Sealaska pursuant to this Act, and each action carried out to achieve the purpose of this Act, shall be considered to be conveyed or acted on, as applicable, pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.).

(b) ENVIRONMENTAL MITIGATION AND INCENTIVES.—Notwithstanding subsection (e) and (h) of section 4, all land conveyed to Sealaska pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) and this Act shall be considered to be qualified to receive or participate in, as applicable—

(1) any federally authorized carbon sequestration program, ecological services program, or environmental mitigation credit; and

(2) any other federally authorized environmental incentive credit or program.

(c) NO MATERIAL EFFECT ON FOREST PLAN.—

(1) IN GENERAL.—The implementation of this Act, including the conveyance of land to Sealaska, alone or in combination with any other factor, shall not require an amendment of, or revision to, the Tongass National Forest Land and Resources Management Plan before the first revision of that Plan scheduled to occur after the date of enactment of this Act.

(2) BOUNDARY ADJUSTMENTS.—The Secretary of Agriculture shall implement any land ownership boundary adjustment to the Tongass National Forest Land and Resources Management Plan resulting from the implementation of this Act through a technical amendment to that Plan.

(d) NO EFFECT ON EXISTING INSTRUMENTS, PROJECTS, OR ACTIVITIES.—

(1) IN GENERAL.—Nothing in this Act or the implementation of this Act revokes, suspends, or modifies any permit, contract, or other legal instrument for the occupancy or use of Tongass National Forest land, or any determination relating to a project or activity that authorizes that occupancy or use, that is in effect on the day before the date of enactment of this Act.

(2) TREATMENT.—The conveyance of land to Sealaska pursuant to this Act shall be subject to the instruments and determinations described in paragraph (1) to the extent that those instruments and determinations authorize occupancy or use of the land so conveyed.

(e) PROHIBITION ON REDUCTIONS IN STAFF AND CLOSING AND CONSOLIDATING DISTRICTS.—During the 10-year period beginning on the date of enactment of this Act, the Secretary shall not, as a consequence of this Act—

(1) reduce the staffing level at any ranger district of the Tongass National Forest, as compared to the applicable staffing level in effect on September 26, 2008; or

(2) close or consolidate such a ranger district.

(f) TECHNICAL CORRECTION.—Section 2(a)(2) of the Tribal Forest Protection Act of 2004 (25 U.S.C. 3115a(a)(2)) is amended—

(1) in subparagraph (A), by inserting '', or is conveyed to an Alaska Native Corporation pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)'' before the semicolon; and

(2) in subparagraph (B)(i)—

(A) in subclause (I), by striking ''or'' at the end; and

(B) by adding at the end the following:

''(III) is owned by an Alaska Native Corporation established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) and is forest land or formerly had a forest cover or vegetative cover that is capable of restoration; or''.

SEC. 6. MAPS.

(a) AVAILABILITY.—Each map referred to in this Act shall be maintained on file in—

(1) the office of the Chief of the Forest Service; and

(2) the office of the Secretary.

(b) CORRECTIONS.—The Secretary or the Chief of the Forest Service may make any necessary correction to a clerical or typographical error in a map referred to in this Act.

(c) TREATMENT.—No map referred to in this Act shall be considered to be an attempt by the Federal Government to convey any State or private land.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act and the amendments made by this Act.

SEALASKA CORPORATION,
Juneau, AK, September 25, 2008.

Hon. LISA MURKOWSKI,
U.S. Senate,
Washington, DC.

DEAR SENATOR MURKOWSKI: On behalf of Sealaska Corporation (Sealaska), I would like to express our appreciation to you for your assistance on legislation to complete Sealaska's Alaska Native Claims Settlement Act (ANCSA) land entitlement. This legislation would complete Sealaska's land entitlement by allowing Sealaska to select, and receive conveyance of, lands located outside of the original Southeast Alaska ANCSA land withdrawals. Under this proposal. Sealaska would receive land for timber development, the creation of a more diversified (non-timber) economic portfolio, and the protection and perpetuation of Southeast Alaska's Native culture. The land entitlement proposal affects many interests in Southeast Alaska, and has required a significant amount of communication. collaboration, and negotiation to finalize the legislative language. We believe that we now have a compromise bill that will benefit all of Southeast Alaska.

As you pursue introduction and legislative action on Sealaska land entitlement legislation, we would like to reiterate to you Sealaska's ongoing commitment to the economic. cultural, social, and environmental health of Southeast Alaska. In particular, you have expressed significant concern regarding the economic and energy needs of the region, and Sealaska's role in meeting those needs. We can assure you that Sealaska has those same concerns. This letter is our commitment to you that Sealaska will continue to maintain its commitment to: the creation of economic and employment opportunities for Sealaska shareholders and residents of Southeast Alaska; collaboration with other participants in the Southeast Alaska timber industry on efforts to preserve the economic viability of locally owned sawmills in Southeast Alaska; continued sale of timber at fair market value to local mills and local producers of wood products; addressing high rural energy costs, including through the development of wood biomass alternative fuels; and coordination and collaboration with Indian tribes, Village Corporations, Urban Corporations, local small businesses. and Federal, State, and local agencies regarding economic and energy matters, among other things. We hope that this commitment will provide you with some assurance that the economic health of Southeast Alaska is a shared aspiration of both you and Sealaska.

If we can be of assistance to you, as you pursue legislative action on the Sealaska land entitlement legislation, please do not hesitate to contact me. Again, thank you for your guidance and leadership on this important piece of legislation.

Sincerely,

ALBERT M. KOOKESH,
Chairman of the Board.

CHRIS E. MCNEIL, Jr.
President and CEO.

By Mr. REED:

S. 3654. A bill to improve research on health hazards in housing, to enhance the capacity of programs to reduce such hazards, to require outreach, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. REED. Mr. President, I introduce today the Research, Hazard Intervention, and National Outreach for Healthier Homes Act. I am introducing this legislation because decent and safe housing is possibly one of the most critical determinants of our overall health and well-being. Indeed, where we live greatly affects how we live.

A June 2006 report from the World Health Organization entitled ''Preventing Disease Through Healthy Environments,'' found that environmental exposures contribute to almost one-quarter of the disease burden worldwide, resulting in millions of preventable deaths each year. Through scientific research, we know that an individual's environment can lead to cardiovascular disease, asthma, and lead poisoning, as well as many other diseases and conditions.

The connection between housing and health is not a new idea. Many of our nation's earliest housing standards resulted from the concentrated slum housing around factories and in big cities during the Industrial Revolution. And, after World War II, a national housing policy was declared in the National Housing Act of 1949, stating that there should be: ''a decent home and a suitable living environment for every American family.'' These early housing standards regarding ventilation, sanitation, occupancy, structural soundness, lighting, and other habitability criteria greatly advanced our nation's public health.

I would also be remiss if I did not mention the passage of the Lead-Based Paint Poisoning Prevention Act in 1991, which has helped dramatically decrease lead poisoning in children over the past 15 years. This law required the Secretary of the Department of Housing and Urban Development to establish and implement procedures to eliminate lead hazards from public housing.

In 1992, controls on lead-based paint and lead exposure were further enhanced by Title X of the Housing and Community Development Act. Title X defined ''hazard'' in such a way that it included deteriorating lead paint, and lead-contaminated dust and soil that the lead paint generates. It also mandated the creation of an infrastructure that would help reduce lead paint hazards in our nation's housing.

Federal efforts regarding lead poisoning are a wonderful example of a federal investment in housing that has produced significant benefits to our society while minimizing cost.

Unfortunately, the conditions of today's worst-case housing looks only modestly better than it did a century ago. Now, we must determine the role that the government can and should play in stimulating the creation of truly decent and safe housing nationwide in the 21st Century.

We can learn from some of our state and local governments about how to proceed. In my own state of Rhode Island, the State Department of Health and the City of Providence code enforcement division offers quarterly training on the identification of housing hazards. Trainees walk through homes with a standard assessment survey and evaluate them for different environmental hazards, what has been fixed and what needs to be repaired or improved.

The Rhode Island Department of Health Family Outreach Program works in conjunction with the state's universal screening program to target Rhode Island children, from birth to age three, who are at-risk for poor developmental outcomes. Families with children identified as ''at-risk'' are contacted by a provider in their area and are offered a home visit by a multidisciplinary team of nurses, social workers, and paraprofessionals. Home visitors also serve as the neighborhood follow-up for services.

We need to take advantage of some of the best ideas that are currently underway to make our homes and communities healthier. It is for this reason that I am introducing, the Research, Hazard Intervention and National Outreach for Healthier Homes Act, which seeks to encourage and develop healthy housing initiatives in the public and private spheres.

The major purpose of this bill is to enhance and coordinate federal healthy housing initiatives. Such coordination should reduce duplication in federal efforts and ensure sufficient data collection regarding both the housing conditions and the health problems in our country's housing stock.

Specifically, the bill would provide statutory authority for HUD's Healthy Homes program, expand the Centers for Disease Control and Prevention's current lead program to also address healthy housing issues, where appropriate, and establish the Environmental Protection Agency's Office of Children's Health Protection as the center for the EPA's healthy housing efforts.

It would also create a new Health Hazard Reduction competitive grant program at the EPA and HUD. Applicants must already be recipients of a federal grant through an existing federal program such as the Community Development Block Grant, CDBG, the HOME Investment Partnerships Program, weatherization assistance, low-income home energy assistance, or the rural housing assistance programs. After the first three years, the EPA and HUD would evaluate the grant program's effectiveness by taking into account the aggregate health, safety, energy savings, and durability benefits resulting from the program. The CDC and the United States Department of Agriculture's (USDA) current coordinated training activities on housing-related hazards would also be expanded and evaluated.

In addition, the bill would expand national outreach about housing hazards through a combination of market-based incentives, the expansion of existing initiatives, and educational media campaigns. For example, the EPA would evaluate and promote health protective products, materials,

and criteria for new and existing housing and create a voluntary labeling program that would provide these items with a ''Healthy Home Seal of Approval''. The CDC, the EPA, and HUD would pool their resources to establish a national media campaign to raise public awareness about hazards in housing.

While our nation and nations around the world grapple with important social, economic, and international policy questions, we must keep in mind the important role healthy housing plays in all of these issues.

Scientific research has begun to unlock some of the connections between housing, community development, and health outcomes. The Research, Hazard Intervention, and National, Outreach for Healthier Homes Act will help us start working to a time when every family has an affordable, decent, and healthy home. I hope my colleagues will join me in supporting this bill and other healthy housing efforts.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3654

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Research, Hazard Intervention, and National Outreach for Healthier Homes Act of 2008''.

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

SEC. 2. FINDINGS.

Congress finds the following:

(1) Americans spend approximately 90 percent of their time indoors, where 6,000,000 households live with moderate or severe housing conditions, including heating, plumbing, and electrical problems, and 24,000,000 households face significant lead-based paint hazards.

(2) Housing-related health hazards can often be traced back to shared causes, including moisture, ventilation, comfort, pest, contaminant, and structural issues, but further research is necessary in order to definitively understand key relationships between the shared causes, housing-related health hazards, and resident health.

(3) Since many hazards have interrelated causes and share common solutions, the traditional approach of identifying and remedying housing-related health hazards one-by-one is likely not cost effective or sufficiently health-protective.

(4) Evidence-based, cost-effective, practical, and widely accessible methods for the assessment and control of housing-related health hazards are necessary in order to prevent housing-related injuries and illnesses, including cancer, carbon monoxide poisoning, burns, falls, rodent bites, childhood lead poisoning, and asthma.

(5) Sustainable building features, including energy efficiency measures, are increasingly popular, and are generally presumed to have beneficial effects on occupant health. However, the health effects of such features need to be evaluated in a comprehensive and timely manner, lest the housing in this country unintentionally revert to the conditions of excessive building tightness and lack of sufficient ventilation characteristic of the 1970s.

(6) Data collection on housing conditions that could affect occupant health, and on health outcomes that could be related to housing conditions, is scattered and insufficient to meet current and future research needs for affordable, healthy housing. A coordinated, multidata source system is necessary to reduce duplication of Federal efforts, and to ensure sufficient data collection of both the housing conditions and the health problems that persist in the existing housing stock of the Nation.

(7) Responsibilities related to health hazards in housing are not clearly delineated among Federal agencies. Categorical housing, health, energy assistance, and environmental programs are narrowly defined and often ignore opportunities to address multiple hazards simultaneously. Enabling Federal programs to embrace a comprehensive healthy housing approach will require removing unnecessary Federal statutory and regulatory barriers, and creating incentives to advance the complementary goals of environmental health, energy conservation, and housing availability in relevant programs.

(8) Personnel who visit homes to provide services or perform other work (such as inspectors, emergency medical technicians, home visitors, housing rehabilitation, construction and maintenance workers, and others) can contribute to occupant health by presenting and applying healthy housing practices. Cost-effective training and outreach is needed to equip such personnel with current knowledge about delivering and maintaining healthy housing.

(9) Housing-related health hazards are often complex, with causes and solutions often not readily or immediately recognized by residents, property owners, or the general public. In the 2005 American Housing Survey, significant numbers of residents expressed the highest level of satisfaction with their homes, including 20 percent of residents in homes with severe physical problems and 18 percent of residents in homes with moderate physical problems. National awareness and local outreach programs are needed to encourage the public to seek and expect healthy housing, to think about housing hazards more comprehensively, to recognize problems, and to address them in a preventative, effective, and low-cost manner.

SEC. 3. DEFINITIONS.

In this Act, the following definitions shall apply:

(1) HOUSING.—The term ''housing'' means any form of residence, including rental housing, homeownership, group home, or supportive housing arrangement.

(2) HEALTHY HOUSING.—The term ''healthy housing'' means housing that is designed, constructed, rehabilitated, and maintained in a manner that supports the health of the occupants of such housing.

(3) HOUSING-RELATED HEALTH HAZARD.—The term ''housing-related health hazard'' means any biological, physical, or chemical source of exposure or condition either in, or immediately adjacent to, housing, that can adversely affect human health.

TITLE I—RESEARCH ON HEALTH HAZARDS IN HOUSING

SEC. 101. HEALTH EFFECTS OF HOUSING-RELATED HEALTH HAZARDS.

(a) IN GENERAL.—The Director of the National Institute of Environmental Health Sciences and the Administrator of the Environmental Protection Agency shall evaluate the health effects of housing-related health hazards for which limited research or understanding of causes or associations exists.

(b) CRITERIA.—In carrying out the evaluation under subsection (a), the Director of the National Institute of Environmental Health Sciences and the Administrator of the Environmental Protection Agency shall—

(1) determine the housing-related health hazards for which there exists limited understanding of health effects;

(2) prioritize the housing-related health hazards to be evaluated;

(3) coordinate research plans in order to avoid unnecessary duplication of efforts; and

(4) evaluate the health risks, routes and pathways of exposure, and human health effects that result from indoor exposure to biological, physical, and chemical housing-related health hazards, including carbon monoxide, volatile organic compounds, common residential and garden pesticides, and factors that sensitize individuals to asthma.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2009 through 2011, $3,500,000 for carrying out the activities under this section.

SEC. 102. EVIDENCE-BASED, COST-EFFECTIVE METHODS FOR ASSESSMENT, PREVENTION, AND CONTROL OF HOUSING-RELATED HEALTH HAZARDS.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, in consultation with the Director of the Centers for Disease Control and Prevention, to implement studies by the Office of Healthy Homes and Lead Hazard Control of the assessment, prevention, and control of housing-related health hazards.

(b) STUDY.—The Secretary of Housing and Urban Development, in consultation with other Federal agencies, shall initiate—

(1) for fiscal years 2009 through 2013, at least 1 study per year of the methods for assessment, prevention, or control of housing-related health hazards that provide for—

(A) instrumentation, monitoring, and data collection related to such assessment or control methods;

(B) study of the ability of the assessment and monitoring methods to predict health risks and the effect of control methods on health outcomes; and

(C) the evaluation of the cost-effectiveness of such assessment or control methods; and

(2) no fewer than 4 studies, which may run concurrently.

(c) CRITERIA FOR STUDY.—Each study conducted pursuant to subsection (b) shall, if the Secretary of Housing and Urban Development deems it scientifically appropriate, evaluate the assessment or control method in each of the different climactic regions of the United States, including—

(1) a hot, dry climate;

(2) a hot, humid climate;

(3) a cold climate; and

(4) a temperate climate (including a climate with cold winters and humid summers).

(d) AUTHORITY OF THE SECRETARY.—The Secretary of Housing and Urban Development may award contracts or interagency agreements to carry out the studies required under this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2009 through 2013, $6,000,000 for carrying out the activities under this section.

SEC. 103. STUDY ON SUSTAINABLE BUILDING FEATURES AND INDOOR ENVIRONMENTAL QUALITY IN EXISTING HOUSING.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency shall, in consultation with other Federal agencies, conduct a detailed study of how sustainable building features, such as energy efficiency, in existing housing affect the quality of the indoor environment, the prevalence of housing-related health hazards, and the health of occupants.

(b) CONTENTS.—The study required under subsection (a) shall—

(1) investigate the effect of sustainable building features on the quality of the indoor environment and the prevalence of housing-related health hazards;

(2) investigate how sustainable building features, such as energy efficiency, are influencing the health of occupants of such housing; and

(3) ensure that the effects of the indoor environmental quality are evaluated comprehensively.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2009 through 2013, $500,000 for carrying out the activities under this section.

SEC. 104. DATA COLLECTION ON HOUSING-RELATED HEALTH HAZARDS.

(a) COMPLETION OF ANALYSIS.—The Secretary of Housing and Urban Development shall complete the analysis of data collected for the National Survey on Lead and Allergens in Housing and the American Healthy Housing Survey.

(b) EXPANSION OF MONITORING.—The Administrator of the Environmental Protection Agency shall expand the current indoor environmental monitoring efforts of the Administrator in an effort to establish baseline levels of indoor chemical pollutants and their sources, including routes and pathways, in homes.

(c) DATA EVALUATION AND COLLECTION SYSTEM.—

(1) DATA EVALUATION.—The Director of the Centers for Disease Control and Prevention shall, in consultation with the Secretary of Housing and Urban Development and the Administrator of the Environmental Protection Agency, determine the data and resources needed to establish and maintain a healthy housing data collection system.

(2) DATA COLLECTION SYSTEM.—

(A) IN GENERAL.—The Director of the Centers for Disease Control and Prevention, based upon the needs determined under paragraph (1), shall carry out the development and operation of a healthy housing data collection system that—

(i) draws upon existing data collection systems, including those systems at other Federal agencies, to the maximum extent practicable;

(ii) conforms with the 2001 Updated Guidelines for Evaluating Public Health Surveillance Systems;

(iii) improves upon the ability of researchers to assess links between housing and health characteristics; and

(iv) incorporates the input of potential data users, to the maximum extent practicable.

(B) CRITERIA.—The data collection system required to be developed under subparagraph (A) shall—

(i) pilot subject areas to evaluate for overall data quality and utility, level of data collection, feasibility of additional data collection, and privacy considerations;

(ii) develop common assessment tools and integrated database applications and, where possible, standardize analysis techniques;

(iii) develop mechanisms to facilitate ongoing multidisciplinary interagency involvement;

(iv) create a clearinghouse to monitor potential data sources; and

(v) develop public use datasets.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

(1) for each of fiscal years 2009 through 2011, $600,000 for carrying out the activities under subsection (a); and

(2) for each of fiscal years 2009 through 2013—

(A) $2,000,000 for carrying out the activities under subsection (b); and

(B) $8,000,000 for carrying out the activities under subsection (c).

TITLE II—CAPACITY TO REDUCE HEALTH HAZARDS IN HOUSING

SEC. 201. HOUSING AND URBAN DEVELOPMENT PROGRAM CAPACITY ON HOUSING-RELATED HEALTH HAZARDS.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, in cooperation with other Federal agencies—

(1) develop improved methods for evaluating health hazards in housing;

(2) develop improved methods for preventing and reducing health hazards in housing;

(3) support the development of objective measures for what is considered a ''healthy'' residential environment;

(4) evaluate the long-term cost effectiveness of a healthy housing approach;

(5) promote the incorporation of healthy housing principles into ongoing practices and systems, including housing codes, rehabilitation specifications, and maintenance plans;

(6) promote the incorporation of health considerations into green and energy-efficient construction and rehabilitation;

(7) promote the use of healthy housing principles in post-disaster environments, such as the dissemination of information on safe rehabilitation and recovery practices;

(8) improve the dissemination of healthy housing information, including best practices, to partners, grantees, the private sector, and the public; and

(9) promote State and local level healthy housing efforts, such as the collaboration of State and local health, housing, and environment agencies, and the private sector.

(b) AUTHORITY OF THE SECRETARY.—The Secretary of Housing and Urban Development may award grants, contracts, or interagency agreements to carry out the activities required under this section.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2009 through 2013, $14,800,000 for carrying out the activities under this section.

SEC. 202. CENTERS FOR DISEASE CONTROL AND PREVENTION PROGRAM CAPACITY ON HOUSING-RELATED HEALTH HAZARDS.

Section 317A of the Public Health Service Act (42 U.S.C. 247b–1) is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A)—

(i) in clause (i), by inserting ''and other housing-related illnesses and injuries'' after ''screening for elevated blood lead levels'';

(ii) in clause (ii), by striking ''referral for treatment of such levels'' and inserting ''referral for treatment of elevated blood lead levels and other housing-related illnesses and injuries''; and

(iii) in clause (iii), by striking ''intervention associated with such levels'' and inserting ''intervention associated with elevated blood lead levels and other housing- related illnesses and injuries''; and

(B) in subparagraph (B) by inserting before the period at the end ''and other housing-related illnesses and injuries'';

(2) in subsection (l), by adding at the end the following:

''(3) ADDITIONAL APPROPRIATIONS.—In addition to any other authorization of appropriation available under this Act to the Centers for Disease Control and Prevention for the purpose of carrying out the lead poisoning prevention grant program, there is authorized to be appropriated for each of fiscal years 2009 through 2013 to the Centers for Disease Control and Prevention $10,000,000 to incorporate healthy housing principles into the work of program staff and grantees.''; and

(3) by adding at the end the following:

''(n) HEALTHY HOUSING APPROACH.—An eligible entity under this section is encouraged to—

''(1) in general, work toward a transition from a categorical lead-based paint approach to a comprehensive healthy housing approach that focuses on primary prevention of housing-related health hazards (as that term is defined under section 3 of the Research, Hazard Intervention, and National Outreach for Healthier Homes Act of 2008);

''(2) train staff in healthy housing principles;

''(3) promote the incorporation of healthy housing principles into ongoing State and local programs and systems; and

''(4) incorporate healthy housing principles into education programs for parents, educators, community-based organizations, local health officials, health professionals, and paraprofessionals.''.

SEC. 203. ENVIRONMENTAL PROTECTION AGENCY PROGRAM CAPACITY ON HOUSING-RELATED HEALTH HAZARDS.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency, acting through the director of the Office of Children's Health Protection and Environmental Education, shall address health hazards in the home environment, with particular attention to children, the elderly, and families with limited resources.

(b) REQUIRED ACTIONS OF OFFICE OF CHILDREN'S HEALTH PROTECTION AND ENVIRONMENTAL EDUCATION.—The director of the Office of Children's Health Protection and Environmental Education, in consultation with other relevant offices within the Environmental Protection Agency, shall—

(1) monitor standards set by the Environmental Protection Agency to ensure that the standards are protective of elevated risks faced by children or the elderly;

(2) develop policies to address aggregate, cumulative, and simultaneous exposures experienced by children and the elderly, with particular attention to hazards in the home environment;

(3) coordinate healthy housing efforts across the Environmental Protection Agency;

(4) promote the incorporation of healthy housing principles into ongoing practices and systems, including the work of State and local environment departments;

(5) encourage and expand healthy housing educational efforts to partners, grantees, the private sector, environmental professionals, and the public; and

(6) designate not less than 1 representative per region, to coordinate children's environmental health activities, including healthy housing efforts, with State and local environmental departments.

(c) AUTHORITY OF THE ADMINISTRATOR.—The Administrator of the Environmental Protection Agency may award grants, contracts, or interagency agreements to carry out the activities required under this section.

(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to alter, invalidate, repeal, or otherwise supercede the duties assigned to any office within the Environmental Protection Agency under any other provision of law.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2009 through 2013, $8,000,000 for carrying out the activities under this section.

SEC. 204. HEALTH HAZARD REDUCTION GRANTS.

(a) IN GENERAL.—The Secretary of Housing and Urban Development shall award health

hazard reduction grants to enable eligible applicants from other eligible Federal programs to reduce significant structural, health, and safety hazards in the home.

(b) ELIGIBLE PROGRAMS.—Programs eligible to participate in the grant program established under this section shall be Federal assistance programs that pertain to housing, as determined by the Secretary, including—

(1) the Community Development Block Grant program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.);

(2) the HOME Investment Partnerships program under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.);

(3) the lead hazard control grants under the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.);

(4) the Weatherization Assistance Program for Low-Income Persons established under part A of title IV of the Energy Conservation and Production Act (42 U.S.C. 6861 et seq.);

(5) the low-income home energy assistance program established under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.);

(6) rural housing assistance grants under section 515 of the Housing Act of 1949 (42 U.S.C. 1485); and

(7) any other temporary or other Federal housing assistance programs that benefit low-income households.

(c) ELIGIBLE APPLICANTS.—Eligible applicants for grants under this section shall be nonprofit or governmental entities that have applied for or receive primary funding from an eligible program, and may include State and local agencies, community action program agencies, subrecipients of funds under the Weatherization Assistance Program for Low-Income Persons established under part A of title IV of the Energy Conservation and Production Act (42 U.S.C. 6861 et seq.), community development corporations, community housing development organizations, and other nonprofit organizations as determined by the Secretary.

(d) AWARD OF GRANTS.—

(1) IN GENERAL.—Each eligible program shall submit a list of the recipients of the grant funds awarded by the eligible program to the Secretary of Housing and Urban Development, prior to publicly announcing such list.

(2) COMPETITIVE BASIS.—The Secretary shall award grants under this section on a competitive basis.

(3) FUNDING CYCLES.—In the event that the Secretary of Housing and Urban Development announces the availability of grants under this section prior to an eligible program's public announcements of the list of recipients of grant funds described under paragraph (1), a grantee from that eligible program may apply for grants under this section during the next funding cycle.

(e) ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Grants awarded under this section may be used to fund corrective and preventive measures to address housing-related health hazards and safety hazards, and energy burden problems, including—

(A) roof repair and replacement;

(B) structural repairs and exterior grading;

(C) window repair and replacement;

(D) correction of combustion gas appliance back-drafting and other serious ventilation problems;

(E) provision of adequate ventilation;

(F) integrated pest management; and

(G) control of other critical housing-related health and safety hazards, such as installation of smoke alarms, carbon monoxide detection devices, and radon testing and mitigation.

(2) COVERED COSTS.—The costs of visual assessment and testing for baseline documentation of problems, and eligible corrective and preventive measures to address such problems, shall be allowable program expenses.

(f) FLEXIBLE FUNDING.—Grants awarded under this section shall be subject to the requirements that govern the primary source of Federal funds supporting each project.

(g) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of funds for each grant awarded under this section may be used for administrative expenses.

(h) REPORTING REQUIREMENTS.—Consistent with the supplemental purpose of the grant program established under this section, the Secretary of Housing and Urban Development shall streamline reporting and record keeping requirements by building on existing reporting requirements of the eligible program. For each property receiving treatments funded by grants under this section, the grantee shall document the problems treated and the amount of grant funds used, and report such information to the primary awarding agency, which shall aggregate reports and supporting data and submit all such reports and data to the Secretary.

(i) EVALUATION.—The Secretary of Housing and Urban Development shall review the implementation of the grant program established under this section beginning on the date of enactment of this Act and ending on the date that is 1 years after such date of enactment. The review shall determine how grantees use and leverage funds and evaluate the cost-effectiveness of the grant program, taking into account the aggregate health, safety, energy savings, and durability benefits from measures taken, as well as the success of the grant program's leveraging of and coordination with Federal investments from other programs.

(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2009 through 2011, $10,000,000 for carrying out the activities under this section.

SEC. 205. EFFECTIVE TRAINING ON HOUSING-RELATED HEALTH HAZARDS.

(a) PUBLIC HEALTH SERVICE ACT AMENDMENTS.—Section 317B of the Public Health Service Act (42 U.S.C. 247b–3) is amended—

(1) in subsection (a), by adding at the end the following:

''(3) TRAINING.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall—

''(A) train lead poisoning prevention program staff in healthy housing principles;

''(B) deliver training and technical assistance in the identification and control of housing-related health hazards (as that term is defined in section 3 of the Research, Hazard Intervention, and National Outreach for Healthier Homes Act of 2008) to staff of State and local public health departments and code enforcement agencies, health care providers, other health care delivery systems and professionals, and community-based organizations; and

''(C) provide resources and incentives to State and local health departments to support the wide availability of free or low-cost training to prevent and control housing-related health hazards.''; and

(2) by adding at the end the following:

''(c) AUTHORIZATIONS OF APPROPRIATIONS.—In addition to any other authorization of appropriation available under this Act to the Centers for Disease Control and Prevention for the purpose of carrying out lead poisoning prevention education, the Interagency Task Force, technology assessment, and epidemiology, there is authorized to be appropriated for each of fiscal years 2009 through 2013 to the Centers for Disease Control and Prevention $8,000,000 to facilitate a transition from categorical lead poisoning prevention to comprehensive healthy housing approaches.''.

(b) DEPARTMENT OF AGRICULTURE.—

(1) TECHNICAL ASSISTANCE.—

(A) IN GENERAL.—The Secretary of Agriculture shall, acting through the Cooperative State Research, Education, and Extension Service, establish a competitive grant program to promote education and outreach on housing-related health hazards.

(B) ELIGIBLE APPLICANTS.—The Secretary of Agriculture may award grants, on a competitive basis, under this subsection to land-grant colleges and universities (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) for education and extension services.

(C) CRITERIA FOR GRANTS.—Grants under this subsection shall be awarded to address housing-related health hazards through translation of the latest research into easy-to-use guidelines, development and dissemination of outreach materials, and operation of training and education programs to build capacity at a local level.

(2) EXPANDED TRAINING.—The Secretary of Agriculture shall, acting through the Cooperative State Research, Education, and Extension Service Regional Integrated Pest Management Training Centers, expand training and outreach activities to include structural integrated pest management topics.

(3) COVERAGE OF LEAD-BASED PAINT AND OTHER HEALTH HAZARDS.—The Secretary of Agriculture shall, acting through the Expanded Food and Nutrition Education Program, in consultation with the Cooperative State Research, Education, and Extension Service Housing and Indoor Environments Division, ensure that food and nutrition subject matter content for adults and youth includes effective information about preventing exposure to lead-based paint, pests, pesticides, mold, and, where there is sufficient data, about preventing exposure to other biological or chemical food safety hazards in and around the home.

(c) EVALUATION.—Not later than 2 years after the date of enactment of this Act, the Director of the Centers for Disease Control and Prevention and the Secretary of Agriculture shall evaluate the cost-effectiveness of the training programs authorized under this section and prepare a report, the results of which shall be posted on the website of each agency.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2009 through 2013—

(1) $700,000 for carrying out the activities under subsection (b)(1);

(2) $250,000 for carrying out the activities under subsection (b)(2); and

(3) $250,000 for carrying out the activities under subsection (b)(3).

SEC. 206. ENFORCEMENT OF LEAD DISCLOSURE RULE.

Subsection (a) of section 1018 of subtitle A, of title X of the Housing and Community Development Act of 1992 (42 U.S.C. 4852d), is amended by adding at the end the following:

''(6) AUTHORITY OF THE SECRETARY.—

''(A) INVESTIGATIONS.—The Secretary is authorized to conduct such investigations as may be necessary to administer and carry out his duties under this section. The Secretary is authorized to administer oaths and require by subpoena the production of documents, and the attendance and testimony of witnesses as the Secretary deems advisable. Nothing contained in this subparagraph shall prevent the Administrator of the Environmental Protection Agency from exercising authority under the Toxic Substances Control Act or this Act.

''(B) ENFORCEMENT.—Any district court of the United States within the jurisdiction of which an inquiry is carried, on application of the Attorney General, may, in the case of contumacy or refusal to permit entry under this section or to obey a subpoena of the Secretary issued under this section, issue an order requiring such entry or such compliance therewith. Any failure to obey such order of the court may be punished by such court as a contempt thereof.''.

TITLE III—EDUCATION ON HEALTH HAZARDS IN HOUSING

SEC. 301. HEALTHY HOME SEAL OF APPROVAL PROGRAM.

(a) ESTABLISHMENT.—There is established within the Environmental Protection Agency the following labeling programs:

(1) PRODUCTS AND MATERIALS LABELING PROGRAM.—A voluntary labeling program to evaluate consumer products intended for home use and housing materials to determine their efficacy in fostering a healthy home environment.

(2) CRITERIA FOR HOUSING LABELING PROGRAM.—A voluntary labeling program to expand upon the Energy Star program established by section 324A of the Energy Policy and Conservation Act (42 U.S.C. 6294a) to establish health-promoting design and maintenance criteria for new and existing housing.

(b) DUTIES.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency shall, in consultation with the Secretary of Housing and Urban Development and the Director of the Centers for Disease Control and Prevention—

(A) promote the Healthy Home Seal of Approval for consumer products and materials, and for criteria for housing as the preferred options in the marketplace for achieving optimum indoor environmental quality and maximum occupant health;

(B) work to enhance public awareness of the Healthy Home Seal of Approval for consumer products and materials, and for criteria for housing, including by providing special outreach to small businesses;

(C) conduct research and provide sound science and methods to evaluate products, materials, and criteria for housing that preserves the integrity of the Healthy Home Seal of Approval for consumer products and materials, and for criteria for housing label;

(D) regularly update the requirements for the Healthy Home Seal of Approval for products and materials, and for criteria for housing;

(E) solicit comments from interested parties prior to establishing or revising a Healthy Home Seal of Approval, including a change to a product category, material category, specification, or criterion (or prior to effective dates for any such product category, material category, specification, or criterion);

(F) on adoption of a new or revised product category, material category, specification, or criterion in a Healthy Home Seal of Approval, provide reasonable notice to interested parties of any changes (including effective dates) in product categories, material categories, specifications, or criteria, along with—

(i) an explanation of the changes; and

(ii) as appropriate, responses to comments submitted by interested parties; and

(G) provide appropriate lead time (which shall be 270 days, unless the Administrator specifies otherwise) prior to the applicable effective date for a new or a significant revision to a Healthy Home Seal of Approval, including a change to a product category, material category, specification, or criterion.

(2) LEAD TIME.—If a product category is revised in accordance with paragraph (1)(G), the lead time shall take into account the timing requirements of the manufacturing, product marketing, and distribution process for the specific product addressed.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2009 through 2013, $6,000,000 for carrying out the activities under this section.

SEC. 302. OUTREACH ON HEALTH HAZARDS IN HOUSING.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency, acting through the Office of Children's Health Protection and Environmental Education, shall provide education and outreach to the general public on the—

(1) environmental health risks experienced by the elderly; and

(2) low-cost methods for addressing such risks.

(b) FOOD QUALITY PROTECTION.—Section 303 of the Food Quality Protection Act of 1996 (7 U.S.C. 136r–1) is amended—

(1) in the first sentence, by striking ''The Secretary'' and inserting the following:

''(a) PROGRAMS.—

''(1) IMPLEMENTATION.—The Secretary'';

(2) in the second sentence, by striking ''Integrated Pest Management is'' and inserting the following:

''(2) DEFINITION OF INTEGRATED PEST MANAGEMENT.—In this section, the term 'Integrated Pest Management' means'';

(3) in the third sentence, by striking ''The Secretary'' and inserting the following:

''(b) FEDERAL AGENCIES.—

''(1) AVAILABILITY OF INFORMATION.—The Secretary'';

(4) in the fourth sentence, by striking ''Federal agencies'' and inserting the following:

''(2) USE.—A Federal agency''; and

(5) by adding at the end the following:

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

''(1) $300,000 for use by the Secretary of Agriculture; and

''(2) $300,000 for use by the Administrator.''.

(c) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development shall award funds for a Health Hazards Outreach competitive grant program.

(2) ELIGIBLE APPLICANTS.—Eligible applicants for a grant under paragraph (1) are national nonprofit organizations, and State and local entities, including community-based organizations and government health, environmental, and housing departments.

(3) ELIGIBLE ACTIVITIES.—Funds awarded under this subsection may be used to—

(A) document the need for healthy housing assessments or controls in a given community or communities;

(B) perform outreach and education with a community-level focus; and

(C) develop policy and capacity building approaches.

(4) COLLABORATION WITH LOCAL INSTITUTIONS.—Eligible applicants under this subsection are encouraged to—

(A) forge partnerships among State or local level government and nonprofit entities; and

(B) improve the incorporation of healthy housing principles into existing State and local systems where possible.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2009 through 2013—

(1) $300,000 for carrying out the activities under subsection (a); and

(2) $2,000,000 for carrying out the activities under subsection (c).

SEC. 303. NATIONAL HEALTHY HOUSING MEDIA CAMPAIGN.

(a) IN GENERAL.—The Secretary of Housing and Urban Development, the Director of the Centers for Disease Control and Prevention, and the Administrator of the Environmental Protection Agency shall establish and maintain a national healthy housing media campaign.

(b) REQUIREMENTS OF CAMPAIGN.—The Secretary of Housing and Urban Development, the Director of the Centers for Disease Control and Prevention, and the Administrator of the Environmental Protection Agency shall—

(1) determine the design of the national healthy housing media campaign, including by—

(A) identifying the target audience;

(B) formulating and packaging unified messages regarding—

(i) how best to assess health hazards in the home; and

(ii) how best to prevent and control health hazards in the home;

(C) identifying ideal mechanisms for dissemination;

(D) distributing responsibilities and establishing an ongoing system of coordination; and

(E) incorporating input from the target audience of the campaign;

(2) carry out the operation of a national healthy housing media campaign that—

(A) draws upon existing outreach and public education efforts to the maximum extent practicable;

(B) provides critical healthy housing information in a concise and simple manner; and

(C) uses multiple media strategies to reach the maximum number of people in the target audience as possible; and

(3) evaluate the performance of the campaign, including by—

(A) tracking the accomplishments of the campaign;

(B) identifying changes in healthy housing awareness, healthy housing activities, and the healthy housing conditions among the target audience of the campaign;

(C) assessing the cost-effectiveness of the campaign in achieving the goals of the campaign; and

(D) preparing a final evaluation report within 1 year of the close of the campaign, the results of which shall be posted on the website of each such agency.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2009 through 2013, $6,000,000 for carrying out the activities under this section.

AMENDMENTS SUBMITTED AND PROPOSED

SA 5679. Mr. CARDIN (for Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. CONRAD, Mr. BAUCUS, and Mr. GRASSLEY)) proposed an amendment to the bill H.R. 6849, to amend the commodity provisions of the Food, Conservation, and Energy Act of 2008 to permit producers to aggregate base acres and reconstitute farms to avoid the prohibition on receiving direct payments, counter-cyclical payments, or average crop revenue election payments when the sum of the base acres of a farm is 10 acres or less, and for other purposes.

SA 5680. Mr. COBURN submitted an amendment intended to be proposed by him to the House amendment to the Senate amendment to H.R. 2095, to amend title 49, United States Code, to prevent railroad fatalities, injuries, and hazardous materials releases, to authorize the Federal Railroad Safety Administration, and for other purposes; which was ordered to lie on the table.

SA 5681. Mr. COBURN submitted an amendment intended to be proposed by him to the House amendment to the Senate amendment to H.R. 2095, supra; which was ordered to lie on the table.

SA 5682. Mr. COBURN submitted an amendment intended to be proposed by him to the House amendment to the Senate amendment to H.R. 2095, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 5679. Mr. CARDIN (for Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. CONRAD, Mr. BAUCUS, and Mr. GRASSLEY)) proposed an amendment to the bill H.R. 6849, to amend the commodity provisions of the Food, Conservation, and Energy Act of 2008 to permit producers to aggregate base acres and reconstitute farms to avoid the prohibition on receiving direct payments, counter-cyclical payments, or average crop revenue election payments when the sum of the base acres of a farm is 10 acres or less, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. TREATMENT OF FARMS WITH LIMITED BASE ACRES.

(a) SUSPENSION OF PROHIBITION.—

(1) IN GENERAL.—Section 1101(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8711(d)) is amended by adding at the end the following:

''(4) SUSPENSION OF PROHIBITION.—Paragraphs (1) through (3) shall not apply during the 2008 crop year.''.

(2) PEANUTS.—Section 1302(d) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8752(d)) is amended by adding at the end the following:

''(4) SUSPENSION OF PROHIBITION.—Paragraphs (1) through (3) shall not apply during the 2008 crop year.''.

(b) EXTENSION OF 2008 SIGNUP FOR DIRECT PAYMENTS AND COUNTER-CYCLICAL PAYMENTS.—

(1) IN GENERAL.—Section 1106 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8716) is amended by adding at the end the following:

''(f) EXTENSION OF 2008 SIGNUP.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall extend the 2008 crop year deadline for the signup for benefits under this subtitle by producers on a farm with base acres of 10 acres or less until the later of—

''(A) November 14, 2008; or

''(B) the end of the 45-day period beginning on the date of the enactment of this subsection.

''(2) PENALTIES.—The Secretary shall ensure that no penalty with respect to benefits under this subtitle or subtitle B is assessed against producers on a farm described in paragraph (1) for failure to submit reports under this section or timely comply with other program requirements as a result of compliance with the extended signup deadline under that paragraph.''.

(2) PEANUTS.—Section 1305 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8755) is amended by adding at the end the following:

''(f) EXTENSION OF 2008 SIGNUP.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall extend the 2008 crop year deadline for the signup for benefits under this subtitle by producers on a farm with base acres of 10 acres or less until the later of—

''(A) November 14, 2008; or

''(B) the end of the 45-day period beginning on the date of the enactment of this subsection.

''(2) PENALTIES.—The Secretary shall ensure that no penalty with respect to benefits under this subtitle is assessed against producers on a farm described in paragraph (1) for failure to submit reports under this section or timely comply with other program requirements as a result of compliance with the extended signup deadline under that paragraph.''.

(c) OFFSETTING REDUCTION.—Section 515(k)(1) of the Federal Crop Insurance Act (7 U.S.C. 1515(k)(1)) is amended by striking ''2011'' and inserting ''2010, and not more than $9,000,000 for fiscal year 2011''.

SEC. 2. SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM.

(a) FEDERAL CROP INSURANCE ACT.—

(1) DEFINITIONS.—Section 531(a) of the Federal Crop Insurance Act (7 U.S.C. 1531(a)) is amended—

(A) in paragraph (3)(B), by inserting ''has'' after ''on a farm that'';

(B) in paragraph (4), by striking ''section 1102 of the Farm Security and Rural Investment Act of 2002'' and all that follows through the end of the paragraph and inserting ''under—

''(i) section 1102 or 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7912, 7952);

''(ii) section 1102 or 1301(6) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8712, 8751(6)); or

''(iii) a successor section.'';

(C) in paragraph (5)(B)(ii), by striking '', the total loss'' and all that follows through the end of the paragraph and adding ''the actual production on the farm is less than 50 percent of the normal production on the farm.'';

(D) in paragraph (7)—

(i) in subparagraph (A), by inserting ''for sale or on-farm livestock feeding (including native grassland intended for haying)'' after ''harvest''; and

(ii) in subparagraph (C), by inserting ''for sale'' after ''crop'';

(E) by redesignating paragraphs (2) through (4), (5) through (12), and (13) through (18) as paragraphs (3) through (5), (7) through (14), and (16) through (21), respectively;

(F) by inserting after paragraph (1) the following:

''(2) ACTUAL PRODUCTION ON THE FARM.—The term 'actual production on the farm' means the sum of the value of all crops produced on the farm, as determined under subsection (b)(6)(B).'';

(G) by inserting after paragraph (5) (as redesignated by subparagraph (E)) the following:

''(6) CROP OF ECONOMIC SIGNIFICANCE.—The term 'crop of economic significance' shall have the uniform meaning given the term by the Secretary for purposes of subsections (b)(1)(B) and (g)(6).''; and

(H) by inserting after paragraph (14) (as redesignated by subparagraph (E)) the following:

''(15) NORMAL PRODUCTION ON THE FARM.—The term 'normal production on the farm' means the sum of the expected revenue for all crops on the farm, as determined under subsection (b)(6)(A).''.

(2) SUPPLEMENTAL REVENUE ASSISTANCE PAYMENTS.—Section 531(b) of the Federal Crop Insurance Act (7 U.S.C. 1531(b)) is amended—

(A) in paragraph (1)—

(i) by striking ''(1) IN GENERAL.—The Secretary'' and inserting the following:

''(1) PAYMENTS.—

''(A) IN GENERAL.—The Secretary''; and

(ii) by adding at the end the following:

''(B) CROP LOSS.—To be eligible for crop loss assistance under this subsection, the actual production on the farm for at least 1 crop of economic significance shall be reduced by at least 10 percent due to disaster, adverse weather, or disaster-related conditions.'';

(B) in paragraph (2), by adding at the end the following:

''(C) EXCLUSION OF SUBSEQUENTLY PLANTED CROPS.—In calculating the disaster assistance program guarantee under paragraph (3) and the total farm revenue under paragraph (4), the Secretary shall not consider the value of any crop that—

''(i) is produced on land that is not eligible for a policy or plan of insurance under subtitle A or assistance under the noninsured crop assistance program; or

''(ii) is subsequently planted on the same land during the same crop year as the crop for which disaster assistance is provided under this subsection, except in areas in which double-cropping is a normal practice, as determined by the Secretary.'';

(C) in paragraph (3)(A)(ii)(III)—

(i) in the matter before item (aa), by inserting ''50 percent of'' before ''the higher of''; and

(ii) in item (aa), by striking ''guarantee'';

(D) in paragraph (4)—

(i) in subparagraph (A)(i)—

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

''(I) the actual production by crop on a farm for purposes of determining losses under subtitle A or the noninsured crop assistance program; and''; and

(II) by redesignating subclause (III) as subclause (II);

(ii) in subparagraph (B)—

(I) in clause (i), by striking ''and'' at the end;

(II) in clause (ii), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(iii) as the Secretary determines appropriate, to reflect regional variations in a manner consistent with the operation of the crop insurance program under subtitle A and the noninsured crop assistance program.'';

(E) in paragraph (5)—

(i) in the matter preceding subparagraph (A), by striking ''the sum obtained by adding'';

(ii) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking ''the product'' and inserting ''for each insurable commodity, the product'';

(II) in clause (i), by striking ''greatest'' and inserting ''greater'';

(III) in clause (iii), by striking ''of the insurance price guarantee; and'' and inserting ''of the price election for the commodity used to calculate an indemnity for an applicable policy of insurance if an indemnity is triggered; and''; and

(iii) in subparagraph (B)—

(I) in the matter preceding clause (i), by striking ''the product'' and inserting ''for each noninsurable crop, the product'';

(II) in clause (i), by striking ''and'' at the end;

(III) by redesignating clause (ii) as clause (iii); and

(IV) by inserting after clause (i) the following:

''(ii) the acreage planted or prevented from being planted for each crop; and''; and

(F) by adding at the end the following:

''(6) PRODUCTION ON THE FARM.—

''(A) NORMAL PRODUCTION ON THE FARM.—The normal production on the farm shall equal the sum of the expected revenue for each crop on a farm as determined under paragraph (5).

''(B) ACTUAL PRODUCTION ON THE FARM.—The actual production on the farm shall equal the sum obtained by adding—

''(i) for each insurable commodity on the farm, the product obtained by multiplying—

''(I) 100 percent of the price election for the commodity used to calculate an indemnity for an applicable policy of insurance if an indemnity is triggered; and

''(II) the quantity of the commodity produced on the farm, adjusted for quality losses; and

''(ii) for each noninsurable commodity on a farm, the product obtained by multiplying—

''(I) 100 percent of the noninsured crop assistance program established price for the commodity; and

''(II) the quantity of the commodity produced on the farm, adjusted for quality losses.''.

(3) WAIVER FOR SOCIALLY DISADVANTAGED, LIMITED RESOURCE, OR BEGINNING FARMER OR RANCHER.—Section 531(d)(5)(B)(ii) of the Federal Crop Insurance Act (7 U.S.C. 1531(d)(5)(B)(ii)) is amended by striking ''section'' and inserting ''subsection''.

(4) TREE ASSISTANCE PROGRAM.—Section 531(f)(2)(A) of the Federal Crop Insurance Act (7 U.S.C. 1531(f)(2)(A)) is amended by striking ''the Secretary shall provide'' and inserting ''the Secretary shall use such sums as are necessary from the Trust Fund to provide''.

(5) DE MINIMIS EXCEPTION TO RISK MANAGEMENT PURCHASE REQUIREMENT.—Section 531(g) of the Federal Crop Insurance Act (7 U.S.C. 1531(g)) is amended by adding at the end the following:

''(6) DE MINIMIS EXCEPTION.—

''(A) IN GENERAL.—For purposes of assistance under subsection (b), at the option of an eligible producer on a farm, the Secretary shall waive paragraph (1)—

''(i) in the case of a portion of the total acreage of a farm of the eligible producer that is not of economic significance on the farm, as established by the Secretary; or

''(ii) in the case of a crop for which the administrative fee required for the purchase of noninsured crop disaster assistance coverage exceeds 10 percent of the value of that coverage.

''(B) TREATMENT OF ACREAGE.—The Secretary shall not consider the value of any crop exempted under subparagraph (A) in calculating the supplemental revenue assistance program guarantee under subsection (b)(3) and the total farm revenue under subsection (b)(4).''.

(6) RISK MANAGEMENT PURCHASE REQUIREMENT WAIVER FOR 2009 CROP YEAR.—Section 531(g) of the Federal Crop Insurance Act (7 U.S.C. 1531(g)) is amended—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''(other than subsection (c))'' and inserting ''(other than subsections (c) and (d))''; and

(ii) in subparagraph (A), by inserting '', excluding grazing land'' after ''producers on the farm'';

(B) in paragraph (2), by striking ''grazed, planted,'' and inserting ''planted'';

(C) in paragraph (4), by striking ''(4)'' and all that follows through ''In the case'' and inserting the following:

''(4) WAIVERS FOR CERTAIN CROP YEARS.—

''(A) 2008 CROP YEAR.—In the case''; and

(D) by adding at the end the following:

''(B) 2009 CROP YEAR.—In the case of an insurable commodity or noninsurable commodity for the 2009 crop year that does not meet the requirements of paragraph (1) and the relevant crop insurance program sales closing date or noninsured crop assistance program fee payment date was prior to August 14, 2008, the Secretary shall waive paragraph (1) if the eligible producer of the insurable commodity or noninsurable commodity pays a fee in an amount equal to the applicable noninsured crop assistance program fee or catastrophic risk protection plan fee required under paragraph (1) to the Secretary not later than 90 days after the date of enactment of this subparagraph.''.

(7) PAYMENT LIMITATIONS.—Section 531(h) of the Federal Crop Insurance Act (7 U.S.C. 1531) is amended by adding at the end the following:

''(5) TRANSITION RULE.—Sections 1001, 1001A, 1001B, and 1001D of the Food Security Act of 1985 (7 U.S.C. 1308 et seq.) as in effect on September 30, 2007, shall continue to apply with respect to 2008 crops.''.

(b) TRADE ACT OF 1974.—

(1) DEFINITIONS.—Section 901(a) of the Trade Act of 1974 (19 U.S.C. 2497(a)) is amended—

(A) in paragraph (3)(B), by inserting ''has'' after ''on a farm that'';

(B) in paragraph (4), by striking ''section 1102 of the Farm Security and Rural Investment Act of 2002'' and all that follows through the end of the paragraph and inserting ''under—

''(i) section 1102 or 1302 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7912, 7952);

''(ii) section 1102 or 1301(6) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8712, 8751(6)); or

''(iii) a successor section.'';

(C) in paragraph (5)(B)(ii), by striking '', the total loss'' and all that follows through the end of the paragraph and adding ''the actual production on the farm is less than 50 percent of the normal production on the farm.'';

(D) in paragraph (7)—

(i) in subparagraph (A), by inserting ''for sale or on-farm livestock feeding (including native grassland intended for haying)'' after ''harvest''; and

(ii) in subparagraph (C), by inserting ''for sale'' after ''crop'';

(E) by redesignating paragraphs (2) through (4), (5) through (12), and (13) through (18) as paragraphs (3) through (5), (7) through (14), and (16) through (21), respectively;

(F) by inserting after paragraph (1) the following:

''(2) ACTUAL PRODUCTION ON THE FARM.—The term 'actual production on the farm' means the sum of the value of all crops produced on the farm, as determined under subsection (b)(6)(B).'';

(G) by inserting after paragraph (5) (as redesignated by subparagraph (E)) the following:

''(6) CROP OF ECONOMIC SIGNIFICANCE.—The term 'crop of economic significance' shall have the uniform meaning given the term by the Secretary for purposes of subsections (b)(1)(B) and (g)(6).''; and

(H) by inserting after paragraph (14) (as redesignated by subparagraph (E)) the following:

''(15) NORMAL PRODUCTION ON THE FARM.—The term 'normal production on the farm' means the sum of the expected revenue for all crops on the farm, as determined under subsection (b)(6)(A).''.

(2) SUPPLEMENTAL REVENUE ASSISTANCE PAYMENTS.—Section 901(b) of the Trade Act of 1974 (19 U.S.C. 2497(b)) is amended—

(A) in paragraph (1)—

(i) by striking ''(1) IN GENERAL.—The Secretary'' and inserting the following:

''(1) PAYMENTS.—

''(A) IN GENERAL.—The Secretary''; and

(ii) by adding at the end the following:

''(B) CROP LOSS.—To be eligible for crop loss assistance under this subsection, the actual production on the farm for at least 1 crop of economic significance shall be reduced by at least 10 percent due to disaster, adverse weather, or disaster-related conditions.'';

(B) in paragraph (2), by adding at the end the following:

''(C) EXCLUSION OF SUBSEQUENTLY PLANTED CROPS.—In calculating the disaster assistance program guarantee under paragraph (3) and the total farm revenue under paragraph (4), the Secretary shall not consider the value of any crop that—

''(i) is produced on land that is not eligible for a policy or plan of insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or assistance under the noninsured crop assistance program; or

''(ii) is subsequently planted on the same land during the same crop year as the crop for which disaster assistance is provided under this subsection, except in areas in which double-cropping is a normal practice, as determined by the Secretary.'';

(C) in paragraph (3)(A)(ii)(III)—

(i) in the matter before item (aa), by inserting ''50 percent of'' before ''the higher of'';

(ii) in item (aa), by striking ''guarantee'';

(D) in paragraph (4)—

(i) in subparagraph (A)(i)—

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

''(I) the actual production by crop on a farm for purposes of determining losses under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or the noninsured crop assistance program; and''; and

(II) by redesignating subclause (III) as subclause (II);

(ii) in subparagraph (B)—

(I) in clause (i), by striking ''and'' at the end;

(II) in clause (ii), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(iii) as the Secretary determines appropriate, to reflect regional variations in a manner consistent with the operation of the Federal crop insurance program under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) and the noninsured crop assistance program.'';

(E) in paragraph (5)—

(i) in the matter preceding subparagraph (A), by striking ''the sum obtained by adding'';

(ii) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking ''the product'' and inserting ''for each insurable commodity, the product'';

(II) in clause (i), by striking ''greatest'' and inserting ''greater'';

(III) in clause (iii), by striking ''of the insurance price guarantee; and'' and inserting ''of the price election for the commodity used to calculate an indemnity for an applicable policy of insurance if an indemnity is triggered; and''; and

(iii) in subparagraph (B)—

(I) in the matter preceding clause (i), by striking ''the product'' and inserting ''for each noninsurable crop, the product'';

(II) in clause (i), by striking ''and'' at the end;

(III) by redesignating clause (ii) as clause (iii); and

(IV) by inserting after clause (i) the following:

''(ii) the acreage planted or prevented from being planted for each crop; and''; and

(F) by adding at the end the following:

''(6) PRODUCTION ON THE FARM.—

''(A) NORMAL PRODUCTION ON THE FARM.—The normal production on the farm shall equal the sum of the expected revenue for each crop on a farm as determined under paragraph (5).

''(B) ACTUAL PRODUCTION ON THE FARM.—The actual production on the farm shall equal the sum obtained by adding—

''(i) for each insurable commodity on the farm, the product obtained by multiplying—

''(I) 100 percent of the price election for the commodity used to calculate an indemnity for an applicable policy of insurance if an indemnity is triggered; and

''(II) the quantity of the commodity produced on the farm, adjusted for quality losses; and

''(ii) for each noninsurable commodity on a farm, the product obtained by multiplying—

''(I) 100 percent of the noninsured crop assistance program established price for the commodity; and

''(II) the quantity of the commodity produced on the farm, adjusted for quality losses.''.

(3) WAIVER FOR SOCIALLY DISADVANTAGED, LIMITED RESOURCE, OR BEGINNING FARMER OR RANCHER.—Section 901(d)(5)(B)(ii) of the Trade Act of 1974 (19 U.S.C. 2497(d)(5)(B)(ii)) is amended by striking ''section'' and inserting ''subsection''.

(4) TREE ASSISTANCE PROGRAM.—Section 901(f)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2497(f)(2)(A)) is amended by striking ''the Secretary shall provide'' and inserting ''the Secretary shall use such sums as are necessary from the Trust Fund to provide''.

(5) DE MINIMIS EXCEPTION TO RISK MANAGEMENT PURCHASE REQUIREMENT.—Section 901(g) of the Trade Act of 1974 (19 U.S.C. 2497(g)) is amended by adding at the end the following:

''(6) DE MINIMIS EXCEPTION.—

''(A) IN GENERAL.—For purposes of assistance under subsection (b), at the option of an eligible producer on a farm, the Secretary shall waive paragraph (1)—

''(i) in the case of a portion of the total acreage of a farm of the eligible producer that is not of economic significance on the farm, as established by the Secretary; or

''(ii) in the case of a crop for which the administrative fee required for the purchase of noninsured crop disaster assistance coverage exceeds 10 percent of the value of that coverage.

''(B) TREATMENT OF ACREAGE.—The Secretary shall not consider the value of any crop exempted under subparagraph (A) in calculating the supplemental revenue assistance program guarantee under subsection (b)(3) and the total farm revenue under subsection (b)(4).''.

(6) RISK MANAGEMENT PURCHASE REQUIREMENT WAIVER FOR 2009 CROP YEAR.—Section 901(g) of the Trade Act of 1974 (19 U.S.C. 2497(g)) is amended—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking ''(other than subsection (c))'' and inserting ''(other than subsections (c) and (d))''; and

(ii) in subparagraph (A), by inserting '', excluding grazing land'' after ''producers on the farm'';

(B) in paragraph (2), by striking ''grazed, planted,'' and inserting ''planted'';

(C) in paragraph (4), by striking ''(4)'' and all that follows through ''In the case'' and inserting the following:

''(4) WAIVERS FOR CERTAIN CROP YEARS.—

''(A) 2008 CROP YEAR.—In the case''; and

(D) by adding at the end the following:

''(B) 2009 CROP YEAR.—In the case of an insurable commodity or noninsurable commodity for the 2009 crop year that does not meet the requirements of paragraph (1) and the relevant crop insurance program sales closing date or noninsured crop assistance program fee payment date was prior to August 14, 2008, the Secretary shall waive paragraph (1) if the eligible producer of the insurable commodity or noninsurable commodity pays a fee in an amount equal to the applicable noninsured crop assistance program fee or catastrophic risk protection plan fee required under paragraph (1) to the Secretary not later than 90 days after the date of enactment of this subparagraph.''.

(7) PAYMENT LIMITATIONS.—Section 901(h) of the Trade Act of 1974 (19 U.S.C. 2497(h)) is amended by adding at the end the following:

''(5) TRANSITION RULE.—Sections 1001, 1001A, 1001B, and 1001D of the Food Security Act of 1985 (7 U.S.C. 1308 et seq.) as in effect on September 30, 2007, shall continue to apply with respect to 2008 crops.''.

SA 5680. Mr. COBURN submitted an amendment to be proposed by him to the House amendment to the Senate amendment to H.R. 2095, to amend title 49, United States Code, to prevent railroad fatalities, injuries, and hazardous materials releases, to authorize the Federal Railroad Safety Administration, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the House amendment, insert the following:

SEC. ____. FOOD AND BEVERAGE SERVICES.

The National Railroad Passenger Corporation (referred to in this section as ''Amtrak'') may not provide food and beverage services on any rail line operated by Amtrak if the cost of such services exceeds the price charged for such services.

SA 5681. Mr. COBURN submitted an amendment to be proposed by him to the House amendment to the Senate amendment to H.R. 2095, to amend title 49, United States Code, to prevent railroad fatalities, injuries, and hazardous materials releases, to authorize the Federal Railroad Safety Administration, and for other purposes; which was ordered to lie on the table; as follows:

In the House amendment, strike title VI and insert the following:

TITLE VI—AUTHORIZATION FOR CAPITAL AND PREVENTIVE MAINTENANCE PROJECTS FOR WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

SEC. ____. AUTHORIZATION FOR CAPITAL AND PREVENTIVE MAINTENANCE PROJECTS FOR WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The States of Maryland and Virginia and the District of Columbia may expend Federal transportation grants, including any funds earmarked for Congressionally directed spending, for the purpose of financing in part the capital and preventive maintenance projects included in the Capital Improvement Program approved by the Board of Directors of the Transit Authority.

(2) DEFINITIONS.—In this section—

(A) the term 'Transit Authority' means the Washington Metropolitan Area Transit Authority established under Article III of the Compact; and

(B) the term 'Compact' means the Washington Metropolitan Area Transit Authority Compact (80 Stat. 1324; Public Law 89-774).

(b) USE OF FUNDS.—The Federal grants made pursuant to the authorization under this section shall be subject to the following limitations and conditions:

(1) The work for which such Federal grants are authorized shall be subject to the provisions of the Compact (consistent with the amendments to the Compact).

(2) Federal funding shall be no more than 50 percent of the net project cost of the project involved, and shall be provided in cash from sources other than Federal funds or revenues from the operation of public mass transportation systems.

SA 5682. Mr. COBURN submitted an amendment intended to be proposed by him to the House amendment to the Senate amendment to H.R. 2095, to amend title 49, United States Code, to prevent railroad fatalities, injuries, and hazardous materials releases, to authorize the Federal Railroad Safety Administration, and for other purposes; which was ordered to lie on the table; as follows:

In the House amendment, strike title VI.

NOTICES OF INTENT TO OBJECT TO PROCEEDING

Mr. KERRY, pursuant to the provisions of section 512 of Public Law 110–81, submitted his notice of intent to object to proceed to consider the resolution (S. Res. 626), expressing the sense of the Senate that the Supreme Court of the United States erroneously decided *Kennedy* v. *Louisiana*, No. 07–343 (2008), and that the eighth amendment to the Constitution of the United States allows the imposition of the death penalty for the rape of a child, dated July 25, 2008, for the following reasons:

The Supreme Court has already shown its intention to revisit the Kennedy v. Louisiana decision. The Court has petitioned the parties in the case, as well as the United States Solicitor General, to submit supplemental briefs in response to the standing Petition for Rehearing. Due to these pending proceedings I believe the United States Senate should not take action at this time as it would be inappropriately premature.

Mr. GRASSLEY, pursuant to the provisions of section 512 of Public Law 110–81, submitted his notice of intent to object to proceed to consider the bill (H.R. 7083) to amend the Internal Revenue Code of 1986 to enhance charitable giving and improve disclosure and tax administration, dated September 26, 2008, for the following reasons:

I wrote a series of charitable reforms that became law in the Pension Protection Act of 2006. The reforms grew out of my oversight of tax-exempt organizations and laws, which had not been updated substantially since 1969. This legislation would unwind some of the 2006 reforms as they apply to certain supporting organizations.

Private foundations and supporting organizations enjoy tax-exempt status on their money. In exchange for that special status, they have to comply with a few requirements. One is that they pay out 5 percent of their assets each year. This pay-out requirement is meant to make sure the organization offers some public benefit in exchange for tax exemption and doesn't exist simply to invest its money and pay a staff and a board of directors—often family members—in perpetuity. Another requirement is that private foundations and certain supporting organizations are subject to a tax on excess business holdings. In general, the tax applies to substantial interests these

organizations may hold in corporations and other businesses. The tax is designed to make sure tax-exempt organizations don't shelter oil refineries and yacht clubs from paying taxes.

A handful of organizations argue that these requirements are onerous or that they should be exempt because they were created before 1969. There may be legitimate reasons to look at some of these issues, but this legislation as written is much too broad. Thousands of organizations could be carved out of the payout requirement and business holdings prohibition. The bill would unwind regulations implementing the 2006 reforms before the regulations are even finished. It contains several provisions that need much more study before being enacted. For all of these reasons, the legislation needs more work.

PRIVILEGES OF THE FLOOR

Mr. WARNER. Mr. President, I ask unanimous consent that T.J. Kim, a fellow of the Environment and Public Works Committee, be granted floor privileges.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WARNER. I ask unanimous consent that Kory Sylvester, a member of Senator DOMENICI's appropriations staff, have floor privileges today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RENEWABLE ENERGY AND JOB CREATION ACT OF 2008

On Tuesday, September 23, 2008, the Senate passed H.R. 6049, as amended, as follows:

H.R. 6049

Resolved, That the bill from the House of Representatives (H.R. 6049) entitled ''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.'', do pass with the following amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Energy Improvement and Extension Act of 2008''.

(b) REFERENCE.—Except as otherwise expressly provided, 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 Internal Revenue Code of 1986.

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

Sec. 1. Short title, etc.

TITLE I—ENERGY PRODUCTION INCENTIVES

Subtitle A—Renewable Energy Incentives

Sec. 101. Renewable energy credit.
Sec. 102. Production credit for electricity produced from marine renewables.
Sec. 103. Energy credit.
Sec. 104. Energy credit for small wind property.
Sec. 105. Energy credit for geothermal heat pump systems.
Sec. 106. Credit for residential energy efficient property.
Sec. 107. New clean renewable energy bonds.
Sec. 108. Credit for steel industry fuel.
Sec. 109. Special rule to implement FERC and State electric restructuring policy.

Subtitle B—Carbon Mitigation and Coal Provisions

Sec. 111. Expansion and modification of advanced coal project investment credit.
Sec. 112. Expansion and modification of coal gasification investment credit.
Sec. 113. Temporary increase in coal excise tax; funding of Black Lung Disability Trust Fund.
Sec. 114. Special rules for refund of the coal excise tax to certain coal producers and exporters.
Sec. 115. Tax credit for carbon dioxide sequestration.
Sec. 116. Certain income and gains relating to industrial source carbon dioxide treated as qualifying income for publicly traded partnerships.
Sec. 117. Carbon audit of the tax code.

TITLE II—TRANSPORTATION AND DOMESTIC FUEL SECURITY PROVISIONS

Sec. 201. Inclusion of cellulosic biofuel in bonus depreciation for biomass ethanol plant property.
Sec. 202. Credits for biodiesel and renewable diesel.
Sec. 203. Clarification that credits for fuel are designed to provide an incentive for United States production.
Sec. 204. Extension and modification of alternative fuel credit.
Sec. 205. Credit for new qualified plug-in electric drive motor vehicles.
Sec. 206. Exclusion from heavy truck tax for idling reduction units and advanced insulation.
Sec. 207. Alternative fuel vehicle refueling property credit.
Sec. 208. Certain income and gains relating to alcohol fuels and mixtures, biodiesel fuels and mixtures, and alternative fuels and mixtures treated as qualifying income for publicly traded partnerships.
Sec. 209. Extension and modification of election to expense certain refineries.
Sec. 210. Extension of suspension of taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 211. Transportation fringe benefit to bicycle commuters.

TITLE III—ENERGY CONSERVATION AND EFFICIENCY PROVISIONS

Sec. 301. Qualified energy conservation bonds.
Sec. 302. Credit for nonbusiness energy property.
Sec. 303. Energy efficient commercial buildings deduction.
Sec. 304. New energy efficient home credit.
Sec. 305. Modifications of energy efficient appliance credit for appliances produced after 2007.
Sec. 306. Accelerated recovery period for depreciation of smart meters and smart grid systems.
Sec. 307. Qualified green building and sustainable design projects.
Sec. 308. Special depreciation allowance for certain reuse and recycling property.

TITLE IV—REVENUE PROVISIONS

Sec. 401. Limitation of deduction for income attributable to domestic production of oil, gas, or primary products thereof.
Sec. 402. Elimination of the different treatment of foreign oil and gas extraction income and foreign oil related income for purposes of the foreign tax credit.
Sec. 403. Broker reporting of customer's basis in securities transactions.
Sec. 404. 0.2 percent FUTA surtax.
Sec. 405. Increase and extension of Oil Spill Liability Trust Fund tax.

TITLE I—ENERGY PRODUCTION INCENTIVES

Subtitle A—Renewable Energy Incentives

SEC. 101. RENEWABLE ENERGY CREDIT.

(a) EXTENSION OF CREDIT.—

(1) 1-YEAR EXTENSION FOR WIND AND REFINED COAL FACILITIES.—Paragraphs (1) and (8) of section 45(d) are each amended by striking ''January 1, 2009'' and inserting ''January 1, 2010''.

(2) 2-YEAR EXTENSION FOR CERTAIN OTHER FACILITIES.—Each of the following provisions of section 45(d) is amended by striking ''January 1, 2009'' and inserting ''January 1, 2011'':

(A) Clauses (i) and (ii) of paragraph (2)(A).
(B) Clauses (i)(I) and (ii) of paragraph (3)(A).
(C) Paragraph (4).
(D) Paragraph (5).
(E) Paragraph (6).
(F) Paragraph (7).
(G) Subparagraphs (A) and (B) of paragraph (9).

(b) MODIFICATION OF REFINED COAL AS A QUALIFIED ENERGY RESOURCE.—

(1) ELIMINATION OF INCREASED MARKET VALUE TEST.—Section 45(c)(7)(A)(i) (defining refined coal), as amended by section 108, is amended—

(A) by striking subclause (IV),

(B) by adding ''and'' at the end of subclause (II), and

(C) by striking '', and'' at the end of subclause (III) and inserting a period.

(2) INCREASE IN REQUIRED EMISSION REDUCTION.—Section 45(c)(7)(B) (defining qualified emission reduction) is amended by inserting ''at least 40 percent of the emissions of'' after ''nitrogen oxide and''.

(c) TRASH FACILITY CLARIFICATION.—Paragraph (7) of section 45(d) is amended—

(1) by striking ''facility which burns'' and inserting ''facility (other than a facility described in paragraph (6)) which uses'', and

(2) by striking ''COMBUSTION''.

(d) EXPANSION OF BIOMASS FACILITIES.—

(1) OPEN-LOOP BIOMASS FACILITIES.—Paragraph (3) of section 45(d) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

''(B) EXPANSION OF FACILITY.—Such term shall include a new unit placed in service after the date of the enactment of this subparagraph in connection with a facility described in subparagraph (A), but only to the extent of the increased amount of electricity produced at the facility by reason of such new unit.''.

(2) CLOSED-LOOP BIOMASS FACILITIES.—Paragraph (2) of section 45(d) is amended by redesignating subparagraph (B) as subparagraph (C) and inserting after subparagraph (A) the following new subparagraph:

''(B) EXPANSION OF FACILITY.—Such term shall include a new unit placed in service after the date of the enactment of this subparagraph in connection with a facility described in subparagraph (A)(i), but only to the extent of the increased amount of electricity produced at the facility by reason of such new unit.''.

(e) MODIFICATION OF RULES FOR HYDROPOWER PRODUCTION.—Subparagraph (C) of section 45(c)(8) is amended to read as follows:

''(C) NONHYDROELECTRIC DAM.—For purposes of subparagraph (A), a facility is described in this subparagraph if—

''(i) the hydroelectric project installed on the nonhydroelectric dam is licensed by the Federal Energy Regulatory Commission and meets all other applicable environmental, licensing, and regulatory requirements,

''(ii) the nonhydroelectric dam was placed in service before the date of the enactment of this paragraph and operated for flood control, navigation, or water supply purposes and did not

produce hydroelectric power on the date of the enactment of this paragraph, and

''(iii) the hydroelectric project is operated so that the water surface elevation at any given location and time that would have occurred in the absence of the hydroelectric project is maintained, subject to any license requirements imposed under applicable law that change the water surface elevation for the purpose of improving environmental quality of the affected waterway.

The Secretary, in consultation with the Federal Energy Regulatory Commission, shall certify if a hydroelectric project licensed at a nonhydroelectric dam meets the criteria in clause (iii). Nothing in this section shall affect the standards under which the Federal Energy Regulatory Commission issues licenses for and regulates hydropower projects under part I of the Federal Power Act.''.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to property originally placed in service after December 31, 2008.

(2) REFINED COAL.—The amendments made by subsection (b) shall apply to coal produced and sold from facilities placed in service after December 31, 2008.

(3) TRASH FACILITY CLARIFICATION.—The amendments made by subsection (c) shall apply to electricity produced and sold after the date of the enactment of this Act.

(4) EXPANSION OF BIOMASS FACILITIES.—The amendments made by subsection (d) shall apply to property placed in service after the date of the enactment of this Act.

SEC. 102. PRODUCTION CREDIT FOR ELECTRICITY PRODUCED FROM MARINE RENEWABLES.

(a) IN GENERAL.—Paragraph (1) of section 45(c) is amended by striking ''and'' at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting '', and'', and by adding at the end the following new subparagraph:

''(I) marine and hydrokinetic renewable energy.''.

(b) MARINE RENEWABLES.—Subsection (c) of section 45 is amended by adding at the end the following new paragraph:

''(10) MARINE AND HYDROKINETIC RENEWABLE ENERGY.—

''(A) IN GENERAL.—The term 'marine and hydrokinetic renewable energy' means energy derived from—

''(i) waves, tides, and currents in oceans, estuaries, and tidal areas,

''(ii) free flowing water in rivers, lakes, and streams,

''(iii) free flowing water in an irrigation system, canal, or other man-made channel, including projects that utilize nonmechanical structures to accelerate the flow of water for electric power production purposes, or

''(iv) differentials in ocean temperature (ocean thermal energy conversion).

''(B) EXCEPTIONS.—Such term shall not include any energy which is derived from any source which utilizes a dam, diversionary structure (except as provided in subparagraph (A)(iii)), or impoundment for electric power production purposes.''.

(c) DEFINITION OF FACILITY.—Subsection (d) of section 45 is amended by adding at the end the following new paragraph:

''(11) MARINE AND HYDROKINETIC RENEWABLE ENERGY FACILITIES.—In the case of a facility producing electricity from marine and hydrokinetic renewable energy, the term 'qualified facility' means any facility owned by the taxpayer—

''(A) which has a nameplate capacity rating of at least 150 kilowatts, and

''(B) which is originally placed in service on or after the date of the enactment of this paragraph and before January 1, 2012.''.

(d) CREDIT RATE.—Subparagraph (A) of section 45(b)(4) is amended by striking ''or (9)'' and inserting ''(9), or (11)''.

(e) COORDINATION WITH SMALL IRRIGATION POWER.—Paragraph (5) of section 45(d), as amended by section 101, is amended by striking ''January 1, 2012'' and inserting ''the date of the enactment of paragraph (11)''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity produced and sold after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 103. ENERGY CREDIT.

(a) EXTENSION OF CREDIT.—

(1) SOLAR ENERGY PROPERTY.—Paragraphs (2)(A)(i)(II) and (3)(A)(ii) of section 48(a) are each amended by striking ''January 1, 2009'' and inserting ''January 1, 2017''.

(2) FUEL CELL PROPERTY.—Subparagraph (E) of section 48(c)(1) is amended by striking ''December 31, 2008'' and inserting ''December 31, 2016''.

(3) MICROTURBINE PROPERTY.—Subparagraph (E) of section 48(c)(2) is amended by striking ''December 31, 2008'' and inserting ''December 31, 2016''.

(b) ALLOWANCE OF ENERGY CREDIT AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Subparagraph (B) of section 38(c)(4), as amended by the Housing Assistance Tax Act of 2008, is amended by redesignating clause (vi) as clause (vi) and (vii), respectively, and by inserting after clause (iv) the following new clause:

''(v) the credit determined under section 46 to the extent that such credit is attributable to the energy credit determined under section 48,''.

(2) TECHNICAL AMENDMENT.—Clause (vi) of section 38(c)(4)(B), as redesignated by paragraph (1), is amended by striking ''section 47 to the extent attributable to'' and inserting ''section 46 to the extent that such credit is attributable to the rehabilitation credit under section 47, but only with respect to''.

(c) ENERGY CREDIT FOR COMBINED HEAT AND POWER SYSTEM PROPERTY.—

(1) IN GENERAL.—Section 48(a)(3)(A) is amended by striking ''or'' at the end of clause (iii), by inserting ''or'' at the end of clause (iv), and by adding at the end the following new clause:

''(v) combined heat and power system property,''.

(2) COMBINED HEAT AND POWER SYSTEM PROPERTY.—Subsection (c) of section 48 is amended—

(A) by striking ''QUALIFIED FUEL CELL PROPERTY; QUALIFIED MICROTURBINE PROPERTY'' in the heading and inserting ''DEFINITIONS'', and

(B) by adding at the end the following new paragraph:

''(3) COMBINED HEAT AND POWER SYSTEM PROPERTY.—

''(A) COMBINED HEAT AND POWER SYSTEM PROPERTY.—The term 'combined heat and power system property' means property comprising a system—

''(i) which uses the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications),

''(ii) which produces—

''(I) at least 20 percent of its total useful energy in the form of thermal energy which is not used to produce electrical or mechanical power (or combination thereof), and

''(II) at least 20 percent of its total useful energy in the form of electrical or mechanical power (or combination thereof),

''(iii) the energy efficiency percentage of which exceeds 60 percent, and

''(iv) which is placed in service before January 1, 2017.

''(B) LIMITATION.—

''(i) IN GENERAL.—In the case of combined heat and power system property with an electrical capacity in excess of the applicable capacity placed in service during the taxable year, the credit under subsection (a)(1) (determined without regard to this paragraph) for such year shall be equal to the amount which bears the same ratio to such credit as the applicable capacity bears to the capacity of such property.

''(ii) APPLICABLE CAPACITY.—For purposes of clause (i), the term 'applicable capacity' means 15 megawatts or a mechanical energy capacity of more than 20,000 horsepower or an equivalent combination of electrical and mechanical energy capacities.

''(iii) MAXIMUM CAPACITY.—The term 'combined heat and power system property' shall not include any property comprising a system if such system has a capacity in excess of 50 megawatts or a mechanical energy capacity in excess of 67,000 horsepower or an equivalent combination of electrical and mechanical energy capacities.

''(C) SPECIAL RULES.—

''(i) ENERGY EFFICIENCY PERCENTAGE.—For purposes of this paragraph, the energy efficiency percentage of a system is the fraction—

''(I) the numerator of which is the total useful electrical, thermal, and mechanical power produced by the system at normal operating rates, and expected to be consumed in its normal application, and

''(II) the denominator of which is the lower heating value of the fuel sources for the system.

''(ii) DETERMINATIONS MADE ON BTU BASIS.—The energy efficiency percentage and the percentages under subparagraph (A)(ii) shall be determined on a Btu basis.

''(iii) INPUT AND OUTPUT PROPERTY NOT INCLUDED.—The term 'combined heat and power system property' does not include property used to transport the energy source to the facility or to distribute energy produced by the facility.

''(D) SYSTEMS USING BIOMASS.—If a system is designed to use biomass (within the meaning of paragraphs (2) and (3) of section 45(c) without regard to the last sentence of paragraph (3)(A)) for at least 90 percent of the energy source—

''(i) subparagraph (A)(iii) shall not apply, but

''(ii) the amount of credit determined under subsection (a) with respect to such system shall not exceed the amount which bears the same ratio to such amount of credit (determined without regard to this subparagraph) as the energy efficiency percentage of such system bears to 60 percent.''.

(3) CONFORMING AMENDMENT.—Section 48(a)(1) is amended by striking ''paragraphs (1)(B) and (2)(B)'' and inserting ''paragraphs (1)(B), (2)(B), and (3)(B)''.

(d) INCREASE OF CREDIT LIMITATION FOR FUEL CELL PROPERTY.—Subparagraph (B) of section 48(c)(1) is amended by striking ''$500'' and inserting ''$1,500''.

(e) PUBLIC UTILITY PROPERTY TAKEN INTO ACCOUNT.—

(1) IN GENERAL.—Paragraph (3) of section 48(a) is amended by striking the second sentence thereof.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 48(c) is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(B) Paragraph (2) of section 48(c) is amended by striking subparagraph (D) and redesignating subparagraph (E) as subparagraph (D).

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—The amendments made by subsection (b) shall apply to credits determined under section 46 of the Internal Revenue Code of 1986 in taxable years beginning after the date of the enactment of this Act and to carrybacks of such credits.

(3) COMBINED HEAT AND POWER AND FUEL CELL PROPERTY.—The amendments made by subsections (c) and (d) shall apply to periods after

the date of the enactment of this Act, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

(4) PUBLIC UTILITY PROPERTY.—The amendments made by subsection (e) shall apply to periods after February 13, 2008, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 104. ENERGY CREDIT FOR SMALL WIND PROPERTY.

(a) IN GENERAL.—Section 48(a)(3)(A), as amended by section 103, is amended by striking ''or'' at the end of clause (iv), by adding ''or'' at the end of clause (v), and by inserting after clause (v) the following new clause:

''(vi) qualified small wind energy property,''.

(b) 30 PERCENT CREDIT.—Section 48(a)(2)(A)(i) is amended by striking ''and'' at the end of subclause (II) and by inserting after subclause (III) the following new subclause:

''(IV) qualified small wind energy property, and''.

(c) QUALIFIED SMALL WIND ENERGY PROPERTY.—Section 48(c), as amended by section 103, is amended by adding at the end the following new paragraph:

''(4) QUALIFIED SMALL WIND ENERGY PROPERTY.—

''(A) IN GENERAL.—The term 'qualified small wind energy property' means property which uses a qualifying small wind turbine to generate electricity.

''(B) LIMITATION.—In the case of qualified small wind energy property placed in service during the taxable year, the credit otherwise determined under subsection (a)(1) for such year with respect to all such property of the taxpayer shall not exceed $4,000.

''(C) QUALIFYING SMALL WIND TURBINE.—The term 'qualifying small wind turbine' means a wind turbine which has a nameplate capacity of not more than 100 kilowatts.

''(D) TERMINATION.—The term 'qualified small wind energy property' shall not include any property for any period after December 31, 2016.''.

(d) CONFORMING AMENDMENT.—Section 48(a)(1), as amended by section 103, is amended by striking ''paragraphs (1)(B), (2)(B), and (3)(B)'' and inserting ''paragraphs (1)(B), (2)(B), (3)(B), and (4)(B)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 105. ENERGY CREDIT FOR GEOTHERMAL HEAT PUMP SYSTEMS.

(a) IN GENERAL.—Subparagraph (A) of section 48(a)(3), as amended by this Act, is amended by striking ''or'' at the end of clause (v), by inserting ''or'' at the end of clause (vi), and by adding at the end the following new clause:

''(vii) equipment which uses the ground or ground water as a thermal energy source to heat a structure or as a thermal energy sink to cool a structure, but only with respect to periods ending before January 1, 2017,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after the date of the enactment of this Act, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 106. CREDIT FOR RESIDENTIAL ENERGY EFFICIENT PROPERTY.

(a) EXTENSION.—Section 25D(g) is amended by striking ''December 31, 2008'' and inserting ''December 31, 2016''.

(b) REMOVAL OF LIMITATION FOR SOLAR ELECTRIC PROPERTY.—

(1) IN GENERAL.—Section 25D(b)(1), as amended by subsections (c) and (d), is amended—

(A) by striking subparagraph (A), and

(B) by redesignating subparagraphs (B) through (E) as subparagraphs (A) through and (D), respectively.

(2) CONFORMING AMENDMENT.—Section 25D(e)(4)(A), as amended by subsections (c) and (d), is amended—

(A) by striking clause (i), and

(B) by redesignating clauses (ii) through (v) as clauses (i) and (iv), respectively.

(c) CREDIT FOR RESIDENTIAL WIND PROPERTY.—

(1) IN GENERAL.—Section 25D(a) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding at the end the following new paragraph:

''(4) 30 percent of the qualified small wind energy property expenditures made by the taxpayer during such year.''.

(2) LIMITATION.—Section 25D(b)(1) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) $500 with respect to each half kilowatt of capacity (not to exceed $4,000) of wind turbines for which qualified small wind energy property expenditures are made.''.

(3) QUALIFIED SMALL WIND ENERGY PROPERTY EXPENDITURES.—

(A) IN GENERAL.—Section 25D(d) is amended by adding at the end the following new paragraph:

''(4) QUALIFIED SMALL WIND ENERGY PROPERTY EXPENDITURE.—The term 'qualified small wind energy property expenditure' means an expenditure for property which uses a wind turbine to generate electricity for use in connection with a dwelling unit located in the United States and used as a residence by the taxpayer.''.

(B) NO DOUBLE BENEFIT.—Section 45(d)(1) is amended by adding at the end the following new sentence: ''Such term shall not include any facility with respect to which any qualified small wind energy property expenditure (as defined in subsection (d)(4) of section 25D) is taken into account in determining the credit under such section.''.

(4) MAXIMUM EXPENDITURES IN CASE OF JOINT OCCUPANCY.—Section 25D(e)(4)(A) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) $1,667 in the case of each half kilowatt of capacity (not to exceed $13,333) of wind turbines for which qualified small wind energy property expenditures are made.''.

(d) CREDIT FOR GEOTHERMAL HEAT PUMP SYSTEMS.—

(1) IN GENERAL.—Section 25D(a), as amended by subsection (c), is amended by striking ''and'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting '', and'', and by adding at the end the following new paragraph:

''(5) 30 percent of the qualified geothermal heat pump property expenditures made by the taxpayer during such year.''.

(2) LIMITATION.—Section 25D(b)(1), as amended by subsection (c), is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting '', and'', and by adding at the end the following new subparagraph:

''(E) $2,000 with respect to any qualified geothermal heat pump property expenditures.''.

(3) QUALIFIED GEOTHERMAL HEAT PUMP PROPERTY EXPENDITURE.—Section 25D(d), as amended by subsection (c), is amended by adding at the end the following new paragraph:

''(5) QUALIFIED GEOTHERMAL HEAT PUMP PROPERTY EXPENDITURE.—

''(A) IN GENERAL.—The term 'qualified geothermal heat pump property expenditure' means an expenditure for qualified geothermal heat pump property installed on or in connection with a dwelling unit located in the United States and used as a residence by the taxpayer.

''(B) QUALIFIED GEOTHERMAL HEAT PUMP PROPERTY.—The term 'qualified geothermal heat pump property' means any equipment which—

''(i) uses the ground or ground water as a thermal energy source to heat the dwelling unit referred to in subparagraph (A) or as a thermal energy sink to cool such dwelling unit, and

''(ii) meets the requirements of the Energy Star program which are in effect at the time that the expenditure for such equipment is made.''.

(4) MAXIMUM EXPENDITURES IN CASE OF JOINT OCCUPANCY.—Section 25D(e)(4)(A), as amended by subsection (c), is amended by striking ''and'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', and'', and by adding at the end the following new clause:

''(v) $6,667 in the case of any qualified geothermal heat pump property expenditures.''.

(e) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 25D is amended to read as follows:

''(c) LIMITATION BASED ON AMOUNT OF TAX; CARRYFORWARD OF UNUSED CREDIT.—

''(1) LIMITATION BASED ON AMOUNT OF TAX.—In the case of a taxable year to which section 26(a)(2) does not apply, the credit allowed under subsection (a) for the taxable year shall 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) and section 27 for the taxable year.

''(2) CARRYFORWARD OF UNUSED CREDIT.—

''(A) RULE FOR YEARS IN WHICH ALL PERSONAL CREDITS ALLOWED AGAINST REGULAR AND ALTERNATIVE MINIMUM TAX.—In the case of a taxable year to which section 26(a)(2) applies, if the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a)(2) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

''(B) RULE FOR OTHER YEARS.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 23(b)(4)(B) is amended by inserting ''and section 25D'' after ''this section''.

(B) Section 24(b)(3)(B) is amended by striking ''and 25B'' and inserting '', 25B, and 25D''.

(C) Section 25B(g)(2) is amended by striking ''section 23'' and inserting ''sections 23 and 25D''.

(D) Section 26(a)(1) is amended by striking ''and 25B'' and inserting ''25B, and 25D''.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2007.

(2) SOLAR ELECTRIC PROPERTY LIMITATION.—The amendments made by subsection (b) shall apply to taxable years beginning after December 31, 2008.

(3) APPLICATION OF EGTRRA SUNSET.—The amendments made by subparagraphs (A) and (B) of subsection (e)(2) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 in the same manner as the provisions of such Act to which such amendments relate.

SEC. 107. NEW CLEAN RENEWABLE ENERGY BONDS.

(a) IN GENERAL.—Subpart I of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

"SEC. 54C. NEW CLEAN RENEWABLE ENERGY BONDS.

''(a) NEW CLEAN RENEWABLE ENERGY BOND.—For purposes of this subpart, the term 'new clean renewable energy bond' means any bond issued as part of an issue if—

''(1) 100 percent of the available project proceeds of such issue are to be used for capital expenditures incurred by governmental bodies, public power providers, or cooperative electric companies for one or more qualified renewable energy facilities,

''(2) the bond is issued by a qualified issuer, and

''(3) the issuer designates such bond for purposes of this section.

''(b) REDUCED CREDIT AMOUNT.—The annual credit determined under section 54A(b) with respect to any new clean renewable energy bond shall be 70 percent of the amount so determined without regard to this subsection.

''(c) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer shall not exceed the limitation amount allocated under this subsection to such issuer.

''(2) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—There is a national new clean renewable energy bond limitation of $800,000,000 which shall be allocated by the Secretary as provided in paragraph (3), except that—

''(A) not more than 33⅓ percent thereof may be allocated to qualified projects of public power providers,

''(B) not more than 33⅓ percent thereof may be allocated to qualified projects of governmental bodies, and

''(C) not more than 33⅓ percent thereof may be allocated to qualified projects of cooperative electric companies.

''(3) METHOD OF ALLOCATION.—

''(A) ALLOCATION AMONG PUBLIC POWER PROVIDERS.—After the Secretary determines the qualified projects of public power providers which are appropriate for receiving an allocation of the national new clean renewable energy bond limitation, the Secretary shall, to the maximum extent practicable, make allocations among such projects in such manner that the amount allocated to each such project bears the same ratio to the cost of such project as the limitation under paragraph (2)(A) bears to the cost of all such projects.

''(B) ALLOCATION AMONG GOVERNMENTAL BODIES AND COOPERATIVE ELECTRIC COMPANIES.—The Secretary shall make allocations of the amount of the national new clean renewable energy bond limitation described in paragraphs (2)(B) and (2)(C) among qualified projects of governmental bodies and cooperative electric companies, respectively, in such manner as the Secretary determines appropriate.

''(d) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED RENEWABLE ENERGY FACILITY.—The term 'qualified renewable energy facility' means a qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and to any placed in service date) owned by a public power provider, a governmental body, or a cooperative electric company.

''(2) PUBLIC POWER PROVIDER.—The term 'public power provider' means a State utility with a service obligation, as such terms are defined in section 217 of the Federal Power Act (as in effect on the date of the enactment of this paragraph).

''(3) GOVERNMENTAL BODY.—The term 'governmental body' means any State or Indian tribal government, or any political subdivision thereof.

''(4) COOPERATIVE ELECTRIC COMPANY.—The term 'cooperative electric company' means a mutual or cooperative electric company described in section 501(c)(12) or section 1381(a)(2)(C).

''(5) CLEAN RENEWABLE ENERGY BOND LENDER.—The term 'clean renewable energy bond lender' means a lender which is a cooperative which is owned by, or has outstanding loans to, 100 or more cooperative electric companies and is in existence on February 1, 2002, and shall include any affiliated entity which is controlled by such lender.

''(6) QUALIFIED ISSUER.—The term 'qualified issuer' means a public power provider, a cooperative electric company, a governmental body, a clean renewable energy bond lender, or a not-for-profit electric utility which has received a loan or loan guarantee under the Rural Electrification Act.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 54A(d) is amended to read as follows:

''(1) QUALIFIED TAX CREDIT BOND.—The term 'qualified tax credit bond' means—

''(A) a qualified forestry conservation bond, or

''(B) a new clean renewable energy bond,

which is part of an issue that meets requirements of paragraphs (2), (3), (4), (5), and (6).''.

(2) Subparagraph (C) of section 54A(d)(2) is amended to read as follows:

''(C) QUALIFIED PURPOSE.—For purposes of this paragraph, the term 'qualified purpose' means—

''(i) in the case of a qualified forestry conservation bond, a purpose specified in section 54B(e), and

''(ii) in the case of a new clean renewable energy bond, a purpose specified in section 54C(a)(1).''.

(3) The table of sections for subpart I of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 54C. Qualified clean renewable energy bonds.''.

(c) EXTENSION FOR CLEAN RENEWABLE ENERGY BONDS.—Subsection (m) of section 54 is amended by striking ''December 31, 2008'' and inserting ''December 31, 2009''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 108. CREDIT FOR STEEL INDUSTRY FUEL.

(a) TREATMENT AS REFINED COAL.—

(1) IN GENERAL.—Subparagraph (A) of section 45(c)(7) of the Internal Revenue Code of 1986 (relating to refined coal), as amended by this Act, is amended to read as follows:

''(A) IN GENERAL.—The term 'refined coal' means a fuel—

''(i) which—

''(I) is a liquid, gaseous, or solid fuel produced from coal (including lignite) or high carbon fly ash, including such fuel used as a feedstock,

''(II) is sold by the taxpayer with the reasonable expectation that it will be used for purpose of producing steam,

''(III) is certified by the taxpayer as resulting (when used in the production of steam) in a qualified emission reduction, and

''(IV) is produced in such a manner as to result in an increase of at least 50 percent in the market value of the refined coal (excluding any increase caused by materials combined or added during the production process), as compared to the value of the feedstock coal, or

''(ii) which is steel industry fuel.''.

(2) STEEL INDUSTRY FUEL DEFINED.—Paragraph (7) of section 45(c) of such Code is amended by adding at the end the following new subparagraph:

''(C) STEEL INDUSTRY FUEL.—

''(i) IN GENERAL.—The term 'steel industry fuel' means a fuel which—

''(I) is produced through a process of liquifying coal waste sludge and distributing it on coal, and

''(II) is used as a feedstock for the manufacture of coke.

''(ii) COAL WASTE SLUDGE.—The term 'coal waste sludge' means the tar decanter sludge and related byproducts of the coking process, including such materials that have been stored in ground, in tanks and in lagoons, that have been treated as hazardous wastes under applicable Federal environmental rules absent liquefaction and processing with coal into a feedstock for the manufacture of coke.''.

(b) CREDIT AMOUNT.—

(1) IN GENERAL.—Paragraph (8) of section 45(e) of the Internal Revenue Code of 1986 (relating to refined coal production facilities) is amended by adding at the end the following new subparagraph

''(D) SPECIAL RULE FOR STEEL INDUSTRY FUEL.—

''(i) IN GENERAL.—In the case of a taxpayer who produces steel industry fuel—

''(I) this paragraph shall be applied separately with respect to steel industry fuel and other refined coal, and

''(II) in applying this paragraph to steel industry fuel, the modifications in clause (ii) shall apply.

''(ii) MODIFICATIONS.—

''(I) CREDIT AMOUNT.—Subparagraph (A) shall be applied by substituting '$2 per barrel-of-oil equivalent' for '$4.375 per ton'.

''(II) CREDIT PERIOD.—In lieu of the 10-year period referred to in clauses (i) and (ii)(II) of subparagraph (A), the credit period shall be the period beginning on the later of the date such facility was originally placed in service, the date the modifications described in clause (iii) were placed in service, or October 1, 2008, and ending on the later of December 31, 2009, or the date which is 1 year after the date such facility or the modifications described in clause (iii) were placed in service.

''(III) NO PHASEOUT.—Subparagraph (B) shall not apply.

''(iii) MODIFICATIONS.—The modifications described in this clause are modifications to an existing facility which allow such facility to produce steel industry fuel.

''(iv) BARREL-OF-OIL EQUIVALENT.—For purposes of this subparagraph, a barrel-of-oil equivalent is the amount of steel industry fuel that has a Btu content of 5,800,000 Btus.''.

(2) INFLATION ADJUSTMENT.—Paragraph (2) of section 45(b) of such Code is amended by inserting ''the $3 amount in subsection (e)(8)(D)(ii)(I),'' after ''subsection (e)(8)(A),''.

(c) TERMINATION.—Paragraph (8) of section 45(d) of the Internal Revenue Code of 1986 (relating to refined coal production facility), as amended by this Act, is amended to read as follows:

''(8) REFINED COAL PRODUCTION FACILITY.—In the case of a facility that produces refined coal, the term 'refined coal production facility' means—

''(A) with respect to a facility producing steel industry fuel, any facility (or any modification to a facility) which is placed in service before January 1, 2010, and

''(B) with respect to any other facility producing refined coal, any facility placed in service after the date of the enactment of the American Jobs Creation Act of 2004 and before January 1, 2010.''.

(d) COORDINATION WITH CREDIT FOR PRODUCING FUEL FROM A NONCONVENTIONAL SOURCE.—

(1) IN GENERAL.—Subparagraph (B) of section 45(e)(9) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''The term'' and inserting the following:

''(i) IN GENERAL.—The term'', and

(B) by adding at the end the following new clause:

''(ii) EXCEPTION FOR STEEL INDUSTRY COAL.—In the case of a facility producing steel industry fuel, clause (i) shall not apply to so much of the refined coal produced at such facility as is steel industry fuel.''.

(2) NO DOUBLE BENEFIT.—Section 45K(g)(2) of such Code is amended by adding at the end the following new subparagraph:

''(E) COORDINATION WITH SECTION 45.—No credit shall be allowed with respect to any qualified fuel which is steel industry fuel (as defined in section 45(c)(7)) if a credit is allowed to the taxpayer for such fuel under section 45.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel produced and sold after September 30, 2008.

SEC. 109. SPECIAL RULE TO IMPLEMENT FERC AND STATE ELECTRIC RESTRUCTURING POLICY.

(a) EXTENSION FOR QUALIFIED ELECTRIC UTILITIES.—

(1) IN GENERAL.—Paragraph (3) of section 451(i) is amended by inserting ''(before January 1, 2010, in the case of a qualified electric utility)'' after ''January 1, 2008''.

(2) QUALIFIED ELECTRIC UTILITY.—Subsection (i) of section 451 is amended by redesignating paragraphs (6) through (10) as paragraphs (7) through (11), respectively, and by inserting after paragraph (5) the following new paragraph:

''(6) QUALIFIED ELECTRIC UTILITY.—For purposes of this subsection, the term 'qualified electric utility' means a person that, as of the date of the qualifying electric transmission transaction, is vertically integrated, in that it is both—

''(A) a transmitting utility (as defined in section 3(23) of the Federal Power Act (16 U.S.C. 796(23))) with respect to the transmission facilities to which the election under this subsection applies, and

''(B) an electric utility (as defined in section 3(22) of the Federal Power Act (16 U.S.C. 796(22))).''.

(b) EXTENSION OF PERIOD FOR TRANSFER OF OPERATIONAL CONTROL AUTHORIZED BY FERC.—Clause (ii) of section 451(i)(4)(B) is amended by striking ''December 31, 2007'' and inserting ''the date which is 4 years after the close of the taxable year in which the transaction occurs''.

(c) PROPERTY LOCATED OUTSIDE THE UNITED STATES NOT TREATED AS EXEMPT UTILITY PROPERTY.—Paragraph (5) of section 451(i) is amended by adding at the end the following new subparagraph:

''(C) EXCEPTION FOR PROPERTY LOCATED OUTSIDE THE UNITED STATES.—The term 'exempt utility property' shall not include any property which is located outside the United States.''.

(d) EFFECTIVE DATES.—

(1) EXTENSION.—The amendments made by subsection (a) shall apply to transactions after December 31, 2007.

(2) TRANSFERS OF OPERATIONAL CONTROL.—The amendment made by subsection (b) shall take effect as if included in section 909 of the American Jobs Creation Act of 2004.

(3) EXCEPTION FOR PROPERTY LOCATED OUTSIDE THE UNITED STATES.—The amendment made by subsection (c) shall apply to transactions after the date of the enactment of this Act.

Subtitle B—Carbon Mitigation and Coal Provisions

SEC. 111. EXPANSION AND MODIFICATION OF ADVANCED COAL PROJECT INVESTMENT CREDIT.

(a) MODIFICATION OF CREDIT AMOUNT.—Section 48A(a) is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by adding at the end the following new paragraph:

''(3) 30 percent of the qualified investment for such taxable year in the case of projects described in clause (iii) of subsection (d)(3)(B).''.

(b) EXPANSION OF AGGREGATE CREDITS.—Section 48A(d)(3)(A) is amended by striking ''$1,300,000,000'' and inserting ''$2,550,000,000''.

(c) AUTHORIZATION OF ADDITIONAL PROJECTS.—

(1) IN GENERAL.—Subparagraph (B) of section 48A(d)(3) is amended to read as follows:

''(B) PARTICULAR PROJECTS.—Of the dollar amount in subparagraph (A), the Secretary is authorized to certify—

''(i) $800,000,000 for integrated gasification combined cycle projects the application for which is submitted during the period described in paragraph (2)(A)(i),

''(ii) $500,000,000 for projects which use other advanced coal-based generation technologies the application for which is submitted during the period described in paragraph (2)(A)(i), and

''(iii) $1,250,000,000 for advanced coal-based generation technology projects the application for which is submitted during the period described in paragraph (2)(A)(ii).''.

(2) APPLICATION PERIOD FOR ADDITIONAL PROJECTS.—Subparagraph (A) of section 48A(d)(2) is amended to read as follows:

''(A) APPLICATION PERIOD.—Each applicant for certification under this paragraph shall submit an application meeting the requirements of subparagraph (B). An applicant may only submit an application—

''(i) for an allocation from the dollar amount specified in clause (i) or (ii) of paragraph (3)(B) during the 3-year period beginning on the date the Secretary establishes the program under paragraph (1), and

''(ii) for an allocation from the dollar amount specified in paragraph (3)(B)(iii) during the 3-year period beginning at the earlier of the termination of the period described in clause (i) or the date prescribed by the Secretary.''.

(3) CAPTURE AND SEQUESTRATION OF CARBON DIOXIDE EMISSIONS REQUIREMENT.—

(A) IN GENERAL.—Section 48A(e)(1) is amended by striking ''and'' at the end of subparagraph (E), by striking the period at the end of subparagraph (F) and inserting ''; and'', and by adding at the end the following new subparagraph:

''(G) in the case of any project the application for which is submitted during the period described in subsection (d)(2)(A)(ii), the project includes equipment which separates and sequesters at least 65 percent (70 percent in the case of an application for reallocated credits under subsection (d)(4)) of such project's total carbon dioxide emissions.''.

(B) HIGHEST PRIORITY FOR PROJECTS WHICH SEQUESTER CARBON DIOXIDE EMISSIONS.—Section 48A(e)(3) is amended by striking ''and'' at the end of subparagraph (A)(iii), by striking the period at the end of subparagraph (B)(iii) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) give highest priority to projects with the greatest separation and sequestration percentage of total carbon dioxide emissions.''.

(C) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTER.—Section 48A is amended by adding at the end the following new subsection:

''(i) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTER.—The Secretary shall provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any project which fails to attain or maintain the separation and sequestration requirements of subsection (e)(1)(G).''.

(4) ADDITIONAL PRIORITY FOR RESEARCH PARTNERSHIPS.—Section 48A(e)(3)(B), as amended by paragraph (3)(B), is amended—

(A) by striking ''and'' at the end of clause (ii),

(B) by redesignating clause (iii) as clause (iv), and

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

''(iii) applicant participants who have a research partnership with an eligible educational institution (as defined in section 529(e)(5)), and''.

(5) CLERICAL AMENDMENT.—Section 48A(e)(3) is amended by striking ''INTEGRATED GASIFICATION COMBINED CYCLE'' in the heading and inserting ''CERTAIN''.

(d) DISCLOSURE OF ALLOCATIONS.—Section 48A(d) is amended by adding at the end the following new paragraph:

''(5) DISCLOSURE OF ALLOCATIONS.—The Secretary shall, upon making a certification under this subsection or section 48B(d), publicly disclose the identity of the applicant and the amount of the credit certified with respect to such applicant.''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to credits the application for which is submitted during the period described in section 48A(d)(2)(A)(ii) of the Internal Revenue Code of 1986 and which are allocated or reallocated after the date of the enactment of this Act.

(2) DISCLOSURE OF ALLOCATIONS.—The amendment made by subsection (d) shall apply to certifications made after the date of the enactment of this Act.

(3) CLERICAL AMENDMENT.—The amendment made by subsection (c)(5) shall take effect as if included in the amendment made by section 1307(b) of the Energy Tax Incentives Act of 2005.

SEC. 112. EXPANSION AND MODIFICATION OF COAL GASIFICATION INVESTMENT CREDIT.

(a) MODIFICATION OF CREDIT AMOUNT.—Section 48B(a) is amended by inserting ''(30 percent in the case of credits allocated under subsection (d)(1)(B))'' after ''20 percent''.

(b) EXPANSION OF AGGREGATE CREDITS.—Section 48B(d)(1) is amended by striking ''shall not exceed $350,000,000'' and all that follows and inserting ''shall not exceed—

''(A) $350,000,000, plus

''(B) $250,000,000 for qualifying gasification projects that include equipment which separates and sequesters at least 75 percent of such project's total carbon dioxide emissions.''.

(c) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTER.—Section 48B is amended by adding at the end the following new subsection:

''(f) RECAPTURE OF CREDIT FOR FAILURE TO SEQUESTER.—The Secretary shall provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any project which fails to attain or maintain the separation and sequestration requirements for such project under subsection (d)(1).''.

(d) SELECTION PRIORITIES.—Section 48B(d) is amended by adding at the end the following new paragraph:

''(4) SELECTION PRIORITIES.—In determining which qualifying gasification projects to certify under this section, the Secretary shall—

''(A) give highest priority to projects with the greatest separation and sequestration percentage of total carbon dioxide emissions, and

''(B) give high priority to applicant participants who have a research partnership with an eligible educational institution (as defined in section 529(e)(5)).''.

(e) ELIGIBLE PROJECTS INCLUDE TRANSPORTATION GRADE LIQUID FUELS.—Section 48B(c)(7) (defining eligible entity) is amended by striking ''and'' at the end of subparagraph (F), by striking the period at the end of subparagraph (G) and inserting '', and'', and by adding at the end the following new subparagraph:

''(H) transportation grade liquid fuels.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to credits described in section 48B(d)(1)(B) of the Internal Revenue Code of 1986 which are allocated or reallocated after the date of the enactment of this Act.

SEC. 113. TEMPORARY INCREASE IN COAL EXCISE TAX; FUNDING OF BLACK LUNG DISABILITY TRUST FUND.

(a) EXTENSION OF TEMPORARY INCREASE.—Paragraph (2) of section 4121(e) is amended—

(1) by striking ''January 1, 2014'' in subparagraph (A) and inserting ''December 31, 2018'', and

(2) by striking ''January 1 after 1981'' in subparagraph (B) and inserting ''December 31 after 2007''.

(b) RESTRUCTURING OF TRUST FUND DEBT.—

(1) DEFINITIONS.—For purposes of this subsection—

(A) MARKET VALUE OF THE OUTSTANDING REPAYABLE ADVANCES, PLUS ACCRUED INTEREST.—The term ''market value of the outstanding repayable advances, plus accrued interest'' means the present value (determined by the Secretary of the Treasury as of the refinancing date and using the Treasury rate as the discount rate) of the stream of principal and interest payments derived assuming that each repayable advance that is outstanding on the refinancing date is due on the 30th anniversary of the end of the fiscal year in which the advance was made to the Trust Fund, and that all such principal and interest payments are made on September 30 of the applicable fiscal year.

(B) REFINANCING DATE.—The term ''refinancing date'' means the date occurring 2 days after the enactment of this Act.

(C) REPAYABLE ADVANCE.—The term ''repayable advance'' means an amount that has been appropriated to the Trust Fund in order to make benefit payments and other expenditures that are authorized under section 9501 of the Internal Revenue Code of 1986 and are required to be repaid when the Secretary of the Treasury determines that monies are available in the Trust Fund for such purpose.

(D) TREASURY RATE.—The term ''Treasury rate'' means 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 maturities.

(E) TREASURY 1-YEAR RATE.—The term ''Treasury 1-year rate'' means a rate determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States with remaining periods to maturity of approximately 1 year, to have been in effect as of the close of business 1 business day prior to the date on which the Trust Fund issues obligations to the Secretary of the Treasury under paragraph (2)(B).

(2) REFINANCING OF OUTSTANDING PRINCIPAL OF REPAYABLE ADVANCES AND UNPAID INTEREST ON SUCH ADVANCES.—

(A) TRANSFER TO GENERAL FUND.—On the refinancing date, the Trust Fund shall repay the market value of the outstanding repayable advances, plus accrued interest, by transferring into the general fund of the Treasury the following sums:

(i) The proceeds from obligations that the Trust Fund shall issue to the Secretary of the Treasury in such amounts as the Secretaries of Labor and the Treasury shall determine and bearing interest at the Treasury rate, and that shall be in such forms and denominations and be subject to such other terms and conditions, including maturity, as the Secretary of the Treasury shall prescribe.

(ii) All, or that portion, of the appropriation made to the Trust Fund pursuant to paragraph (3) that is needed to cover the difference defined in that paragraph.

(B) REPAYMENT OF OBLIGATIONS.—In the event that the Trust Fund is unable to repay the obligations that it has issued to the Secretary of the Treasury under subparagraph (A)(i) and this subparagraph, or is unable to make benefit payments and other authorized expenditures, the Trust Fund shall issue obligations to the Secretary of the Treasury in such amounts as may be necessary to make such repayments, payments, and expenditures, with a maturity of 1 year, and bearing interest at the Treasury 1-year rate. These obligations shall be in such forms and denominations and be subject to such other terms and conditions as the Secretary of the Treasury shall prescribe.

(C) AUTHORITY TO ISSUE OBLIGATIONS.—The Trust Fund is authorized to issue obligations to the Secretary of the Treasury under subparagraphs (A)(i) and (B). The Secretary of the Treasury is authorized to purchase such obligations of the Trust Fund. For the purposes of making such purchases, the Secretary of the Treasury may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such chapter are extended to include any purchase of such Trust Fund obligations under this subparagraph.

(3) ONE-TIME APPROPRIATION.—There is hereby appropriated to the Trust Fund an amount sufficient to pay to the general fund of the Treasury the difference between—

(A) the market value of the outstanding repayable advances, plus accrued interest; and

(B) the proceeds from the obligations issued by the Trust Fund to the Secretary of the Treasury under paragraph (2)(A)(i).

(4) PREPAYMENT OF TRUST FUND OBLIGATIONS.—The Trust Fund is authorized to repay any obligation issued to the Secretary of the Treasury under subparagraphs (A)(i) and (B) of paragraph (2) prior to its maturity date by paying a prepayment price that would, if the obligation being prepaid (including all unpaid interest accrued thereon through the date of prepayment) were purchased by a third party and held to the maturity date of such obligation, produce a yield to the third-party purchaser for the period from the date of purchase to the maturity date of such obligation substantially equal to the Treasury yield on outstanding marketable obligations of the United States having a comparable maturity to this period.

SEC. 114. SPECIAL RULES FOR REFUND OF THE COAL EXCISE TAX TO CERTAIN COAL PRODUCERS AND EXPORTERS.

(a) REFUND.—

(1) COAL PRODUCERS.—

(A) IN GENERAL.—Notwithstanding subsections (a)(1) and (c) of section 6416 and section 6511 of the Internal Revenue Code of 1986, if—

(i) a coal producer establishes that such coal producer, or a party related to such coal producer, exported coal produced by such coal producer to a foreign country or shipped coal produced by such coal producer to a possession of the United States, or caused such coal to be exported or shipped, the export or shipment of which was other than through an exporter who meets the requirements of paragraph (2),

(ii) such coal producer filed an excise tax return on or after October 1, 1990, and on or before the date of the enactment of this Act, and

(iii) such coal producer files a claim for refund with the Secretary not later than the close of the 30-day period beginning on the date of the enactment of this Act,

then the Secretary shall pay to such coal producer an amount equal to the tax paid under section 4121 of such Code on such coal exported or shipped by the coal producer or a party related to such coal producer, or caused by the coal producer or a party related to such coal producer to be exported or shipped.

(B) SPECIAL RULES FOR CERTAIN TAXPAYERS.—For purposes of this section—

(i) IN GENERAL.—If a coal producer or a party related to a coal producer has received a judgment described in clause (iii), such coal producer shall be deemed to have established the export of coal to a foreign country or shipment of coal to a possession of the United States under subparagraph (A)(i).

(ii) AMOUNT OF PAYMENT.—If a taxpayer described in clause (i) is entitled to a payment under subparagraph (A), the amount of such payment shall be reduced by any amount paid pursuant to the judgment described in clause (iii).

(iii) JUDGMENT DESCRIBED.—A judgment is described in this subparagraph if such judgment—

(I) is made by a court of competent jurisdiction within the United States,

(II) relates to the constitutionality of any tax paid on exported coal under section 4121 of the Internal Revenue Code of 1986, and

(III) is in favor of the coal producer or the party related to the coal producer.

(2) EXPORTERS.—Notwithstanding subsections (a)(1) and (c) of section 6416 and section 6511 of the Internal Revenue Code of 1986, and a judgment described in paragraph (1)(B)(iii) of this subsection, if—

(A) an exporter establishes that such exporter exported coal to a foreign country or shipped coal to a possession of the United States, or caused such coal to be so exported or shipped,

(B) such exporter filed a tax return on or after October 1, 1990, and on or before the date of the enactment of this Act, and

(C) such exporter files a claim for refund with the Secretary not later than the close of the 30-day period beginning on the date of the enactment of this Act,

then the Secretary shall pay to such exporter an amount equal to $0.825 per ton of such coal exported by the exporter or caused to be exported or shipped, or caused to be exported or shipped, by the exporter.

(b) LIMITATIONS.—Subsection (a) shall not apply with respect to exported coal if a settlement with the Federal Government has been made with and accepted by, the coal producer, a party related to such coal producer, or the exporter, of such coal, as of the date that the claim is filed under this section with respect to such exported coal. For purposes of this subsection, the term ''settlement with the Federal Government'' shall not include any settlement or stipulation entered into as of the date of the enactment of this Act, the terms of which contemplate a judgment concerning which any party has reserved the right to file an appeal, or has filed an appeal.

(c) SUBSEQUENT REFUND PROHIBITED.—No refund shall be made under this section to the extent that a credit or refund of such tax on such exported or shipped coal has been paid to any person.

(d) DEFINITIONS.—For purposes of this section—

(1) COAL PRODUCER.—The term ''coal producer'' means the person in whom is vested ownership of the coal immediately after the coal is severed from the ground, without regard to the existence of any contractual arrangement for the sale or other disposition of the coal or the payment of any royalties between the producer and third parties. The term includes any person who extracts coal from coal waste refuse piles or from the silt waste product which results from the wet washing (or similar processing) of coal.

(2) EXPORTER.—The term ''exporter'' means a person, other than a coal producer, who does not have a contract, fee arrangement, or any other agreement with a producer or seller of such coal to export or ship such coal to a third party on behalf of the producer or seller of such coal and—

(A) is indicated in the shipper's export declaration or other documentation as the exporter of record, or

(B) actually exported such coal to a foreign country or shipped such coal to a possession of the United States, or caused such coal to be so exported or shipped.

(3) RELATED PARTY.—The term ''a party related to such coal producer'' means a person who—

(A) is related to such coal producer through any degree of common management, stock ownership, or voting control,

(B) is related (within the meaning of section 144(a)(3) of the Internal Revenue Code of 1986) to such coal producer, or

(C) has a contract, fee arrangement, or any other agreement with such coal producer to sell such coal to a third party on behalf of such coal producer.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Treasury or the Secretary's designee.

(e) TIMING OF REFUND.—With respect to any claim for refund filed pursuant to this section, the Secretary shall determine whether the requirements of this section are met not later than 180 days after such claim is filed. If the Secretary determines that the requirements of this section are met, the claim for refund shall be paid not later than 180 days after the Secretary makes such determination.

(f) INTEREST.—Any refund paid pursuant to this section shall be paid by the Secretary with interest from the date of overpayment determined by using the overpayment rate and method under section 6621 of the Internal Revenue Code of 1986.

(g) DENIAL OF DOUBLE BENEFIT.—The payment under subsection (a) with respect to any coal shall not exceed—

(1) in the case of a payment to a coal producer, the amount of tax paid under section 4121 of the Internal Revenue Code of 1986 with respect to such coal by such coal producer or a party related to such coal producer, and

(2) in the case of a payment to an exporter, an amount equal to $0.825 per ton with respect to such coal exported by the exporter or caused to be exported by the exporter.

(h) APPLICATION OF SECTION.—This section applies only to claims on coal exported or shipped on or after October 1, 1990, through the date of the enactment of this Act.

(i) STANDING NOT CONFERRED.—

(1) EXPORTERS.—With respect to exporters, this section shall not confer standing upon an exporter to commence, or intervene in, any judicial or administrative proceeding concerning a claim for refund by a coal producer of any Federal or State tax, fee, or royalty paid by the coal producer.

(2) COAL PRODUCERS.—With respect to coal producers, this section shall not confer standing upon a coal producer to commence, or intervene in, any judicial or administrative proceeding concerning a claim for refund by an exporter of any Federal or State tax, fee, or royalty paid by the producer and alleged to have been passed on to an exporter.

SEC. 115. TAX CREDIT FOR CARBON DIOXIDE SEQUESTRATION.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business credits) is amended by adding at the end the following new section:

''SEC. 45Q. CREDIT FOR CARBON DIOXIDE SEQUESTRATION.

''(a) GENERAL RULE.—For purposes of section 38, the carbon dioxide sequestration credit for any taxable year is an amount equal to the sum of—

''(1) $20 per metric ton of qualified carbon dioxide which is—

''(A) captured by the taxpayer at a qualified facility, and

''(B) disposed of by the taxpayer in secure geological storage, and

''(2) $10 per metric ton of qualified carbon dioxide which is—

''(A) captured by the taxpayer at a qualified facility, and

''(B) used by the taxpayer as a tertiary injectant in a qualified enhanced oil or natural gas recovery project.

''(b) QUALIFIED CARBON DIOXIDE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified carbon dioxide' means carbon dioxide captured from an industrial source which—

''(A) would otherwise be released into the atmosphere as industrial emission of greenhouse gas, and

''(B) is measured at the source of capture and verified at the point of disposal or injection.

''(2) RECYCLED CARBON DIOXIDE.—The term 'qualified carbon dioxide' includes the initial deposit of captured carbon dioxide used as a tertiary injectant. Such term does not include carbon dioxide that is re-captured, recycled, and re-injected as part of the enhanced oil and natural gas recovery process.

''(c) QUALIFIED FACILITY.—For purposes of this section, the term 'qualified facility' means any industrial facility—

''(1) which is owned by the taxpayer,

''(2) at which carbon capture equipment is placed in service, and

''(3) which captures not less than 500,000 metric tons of carbon dioxide during the taxable year.

''(d) SPECIAL RULES AND OTHER DEFINITIONS.—For purposes of this section—

''(1) ONLY CARBON DIOXIDE CAPTURED AND DISPOSED OF OR USED WITHIN THE UNITED STATES TAKEN INTO ACCOUNT.—The credit under this section shall apply only with respect to qualified carbon dioxide the capture and disposal or use of which is within—

''(A) the United States (within the meaning of section 638(1)), or

''(B) a possession of the United States (within the meaning of section 638(2)).

''(2) SECURE GEOLOGICAL STORAGE.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall establish regulations for determining adequate security measures for the geological storage of carbon dioxide under subsection (a)(1)(B) such that the carbon dioxide does not escape into the atmosphere. Such term shall include storage at deep saline formations and unminable coal seems under such conditions as the Secretary may determine under such regulations.

''(3) TERTIARY INJECTANT.—The term 'tertiary injectant' has the same meaning as when used within section 193(b)(1).

''(4) QUALIFIED ENHANCED OIL OR NATURAL GAS RECOVERY PROJECT.—The term 'qualified enhanced oil or natural gas recovery project' has the meaning given the term 'qualified enhanced oil recovery project' by section 43(c)(2), by substituting 'crude oil or natural gas' for 'crude oil' in subparagraph (A)(i) thereof.

''(5) CREDIT ATTRIBUTABLE TO TAXPAYER.—Any credit under this section shall be attributable to the person that captures and physically or contractually ensures the disposal of or the use as a tertiary injectant of the qualified carbon dioxide, except to the extent provided in regulations prescribed by the Secretary.

''(6) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any qualified carbon dioxide which ceases to be captured, disposed of, or used as a tertiary injectant in a manner consistent with the requirements of this section.

''(7) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2009, there shall be substituted for each dollar amount contained in subsection (a) an amount equal to the product of—

''(A) such dollar amount, multiplied by

''(B) the inflation adjustment factor for such calendar year determined under section 43(b)(3)(B) for such calendar year, determined by substituting '2008' for '1990'.

''(e) APPLICATION OF SECTION.—The credit under this section shall apply with respect to qualified carbon dioxide before the end of the calendar year in which the Secretary, in consultation with the Administrator of the Environmental Protection Agency, certifies that 75,000,000 metric tons of qualified carbon dioxide have been captured and disposed of or used as a tertiary injectant.''.

(b) CONFORMING AMENDMENT.—Section 38(b) (relating to general business credit) is amended by striking ''plus'' at the end of paragraph (32), by striking the period at the end of paragraph (33) and inserting '', plus'', and by adding at the end of following new paragraph:

''(34) the carbon dioxide sequestration credit determined under section 45Q(a).''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 (relating to other credits) is amended by adding at the end the following new section:

''Sec. 45Q. Credit for carbon dioxide sequestration.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to carbon dioxide captured after the date of the enactment of this Act.

SEC. 116. CERTAIN INCOME AND GAINS RELATING TO INDUSTRIAL SOURCE CARBON DIOXIDE TREATED AS QUALIFYING INCOME FOR PUBLICLY TRADED PARTNERSHIPS.

(a) IN GENERAL.—Subparagraph (E) of section 7704(d)(1) (defining qualifying income) is amended by inserting ''or industrial source carbon dioxide'' after ''timber)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act, in taxable years ending after such date.

SEC. 117. CARBON AUDIT OF THE TAX CODE.

(a) STUDY.—The Secretary of the Treasury shall enter into an agreement with the National Academy of Sciences to undertake a comprehensive review of the Internal Revenue Code of 1986 to identify the types of and specific tax provisions that have the largest effects on carbon and other greenhouse gas emissions and to estimate the magnitude of those effects.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to Congress a report containing the results of study authorized under this section.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,500,000 for the period of fiscal years 2009 and 2010.

TITLE II—TRANSPORTATION AND DOMESTIC FUEL SECURITY PROVISIONS

SEC. 201. INCLUSION OF CELLULOSIC BIOFUEL IN BONUS DEPRECIATION FOR BIOMASS ETHANOL PLANT PROPERTY.

(a) IN GENERAL.—Paragraph (3) of section 168(l) is amended to read as follows:

''(3) CELLULOSIC BIOFUEL.—The term 'cellulosic biofuel' means any liquid fuel which is produced from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis.''.

(b) CONFORMING AMENDMENTS.—Subsection (l) of section 168 is amended—

(1) by striking ''cellulosic biomass ethanol'' each place it appears and inserting ''cellulosic biofuel'',

(2) by striking ''CELLULOSIC BIOMASS ETHANOL'' in the heading of such subsection and inserting ''CELLULOSIC BIOFUEL'', and

(3) by striking ''CELLULOSIC BIOMASS ETHANOL'' in the heading of paragraph (2) thereof and inserting ''CELLULOSIC BIOFUEL''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 202. CREDITS FOR BIODIESEL AND RENEWABLE DIESEL.

(a) IN GENERAL.—Sections 40A(g), 6426(c)(6), and 6427(e)(5)(B) are each amended by striking ''December 31, 2008'' and inserting ''December 31, 2009''.

(b) INCREASE IN RATE OF CREDIT.—

(1) INCOME TAX CREDIT.—Paragraphs (1)(A) and (2)(A) of section 40A(b) are each amended by striking ''50 cents'' and inserting ''$1.00''.

(2) EXCISE TAX CREDIT.—Paragraph (2) of section 6426(c) is amended to read as follows:

''(2) APPLICABLE AMOUNT.—For purposes of this subsection, the applicable amount is $1.00.''.

(3) CONFORMING AMENDMENTS.—

(A) Subsection (b) of section 40A is amended by striking paragraph (3) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(B) Paragraph (2) of section 40A(f) is amended to read as follows:

''(2) EXCEPTION.—Subsection (b)(4) shall not apply with respect to renewable diesel.''.

(C) Paragraphs (2) and (3) of section 40A(e) are each amended by striking ''subsection (b)(5)(C)'' and inserting ''subsection (b)(4)(C)''.

(D) Clause (ii) of section 40A(d)(3)(C) is amended by striking ''subsection (b)(5)(B)'' and inserting ''subsection (b)(4)(B)''.

(c) UNIFORM TREATMENT OF DIESEL PRODUCED FROM BIOMASS.—Paragraph (3) of section 40A(f) is amended—

(1) by striking ''diesel fuel'' and inserting ''liquid fuel'',

(2) by striking ''using a thermal depolymerization process'', and

(3) by inserting '', or other equivalent standard approved by the Secretary'' after ''D396''.

(d) COPRODUCTION OF RENEWABLE DIESEL WITH PETROLEUM FEEDSTOCK.—

(1) IN GENERAL.—Paragraph (3) of section 40A(f) is amended by adding at the end the following new sentences: ''Such term does not include any fuel derived from coprocessing biomass with a feedstock which is not biomass. For purposes of this paragraph, the term 'biomass' has the meaning given such term by section 45K(c)(3).''.

(2) CONFORMING AMENDMENT.—Paragraph (3) of section 40A(f) is amended by striking ''(as defined in section 45K(c)(3))''.

(e) ELIGIBILITY OF CERTAIN AVIATION FUEL.—Subsection (f) of section 40A (relating to renewable diesel) is amended by adding at the end the following new paragraph:

''(4) CERTAIN AVIATION FUEL.—

''(A) IN GENERAL.—Except as provided in the last 3 sentences of paragraph (3), the term 'renewable diesel' shall include fuel derived from biomass which meets the requirements of a Department of Defense specification for military jet fuel or an American Society of Testing and Materials specification for aviation turbine fuel.

''(B) APPLICATION OF MIXTURE CREDITS.—In the case of fuel which is treated as renewable diesel solely by reason of subparagraph (A), subsection (b)(1) and section 6426(c) shall be applied with respect to such fuel by treating kerosene as though it were diesel fuel.''.

(f) MODIFICATION RELATING TO DEFINITION OF AGRI-BIODIESEL.—Paragraph (2) of section 40A(d) (relating to agri-biodiesel) is amended by striking ''and mustard seeds'' and inserting ''mustard seeds, and camelina''.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to fuel produced, and sold or used, after December 31, 2008.

(2) COPRODUCTION OF RENEWABLE DIESEL WITH PETROLEUM FEEDSTOCK.—The amendment made by subsection (d) shall apply to fuel produced, and sold or used, after the date of the enactment of this Act.

SEC. 203. CLARIFICATION THAT CREDITS FOR FUEL ARE DESIGNED TO PROVIDE AN INCENTIVE FOR UNITED STATES PRODUCTION.

(a) ALCOHOL FUELS CREDIT.—Subsection (d) of section 40 is amended by adding at the end the following new paragraph:

''(7) LIMITATION TO ALCOHOL WITH CONNECTION TO THE UNITED STATES.—No credit shall be determined under this section with respect to any alcohol which is produced outside the United States for use as a fuel outside the United States. For purposes of this paragraph, the term 'United States' includes any possession of the United States.''.

(b) BIODIESEL FUELS CREDIT.—Subsection (d) of section 40A is amended by adding at the end the following new paragraph:

''(5) LIMITATION TO BIODIESEL WITH CONNECTION TO THE UNITED STATES.—No credit shall be determined under this section with respect to any biodiesel which is produced outside the United States for use as a fuel outside the United States. For purposes of this paragraph, the term 'United States' includes any possession of the United States.''.

(c) EXCISE TAX CREDIT.—

(1) IN GENERAL.—Section 6426 is amended by adding at the end the following new subsection:

''(i) LIMITATION TO FUELS WITH CONNECTION TO THE UNITED STATES.—

''(1) ALCOHOL.—No credit shall be determined under this section with respect to any alcohol which is produced outside the United States for use as a fuel outside the United States.

''(2) BIODIESEL AND ALTERNATIVE FUELS.—No credit shall be determined under this section with respect to any biodiesel or alternative fuel which is produced outside the United States for use as a fuel outside the United States.

For purposes of this subsection, the term 'United States' includes any possession of the United States.''.

(2) CONFORMING AMENDMENT.—Subsection (e) of section 6427 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

''(5) LIMITATION TO FUELS WITH CONNECTION TO THE UNITED STATES.—No amount shall be payable under paragraph (1) or (2) with respect to any mixture or alternative fuel if credit is not allowed with respect to such mixture or alternative fuel by reason of section 6426(i).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to claims for credit or payment made on or after May 15, 2008.

SEC. 204. EXTENSION AND MODIFICATION OF ALTERNATIVE FUEL CREDIT.

(a) EXTENSION.—

(1) ALTERNATIVE FUEL CREDIT.—Paragraph (4) of section 6426(d) (relating to alternative fuel credit) is amended by striking ''September 30, 2009'' and inserting ''December 31, 2009''.

(2) ALTERNATIVE FUEL MIXTURE CREDIT.—Paragraph (3) of section 6426(e) (relating to alternative fuel mixture credit) is amended by striking ''September 30, 2009'' and inserting ''December 31, 2009''.

(3) PAYMENTS.—Subparagraph (C) of section 6427(e)(5) (relating to termination) is amended by striking ''September 30, 2009'' and inserting ''December 31, 2009''.

(b) MODIFICATIONS.—

(1) ALTERNATIVE FUEL TO INCLUDE COMPRESSED OR LIQUIFIED BIOMASS GAS.—Paragraph (2) of section 6426(d) (relating to alternative fuel credit) is amended by striking ''and'' at the end of subparagraph (E), by redesignating subparagraph (F) as subparagraph (G), and by inserting after subparagraph (E) the following new subparagraph:

''(F) compressed or liquefied gas derived from biomass (as defined in section 45K(c)(3)), and''.

(2) CREDIT ALLOWED FOR AVIATION USE OF FUEL.—Paragraph (1) of section 6426(d) is amended by inserting ''sold by the taxpayer for use as a fuel in aviation,'' after ''motorboat,''.

(c) CARBON CAPTURE REQUIREMENT FOR CERTAIN FUELS.—

(1) IN GENERAL.—Subsection (d) of section 6426, as amended by subsection (a), is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

''(4) CARBON CAPTURE REQUIREMENT.—

''(A) IN GENERAL.—The requirements of this paragraph are met if the fuel is certified, under such procedures as required by the Secretary, as having been derived from coal produced at a gasification facility which separates and sequesters not less than the applicable percentage of such facility's total carbon dioxide emissions.

''(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage is—

''(i) 50 percent in the case of fuel produced after September 30, 2009, and on or before December 30, 2009, and

''(ii) 75 percent in the case of fuel produced after December 30, 2009.''.

(2) CONFORMING AMENDMENT.—Subparagraph (E) of section 6426(d)(2) is amended by inserting ''which meets the requirements of paragraph (4) and which is'' after ''any liquid fuel''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after the date of the enactment of this Act.

SEC. 205. CREDIT FOR NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.

(a) PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE CREDIT.—Subpart B of part IV of subchapter A of chapter 1 (relating to other credits) is amended by adding at the end the following new section:

''SEC. 30D. NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLES.

''(a) ALLOWANCE OF CREDIT.—

''(1) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the applicable amount with respect to each new qualified plug-in electric drive motor vehicle placed in service by the taxpayer during the taxable year.

''(2) APPLICABLE AMOUNT.—For purposes of paragraph (1), the applicable amount is sum of—

''(A) $2,500, plus

''(B) $417 for each kilowatt hour of traction battery capacity in excess of 4 kilowatt hours.

''(b) LIMITATIONS.—

''(1) LIMITATION BASED ON WEIGHT.—The amount of the credit allowed under subsection (a) by reason of subsection (a)(2) shall not exceed—

''(A) $7,500, in the case of any new qualified plug-in electric drive motor vehicle with a gross vehicle weight rating of not more than 10,000 pounds,

''(B) $10,000, in the case of any new qualified plug-in electric drive motor vehicle with a gross vehicle weight rating of more than 10,000 pounds but not more than 14,000 pounds,

''(C) $12,500, in the case of any new qualified plug-in electric drive motor vehicle with a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

''(D) $15,000, in the case of any new qualified plug-in electric drive motor vehicle with a gross vehicle weight rating of more than 26,000 pounds.

''(2) LIMITATION ON NUMBER OF PASSENGER VEHICLES AND LIGHT TRUCKS ELIGIBLE FOR CREDIT.—

''(A) IN GENERAL.—In the case of a new qualified plug-in electric drive motor vehicle sold during the phaseout period, only the applicable percentage of the credit otherwise allowable under subsection (a) shall be allowed.

''(B) PHASEOUT PERIOD.—For purposes of this subsection, the phaseout period is the period beginning with the second calendar quarter following the calendar quarter which includes the first date on which the total number of such new qualified plug-in electric drive motor vehicles sold for use in the United States after December 31, 2008, is at least 250,000.

''(C) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage is—

''(i) 50 percent for the first 2 calendar quarters of the phaseout period,

''(ii) 25 percent for the 3d and 4th calendar quarters of the phaseout period, and

''(iii) 0 percent for each calendar quarter thereafter.

''(D) CONTROLLED GROUPS.—Rules similar to the rules of section 30B(f)(4) shall apply for purposes of this subsection.

''(c) NEW QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR VEHICLE.—For purposes of this section, the term 'new qualified plug-in electric drive motor vehicle' means a motor vehicle—

''(1) which draws propulsion using a traction battery with at least 4 kilowatt hours of capacity,

''(2) which uses an offboard source of energy to recharge such battery,

''(3) which, in the case of a passenger vehicle or light truck which has a gross vehicle weight rating of not more than 8,500 pounds, has received a certificate of conformity under the Clean Air Act and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 243(e)(2) of the Clean Air Act for that make and model year, and

''(A) in the case of a vehicle having a gross vehicle weight rating of 6,000 pounds or less, the Bin 5 Tier II emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle, and

''(B) in the case of a vehicle having a gross vehicle weight rating of more than 6,000 pounds but not more than 8,500 pounds, the Bin 8 Tier II emission standard which is so established,

''(4) the original use of which commences with the taxpayer,

''(5) which is acquired for use or lease by the taxpayer and not for resale, and

''(6) which is made by a manufacturer.

''(d) APPLICATION WITH OTHER CREDITS.—

''(1) BUSINESS CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—So much of the credit which would be allowed under subsection (a) for any taxable year (determined without regard to this subsection) that is attributable to property of a character subject to an allowance for depreciation shall be treated as a credit listed in section 38(b) for such taxable year (and not allowed under subsection (a)).

''(2) PERSONAL CREDIT.—

''(A) IN GENERAL.—For purposes of this title, the credit allowed under subsection (a) for any taxable year (determined after application of paragraph (1)) shall be treated as a credit allowable under subpart A for such taxable year.

''(B) 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 (determined after application of paragraph (1)) shall not exceed the excess of—

''(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(ii) the sum of the credits allowable under subpart A (other than this section and sections 23 and 25D) and section 27 for the taxable year.

''(e) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) MOTOR VEHICLE.—The term 'motor vehicle' has the meaning given such term by section 30(c)(2).

''(2) OTHER TERMS.—The terms 'passenger automobile', 'light truck', and 'manufacturer' have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

''(3) TRACTION BATTERY CAPACITY.—Traction battery capacity shall be measured in kilowatt hours from a 100 percent state of charge to a zero percent state of charge.

''(4) REDUCTION IN BASIS.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed.

''(5) NO DOUBLE BENEFIT.—The amount of any deduction or other credit allowable under this chapter for a new qualified plug-in electric drive motor vehicle shall be reduced by the amount of credit allowed under subsection (a) for such vehicle for the taxable year.

''(6) PROPERTY USED BY TAX-EXEMPT ENTITY.—In the case of a vehicle the use of which is described in paragraph (3) or (4) of section 50(b) and which is not subject to a lease, the person who sold such vehicle to the person or entity using such vehicle shall be treated as the taxpayer that placed such vehicle in service, but only if such person clearly discloses to such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such vehicle (determined without regard to subsection (b)(2)).

''(7) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowable under subsection (a) with respect to any property referred to in section 50(b)(1) or with respect to the portion of the cost of any property taken into account under section 179.

''(8) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit (including recapture in the case of a lease period of less than the economic life of a vehicle).

''(9) ELECTION TO NOT TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects not to have this section apply to such vehicle.

''(10) INTERACTION WITH AIR QUALITY AND MOTOR VEHICLE SAFETY STANDARDS.—Unless otherwise provided in this section, a motor vehicle shall not be considered eligible for a credit under this section unless such vehicle is in compliance with—

''(A) the applicable provisions of the Clean Air Act for the applicable make and model year of the vehicle (or applicable air quality provisions of State law in the case of a State which has adopted such provision under a waiver under section 209(b) of the Clean Air Act), and

''(B) the motor vehicle safety provisions of sections 30101 through 30169 of title 49, United States Code.

''(f) REGULATIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall promulgate such regulations as necessary to carry out the provisions of this section.

''(2) COORDINATION IN PRESCRIPTION OF CERTAIN REGULATIONS.—The Secretary of the Treasury, in coordination with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall prescribe such regulations as necessary to determine whether a motor vehicle meets the requirements to be eligible for a credit under this section.

''(g) TERMINATION.—This section shall not apply to property purchased after December 31, 2014.''.

(b) COORDINATION WITH ALTERNATIVE MOTOR VEHICLE CREDIT.—Section 30B(d)(3) is amended by adding at the end the following new subparagraph:

''(D) EXCLUSION OF PLUG-IN VEHICLES.—Any vehicle with respect to which a credit is allowable under section 30D (determined without regard to subsection (d) thereof) shall not be taken into account under this section.''.

(c) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Section 38(b), as amended by this Act, is amended by striking ''plus'' at the end of paragraph (33), by striking the period at the end of paragraph (34) and inserting ''plus'', and by adding at the end the following new paragraph:

''(35) the portion of the new qualified plug-in electric drive motor vehicle credit to which section 30D(d)(1) applies.''.

(d) CONFORMING AMENDMENTS.—

(1)(A) Section 24(b)(3)(B), as amended by section 106, is amended by striking ''and 25D'' and inserting ''25D, and 30D''.

(B) Section 25(e)(1)(C)(ii) is amended by inserting ''30D,'' after ''25D,''.

(C) Section 25B(g)(2), as amended by section 106, is amended by striking ''and 25D'' and inserting '', 25D, and 30D''.

(D) Section 26(a)(1), as amended by section 106, is amended by striking ''and 25D'' and inserting ''25D, and 30D''.

(E) Section 1400C(d)(2) is amended by striking ''and 25D'' and inserting ''25D, and 30D''.

(2) 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 30D(e)(4).''.

(3) Section 6501(m) is amended by inserting ''30D(e)(9),'' after ''30C(e)(5),''.

(4) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 30D. New qualified plug-in electric drive motor vehicles.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

(f) APPLICATION OF EGTRRA SUNSET.—The amendment made by subsection (d)(1)(A) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 in the same manner as the provision of such Act to which such amendment relates.

SEC. 206. EXCLUSION FROM HEAVY TRUCK TAX FOR IDLING REDUCTION UNITS AND ADVANCED INSULATION.

(a) IN GENERAL.—Section 4053 is amended by adding at the end the following new paragraphs:

''(9) IDLING REDUCTION DEVICE.—Any device or system of devices which—

''(A) is designed to provide to a vehicle those services (such as heat, air conditioning, or electricity) that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary using one or more devices affixed to a tractor, and

''(B) is determined by the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Energy and the Secretary of Transportation, to reduce idling of such vehicle at a motor vehicle rest stop or other location where such vehicles are temporarily parked or remain stationary.

''(10) ADVANCED INSULATION.—Any insulation that has an R value of not less than R35 per inch.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or installations after the date of the enactment of this Act.

SEC. 207. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

(a) EXTENSION OF CREDIT.—Paragraph (2) of section 30C(g) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2010''.

(b) INCLUSION OF ELECTRICITY AS A CLEAN-BURNING FUEL.—Section 30C(c)(2) is amended by adding at the end the following new subparagraph:

''(C) Electricity.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 208. CERTAIN INCOME AND GAINS RELATING TO ALCOHOL FUELS AND MIXTURES, BIODIESEL FUELS AND MIXTURES, AND ALTERNATIVE FUELS AND MIXTURES TREATED AS QUALIFYING INCOME FOR PUBLICLY TRADED PARTNERSHIPS.

(a) IN GENERAL.—Subparagraph (E) of section 7704(d)(1), as amended by this Act, is amended by striking ''or industrial source carbon dioxide'' and inserting '', industrial source carbon dioxide, or the transportation or storage of any fuel described in subsection (b), (c), (d), or (e) of section 6426, or any alcohol fuel defined in section 6426(b)(4)(A) or any biodiesel fuel as defined in section 40A(d)(1)'' after ''timber)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act, in taxable years ending after such date.

SEC. 209. EXTENSION AND MODIFICATION OF ELECTION TO EXPENSE CERTAIN REFINERIES.

(a) EXTENSION.—Paragraph (1) of section 179C(c) (relating to qualified refinery property) is amended—

(1) by striking ''January 1, 2012'' in subparagraph (B) and inserting ''January 1, 2014'', and

(2) by striking ''January 1, 2008'' each place it appears in subparagraph (F) and inserting ''January 1, 2010''.

(b) INCLUSION OF FUEL DERIVED FROM SHALE AND TAR SANDS.—

(1) IN GENERAL.—Subsection (d) of section 179C is amended by inserting '', or directly from shale or tar sands'' after ''(as defined in section 45K(c))''.

(2) CONFORMING AMENDMENT.—Paragraph (2) of section 179C(e) is amended by inserting ''shale, tar sands, or'' before ''qualified fuels''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 210. EXTENSION OF SUSPENSION OF TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

Subparagraph (H) of section 613A(c)(6) (relating to oil and gas produced from marginal properties) is amended by striking ''for any taxable year'' and all that follows and inserting ''for any taxable year—

''(i) beginning after December 31, 1997, and before January 1, 2008, or

''(ii) beginning after December 31, 2008, and before January 1, 2010.''.

SEC. 211. TRANSPORTATION FRINGE BENEFIT TO BICYCLE COMMUTERS.

(a) IN GENERAL.—Paragraph (1) of section 132(f) is amended by adding at the end the following:

''(D) Any qualified bicycle commuting reimbursement.''.

(b) LIMITATION ON EXCLUSION.—Paragraph (2) of section 132(f) 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) the applicable annual limitation in the case of any qualified bicycle commuting reimbursement.''.

(c) DEFINITIONS.—Paragraph (5) of section 132(f) is amended by adding at the end the following:

''(F) DEFINITIONS RELATED TO BICYCLE COMMUTING REIMBURSEMENT.—

''(i) QUALIFIED BICYCLE COMMUTING REIMBURSEMENT.—The term 'qualified bicycle commuting reimbursement' means, with respect to any calendar year, any employer reimbursement during the 15-month period beginning with the first day of such calendar year for reasonable expenses incurred by the employee during such calendar year for the purchase of a bicycle and bicycle improvements, repair, and storage, if such bicycle is regularly used for travel between the employee's residence and place of employment.

''(ii) APPLICABLE ANNUAL LIMITATION.—The term 'applicable annual limitation' means, with respect to any employee for any calendar year, the product of $20 multiplied by the number of qualified bicycle commuting months during such year.

''(iii) QUALIFIED BICYCLE COMMUTING MONTH.—The term 'qualified bicycle commuting month' means, with respect to any employee, any month during which such employee—

''(I) regularly uses the bicycle for a substantial portion of the travel between the employee's residence and place of employment, and

''(II) does not receive any benefit described in subparagraph (A), (B), or (C) of paragraph (1).''.

(d) CONSTRUCTIVE RECEIPT OF BENEFIT.—Paragraph (4) of section 132(f) is amended by inserting ''(other than a qualified bicycle commuting reimbursement)'' after ''qualified transportation fringe''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

TITLE III—ENERGY CONSERVATION AND EFFICIENCY PROVISIONS

SEC. 301. QUALIFIED ENERGY CONSERVATION BONDS.

(a) IN GENERAL.—Subpart I of part IV of subchapter A of chapter 1, as amended by section 107, is amended by adding at the end the following new section:

''SEC. 54D. QUALIFIED ENERGY CONSERVATION BONDS.

''(a) QUALIFIED ENERGY CONSERVATION BOND.—For purposes of this subchapter, the term 'qualified energy conservation bond' means any bond issued as part of an issue if—

''(1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified conservation purposes,

''(2) the bond is issued by a State or local government, and

''(3) the issuer designates such bond for purposes of this section.

''(b) REDUCED CREDIT AMOUNT.—The annual credit determined under section 54A(b) with respect to any qualified energy conservation bond shall be 70 percent of the amount so determined without regard to this subsection.

''(c) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer shall not exceed the limitation amount allocated to such issuer under subsection (e).

''(d) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—There is a national qualified energy conservation bond limitation of $800,000,000.

''(e) ALLOCATIONS.—

''(1) IN GENERAL.—The limitation applicable under subsection (d) shall be allocated by the Secretary among the States in proportion to the population of the States.

''(2) ALLOCATIONS TO LARGEST LOCAL GOVERNMENTS.—

''(A) IN GENERAL.—In the case of any State in which there is a large local government, each such local government shall be allocated a portion of such State's allocation which bears the same ratio to the State's allocation (determined without regard to this subparagraph) as the population of such large local government bears to the population of such State.

''(B) ALLOCATION OF UNUSED LIMITATION TO STATE.—The amount allocated under this subsection to a large local government may be reallocated by such local government to the State in which such local government is located.

''(C) LARGE LOCAL GOVERNMENT.—For purposes of this section, the term 'large local government' means any municipality or county if such municipality or county has a population of 100,000 or more.

''(3) ALLOCATION TO ISSUERS; RESTRICTION ON PRIVATE ACTIVITY BONDS.—Any allocation under this subsection to a State or large local government shall be allocated by such State or large local government to issuers within the State in a manner that results in not less than 70 percent of the allocation to such State or large local government being used to designate bonds which are not private activity bonds.

''(f) QUALIFIED CONSERVATION PURPOSE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified conservation purpose' means any of the following:

''(A) Capital expenditures incurred for purposes of—

''(i) reducing energy consumption in publicly-owned buildings by at least 20 percent,

''(ii) implementing green community programs,

''(iii) rural development involving the production of electricity from renewable energy resources, or

''(iv) any qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and without regard to any placed in service date).

''(B) Expenditures with respect to research facilities, and research grants, to support research in—

''(i) development of cellulosic ethanol or other nonfossil fuels,

''(ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels,

''(iii) increasing the efficiency of existing technologies for producing nonfossil fuels,

''(iv) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or

''(v) technologies to reduce energy use in buildings.

''(C) Mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.

''(D) Demonstration projects designed to promote the commercialization of—

''(i) green building technology,

''(ii) conversion of agricultural waste for use in the production of fuel or otherwise,

''(iii) advanced battery manufacturing technologies,

''(iv) technologies to reduce peak use of electricity, or

''(v) technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity.

''(E) Public education campaigns to promote energy efficiency.

''(2) SPECIAL RULES FOR PRIVATE ACTIVITY BONDS.—For purposes of this section, in the case of any private activity bond, the term 'qualified conservation purposes' shall not include any expenditure which is not a capital expenditure.

''(g) POPULATION.—

''(1) IN GENERAL.—The population of any State or local government shall be determined for purposes of this section as provided in section 146(j) for the calendar year which includes the date of the enactment of this section.

''(2) SPECIAL RULE FOR COUNTIES.—In determining the population of any county for purposes of this section, any population of such county which is taken into account in determining the population of any municipality which is a large local government shall not be taken into account in determining the population of such county.

''(h) APPLICATION TO INDIAN TRIBAL GOVERNMENTS.—An Indian tribal government shall be treated for purposes of this section in the same manner as a large local government, except that—

''(1) an Indian tribal government shall be treated for purposes of subsection (e) as located within a State to the extent of so much of the population of such government as resides within such State, and

''(2) any bond issued by an Indian tribal government shall be treated as a qualified energy conservation bond only if issued as part of an issue the available project proceeds of which are used for purposes for which such Indian tribal government could issue bonds to which section 103(a) applies.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 54A(d), as amended by this Act, is amended to read as follows:

''(1) QUALIFIED TAX CREDIT BOND.—The term 'qualified tax credit bond' means—

''(A) a qualified forestry conservation bond,

''(B) a new clean renewable energy bond, or

''(C) a qualified energy conservation bond, which is part of an issue that meets requirements of paragraphs (2), (3), (4), (5), and (6).''.

(2) Subparagraph (C) of section 54A(d)(2), as amended by this Act, is amended to read as follows:

''(C) QUALIFIED PURPOSE.—For purposes of this paragraph, the term 'qualified purpose' means—

''(i) in the case of a qualified forestry conservation bond, a purpose specified in section 54B(e),

''(ii) in the case of a new clean renewable energy bond, a purpose specified in section 54C(a)(1), and

''(iii) in the case of a qualified energy conservation bond, a purpose specified in section 54D(a)(1).''.

(3) The table of sections for subpart I of part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding at the end the following new item:

''Sec. 54D. Qualified energy conservation bonds.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 302. CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) EXTENSION OF CREDIT.—Section 25C(g) is amended by striking ''placed in service after December 31, 2007'' and inserting ''placed in service—

''(1) after December 31, 2007, and before January 1, 2009, or

''(2) after December 31, 2009.''.

(b) QUALIFIED BIOMASS FUEL PROPERTY.—

(1) IN GENERAL.—Section 25C(d)(3) is amended—

(A) by striking ''and'' at the end of subparagraph (D),

(B) by striking the period at the end of subparagraph (E) and inserting '', and'', and

(C) by adding at the end the following new subparagraph:

''(F) a stove which uses the burning of biomass fuel to heat a dwelling unit located in the United States and used as a residence by the taxpayer, or to heat water for use in such a dwelling unit, and which has a thermal efficiency rating of at least 75 percent.''.

(2) BIOMASS FUEL.—Section 25C(d) is amended by adding at the end the following new paragraph:

''(6) BIOMASS FUEL.—The term 'biomass fuel' means any plant-derived fuel available on a renewable or recurring basis, including agricultural crops and trees, wood and wood waste and residues (including wood pellets), plants (including aquatic plants), grasses, residues, and fibers.''.

(c) MODIFICATION OF WATER HEATER REQUIREMENTS.—Section 25C(d)(3)(E) is amended by inserting ''or a thermal efficiency of at least 90 percent'' after ''0.80''.

(d) COORDINATION WITH CREDIT FOR QUALIFIED GEOTHERMAL HEAT PUMP PROPERTY EXPENDITURES.—

(1) IN GENERAL.—Paragraph (3) of section 25C(d), as amended by subsections (b) and (c), is amended by striking subparagraph (C) and by redesignating subparagraphs (D), (E), and (F) as subparagraphs (C), (D), and (E), respectively.

(2) CONFORMING AMENDMENT.—Subparagraph (C) of section 25C(d)(2) is amended to read as follows:

''(C) REQUIREMENTS AND STANDARDS FOR AIR CONDITIONERS AND HEAT PUMPS.—The standards and requirements prescribed by the Secretary under subparagraph (B) with respect to the energy efficiency ratio (EER) for central air conditioners and electric heat pumps—

''(i) shall require measurements to be based on published data which is tested by manufacturers at 95 degrees Fahrenheit, and

''(ii) may be based on the certified data of the Air Conditioning and Refrigeration Institute that are prepared in partnership with the Consortium for Energy Efficiency.''.

(e) MODIFICATION OF QUALIFIED ENERGY EFFICIENCY IMPROVEMENTS.—

(1) IN GENERAL.—Paragraph (1) of section 25C(c) is amended by inserting '', or an asphalt roof with appropriate cooling granules,'' before ''which meet the Energy Star program requirements''.

(2) BUILDING ENVELOPE COMPONENT.—Subparagraph (D) of section 25C(c)(2) is amended—

(A) by inserting ''or asphalt roof'' after ''metal roof'', and

(B) by inserting ''or cooling granules'' after ''pigmented coatings''.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made this section shall apply to expenditures made after December 31, 2008.

(2) MODIFICATION OF QUALIFIED ENERGY EFFICIENCY IMPROVEMENTS.—The amendments made by subsection (e) shall apply to property placed in service after the date of the enactment of this Act.

SEC. 303. ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

Subsection (h) of section 179D is amended by striking ''December 31, 2008'' and inserting ''December 31, 2013''.

SEC. 304. NEW ENERGY EFFICIENT HOME CREDIT.

Subsection (g) of section 45L (relating to termination) is amended by striking ''December 31, 2008'' and inserting ''December 31, 2009''.

SEC. 305. MODIFICATIONS OF ENERGY EFFICIENT APPLIANCE CREDIT FOR APPLIANCES PRODUCED AFTER 2007.

(a) IN GENERAL.—Subsection (b) of section 45M is amended to read as follows:

''(b) APPLICABLE AMOUNT.—For purposes of subsection (a)—

''(1) DISHWASHERS.—The applicable amount is—

''(A) $45 in the case of a dishwasher which is manufactured in calendar year 2008 or 2009 and which uses no more than 324 kilowatt hours per year and 5.8 gallons per cycle, and

''(B) $75 in the case of a dishwasher which is manufactured in calendar year 2008, 2009, or 2010 and which uses no more than 307 kilowatt hours per year and 5.0 gallons per cycle (5.5 gallons per cycle for dishwashers designed for greater than 12 place settings).

''(2) CLOTHES WASHERS.—The applicable amount is—

''(A) $75 in the case of a residential top-loading clothes washer manufactured in calendar year 2008 which meets or exceeds a 1.72 modified energy factor and does not exceed a 8.0 water consumption factor,

''(B) $125 in the case of a residential top-loading clothes washer manufactured in calendar year 2008 or 2009 which meets or exceeds a 1.8 modified energy factor and does not exceed a 7.5 water consumption factor,

''(C) $150 in the case of a residential or commercial clothes washer manufactured in calendar year 2008, 2009, or 2010 which meets or exceeds 2.0 modified energy factor and does not exceed a 6.0 water consumption factor, and

''(D) $250 in the case of a residential or commercial clothes washer manufactured in calendar year 2008, 2009, or 2010 which meets or exceeds 2.2 modified energy factor and does not exceed a 4.5 water consumption factor.

''(3) REFRIGERATORS.—The applicable amount is—

''(A) $50 in the case of a refrigerator which is manufactured in calendar year 2008, and consumes at least 20 percent but not more than 22.9 percent less kilowatt hours per year than the 2001 energy conservation standards,

''(B) $75 in the case of a refrigerator which is manufactured in calendar year 2008 or 2009, and consumes at least 23 percent but no more than 24.9 percent less kilowatt hours per year than the 2001 energy conservation standards,

''(C) $100 in the case of a refrigerator which is manufactured in calendar year 2008, 2009, or 2010, and consumes at least 25 percent but not more than 29.9 percent less kilowatt hours per year than the 2001 energy conservation standards, and

''(D) $200 in the case of a refrigerator manufactured in calendar year 2008, 2009, or 2010 and which consumes at least 30 percent less energy than the 2001 energy conservation standards.''.

(b) ELIGIBLE PRODUCTION.—

(1) SIMILAR TREATMENT FOR ALL APPLIANCES.—Subsection (c) of section 45M is amended—

(A) by striking paragraph (2),

(B) by striking ''(1) IN GENERAL'' and all that follows through ''the eligible'' and inserting ''The eligible'',

(C) by moving the text of such subsection in line with the subsection heading, and

(D) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and by moving such paragraphs 2 ems to the left.

(2) MODIFICATION OF BASE PERIOD.—Paragraph (2) of section 45M(c), as amended by paragraph (1), is amended by striking ''3-calendar year'' and inserting ''2-calendar year''.

(c) TYPES OF ENERGY EFFICIENT APPLIANCES.—Subsection (d) of section 45M is amended to read as follows:

''(d) TYPES OF ENERGY EFFICIENT APPLIANCE.—For purposes of this section, the types of energy efficient appliances are—

''(1) dishwashers described in subsection (b)(1),

''(2) clothes washers described in subsection (b)(2), and

''(3) refrigerators described in subsection (b)(3).''.

(d) AGGREGATE CREDIT AMOUNT ALLOWED.—

(1) INCREASE IN LIMIT.—Paragraph (1) of section 45M(e) is amended to read as follows:

''(1) AGGREGATE CREDIT AMOUNT ALLOWED.—The aggregate amount of credit allowed under subsection (a) with respect to a taxpayer for any taxable year shall not exceed $75,000,000 reduced by the amount of the credit allowed under subsection (a) to the taxpayer (or any predecessor) for all prior taxable years beginning after December 31, 2007.''.

(2) EXCEPTION FOR CERTAIN REFRIGERATOR AND CLOTHES WASHERS.—Paragraph (2) of section 45M(e) is amended to read as follows:

''(2) AMOUNT ALLOWED FOR CERTAIN REFRIGERATORS AND CLOTHES WASHERS.—Refrigerators described in subsection (b)(3)(D) and clothes washers described in subsection (b)(2)(D) shall not be taken into account under paragraph (1).''.

(e) QUALIFIED ENERGY EFFICIENT APPLIANCES.—

(1) IN GENERAL.—Paragraph (1) of section 45M(f) is amended to read as follows:

''(1) QUALIFIED ENERGY EFFICIENT APPLIANCE.—The term 'qualified energy efficient appliance' means—

''(A) any dishwasher described in subsection (b)(1),

''(B) any clothes washer described in subsection (b)(2), and

''(C) any refrigerator described in subsection (b)(3).''.

(2) CLOTHES WASHER.—Section 45M(f)(3) is amended by inserting ''commercial'' before ''residential'' the second place it appears.

(3) TOP-LOADING CLOTHES WASHER.—Subsection (f) of section 45M is amended by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively, and by inserting after paragraph (3) the following new paragraph:

''(4) TOP-LOADING CLOTHES WASHER.—The term 'top-loading clothes washer' means a clothes washer which has the clothes container compartment access located on the top of the machine and which operates on a vertical axis.''.

(4) REPLACEMENT OF ENERGY FACTOR.—Section 45M(f)(6), as redesignated by paragraph (3), is amended to read as follows:

''(6) MODIFIED ENERGY FACTOR.—The term 'modified energy factor' means the modified energy factor established by the Department of Energy for compliance with the Federal energy conservation standard.''.

(5) GALLONS PER CYCLE; WATER CONSUMPTION FACTOR.—Section 45M(f), as amended by paragraph (3), is amended by adding at the end the following:

''(9) GALLONS PER CYCLE.—The term 'gallons per cycle' means, with respect to a dishwasher, the amount of water, expressed in gallons, required to complete a normal cycle of a dishwasher.

''(10) WATER CONSUMPTION FACTOR.—The term 'water consumption factor' means, with respect to a clothes washer, the quotient of the total weighted per-cycle water consumption divided by the cubic foot (or liter) capacity of the clothes washer.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to appliances produced after December 31, 2007.

SEC. 306. ACCELERATED RECOVERY PERIOD FOR DEPRECIATION OF SMART METERS AND SMART GRID SYSTEMS.

(a) IN GENERAL.—Section 168(e)(3)(D) is amended by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting a comma, and by inserting after clause (ii) the following new clauses:

''(iii) any qualified smart electric meter, and

''(iv) any qualified smart electric grid system.''.

(b) DEFINITIONS.—Section 168(i) is amended by inserting at the end the following new paragraph:

''(18) QUALIFIED SMART ELECTRIC METERS.—

''(A) IN GENERAL.—The term 'qualified smart electric meter' means any smart electric meter which—

''(i) is placed in service by a taxpayer who is a supplier of electric energy or a provider of electric energy services, and

''(ii) does not have a class life (determined without regard to subsection (e)) of less than 10 years.

''(B) SMART ELECTRIC METER.—For purposes of subparagraph (A), the term 'smart electric meter' means any time-based meter and related communication equipment which is capable of being used by the taxpayer as part of a system that—

''(i) measures and records electricity usage data on a time-differentiated basis in at least 24 separate time segments per day,

''(ii) provides for the exchange of information between supplier or provider and the customer's electric meter in support of time-based rates or other forms of demand response,

''(iii) provides data to such supplier or provider so that the supplier or provider can provide energy usage information to customers electronically, and

''(iv) provides net metering.

''(19) QUALIFIED SMART ELECTRIC GRID SYSTEMS.—

''(A) IN GENERAL.—The term 'qualified smart electric grid system' means any smart grid property which—

''(i) is used as part of a system for electric distribution grid communications, monitoring, and management placed in service by a taxpayer who is a supplier of electric energy or a provider of electric energy services, and

''(ii) does not have a class life (determined without regard to subsection (e)) of less than 10 years.

''(B) SMART GRID PROPERTY.—For the purposes of subparagraph (A), the term 'smart grid property' means electronics and related equipment that is capable of—

''(i) sensing, collecting, and monitoring data of or from all portions of a utility's electric distribution grid,

''(ii) providing real-time, two-way communications to monitor or manage such grid, and

''(iii) providing real time analysis of and event prediction based upon collected data that can be used to improve electric distribution system reliability, quality, and performance.''.

(c) CONTINUED APPLICATION OF 150 PERCENT DECLINING BALANCE METHOD.—Paragraph (2) of section 168(b) is amended by striking ''or'' at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

''(C) any property (other than property described in paragraph (3)) which is a qualified smart electric meter or qualified smart electric grid system, or''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 307. QUALIFIED GREEN BUILDING AND SUSTAINABLE DESIGN PROJECTS.

(a) IN GENERAL.—Paragraph (8) of section 142(l) is amended by striking ''September 30, 2009'' and inserting ''September 30, 2012''.

(b) TREATMENT OF CURRENT REFUNDING BONDS.—Paragraph (9) of section 142(l) is amended by striking ''October 1, 2009'' and inserting ''October 1, 2012''.

(c) ACCOUNTABILITY.—The second sentence of section 701(d) of the American Jobs Creation Act of 2004 is amended by striking ''issuance,'' and inserting ''issuance of the last issue with respect to such project,''.

SEC. 308. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN REUSE AND RECYCLING PROPERTY.

(a) IN GENERAL.—Section 168 is amended by adding at the end the following new subsection:

''(m) SPECIAL ALLOWANCE FOR CERTAIN REUSE AND RECYCLING PROPERTY.—

''(1) IN GENERAL.—In the case of any qualified reuse and recycling property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of the qualified reuse and recycling property, and

''(B) the adjusted basis of the qualified reuse and recycling property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED REUSE AND RECYCLING PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified reuse and recycling property' means any reuse and recycling property—

''(i) to which this section applies,

''(ii) which has a useful life of at least 5 years,

''(iii) the original use of which commences with the taxpayer after August 31, 2008, and

''(iv) which is—

''(I) acquired by purchase (as defined in section 179(d)(2)) by the taxpayer after August 31, 2008, but only if no written binding contract for the acquisition was in effect before September 1, 2008, or

''(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after August 31, 2008.

''(B) EXCEPTIONS.—

''(i) BONUS DEPRECIATION PROPERTY UNDER SUBSECTION (k).—The term 'qualified reuse and recycling property' shall not include any property to which section 168(k) applies.

''(ii) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified reuse and recycling property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined without regard to paragraph (7) of subsection (g) (relating to election to have system apply).

''(iii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(C) SPECIAL RULE FOR SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iv) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after August 31, 2008.

''(D) DEDUCTION ALLOWED IN COMPUTING MINIMUM TAX.—For purposes of determining alternative minimum taxable income under section 55, the deduction under subsection (a) for qualified reuse and recycling property shall be determined under this section without regard to any adjustment under section 56.

''(3) DEFINITIONS.—For purposes of this subsection—

''(A) REUSE AND RECYCLING PROPERTY.—

''(i) IN GENERAL.—The term 'reuse and recycling property' means any machinery and equipment (not including buildings or real estate), along with all appurtenances thereto, including software necessary to operate such equipment, which is used exclusively to collect, distribute, or recycle qualified reuse and recyclable materials.

''(ii) EXCLUSION.—Such term does not include rolling stock or other equipment used to transport reuse and recyclable materials.

''(B) QUALIFIED REUSE AND RECYCLABLE MATERIALS.—

''(i) IN GENERAL.—The term 'qualified reuse and recyclable materials' means scrap plastic, scrap glass, scrap textiles, scrap rubber, scrap packaging, recovered fiber, scrap ferrous and nonferrous metals, or electronic scrap generated by an individual or business.

''(ii) ELECTRONIC SCRAP.—For purposes of clause (i), the term 'electronic scrap' means—

''(I) any cathode ray tube, flat panel screen, or similar video display device with a screen size greater than 4 inches measured diagonally, or

''(II) any central processing unit.

''(C) RECYCLING OR RECYCLE.—The term 'recycling' or 'recycle' means that process (including sorting) by which worn or superfluous materials are manufactured or processed into specification grade commodities that are suitable for use as a replacement or substitute for virgin materials in manufacturing tangible consumer and commercial products, including packaging.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after August 31, 2008.

TITLE IV—REVENUE PROVISIONS

SEC. 401. LIMITATION OF DEDUCTION FOR INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION OF OIL, GAS, OR PRIMARY PRODUCTS THEREOF.

(a) IN GENERAL.—Section 199(d) is amended by redesignating paragraph (9) as paragraph (10) and by inserting after paragraph (8) the following new paragraph:

''(9) SPECIAL RULE FOR TAXPAYERS WITH OIL RELATED QUALIFIED PRODUCTION ACTIVITIES INCOME.—

''(A) IN GENERAL.—If a taxpayer has oil related qualified production activities income for any taxable year beginning after 2009, the amount otherwise allowable as a deduction under subsection (a) shall be reduced by 3 percent of the least of—

''(i) the oil related qualified production activities income of the taxpayer for the taxable year,

''(ii) the qualified production activities income of the taxpayer for the taxable year, or

''(iii) taxable income (determined without regard to this section).

''(B) OIL RELATED QUALIFIED PRODUCTION ACTIVITIES INCOME.—For purposes of this paragraph, the term 'oil related qualified production activities income' means for any taxable year the qualified production activities income which is attributable to the production, refining, processing, transportation, or distribution of oil, gas, or any primary product thereof during such taxable year.

''(C) PRIMARY PRODUCT.—For purposes of this paragraph, the term 'primary product' has the same meaning as when used in section 927(a)(2)(C), as in effect before its repeal.''.

(b) CONFORMING AMENDMENT.—Section 199(d)(2) (relating to application to individuals) is amended by striking ''subsection (a)(1)(B)'' and inserting ''subsections (a)(1)(B) and (d)(9)(A)(iii)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 402. ELIMINATION OF THE DIFFERENT TREATMENT OF FOREIGN OIL AND GAS EXTRACTION INCOME AND FOREIGN OIL RELATED INCOME FOR PURPOSES OF THE FOREIGN TAX CREDIT.

(a) IN GENERAL.—Subsections (a) and (b) of section 907 (relating to special rules in case of foreign oil and gas income) are amended to read as follows:

''(a) REDUCTION IN AMOUNT ALLOWED AS FOREIGN TAX UNDER SECTION 901.—In applying section 901, the amount of any foreign oil and gas taxes paid or accrued (or deemed to have been paid) during the taxable year which would (but for this subsection) be taken into account for purposes of section 901 shall be reduced by the amount (if any) by which the amount of such taxes exceeds the product of—

''(1) the amount of the combined foreign oil and gas income for the taxable year,

''(2) multiplied by—

''(A) in the case of a corporation, the percentage which is equal to the highest rate of tax specified under section 11(b), or

''(B) in the case of an individual, a fraction the numerator of which is the tax against which the credit under section 901(a) is taken and the denominator of which is the taxpayer's entire taxable income.

''(b) COMBINED FOREIGN OIL AND GAS INCOME; FOREIGN OIL AND GAS TAXES.—For purposes of this section—

''(1) COMBINED FOREIGN OIL AND GAS INCOME.—The term 'combined foreign oil and gas income' means, with respect to any taxable year, the sum of—

''(A) foreign oil and gas extraction income, and

''(B) foreign oil related income.

''(2) FOREIGN OIL AND GAS TAXES.—The term 'foreign oil and gas taxes' means, with respect to any taxable year, the sum of—

''(A) oil and gas extraction taxes, and

''(B) any income, war profits, and excess profits taxes paid or accrued (or deemed to have been paid or accrued under section 902 or 960) during the taxable year with respect to foreign oil related income (determined without regard to subsection (c)(4)) or loss which would be taken into account for purposes of section 901 without regard to this section.''.

(b) RECAPTURE OF FOREIGN OIL AND GAS LOSSES.—Paragraph (4) of section 907(c) (relating to recapture of foreign oil and gas extraction losses by recharacterizing later extraction income) is amended to read as follows:

''(4) RECAPTURE OF FOREIGN OIL AND GAS LOSSES BY RECHARACTERIZING LATER COMBINED FOREIGN OIL AND GAS INCOME.—

''(A) IN GENERAL.—The combined foreign oil and gas income of a taxpayer for a taxable year (determined without regard to this paragraph) shall be reduced—

''(i) first by the amount determined under subparagraph (B), and

''(ii) then by the amount determined under subparagraph (C).

The aggregate amount of such reductions shall be treated as income (from sources without the United States) which is not combined foreign oil and gas income.

''(B) REDUCTION FOR PRE-2009 FOREIGN OIL EXTRACTION LOSSES.—The reduction under this paragraph shall be equal to the lesser of—

''(i) the foreign oil and gas extraction income of the taxpayer for the taxable year (determined without regard to this paragraph), or

''(ii) the excess of—

''(I) the aggregate amount of foreign oil extraction losses for preceding taxable years beginning after December 31, 1982, and before January 1, 2009, over

''(II) so much of such aggregate amount as was recharacterized under this paragraph (as in effect before and after the date of the enactment of the Energy Improvement and Extension Act of 2008) for preceding taxable years beginning after December 31, 1982.

''(C) REDUCTION FOR POST-2008 FOREIGN OIL AND GAS LOSSES.—The reduction under this paragraph shall be equal to the lesser of—

''(i) the combined foreign oil and gas income of the taxpayer for the taxable year (determined without regard to this paragraph), reduced by an amount equal to the reduction under subparagraph (A) for the taxable year, or

''(ii) the excess of—

''(I) the aggregate amount of foreign oil and gas losses for preceding taxable years beginning after December 31, 2008, over

''(II) so much of such aggregate amount as was recharacterized under this paragraph for preceding taxable years beginning after December 31, 2008.

''(D) FOREIGN OIL AND GAS LOSS DEFINED.—

''(i) IN GENERAL.—For purposes of this paragraph, the term 'foreign oil and gas loss' means the amount by which—

''(I) the gross income for the taxable year from sources without the United States and its possessions (whether or not the taxpayer chooses the benefits of this subpart for such taxable year) taken into account in determining the combined foreign oil and gas income for such year, is exceeded by

''(II) the sum of the deductions properly apportioned or allocated thereto.

''(ii) NET OPERATING LOSS DEDUCTION NOT TAKEN INTO ACCOUNT.—For purposes of clause (i), the net operating loss deduction allowable for the taxable year under section 172(a) shall not be taken into account.

''(iii) EXPROPRIATION AND CASUALTY LOSSES NOT TAKEN INTO ACCOUNT.—For purposes of clause (i), there shall not be taken into account—

''(I) any foreign expropriation loss (as defined in section 172(h) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990)) for the taxable year, or

''(II) any loss for the taxable year which arises from fire, storm, shipwreck, or other casualty, or from theft,

to the extent such loss is not compensated for by insurance or otherwise.

''(iv) FOREIGN OIL EXTRACTION LOSS.—For purposes of subparagraph (B)(ii)(I), foreign oil extraction losses shall be determined under this paragraph as in effect on the day before the date of the enactment of the Energy Improvement and Extension Act of 2008.''.

(c) CARRYBACK AND CARRYOVER OF DISALLOWED CREDITS.—Section 907(f) (relating to carryback and carryover of disallowed credits) is amended—

(1) by striking ''oil and gas extraction taxes'' each place it appears and inserting ''foreign oil and gas taxes'', and

(2) by adding at the end the following new paragraph:

''(4) TRANSITION RULES FOR PRE-2009 AND 2009 DISALLOWED CREDITS.—

''(A) PRE-2009 CREDITS.—In the case of any unused credit year beginning before January 1, 2009, this subsection shall be applied to any unused oil and gas extraction taxes carried from such unused credit year to a year beginning after December 31, 2008—

''(i) by substituting 'oil and gas extraction taxes' for 'foreign oil and gas taxes' each place it appears in paragraphs (1), (2), and (3), and

''(ii) by computing, for purposes of paragraph (2)(A), the limitation under subparagraph (A) for the year to which such taxes are carried by substituting 'foreign oil and gas extraction income' for 'foreign oil and gas income' in subsection (a).

''(B) 2009 CREDITS.—In the case of any unused credit year beginning in 2009, the amendments made to this subsection by the Energy Improvement and Extension Act of 2008 shall be treated as being in effect for any preceding year beginning before January 1, 2009, solely for purposes of determining how much of the unused foreign oil and gas taxes for such unused credit year may be deemed paid or accrued in such preceding year.''.

(d) CONFORMING AMENDMENT.—Section 6501(i) is amended by striking ''oil and gas extraction taxes'' and inserting ''foreign oil and gas taxes''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 403. BROKER REPORTING OF CUSTOMER'S BASIS IN SECURITIES TRANSACTIONS.

(a) IN GENERAL.—

(1) BROKER REPORTING FOR SECURITIES TRANSACTIONS.—Section 6045 is amended by adding at the end the following new subsection:

''(g) ADDITIONAL INFORMATION REQUIRED IN THE CASE OF SECURITIES TRANSACTIONS, ETC.—

''(1) IN GENERAL.—If a broker is otherwise required to make a return under subsection (a) with respect to the gross proceeds of the sale of a covered security, the broker shall include in such return the information described in paragraph (2).

''(2) ADDITIONAL INFORMATION REQUIRED.—

''(A) IN GENERAL.—The information required under paragraph (1) to be shown on a return with respect to a covered security of a customer shall include the customer's adjusted basis in such security and whether any gain or loss with respect to such security is long-term or short-term (within the meaning of section 1222).

''(B) DETERMINATION OF ADJUSTED BASIS.—For purposes of subparagraph (A)—

''(i) IN GENERAL.—The customer's adjusted basis shall be determined—

''(I) in the case of any security (other than any stock for which an average basis method is permissible under section 1012), in accordance with the first-in first-out method unless the customer notifies the broker by means of making an adequate identification of the stock sold or transferred, and

''(II) in the case of any stock for which an average basis method is permissible under section 1012, in accordance with the broker's default method unless the customer notifies the broker that he elects another acceptable method under section 1012 with respect to the account in which such stock is held.

''(ii) EXCEPTION FOR WASH SALES.—Except as otherwise provided by the Secretary, the customer's adjusted basis shall be determined without regard to section 1091 (relating to loss from wash sales of stock or securities) unless the transactions occur in the same account with respect to identical securities.

''(3) COVERED SECURITY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'covered security' means any specified security acquired on or after the applicable date if such security—

''(i) was acquired through a transaction in the account in which such security is held, or

''(ii) was transferred to such account from an account in which such security was a covered security, but only if the broker received a statement under section 6045A with respect to the transfer.

''(B) SPECIFIED SECURITY.—The term 'specified security' means—

''(i) any share of stock in a corporation,

''(ii) any note, bond, debenture, or other evidence of indebtedness,

''(iii) any commodity, or contract or derivative with respect to such commodity, if the Secretary determines that adjusted basis reporting is appropriate for purposes of this subsection, and

''(iv) any other financial instrument with respect to which the Secretary determines that adjusted basis reporting is appropriate for purposes of this subsection.

''(C) APPLICABLE DATE.—The term 'applicable date' means—

''(i) January 1, 2011, in the case of any specified security which is stock in a corporation (other than any stock described in clause (ii)),

''(ii) January 1, 2012, in the case of any stock for which an average basis method is permissible under section 1012, and

''(iii) January 1, 2013, or such later date determined by the Secretary in the case of any other specified security.

''(4) TREATMENT OF S CORPORATIONS.—In the case of the sale of a covered security acquired by an S corporation (other than a financial institution) after December 31, 2011, such S corporation shall be treated in the same manner as a partnership for purposes of this section.

''(5) SPECIAL RULES FOR SHORT SALES.—In the case of a short sale, reporting under this section shall be made for the year in which such sale is closed.''.

(2) BROKER INFORMATION REQUIRED WITH RESPECT TO OPTIONS.—Section 6045, as amended by subsection (a), is amended by adding at the end the following new subsection:

''(h) APPLICATION TO OPTIONS ON SECURITIES.—

''(1) EXERCISE OF OPTION.—For purposes of this section, if a covered security is acquired or disposed of pursuant to the exercise of an option that was granted or acquired in the same account as the covered security, the amount received with respect to the grant or paid with respect to the acquisition of such option shall be treated as an adjustment to gross proceeds or as an adjustment to basis, as the case may be.

''(2) LAPSE OR CLOSING TRANSACTION.—In the case of the lapse (or closing transaction (as defined in section 1234(b)(2)(A))) of an option on a specified security or the exercise of a cash-settled option on a specified security, reporting under subsections (a) and (g) with respect to such option shall be made for the calendar year which includes the date of such lapse, closing transaction, or exercise.

''(3) PROSPECTIVE APPLICATION.—Paragraphs (1) and (2) shall not apply to any option which is granted or acquired before January 1, 2013.

''(4) DEFINITIONS.—For purposes of this subsection, the terms 'covered security' and 'specified security' shall have the meanings given such terms in subsection (g)(3).''.

(3) EXTENSION OF PERIOD FOR STATEMENTS SENT TO CUSTOMERS.—

(A) IN GENERAL.—Subsection (b) of section 6045 is amended by striking ''January 31'' and inserting ''February 15''.

(B) STATEMENTS RELATED TO SUBSTITUTE PAYMENTS.—Subsection (d) of section 6045 is amended—

(i) by striking ''at such time and'', and

(ii) by inserting after ''other item.'' the following new sentence: ''The written statement required under the preceding sentence shall be furnished on or before February 15 of the year following the calendar year in which the payment was made.''.

(C) OTHER STATEMENTS.—Subsection (b) of section 6045 is amended by adding at the end the following: ''In the case of a consolidated reporting statement (as defined in regulations) with respect to any customer, any statement which would otherwise be required to be furnished on or before January 31 of a calendar year with respect to any item reportable to the taxpayer shall instead be required to be furnished on or before February 15 of such calendar year if furnished with such consolidated reporting statement.''.

(b) DETERMINATION OF BASIS OF CERTAIN SECURITIES ON ACCOUNT BY ACCOUNT OR AVERAGE BASIS METHOD.—Section 1012 is amended—

(1) by striking ''The basis of property'' and inserting the following:

''(a) IN GENERAL.—The basis of property'',

(2) by striking ''The cost of real property'' and inserting the following:

''(b) SPECIAL RULE FOR APPORTIONED REAL ESTATE TAXES.—The cost of real property'', and

(3) by adding at the end the following new subsections:

''(c) DETERMINATIONS BY ACCOUNT.—

''(1) IN GENERAL.—In the case of the sale, exchange, or other disposition of a specified security on or after the applicable date, the conventions prescribed by regulations under this section shall be applied on an account by account basis.

''(2) APPLICATION TO CERTAIN FUNDS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), any stock for which an average basis method is permissible under section 1012 which is acquired before January 1, 2012, shall be treated as a separate account from any such stock acquired on or after such date.

''(B) ELECTION FUND FOR TREATMENT AS SINGLE ACCOUNT.—If a fund described in subparagraph (A) elects to have this subparagraph apply with respect to one or more of its stockholders—

''(i) subparagraph (A) shall not apply with respect to any stock in such fund held by such stockholders, and

''(ii) all stock in such fund which is held by such stockholders shall be treated as covered securities described in section 6045(g)(3) without regard to the date of the acquisition of such stock.

A rule similar to the rule of the preceding sentence shall apply with respect to a broker holding such stock as a nominee.

''(3) DEFINITIONS.—For purposes of this section, the terms 'specified security' and 'applicable date' shall have the meaning given such terms in section 6045(g).

''(d) AVERAGE BASIS FOR STOCK ACQUIRED PURSUANT TO A DIVIDEND REINVESTMENT PLAN.—

''(1) IN GENERAL.—In the case of any stock acquired after December 31, 2010, in connection with a dividend reinvestment plan, the basis of such stock while held as part of such plan shall be determined using one of the methods which may be used for determining the basis of stock in an open-end fund.

''(2) TREATMENT AFTER TRANSFER.—In the case of the transfer to another account of stock to which paragraph (1) applies, such stock shall have a cost basis in such other account equal to its basis in the dividend reinvestment plan immediately before such transfer (properly adjusted for any fees or other charges taken into account in connection with such transfer).

''(3) SEPARATE ACCOUNTS; ELECTION FOR TREATMENT AS SINGLE ACCOUNT.—Rules similar to the rules of subsection (c)(2) shall apply for purposes of this subsection.

''(4) DIVIDEND REINVESTMENT PLAN.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'dividend reinvestment plan' means any arrangement under which dividends on any stock are reinvested in stock identical to the stock with respect to which the dividends are paid.

''(B) INITIAL STOCK ACQUISITION TREATED AS ACQUIRED IN CONNECTION WITH PLAN.—Stock shall be treated as acquired in connection with a dividend reinvestment plan if such stock is acquired pursuant to such plan or if the dividends paid on such stock are subject to such plan.''.

(c) INFORMATION BY TRANSFERORS TO AID BROKERS.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 is amended by inserting after section 6045 the following new section:

''SEC. 6045A. INFORMATION REQUIRED IN CONNECTION WITH TRANSFERS OF COVERED SECURITIES TO BROKERS.

''(a) FURNISHING OF INFORMATION.—Every applicable person which transfers to a broker (as defined in section 6045(c)(1)) a security which is a covered security (as defined in section 6045(g)(3)) in the hands of such applicable person shall furnish to such broker a written statement in such manner and setting forth such information as the Secretary may by regulations prescribe for purposes of enabling such broker to meet the requirements of section 6045(g).

''(b) APPLICABLE PERSON.—For purposes of subsection (a), the term 'applicable person' means—

''(1) any broker (as defined in section 6045(c)(1)), and

''(2) any other person as provided by the Secretary in regulations.

''(c) TIME FOR FURNISHING STATEMENT.—Except as otherwise provided by the Secretary, any statement required by subsection (a) shall be furnished not later than 15 days after the date of the transfer described in such subsection.''.

(2) ASSESSABLE PENALTIES.—Paragraph (2) of section 6724(d), as amended by the Housing Assistance Tax Act of 2008, is amended by redesignating subparagraphs (I) through (DD) as subparagraphs (J) through (EE), respectively, and by inserting after subparagraph (H) the following new subparagraph:

''(I) section 6045A (relating to information required in connection with transfers of covered securities to brokers),''.

(3) 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 6045 the following new item:

''Sec. 6045A. Information required in connection with transfers of covered securities to brokers.''.

(d) ADDITIONAL ISSUER INFORMATION TO AID BROKERS.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61, as amended by subsection (b), is amended by inserting after section 6045A the following new section:

''SEC. 6045B. RETURNS RELATING TO ACTIONS AFFECTING BASIS OF SPECIFIED SECURITIES.

''(a) IN GENERAL.—According to the forms or regulations prescribed by the Secretary, any issuer of a specified security shall make a return setting forth—

''(1) a description of any organizational action which affects the basis of such specified security of such issuer,

''(2) the quantitative effect on the basis of such specified security resulting from such action, and

''(3) such other information as the Secretary may prescribe.

''(b) TIME FOR FILING RETURN.—Any return required by subsection (a) shall be filed not later than the earlier of—

''(1) 45 days after the date of the action described in subsection (a), or

''(2) January 15 of the year following the calendar year during which such action occurred.

''(c) STATEMENTS TO BE FURNISHED TO HOLDERS OF SPECIFIED SECURITIES OR THEIR NOMINEES.—According to the forms or regulations prescribed by the Secretary, every person required to make a return under subsection (a) with respect to a specified security shall furnish to the nominee with respect to the specified security (or certificate holder if there is no nominee) a written statement showing—

''(1) the name, address, and phone number of the information contact of the person required to make such return,

''(2) the information required to be shown on such return with respect to such security, and

''(3) such other information as the Secretary may prescribe.

The written statement required under the preceding sentence shall be furnished to the holder on or before January 15 of the year following the calendar year during which the action described in subsection (a) occurred.

''(d) SPECIFIED SECURITY.—For purposes of this section, the term 'specified security' has the meaning given such term by section 6045(g)(3)(B). No return shall be required under this section with respect to actions described in subsection (a) with respect to a specified security which occur before the applicable date (as defined in section 6045(g)(3)(C)) with respect to such security.

''(e) PUBLIC REPORTING IN LIEU OF RETURN.—The Secretary may waive the requirements under subsections (a) and (c) with respect to a specified security, if the person required to make

the return under subsection (a) makes publicly available, in such form and manner as the Secretary determines necessary to carry out the purposes of this section—

''(1) the name, address, phone number, and email address of the information contact of such person, and

''(2) the information described in paragraphs (1), (2), and (3) of subsection (a).''.

(2) ASSESSABLE PENALTIES.—

(A) Subparagraph (B) of section 6724(d)(1), as amended by the Housing Assistance Tax Act of 2008, is amended by redesignating clause (iv) and each of the clauses which follow as clauses (v) through (xxiii), respectively, and by inserting after clause (iii) the following new clause:

''(iv) section 6045B(a) (relating to returns relating to actions affecting basis of specified securities),''.

(B) Paragraph (2) of section 6724(d), as amended by the Housing Assistance Tax Act of 2008 and by subsection (c)(2), is amended by redesignating subparagraphs (J) through (EE) as subparagraphs (K) through (FF), respectively, and by inserting after subparagraph (I) the following new subparagraph:

''(J) subsections (c) and (e) of section 6045B (relating to returns relating to actions affecting basis of specified securities),''.

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61, as amended by subsection (b)(3), is amended by inserting after the item relating to section 6045A the following new item:

''Sec. 6045B. Returns relating to actions affecting basis of specified securities.''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on January 1, 2011.

(2) EXTENSION OF PERIOD FOR STATEMENTS SENT TO CUSTOMERS.—The amendments made by subsection (a)(3) shall apply to statements required to be furnished after December 31, 2008.

SEC. 404. 0.2 PERCENT FUTA SURTAX.

(a) IN GENERAL.—Section 3301 (relating to rate of tax) is amended—

(1) by striking ''through 2008'' in paragraph (1) and inserting ''through 2009'', and

(2) by striking ''calendar year 2009'' in paragraph (2) and inserting ''calendar year 2010''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to wages paid after December 31, 2008.

SEC. 405. INCREASE AND EXTENSION OF OIL SPILL LIABILITY TRUST FUND TAX.

(a) INCREASE IN RATE.—

(1) IN GENERAL.—Section 4611(c)(2)(B) (relating to rates) is amended by striking ''is 5 cents a barrel.'' and inserting ''is—

''(i) in the case of crude oil received or petroleum products entered before January 1, 2017, 8 cents a barrel, and

''(ii) in the case of crude oil received or petroleum products entered after December 31, 2016, 9 cents a barrel.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply on and after the first day of the first calendar quarter beginning more than 60 days after the date of the enactment of this Act.

(b) EXTENSION.—

(1) IN GENERAL.—Section 4611(f) (relating to application of Oil Spill Liability Trust Fund financing rate) is amended by striking paragraphs (2) and (3) and inserting the following new paragraph:

''(2) TERMINATION.—The Oil Spill Liability Trust Fund financing rate shall not apply after December 31, 2017.''.

(2) CONFORMING AMENDMENT.—Section 4611(f)(1) is amended by striking ''paragraphs (2) and (3)'' and inserting ''paragraph (2)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

DIVISION B—TAX EXTENDERS AND ALTERNATIVE MINIMUM TAX RELIEF

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the ''Tax Extenders and Alternative Minimum Tax Relief 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.

(c) TABLE OF CONTENTS.—The table of contents of this division is as follows:

DIVISION B—TAX EXTENDERS AND ALTERNATIVE MINIMUM TAX RELIEF

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—ALTERNATIVE MINIMUM TAX RELIEF

Sec. 101. Extension of alternative minimum tax relief for nonrefundable personal credits.

Sec. 102. Extension of increased alternative minimum tax exemption amount.

Sec. 103. Increase of AMT refundable credit amount for individuals with long-term unused credits for prior year minimum tax liability, etc.

TITLE II—EXTENSION OF INDIVIDUAL TAX PROVISIONS

Sec. 201. Deduction for State and local sales taxes.

Sec. 202. Deduction of qualified tuition and related expenses.

Sec. 203. Deduction for certain expenses of elementary and secondary school teachers.

Sec. 204. Additional standard deduction for real property taxes for nonitemizers.

Sec. 205. Tax-free distributions from individual retirement plans for charitable purposes.

Sec. 206. Treatment of certain dividends of regulated investment companies.

Sec. 207. Stock in RIC for purposes of determining estates of nonresidents not citizens.

Sec. 208. Qualified investment entities.

TITLE III—EXTENSION OF BUSINESS TAX PROVISIONS

Sec. 301. Extension and modification of research credit.

Sec. 302. New markets tax credit.

Sec. 303. Subpart F exception for active financing income.

Sec. 304. Extension of look-thru rule for related controlled foreign corporations.

Sec. 305. Extension of 15-year straight-line cost recovery for qualified leasehold improvements and qualified restaurant improvements; 15-year straight-line cost recovery for certain improvements to retail space.

Sec. 306. Modification of tax treatment of certain payments to controlling exempt organizations.

Sec. 307. Basis adjustment to stock of S corporations making charitable contributions of property.

Sec. 308. Increase in limit on cover over of rum excise tax to Puerto Rico and the Virgin Islands.

Sec. 309. Extension of economic development credit for American Samoa.

Sec. 310. Extension of mine rescue team training credit.

Sec. 311. Extension of election to expense advanced mine safety equipment.

Sec. 312. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.

Sec. 313. Qualified zone academy bonds.

Sec. 314. Indian employment credit.

Sec. 315. Accelerated depreciation for business property on Indian reservations.

Sec. 316. Railroad track maintenance.

Sec. 317. Seven-year cost recovery period for motorsports racing track facility.

Sec. 318. Expensing of environmental remediation costs.

Sec. 319. Extension of work opportunity tax credit for Hurricane Katrina employees.

Sec. 320. Extension of increased rehabilitation credit for structures in the Gulf Opportunity Zone.

Sec. 321. Enhanced deduction for qualified computer contributions.

Sec. 322. Tax incentives for investment in the District of Columbia.

Sec. 323. Enhanced charitable deductions for contributions of food inventory.

Sec. 324. Extension of enhanced charitable deduction for contributions of book inventory.

Sec. 325. Extension and modification of duty suspension on wool products; wool research fund; wool duty refunds.

TITLE IV—EXTENSION OF TAX ADMINISTRATION PROVISIONS

Sec. 401. Permanent authority for undercover operations.

Sec. 402. Permanent authority for disclosure of information relating to terrorist activities.

TITLE V—ADDITIONAL TAX RELIEF AND OTHER TAX PROVISIONS

Subtitle A—General Provisions

Sec. 501. $8,500 income threshold used to calculate refundable portion of child tax credit.

Sec. 502. Provisions related to film and television productions.

Sec. 503. Exemption from excise tax for certain wooden arrows designed for use by children.

Sec. 504. Income averaging for amounts received in connection with the Exxon Valdez litigation.

Sec. 505. Certain farming business machinery and equipment treated as 5-year property.

Sec. 506. Modification of penalty on understatement of taxpayer's liability by tax return preparer.

Subtitle B—Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008

Sec. 511. Short title.

Sec. 512. Mental health parity.

TITLE VI—OTHER PROVISIONS

Sec. 601. Secure rural schools and community self-determination program.

Sec. 602. Transfer to abandoned mine reclamation fund.

TITLE VII—DISASTER RELIEF

Subtitle A—Heartland and Hurricane Ike Disaster Relief

Sec. 701. Short title.

Sec. 702. Temporary tax relief for areas damaged by 2008 Midwestern severe storms, tornados, and flooding.

Sec. 703. Reporting requirements relating to disaster relief contributions.

Sec. 704. Temporary tax-exempt bond financing and low-income housing tax relief for areas damaged by Hurricane Ike.

Subtitle B—National Disaster Relief

Sec. 706. Losses attributable to federally declared disasters.

Sec. 707. Expensing of Qualified Disaster Expenses.

Sec. 708. Net operating losses attributable to federally declared disasters.

Sec. 709. Waiver of certain mortgage revenue bond requirements following federally declared disasters.
Sec. 710. Special depreciation allowance for qualified disaster property.
Sec. 711. Increased expensing for qualified disaster assistance property.
Sec. 712. Coordination with Heartland disaster relief.
TITLE VIII—SPENDING REDUCTIONS AND APPROPRIATE REVENUE RAISERS FOR NEW TAX RELIEF POLICY
Sec. 801. Nonqualified deferred compensation from certain tax indifferent parties.

TITLE I—ALTERNATIVE MINIMUM TAX RELIEF

SEC. 101. EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) (relating to special rule for taxable years 2000 through 2007) is amended—

(1) by striking ''or 2007'' and inserting ''2007, or 2008'', and

(2) by striking ''2007'' in the heading thereof and inserting ''2008''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 102. EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

(a) IN GENERAL.—Paragraph (1) of section 55(d) (relating to exemption amount) is amended—

(1) by striking ''($66,250 in the case of taxable years beginning in 2007)'' in subparagraph (A) and inserting ''($69,950 in the case of taxable years beginning in 2008)'', and

(2) by striking ''($44,350 in the case of taxable years beginning in 2007)'' in subparagraph (B) and inserting ''($46,200 in the case of taxable years beginning in 2008)''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 103. INCREASE OF AMT REFUNDABLE CREDIT AMOUNT FOR INDIVIDUALS WITH LONG-TERM UNUSED CREDITS FOR PRIOR YEAR MINIMUM TAX LIABILITY, ETC.

(a) IN GENERAL.—Paragraph (2) of section 53(e) is amended to read as follows:

''(2) AMT REFUNDABLE CREDIT AMOUNT.—For purposes of paragraph (1), the term 'AMT refundable credit amount' means, with respect to any taxable year, the amount (not in excess of the long-term unused minimum tax credit for such taxable year) equal to the greater of—

''(A) 50 percent of the long-term unused minimum tax credit for such taxable year, or

''(B) the amount (if any) of the AMT refundable credit amount determined under this paragraph for the taxpayer's preceding taxable year (determined without regard to subsection (f)(2)).''.

(b) TREATMENT OF CERTAIN UNDERPAYMENTS, INTEREST, AND PENALTIES ATTRIBUTABLE TO THE TREATMENT OF INCENTIVE STOCK OPTIONS.—Section 53 is amended by adding at the end the following new subsection:

''(f) TREATMENT OF CERTAIN UNDERPAYMENTS, INTEREST, AND PENALTIES ATTRIBUTABLE TO THE TREATMENT OF INCENTIVE STOCK OPTIONS.—

''(1) ABATEMENT.—Any underpayment of tax outstanding on the date of the enactment of this subsection which is attributable to the application of section 56(b)(3) for any taxable year ending before January 1, 2008, and any interest or penalty with respect to such underpayment which is outstanding on such date of enactment, is hereby abated. The amount determined under subsection (b)(1) shall not include any tax abated under the preceding sentence.

''(2) INCREASE IN CREDIT FOR CERTAIN INTEREST AND PENALTIES ALREADY PAID.—The AMT refundable credit amount, and the minimum tax credit determined under subsection (b), for the taxpayer's first 2 taxable years beginning after December 31, 2007, shall each be increased by 50 percent of the aggregate amount of the interest and penalties which were paid by the taxpayer before the date of the enactment of this subsection and which would (but for such payment) have been abated under paragraph (1).''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2007.

(2) ABATEMENT.—Section 53(f)(1), as added by subsection (b), shall take effect on the date of the enactment of this Act.

TITLE II—EXTENSION OF INDIVIDUAL TAX PROVISIONS

SEC. 201. DEDUCTION FOR STATE AND LOCAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2010''.

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

SEC. 202. DEDUCTION OF QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

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

SEC. 203. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain expenses of elementary and secondary school teachers) is amended by striking ''or 2007'' and inserting ''2007, 2008, or 2009''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

SEC. 204. ADDITIONAL STANDARD DEDUCTION FOR REAL PROPERTY TAXES FOR NONITEMIZERS.

(a) IN GENERAL.—Subparagraph (C) of section 63(c)(1), as added by the Housing Assistance Tax Act of 2008, is amended by inserting ''or 2009'' after ''2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 205. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2007.

SEC. 206. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) INTEREST-RELATED DIVIDENDS.—Subparagraph (C) of section 871(k)(1) (defining interest-related dividend) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) SHORT-TERM CAPITAL GAIN DIVIDENDS.—Subparagraph (C) of section 871(k)(2) (defining short-term capital gain dividend) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to dividends with respect to taxable years of regulated investment companies beginning after December 31, 2007.

SEC. 207. STOCK IN RIC FOR PURPOSES OF DETERMINING ESTATES OF NONRESIDENTS NOT CITIZENS.

(a) IN GENERAL.—Paragraph (3) of section 2105(d) (relating to stock in a RIC) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to decedents dying after December 31, 2007.

SEC. 208. QUALIFIED INVESTMENT ENTITIES.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2008.

TITLE III—EXTENSION OF BUSINESS TAX PROVISIONS

SEC. 301. EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Section 41(h) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009'' in paragraph (1)(B).

(2) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) (relating to special rule) is amended by striking ''after December 31, 2007'' and inserting ''after December 31, 2009''.

(b) TERMINATION OF ALTERNATIVE INCREMENTAL CREDIT.—Section 41(h) is amended by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

''(2) TERMINATION OF ALTERNATIVE INCREMENTAL CREDIT.—No election under subsection (c)(4) shall apply to taxable years beginning after December 31, 2008.''.

(c) MODIFICATION OF ALTERNATIVE SIMPLIFIED CREDIT.—Paragraph (5)(A) of section 41(c) (relating to election of alternative simplified credit) is amended by striking ''12 percent'' and inserting ''14 percent (12 percent in the case of taxable years ending before January 1, 2009)''.

(d) TECHNICAL CORRECTION.—Paragraph (3) of section 41(h) is amended to read as follows:

''(2) COMPUTATION FOR TAXABLE YEAR IN WHICH CREDIT TERMINATES.—In the case of any taxable year with respect to which this section applies to a number of days which is less than the total number of days in such taxable year—

''(A) the amount determined under subsection (c)(1)(B) with respect to such taxable year shall be the amount which bears the same ratio to such amount (determined without regard to this paragraph) as the number of days in such taxable year to which this section applies bears to the total number of days in such taxable year, and

''(B) for purposes of subsection (c)(5), the average qualified research expenses for the preceding 3 taxable years shall be the amount which bears the same ratio to such average qualified research expenses (determined without regard to this paragraph) as the number of days in such taxable year to which this section applies bears to the total number of days in such taxable year.''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2007.

(2) EXTENSION.—The amendments made by subsection (a) shall apply to amounts paid or incurred after December 31, 2007.

SEC. 302. NEW MARKETS TAX CREDIT.

Subparagraph (D) of section 45D(f)(1) (relating to national limitation on amount of investments designated) is amended by striking ''and 2008'' and inserting ''2008, and 2009''.

SEC. 303. SUBPART F EXCEPTION FOR ACTIVE FINANCING INCOME.

(a) EXEMPT INSURANCE INCOME.—Paragraph (10) of section 953(e) (relating to application) is amended—

(1) by striking ''January 1, 2009'' and inserting ''January 1, 2010'', and

(2) by striking ''December 31, 2008'' and inserting ''December 31, 2009''.

(b) EXCEPTION TO TREATMENT AS FOREIGN PERSONAL HOLDING COMPANY INCOME.—Paragraph (9) of section 954(h) (relating to application) is amended by striking ''January 1, 2009'' and inserting ''January 1, 2010''.

SEC. 304. EXTENSION OF LOOK-THRU RULE FOR RELATED CONTROLLED FOREIGN CORPORATIONS.

(a) IN GENERAL.—Subparagraph (C) of section 954(c)(6) (relating to application) is amended by striking ''January 1, 2009'' and inserting ''January 1, 2010''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2007, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 305. EXTENSION OF 15-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT IMPROVEMENTS; 15-YEAR STRAIGHT-LINE COST RECOVERY FOR CERTAIN IMPROVEMENTS TO RETAIL SPACE.

(a) EXTENSION OF LEASEHOLD AND RESTAURANT IMPROVEMENTS.—

(1) IN GENERAL.—Clauses (iv) and (v) of section 168(e)(3)(E) (relating to 15-year property) are each amended by striking ''January 1, 2008'' and inserting ''January 1, 2010''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after December 31, 2007.

(b) TREATMENT TO INCLUDE NEW CONSTRUCTION.—

(1) IN GENERAL.—Paragraph (7) of section 168(e) (relating to classification of property) is amended to read as follows:

''(7) QUALIFIED RESTAURANT PROPERTY.—

''(A) IN GENERAL.—The term 'qualified restaurant property' means any section 1250 property which is—

''(i) a building, if such building is placed in service after December 31, 2008, and before January 1, 2010, or

''(ii) an improvement to a building,

if more than 50 percent of the building's square footage is devoted to preparation of, and seating for on-premises consumption of, prepared meals.

''(B) EXCLUSION FROM BONUS DEPRECIATION.—Property described in this paragraph shall not be considered qualified property for purposes of subsection (k).''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property placed in service after December 31, 2008.

(c) RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN IMPROVEMENTS TO RETAIL SPACE.—

(1) 15-YEAR RECOVERY PERIOD.—Section 168(e)(3)(E) (relating to 15-year property) is amended by striking ''and'' at the end of clause (vii), by striking the period at the end of clause (viii) and inserting '', and'', and by adding at the end the following new clause:

''(ix) any qualified retail improvement property placed in service after December 31, 2008, and before January 1, 2010.''.

(2) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—Section 168(e) is amended by adding at the end the following new paragraph:

''(8) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—

''(A) IN GENERAL.—The term 'qualified retail improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

''(i) such portion is open to the general public and is used in the retail trade or business of selling tangible personal property to the general public, and

''(ii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

''(B) IMPROVEMENTS MADE BY OWNER.—In the case of an improvement made by the owner of such improvement, such improvement shall be qualified retail improvement property (if at all) only so long as such improvement is held by such owner. Rules similar to the rules under paragraph (6)(B) shall apply for purposes of the preceding sentence.

''(C) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

''(i) the enlargement of the building,

''(ii) any elevator or escalator,

''(iii) any structural component benefitting a common area, or

''(iv) the internal structural framework of the building.

''(D) EXCLUSION FROM BONUS DEPRECIATION.—Property described in this paragraph shall not be considered qualified property for purposes of subsection (k).

''(E) TERMINATION.—Such term shall not include any improvement placed in service after December 31, 2009.''.

(3) REQUIREMENT TO USE STRAIGHT LINE METHOD.—Section 168(b)(3) is amended by adding at the end the following new subparagraph:

''(1) Qualified retail improvement property described in subsection (e)(8).''.

(4) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) is amended by inserting after the item relating to subparagraph (E)(viii) the following new item:

''(E)(ix) ..... 39''.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall apply to property placed in service after December 31, 2008.

SEC. 306. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2007.

SEC. 307. BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—The last sentence of section 1367(a)(2) (relating to decreases in basis) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2007.

SEC. 308. INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAX TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2010''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2007.

SEC. 309. EXTENSION OF ECONOMIC DEVELOPMENT CREDIT FOR AMERICAN SAMOA.

(a) IN GENERAL.—Subsection (d) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended—

(1) by striking ''first two taxable years'' and inserting ''first 4 taxable years'', and

(2) by striking ''January 1, 2008'' and inserting ''January 1, 2010''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 310. EXTENSION OF MINE RESCUE TEAM TRAINING CREDIT.

Section 45N(e) (relating to termination) is amended by striking ''December 31, 2008'' and inserting ''December 31, 2009''.

SEC. 311. EXTENSION OF ELECTION TO EXPENSE ADVANCED MINE SAFETY EQUIPMENT.

Section 179E(g) (relating to termination) is amended by striking ''December 31, 2008'' and inserting ''December 31, 2009''.

SEC. 312. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) IN GENERAL.—Subparagraph (C) of section 199(d)(8) (relating to termination) is amended—

(1) by striking ''first 2 taxable years'' and inserting ''first 4 taxable years'', and

(2) by striking ''January 1, 2008'' and inserting ''January 1, 2010''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 313. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Subpart I of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

''SEC. 54E. QUALIFIED ZONE ACADEMY BONDS.

''(a) QUALIFIED ZONE ACADEMY BONDS.—For purposes of this subchapter, the term 'qualified zone academy bond' means any bond issued as part of an issue if—

''(1) 100 percent of the available project proceeds of such issue are to be used for a qualified purpose with respect to a qualified zone academy established by an eligible local education agency,

''(2) the bond is issued by a State or local government within the jurisdiction of which such academy is located, and

''(3) the issuer—

''(A) designates such bond for purposes of this section,

''(B) certifies that it has written assurances that the private business contribution requirement of subsection (b) will be met with respect to such academy, and

''(C) certifies that it has the written approval of the eligible local education agency for such bond issuance.

''(b) PRIVATE BUSINESS CONTRIBUTION REQUIREMENT.—For purposes of subsection (a), the private business contribution requirement of this subsection is met with respect to any issue if the eligible local education agency that established the qualified zone academy has written commitments from private entities to make qualified contributions having a present value (as of the date of issuance of the issue) of not less than 10 percent of the proceeds of the issue.

''(c) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(1) NATIONAL LIMITATION.—There is a national zone academy bond limitation for each calendar year. Such limitation is $400,000,000 for 2008 and 2009, and, except as provided in paragraph (4), zero thereafter.

''(2) ALLOCATION OF LIMITATION.—The national zone academy bond limitation for a calendar year shall be allocated by the Secretary among the States on the basis of their respective populations of individuals below the poverty line (as defined by the Office of Management and Budget). The limitation amount allocated to a State under the preceding sentence shall be allocated by the State education agency to qualified zone academies within such State.

''(3) DESIGNATION SUBJECT TO LIMITATION AMOUNT.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) with respect to any qualified zone academy shall not exceed the limitation amount allocated to such academy under paragraph (2) for such calendar year.

''(4) CARRYOVER OF UNUSED LIMITATION.—

''(A) IN GENERAL.—If for any calendar year—

''(i) the limitation amount for any State, exceeds

''(ii) the amount of bonds issued during such year which are designated under subsection (a) with respect to qualified zone academies within such State,

the limitation amount for such State for the following calendar year shall be increased by the amount of such excess.

''(B) LIMITATION ON CARRYOVER.—Any carryforward of a limitation amount may be carried only to the first 2 years following the unused limitation year. For purposes of the preceding sentence, a limitation amount shall be treated as used on a first-in first-out basis.

''(C) COORDINATION WITH SECTION 1397E.—Any carryover determined under section 1397E(e)(4) (relating to carryover of unused limitation) with respect to any State to calendar year 2008 or 2009 shall be treated for purposes of this section as a carryover with respect to such State for such calendar year under subparagraph (A), and the limitation of subparagraph (B) shall apply to such carryover taking into account the calendar years to which such carryover relates.

''(d) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED ZONE ACADEMY.—The term 'qualified zone academy' means any public school (or academic program within a public school) which is established by and operated under the supervision of an eligible local education agency to provide education or training below the postsecondary level if—

''(A) such public school or program (as the case may be) is designed in cooperation with business to enhance the academic curriculum, increase graduation and employment rates, and better prepare students for the rigors of college and the increasingly complex workforce,

''(B) students in such public school or program (as the case may be) will be subject to the same academic standards and assessments as other students educated by the eligible local education agency,

''(C) the comprehensive education plan of such public school or program is approved by the eligible local education agency, and

''(D)(i) such public school is located in an empowerment zone or enterprise community (including any such zone or community designated after the date of the enactment of this section), or

''(ii) there is a reasonable expectation (as of the date of issuance of the bonds) that at least 35 percent of the students attending such school or participating in such program (as the case may be) will be eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

''(2) ELIGIBLE LOCAL EDUCATION AGENCY.—For purposes of this section, the term 'eligible local education agency' means any local educational agency as defined in section 9101 of the Elementary and Secondary Education Act of 1965.

''(3) QUALIFIED PURPOSE.—The term 'qualified purpose' means, with respect to any qualified zone academy—

''(A) rehabilitating or repairing the public school facility in which the academy is established,

''(B) providing equipment for use at such academy,

''(C) developing course materials for education to be provided at such academy, and

''(D) training teachers and other school personnel in such academy.

''(4) QUALIFIED CONTRIBUTIONS.—The term 'qualified contribution' means any contribution (of a type and quality acceptable to the eligible local education agency) of—

''(A) equipment for use in the qualified zone academy (including state-of-the-art technology and vocational equipment),

''(B) technical assistance in developing curriculum or in training teachers in order to promote appropriate market driven technology in the classroom,

''(C) services of employees as volunteer mentors,

''(D) internships, field trips, or other educational opportunities outside the academy for students, or

''(E) any other property or service specified by the eligible local education agency.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 54A(d), as amended by this Act, is amended by striking ''or'' at the end of subparagraph (B), by inserting ''or'' at the end of subparagraph (C), and by inserting after subparagraph (C) the following new subparagraph:

''(D) a qualified zone academy bond,''.

(2) Subparagraph (C) of section 54A(d)(2), as amended by this Act, is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) in the case of a qualified zone academy bond, a purpose specified in section 54E(a)(1).''.

(3) Section 1397E is amended by adding at the end the following new subsection:

''(m) TERMINATION.—This section shall not apply to any obligation issued after the date of the enactment of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008.''.

(4) The table of sections for subpart I of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 54E. Qualified zone academy bonds.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

SEC. 314. INDIAN EMPLOYMENT CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

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

SEC. 315. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATIONS.

(a) IN GENERAL.—Paragraph (8) of section 168(j) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007.

SEC. 316. RAILROAD TRACK MAINTENANCE.

(a) IN GENERAL.—Subsection (f) of section 45G (relating to application of section) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2010''.

(b) CREDIT ALLOWED AGAINST ALTERNATIVE MINIMUM TAX.—Subparagraph (B) of section 38(c)(4), as amended by this Act, is amended—

(1) by redesignating clauses (v), (vi), and (vii) as clauses (vi), (vii), and (viii), respectively, and

(2) by inserting after clause (iv) the following new clause:

''(v) the credit determined under section 45G,''.

(c) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) shall apply to expenditures paid or incurred during taxable years beginning after December 31, 2007.

(2) The amendments made by subsection (b) shall apply to credits determined under section 45G of the Internal Revenue Code of 1986 in taxable years beginning after December 31, 2007, and to carrybacks of such credits.

SEC. 317. SEVEN-YEAR COST RECOVERY PERIOD FOR MOTORSPORTS RACING TRACK FACILITY.

(a) IN GENERAL.—Subparagraph (D) of section 168(i)(15) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007.

SEC. 318. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2007.

SEC. 319. EXTENSION OF WORK OPPORTUNITY TAX CREDIT FOR HURRICANE KATRINA EMPLOYEES.

(a) IN GENERAL.—Paragraph (1) of section 201(b) of the Katrina Emergency Tax Relief Act of 2005 is amended by striking ''2-year'' and inserting ''4-year''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals hired after August 27, 2007.

SEC. 320. EXTENSION OF INCREASED REHABILITATION CREDIT FOR STRUCTURES IN THE GULF OPPORTUNITY ZONE.

(a) IN GENERAL.—Subsection (h) of section 1400N is amended by striking ''December 31, 2008'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after the date of the enactment of this Act.

SEC. 321. ENHANCED DEDUCTION FOR QUALIFIED COMPUTER CONTRIBUTIONS.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made during taxable years beginning after December 31, 2007.

SEC. 322. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) DESIGNATION OF ZONE.—

(1) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''2007'' both places it appears and inserting ''2009''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods beginning after December 31, 2007.

(b) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—

(1) IN GENERAL.—Subsection (b) of section 1400A is amended by striking ''2007'' and inserting ''2009''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to bonds issued after December 31, 2007.

(c) ZERO PERCENT CAPITAL GAINS RATE.—

(1) IN GENERAL.—Subsection (b) of section 1400B is amended by striking ''2008'' each place it appears and inserting ''2010''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1400B(e)(2) is amended—

(i) by striking ''2012'' and inserting ''2014'', and

(ii) by striking ''2012'' in the heading thereof and inserting ''2014''.

(B) Section 1400B(g)(2) is amended by striking ''2012'' and inserting ''2014''.

(C) Section 1400F(d) is amended by striking ''2012'' and inserting ''2014''.

(3) EFFECTIVE DATES.—

(A) EXTENSION.—The amendments made by paragraph (1) shall apply to acquisitions after December 31, 2007.

(B) CONFORMING AMENDMENTS.—The amendments made by paragraph (2) shall take effect on the date of the enactment of this Act.

(d) FIRST-TIME HOMEBUYER CREDIT.—

(1) IN GENERAL.—Subsection (i) of section 1400C is amended by striking ''2008'' and inserting ''2010''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property purchased after December 31, 2007.

SEC. 323. ENHANCED CHARITABLE DEDUCTIONS FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) INCREASED AMOUNT OF DEDUCTION.—

(1) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to contributions made after December 31, 2007.

(b) TEMPORARY SUSPENSION OF LIMITATIONS ON CHARITABLE CONTRIBUTIONS.—

(1) IN GENERAL.—Section 170(b) is amended by adding at the end the following new paragraph:

''(3) TEMPORARY SUSPENSION OF LIMITATIONS ON CHARITABLE CONTRIBUTIONS.—In the case of a qualified farmer or rancher (as defined in paragraph (1)(E)(v)), any charitable contribution of food—

''(A) to which subsection (e)(3)(C) applies (without regard to clause (ii) thereof), and

''(B) which is made during the period beginning on the date of the enactment of this paragraph and before January 1, 2009,

shall be treated for purposes of paragraph (1)(E) or (2)(B), whichever is applicable, as if it were a qualified conservation contribution which is made by a qualified farmer or rancher and which otherwise meets the requirements of such paragraph.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 324. EXTENSION OF ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORY.

(a) EXTENSION.—Clause (iv) of section 170(e)(3)(D) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2009''.

(b) CLERICAL AMENDMENT.—Clause (iii) of section 170(e)(3)(D) (relating to certification by donee) is amended by inserting ''of books'' after ''to any contribution''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after December 31, 2007.

SEC. 325. EXTENSION AND MODIFICATION OF DUTY SUSPENSION ON WOOL PRODUCTS; WOOL RESEARCH FUND; WOOL DUTY REFUNDS.

(a) EXTENSION OF TEMPORARY DUTY REDUCTIONS.—Each of the following headings of the Harmonized Tariff Schedule of the United States is amended by striking the date in the effective period column and inserting ''12/31/2014'':

(1) Heading 9902.51.11 (relating to fabrics of worsted wool).

(2) Heading 9902.51.13 (relating to yarn of combed wool).

(3) Heading 9902.51.14 (relating to wool fiber, waste, garnetted stock, combed wool, or wool top).

(4) Heading 9902.51.15 (relating to fabrics of combed wool).

(5) Heading 9902.51.16 (relating to fabrics of combed wool).

(b) EXTENSION OF DUTY REFUNDS AND WOOL RESEARCH TRUST FUND.—

(1) IN GENERAL.—Section 4002(c) of the Wool Suit and Textile Trade Extension Act of 2004 (Public Law 108–429; 118 Stat. 2603) is amended—

(A) in paragraph (3)(C), by striking ''2010'' and inserting ''2015''; and

(B) in paragraph (6)(A), by striking ''through 2009'' and inserting ''through 2014''.

(2) SUNSET.—Section 506(f) of the Trade and Development Act of 2000 (Public 106–200; 114 Stat. 303 (7 U.S.C. 7101 note)) is amended by striking ''2010'' and inserting ''2015''.

TITLE IV—EXTENSION OF TAX ADMINISTRATION PROVISIONS

SEC. 401. PERMANENT AUTHORITY FOR UNDERCOVER OPERATIONS.

(a) IN GENERAL.—Section 7608(c) (relating to rules relating to undercover operations) is amended by striking paragraph (6).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to operations conducted after the date of the enactment of this Act.

SEC. 402. PERMANENT AUTHORITY FOR DISCLOSURE OF INFORMATION RELATING TO TERRORIST ACTIVITIES.

(a) DISCLOSURE OF RETURN INFORMATION TO APPRISE APPROPRIATE OFFICIALS OF TERRORIST ACTIVITIES.—Subparagraph (C) of section 6103(i)(3) is amended by striking clause (iv).

(b) DISCLOSURE UPON REQUEST OF INFORMATION RELATING TO TERRORIST ACTIVITIES.—Paragraph (7) of section 6103(i) is amended by striking subparagraph (E).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures after the date of the enactment of this Act.

TITLE V—ADDITIONAL TAX RELIEF AND OTHER TAX PROVISIONS

Subtitle A—General Provisions

SEC. 501. $8,500 INCOME THRESHOLD USED TO CALCULATE REFUNDABLE PORTION OF CHILD TAX CREDIT.

(a) IN GENERAL.—Section 24(d) is amended by adding at the end the following new paragraph:

''(4) SPECIAL RULE FOR 2008.—Notwithstanding paragraph (3), in the case of any taxable year beginning in 2008, the dollar amount in effect for such taxable year under paragraph (1)(B)(i) shall be $8,500.''.

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

SEC. 502. PROVISIONS RELATED TO FILM AND TELEVISION PRODUCTIONS.

(a) EXTENSION OF EXPENSING RULES FOR QUALIFIED FILM AND TELEVISION PRODUCTIONS.—Section 181(f) (relating to termination) is amended by striking ''December 31, 2008'' and inserting ''December 31, 2009''.

(b) MODIFICATION OF LIMITATION ON EXPENSING.—Subparagraph (A) of section 181(a)(2) is amended to read as follows:

''(A) IN GENERAL.—Paragraph (1) shall not apply to so much of the aggregate cost of any qualified film or television production as exceeds $15,000,000.''.

(c) MODIFICATIONS TO DEDUCTION FOR DOMESTIC ACTIVITIES.—

(1) DETERMINATION OF W–2 WAGES.—Paragraph (2) of section 199(b) is amended by adding at the end the following new subparagraph:

''(D) SPECIAL RULE FOR QUALIFIED FILM.—In the case of a qualified film, such term shall include compensation for services performed in the United States by actors, production personnel, directors, and producers.''.

(2) DEFINITION OF QUALIFIED FILM.—Paragraph (6) of section 199(c) is amended by adding at the end the following: ''A qualified film shall include any copyrights, trademarks, or other intangibles with respect to such film. The methods and means of distributing a qualified film shall not affect the availability of the deduction under this section.''.

(3) PARTNERSHIPS.—Subparagraph (A) of section 199(d)(1) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) in the case of each partner of a partnership, or shareholder of an S corporation, who owns (directly or indirectly) at least 20 percent of the capital interests in such partnership or of the stock of such S corporation—

''(I) such partner or shareholder shall be treated as having engaged directly in any film produced by such partnership or S corporation, and

''(II) such partnership or S corporation shall be treated as having engaged directly in any film produced by such partner or shareholder.''.

(d) CONFORMING AMENDMENT.—Section 181(d)(3)(A) is amended by striking ''actors'' and all that follows and inserting ''actors, production personnel, directors, and producers.''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to qualified film and television productions commencing after December 31, 2007.

(2) DEDUCTION.—The amendments made by subsection (c) shall apply to taxable years beginning after December 31, 2007.

SEC. 503. EXEMPTION FROM EXCISE TAX FOR CERTAIN WOODEN ARROWS DESIGNED FOR USE BY CHILDREN.

(a) IN GENERAL.—Paragraph (2) of section 4161(b) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

''(B) EXEMPTION FOR CERTAIN WOODEN ARROW SHAFTS.—Subparagraph (A) shall not apply to any shaft consisting of all natural wood with no laminations or artificial means of enhancing the spine of such shaft (whether sold separately or incorporated as part of a finished or unfinished product) of a type used in the manufacture of any arrow which after its assembly—

''(i) measures 5/16 of an inch or less in diameter, and

''(ii) is not suitable for use with a bow described in paragraph (1)(A).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to shafts first sold after the date of enactment of this Act.

SEC. 504. INCOME AVERAGING FOR AMOUNTS RECEIVED IN CONNECTION WITH THE EXXON VALDEZ LITIGATION.

(a) INCOME AVERAGING OF AMOUNTS RECEIVED FROM THE EXXON VALDEZ LITIGATION.—For purposes of section 1301 of the Internal Revenue Code of 1986—

(1) any qualified taxpayer who receives any qualified settlement income in any taxable year shall be treated as engaged in a fishing business (determined without regard to the commercial nature of the business), and

(2) such qualified settlement income shall be treated as income attributable to such a fishing business for such taxable year.

(b) CONTRIBUTIONS OF AMOUNTS RECEIVED TO RETIREMENT ACCOUNTS.—

(1) IN GENERAL.—Any qualified taxpayer who receives qualified settlement income during the taxable year may, at any time before the end of the taxable year in which such income was received, make one or more contributions to an eligible retirement plan of which such qualified taxpayer is a beneficiary in an aggregate amount not to exceed the lesser of—

(A) $100,000 (reduced by the amount of qualified settlement income contributed to an eligible retirement plan in prior taxable years pursuant to this subsection), or

(B) the amount of qualified settlement income received by the individual during the taxable year.

(2) TIME WHEN CONTRIBUTIONS DEEMED MADE.—For purposes of paragraph (1), a qualified taxpayer shall be deemed to have made a contribution to an eligible retirement plan on the last day of the taxable year in which such income is received if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

(3) TREATMENT OF CONTRIBUTIONS TO ELIGIBLE RETIREMENT PLANS.—For purposes of the Internal Revenue Code of 1986, if a contribution is made pursuant to paragraph (1) with respect to qualified settlement income, then—

(A) except as provided in paragraph (4)—

(i) to the extent of such contribution, the qualified settlement income shall not be included in taxable income, and

(ii) for purposes of section 72 of such Code, such contribution shall not be considered to be investment in the contract,

(B) the qualified taxpayer shall, to the extent of the amount of the contribution, be treated—

(i) as having received the qualified settlement income—

(I) in the case of a contribution to an individual retirement plan (as defined under section 7701(a)(37) of such Code), in a distribution described in section 408(d)(3) of such Code, and

(II) in the case of any other eligible retirement plan, in an eligible rollover distribution (as defined under section 402(f)(2) of such Code), and

(ii) as having transferred the amount to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution,

(C) section 408(d)(3)(B) of the Internal Revenue Code of 1986 shall not apply with respect to amounts treated as a rollover under this paragraph, and

(D) section 408A(c)(3)(B) of the Internal Revenue Code of 1986 shall not apply with respect to amounts contributed to a Roth IRA (as defined under section 408A(b) of such Code) or a designated Roth contribution to an applicable retirement plan (within the meaning of section 402A of such Code) under this paragraph.

(4) SPECIAL RULE FOR ROTH IRAS AND ROTH 401(k)S.—For purposes of the Internal Revenue Code of 1986, if a contribution is made pursuant to paragraph (1) with respect to qualified settlement income to a Roth IRA (as defined under section 408A(b) of such Code) or as a designated Roth contribution to an applicable retirement plan (within the meaning of section 402A of such Code), then—

(A) the qualified settlement income shall be includible in taxable income, and

(B) for purposes of section 72 of such Code, such contribution shall be considered to be investment in the contract.

(5) ELIGIBLE RETIREMENT PLAN.—For purpose of this subsection, the term ''eligible retirement plan'' has the meaning given such term under section 402(c)(8)(B) of the Internal Revenue Code of 1986.

(c) TREATMENT OF QUALIFIED SETTLEMENT INCOME UNDER EMPLOYMENT TAXES.—

(1) SECA.—For purposes of chapter 2 of the Internal Revenue Code of 1986 and section 211 of the Social Security Act, no portion of qualified settlement income received by a qualified taxpayer shall be treated as self-employment income.

(2) FICA.—For purposes of chapter 21 of the Internal Revenue Code of 1986 and section 209 of the Social Security Act, no portion of qualified settlement income received by a qualified taxpayer shall be treated as wages.

(d) QUALIFIED TAXPAYER.—For purposes of this section, the term ''qualified taxpayer'' means—

(1) any individual who is a plaintiff in the civil action In re Exxon Valdez, No. 89–095–CV (HRH) (Consolidated) (D. Alaska); or

(2) any individual who is a beneficiary of the estate of such a plaintiff who—

(A) acquired the right to receive qualified settlement income from that plaintiff; and

(B) was the spouse or an immediate relative of that plaintiff.

(e) QUALIFIED SETTLEMENT INCOME.—For purposes of this section, the term ''qualified settlement income'' means any interest and punitive damage awards which are—

(1) otherwise includible in taxable income, and

(2) received (whether as lump sums or periodic payments) in connection with the civil action In re Exxon Valdez, No. 89–095–CV (HRH) (Consolidated) (D. Alaska) (whether pre- or post-judgment and whether related to a settlement or judgment).

SEC. 505. CERTAIN FARMING BUSINESS MACHINERY AND EQUIPMENT TREATED AS 5-YEAR PROPERTY.

(a) IN GENERAL.—Section 168(e)(3)(B) (defining 5-year property) is amended by striking ''and'' at the end of clause (v), by striking the period at the end of clause (vi)(III) and inserting '', and'', and by inserting after clause (vi) the following new clause:

''(vii) any machinery or equipment (other than any grain bin, cotton ginning asset, fence, or other land improvement) which is used in a farming business (as defined in section 263A(e)(4)), the original use of which commences with the taxpayer after December 31, 2008, and which is placed in service before January 1, 2010.''.

(b) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) (relating to special rule for certain property assigned to classes) is amended by inserting after the item relating to subparagraph (B)(iii) the following:

(B)(vii) ..... 10''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2008.

SEC. 506. MODIFICATION OF PENALTY ON UNDERSTATEMENT OF TAXPAYER'S LIABILITY BY TAX RETURN PREPARER.

(a) IN GENERAL.—Subsection (a) of section 6694 is amended to read as follows:

''(a) UNDERSTATEMENT DUE TO UNREASONABLE POSITIONS.—

''(1) IN GENERAL.—If a tax return preparer—

''(A) prepares any return or claim of refund with respect to which any part of an understatement of liability is due to a position described in paragraph (2), and

''(B) knew (or reasonably should have known) of the position,

such tax return preparer shall pay a penalty with respect to each such return or claim in an amount equal to the greater of $1,000 or 50 percent of the income derived (or to be derived) by the tax return preparer with respect to the return or claim.

''(2) UNREASONABLE POSITION.—

''(A) IN GENERAL.—Except as otherwise provided in this paragraph, a position is described in this paragraph unless there is or was substantial authority for the position.

''(B) DISCLOSED POSITIONS.—If the position was disclosed as provided in section 6662(d)(2)(B)(ii)(I) and is not a position to which subparagraph (C) applies, the position is described in this paragraph unless there is a reasonable basis for the position.

''(C) TAX SHELTERS AND REPORTABLE TRANSACTIONS.—If the position is with respect to a tax shelter (as defined in section 6662(d)(2)(C)(ii)) or a reportable transaction to which section 6662A applies, the position is described in this paragraph unless it is reasonable to believe that the position would more likely than not be sustained on its merits.

''(3) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this subsection if it is shown that there is reasonable cause for the understatement and the tax return preparer acted in good faith.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply—

(1) in the case of a position other than a position described in subparagraph (C) of section 6694(a)(2) of the Internal Revenue Code of 1986 (as amended by this section), to returns prepared after May 25, 2007, and

(2) in the case of a position described in such subparagraph (C), to returns prepared for taxable years ending after the date of the enactment of this Act.

Subtitle B—Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008

SEC. 511. SHORT TITLE.

This subtitle may be cited as the ''Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008''.

SEC. 512. MENTAL HEALTH PARITY.

(a) AMENDMENTS TO ERISA.—Section 712 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a) is amended—

(1) in subsection (a), by adding at the end the following:

''(3) FINANCIAL REQUIREMENTS AND TREATMENT LIMITATIONS.—

''(A) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and mental health or substance use disorder benefits, such plan or coverage shall ensure that—

''(i) the financial requirements applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant financial requirements applied to substantially all medical and surgical benefits covered by the plan (or coverage), and there are no separate cost sharing requirements that are applicable only with respect to mental health or substance use disorder benefits; and

''(ii) the treatment limitations applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant treatment limitations applied to substantially all medical and surgical benefits covered by the plan (or coverage) and there are no separate treatment limitations that are applicable only with respect to mental health or substance use disorder benefits.

''(B) DEFINITIONS.—In this paragraph:

''(i) FINANCIAL REQUIREMENT.—The term 'financial requirement' includes deductibles, copayments, coinsurance, and out-of-pocket expenses, but excludes an aggregate lifetime limit and an annual limit subject to paragraphs (1) and (2),

''(ii) PREDOMINANT.—A financial requirement or treatment limit is considered to be predominant if it is the most common or frequent of such type of limit or requirement.

''(iii) TREATMENT LIMITATION.—The term 'treatment limitation' includes limits on the frequency of treatment, number of visits, days of coverage, or other similar limits on the scope or duration of treatment.

''(4) AVAILABILITY OF PLAN INFORMATION.—The criteria for medical necessity determinations made under the plan with respect to mental health or substance use disorder benefits (or the health insurance coverage offered in connection with the plan with respect to such benefits) shall be made available by the plan administrator (or the health insurance issuer offering such coverage) in accordance with regulations to any current or potential participant, beneficiary, or contracting provider upon request. The reason for any denial under the plan (or coverage) of reimbursement or payment for services with respect to mental health or substance use disorder benefits in the case of any participant or beneficiary shall, on request or as otherwise required, be made available by the plan administrator (or the health insurance issuer offering such coverage) to the participant or beneficiary in accordance with regulations.

''(5) OUT-OF-NETWORK PROVIDERS.—In the case of a plan or coverage that provides both medical and surgical benefits and mental health or substance use disorder benefits, if the plan or coverage provides coverage for medical or surgical benefits provided by out-of-network providers, the plan or coverage shall provide coverage for mental health or substance use disorder benefits provided by out-of-network providers in a manner that is consistent with the requirements of this section.'';

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

''(2) in the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides mental health or substance use disorder benefits, as affecting the terms and conditions of the plan or coverage relating to such benefits under the plan or coverage, except as provided in subsection (a).'';

(3) in subsection (c)—

(A) in paragraph (1)(B)—

(i) by inserting ''(or 1 in the case of an employer residing in a State that permits small groups to include a single individual)'' after ''at least 2'' the first place that such appears; and

(ii) by striking ''and who employs at least 2 employees on the first day of the plan year''; and

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

''(2) COST EXEMPTION.—

''(A) IN GENERAL.—With respect to a group health plan (or health insurance coverage offered in connection with such a plan), if the application of this section to such plan (or coverage) results in an increase for the plan year

involved of the actual total costs of coverage with respect to medical and surgical benefits and mental health and substance use disorder benefits under the plan (as determined and certified under subparagraph (C)) by an amount that exceeds the applicable percentage described in subparagraph (B) of the actual total plan costs, the provisions of this section shall not apply to such plan (or coverage) during the following plan year, and such exemption shall apply to the plan (or coverage) for 1 plan year. An employer may elect to continue to apply mental health and substance use disorder parity pursuant to this section with respect to the group health plan (or coverage) involved regardless of any increase in total costs.

''(B) APPLICABLE PERCENTAGE.—With respect to a plan (or coverage), the applicable percentage described in this subparagraph shall be—

''(i) 2 percent in the case of the first plan year in which this section is applied; and

''(ii) 1 percent in the case of each subsequent plan year.

''(C) DETERMINATIONS BY ACTUARIES.—Determinations as to increases in actual costs under a plan (or coverage) for purposes of this section shall be made and certified by a qualified and licensed actuary who is a member in good standing of the American Academy of Actuaries. All such determinations shall be in a written report prepared by the actuary. The report, and all underlying documentation relied upon by the actuary, shall be maintained by the group health plan or health insurance issuer for a period of 6 years following the notification made under subparagraph (E).

''(D) 6-MONTH DETERMINATIONS.—If a group health plan (or a health insurance issuer offering coverage in connection with a group health plan) seeks an exemption under this paragraph, determinations under subparagraph (A) shall be made after such plan (or coverage) has complied with this section for the first 6 months of the plan year involved.

''(E) NOTIFICATION.—

''(i) IN GENERAL.—A group health plan (or a health insurance issuer offering coverage in connection with a group health plan) that, based upon a certification described under subparagraph (C), qualifies for an exemption under this paragraph, and elects to implement the exemption, shall promptly notify the Secretary, the appropriate State agencies, and participants and beneficiaries in the plan of such election.

''(ii) REQUIREMENT.—A notification to the Secretary under clause (i) shall include—

''(I) a description of the number of covered lives under the plan (or coverage) involved at the time of the notification, and as applicable, at the time of any prior election of the cost-exemption under this paragraph by such plan (or coverage);

''(II) for both the plan year upon which a cost exemption is sought and the year prior, a description of the actual total costs of coverage with respect to medical and surgical benefits and mental health and substance use disorder benefits under the plan; and

''(III) for both the plan year upon which a cost exemption is sought and the year prior, the actual total costs of coverage with respect to mental health and substance use disorder benefits under the plan.

''(iii) CONFIDENTIALITY.—A notification to the Secretary under clause (i) shall be confidential. The Secretary shall make available, upon request and on not more than an annual basis, an anonymous itemization of such notifications, that includes—

''(I) a breakdown of States by the size and type of employers submitting such notification; and

''(II) a summary of the data received under clause (ii).

''(F) AUDITS BY APPROPRIATE AGENCIES.—To determine compliance with this paragraph, the Secretary may audit the books and records of a group health plan or health insurance issuer relating to an exemption, including any actuarial reports prepared pursuant to subparagraph (C), during the 6 year period following the notification of such exemption under subparagraph (E). A State agency receiving a notification under subparagraph (E) may also conduct such an audit with respect to an exemption covered by such notification.'';

(4) in subsection (e), by striking paragraph (4) and inserting the following:

''(4) MENTAL HEALTH BENEFITS.—The term 'mental health benefits' means benefits with respect to services for mental health conditions, as defined under the terms of the plan and in accordance with applicable Federal and State law.

''(5) SUBSTANCE USE DISORDER BENEFITS.—The term 'substance use disorder benefits' means benefits with respect to services for substance use disorders, as defined under the terms of the plan and in accordance with applicable Federal and State law.'';

(5) by striking subsection (f);

(6) by inserting after subsection (e) the following:

''(f) SECRETARY REPORT.—The Secretary shall, by January 1, 2012, and every two years thereafter, submit to the appropriate committees of Congress a report on compliance of group health plans (and health insurance coverage offered in connection with such plans) with the requirements of this section. Such report shall include the results of any surveys or audits on compliance of group health plans (and health insurance coverage offered in connection with such plans) with such requirements and an analysis of the reasons for any failures to comply.

''(g) NOTICE AND ASSISTANCE.—The Secretary, in cooperation with the Secretaries of Health and Human Services and Treasury, as appropriate, shall publish and widely disseminate guidance and information for group health plans, participants and beneficiaries, applicable State and local regulatory bodies, and the National Association of Insurance Commissioners concerning the requirements of this section and shall provide assistance concerning such requirements and the continued operation of applicable State law. Such guidance and information shall inform participants and beneficiaries of how they may obtain assistance under this section, including, where appropriate, assistance from State consumer and insurance agencies.'';

(7) by striking ''mental health benefits'' and inserting ''mental health and substance use disorder benefits'' each place it appears in subsections (a)(1)(B)(i), (a)(1)(C), (a)(2)(B)(i), and (a)(2)(C); and

(8) by striking ''mental health benefits'' and inserting ''mental health or substance use disorder benefits'' each place it appears (other than in any provision amended by the previous paragraph).

(b) AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.—Section 2705 of the Public Health Service Act (42 U.S.C. 300gg–5) is amended—

(1) in subsection (a), by adding at the end the following:

''(3) FINANCIAL REQUIREMENTS AND TREATMENT LIMITATIONS.—

''(A) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and mental health or substance use disorder benefits, such plan or coverage shall ensure that—

''(i) the financial requirements applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant financial requirements applied to substantially all medical and surgical benefits covered by the plan (or coverage), and there are no separate cost sharing requirements that are applicable only with respect to mental health or substance use disorder benefits; and

''(ii) the treatment limitations applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant treatment limitations applied to substantially all medical and surgical benefits covered by the plan (or coverage) and there are no separate treatment limitations that are applicable only with respect to mental health or substance use disorder benefits.

''(B) DEFINITIONS.—In this paragraph:

''(i) FINANCIAL REQUIREMENT.—The term 'financial requirement' includes deductibles, copayments, coinsurance, and out-of-pocket expenses, but excludes an aggregate lifetime limit and an annual limit subject to paragraphs (1) and (2).

''(ii) PREDOMINANT.—A financial requirement or treatment limit is considered to be predominant if it is the most common or frequent of such type of limit or requirement.

''(iii) TREATMENT LIMITATION.—The term 'treatment limitation' includes limits on the frequency of treatment, number of visits, days of coverage, or other similar limits on the scope or duration of treatment.

''(4) AVAILABILITY OF PLAN INFORMATION.—The criteria for medical necessity determinations made under the plan with respect to mental health or substance use disorder benefits (or the health insurance coverage offered in connection with the plan with respect to such benefits) shall be made available by the plan administrator (or the health insurance issuer offering such coverage) in accordance with regulations to any current or potential participant, beneficiary, or contracting provider upon request. The reason for any denial under the plan (or coverage) of reimbursement or payment for services with respect to mental health or substance use disorder benefits in the case of any participant or beneficiary shall, on request or as otherwise required, be made available by the plan administrator (or the health insurance issuer offering such coverage) to the participant or beneficiary in accordance with regulations.

''(5) OUT-OF-NETWORK PROVIDERS.—In the case of a plan or coverage that provides both medical and surgical benefits and mental health or substance use disorder benefits, if the plan or coverage provides coverage for medical or surgical benefits provided by out-of-network providers, the plan or coverage shall provide coverage for mental health or substance use disorder benefits provided by out-of-network providers in a manner that is consistent with the requirements of this section.'';

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

''(2) in the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides mental health or substance use disorder benefits, as affecting the terms and conditions of the plan or coverage relating to such benefits under the plan or coverage, except as provided in subsection (a).'';

(3) in subsection (c)—

(A) in paragraph (1), by inserting before the period the following: ''(as defined in section 2791(e)(4), except that for purposes of this paragraph such term shall include employers with 1 employee in the case of an employer residing in a State that permits small groups to include a single individual)''; and

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

''(2) COST EXEMPTION.—

''(A) IN GENERAL.—With respect to a group health plan (or health insurance coverage offered in connection with such a plan), if the application of this section to such plan (or coverage) results in an increase for the plan year involved of the actual total costs of coverage with respect to medical and surgical benefits and mental health and substance use disorder benefits under the plan (as determined and certified under subparagraph (C)) by an amount that exceeds the applicable percentage described in subparagraph (B) of the actual total plan costs, the provisions of this section shall not apply to such plan (or coverage) during the following plan year, and such exemption shall

apply to the plan (or coverage) for 1 plan year. An employer may elect to continue to apply mental health and substance use disorder parity pursuant to this section with respect to the group health plan (or coverage) involved regardless of any increase in total costs.

''(B) APPLICABLE PERCENTAGE.—With respect to a plan (or coverage), the applicable percentage described in this subparagraph shall be—

''(i) 2 percent in the case of the first plan year in which this section is applied; and

''(ii) 1 percent in the case of each subsequent plan year.

''(C) DETERMINATIONS BY ACTUARIES.—Determinations as to increases in actual costs under a plan (or coverage) for purposes of this section shall be made and certified by a qualified and licensed actuary who is a member in good standing of the American Academy of Actuaries. All such determinations shall be in a written report prepared by the actuary. The report, and all underlying documentation relied upon by the actuary, shall be maintained by the group health plan or health insurance issuer for a period of 6 years following the notification made under subparagraph (E).

''(D) 6-MONTH DETERMINATIONS.—If a group health plan (or a health insurance issuer offering coverage in connection with a group health plan) seeks an exemption under this paragraph, determinations under subparagraph (A) shall be made after such plan (or coverage) has complied with this section for the first 6 months of the plan year involved.

''(E) NOTIFICATION.—

''(i) IN GENERAL.—A group health plan (or a health insurance issuer offering coverage in connection with a group health plan) that, based upon a certification described under subparagraph (C), qualifies for an exemption under this paragraph, and elects to implement the exemption, shall promptly notify the Secretary, the appropriate State agencies, and participants and beneficiaries in the plan of such election.

''(ii) REQUIREMENT.—A notification to the Secretary under clause (i) shall include—

''(I) a description of the number of covered lives under the plan (or coverage) involved at the time of the notification, and as applicable, at the time of any prior election of the cost-exemption under this paragraph by such plan (or coverage);

''(II) for both the plan year upon which a cost exemption is sought and the year prior, a description of the actual total costs of coverage with respect to medical and surgical benefits and mental health and substance use disorder benefits under the plan; and

''(III) for both the plan year upon which a cost exemption is sought and the year prior, the actual total costs of coverage with respect to mental health and substance use disorder benefits under the plan.

''(iii) CONFIDENTIALITY.—A notification to the Secretary under clause (i) shall be confidential. The Secretary shall make available, upon request and on not more than an annual basis, an anonymous itemization of such notifications, that includes—

''(I) a breakdown of States by the size and type of employers submitting such notification; and

''(II) a summary of the data received under clause (ii).

''(F) AUDITS BY APPROPRIATE AGENCIES.—To determine compliance with this paragraph, the Secretary may audit the books and records of a group health plan or health insurance issuer relating to an exemption, including any actuarial reports prepared pursuant to subparagraph (C), during the 6 year period following the notification of such exemption under subparagraph (E). A State agency receiving a notification under subparagraph (E) may also conduct such an audit with respect to an exemption covered by such notification.'';

(4) in subsection (e), by striking paragraph (4) and inserting the following:

''(4) MENTAL HEALTH BENEFITS.—The term 'mental health benefits' means benefits with respect to services for mental health conditions, as defined under the terms of the plan and in accordance with applicable Federal and State law.

''(5) SUBSTANCE USE DISORDER BENEFITS.—The term 'substance use disorder benefits' means benefits with respect to services for substance use disorders, as defined under the terms of the plan and in accordance with applicable Federal and State law.'';

(5) by striking subsection (f);

(6) by striking ''mental health benefits'' and inserting ''mental health and substance use disorder benefits'' each place it appears in subsections (a)(1)(B)(i), (a)(1)(C), (a)(2)(B)(i), and (a)(2)(C); and

(7) by striking ''mental health benefits'' and inserting ''mental health or substance use disorder benefits'' each place it appears (other than in any provision amended by the previous paragraph).

(c) AMENDMENTS TO INTERNAL REVENUE CODE.—Section 9812 of the Internal Revenue Code of 1986 is amended—

(1) in subsection (a), by adding at the end the following:

''(3) FINANCIAL REQUIREMENTS AND TREATMENT LIMITATIONS.—

''(A) IN GENERAL.—In the case of a group health plan that provides both medical and surgical benefits and mental health or substance use disorder benefits, such plan shall ensure that—

''(i) the financial requirements applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant financial requirements applied to substantially all medical and surgical benefits covered by the plan, and there are no separate cost sharing requirements that are applicable only with respect to mental health or substance use disorder benefits; and

''(ii) the treatment limitations applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant treatment limitations applied to substantially all medical and surgical benefits covered by the plan and there are no separate treatment limitations that are applicable only with respect to mental health or substance use disorder benefits.

''(B) DEFINITIONS.—In this paragraph:

''(i) FINANCIAL REQUIREMENT.—The term 'financial requirement' includes deductibles, copayments, coinsurance, and out-of-pocket expenses, but excludes an aggregate lifetime limit and an annual limit subject to paragraphs (1) and (2),

''(ii) PREDOMINANT.—A financial requirement or treatment limit is considered to be predominant if it is the most common or frequent of such type of limit or requirement.

''(iii) TREATMENT LIMITATION.—The term 'treatment limitation' includes limits on the frequency of treatment, number of visits, days of coverage, or other similar limits on the scope or duration of treatment.

''(4) AVAILABILITY OF PLAN INFORMATION.—The criteria for medical necessity determinations made under the plan with respect to mental health or substance use disorder benefits shall be made available by the plan administrator in accordance with regulations to any current or potential participant, beneficiary, or contracting provider upon request. The reason for any denial under the plan of reimbursement or payment for services with respect to mental health or substance use disorder benefits in the case of any participant or beneficiary shall, on request or as otherwise required, be made available by the plan administrator to the participant or beneficiary in accordance with regulations.

''(5) OUT-OF-NETWORK PROVIDERS.—In the case of a plan that provides both medical and surgical benefits and mental health or substance use disorder benefits, if the plan provides coverage for medical or surgical benefits provided by out-of-network providers, the plan shall provide coverage for mental health or substance use disorder benefits provided by out-of-network providers in a manner that is consistent with the requirements of this section.'';

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

''(2) in the case of a group health plan that provides mental health or substance use disorder benefits, as affecting the terms and conditions of the plan relating to such benefits under the plan, except as provided in subsection (a).'';

(3) in subsection (c)—

(A) by amending paragraph (1) to read as follows:

''(1) SMALL EMPLOYER EXEMPTION.—

''(A) IN GENERAL.—This section shall not apply to any group health plan for any plan year of a small employer.

''(B) SMALL EMPLOYER.—For purposes of subparagraph (A), the term 'small employer' means, with respect to a calendar year and a plan year, an employer who employed an average of at least 2 (or 1 in the case of an employer residing in a State that permits small groups to include a single individual) but not more than 50 employees on business days during the preceding calendar year. For purposes of the preceding sentence, all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as 1 employer and rules similar to rules of subparagraphs (B) and (C) of section 4980D(d)(2) shall apply.''; and

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

''(2) COST EXEMPTION.—

''(A) IN GENERAL.—With respect to a group health plan, if the application of this section to such plan results in an increase for the plan year involved of the actual total costs of coverage with respect to medical and surgical benefits and mental health and substance use disorder benefits under the plan (as determined and certified under subparagraph (C)) by an amount that exceeds the applicable percentage described in subparagraph (B) of the actual total plan costs, the provisions of this section shall not apply to such plan during the following plan year, and such exemption shall apply to the plan for 1 plan year. An employer may elect to continue to apply mental health and substance use disorder parity pursuant to this section with respect to the group health plan involved regardless of any increase in total costs.

''(B) APPLICABLE PERCENTAGE.—With respect to a plan, the applicable percentage described in this subparagraph shall be—

''(i) 2 percent in the case of the first plan year in which this section is applied; and

''(ii) 1 percent in the case of each subsequent plan year.

''(C) DETERMINATIONS BY ACTUARIES.—Determinations as to increases in actual costs under a plan for purposes of this section shall be made and certified by a qualified and licensed actuary who is a member in good standing of the American Academy of Actuaries. All such determinations shall be in a written report prepared by the actuary. The report, and all underlying documentation relied upon by the actuary, shall be maintained by the group health plan for a period of 6 years following the notification made under subparagraph (E).

''(D) 6-MONTH DETERMINATIONS.—If a group health plan seeks an exemption under this paragraph, determinations under subparagraph (A) shall be made after such plan has complied with this section for the first 6 months of the plan year involved.

''(E) NOTIFICATION.—

''(i) IN GENERAL.—A group health plan that, based upon a certification described under subparagraph (C), qualifies for an exemption under this paragraph, and elects to implement the exemption, shall promptly notify the Secretary, the appropriate State agencies, and participants and beneficiaries in the plan of such election.

''(ii) REQUIREMENT.—A notification to the Secretary under clause (i) shall include—

''(I) a description of the number of covered lives under the plan involved at the time of the notification, and as applicable, at the time of any prior election of the cost-exemption under this paragraph by such plan;

''(II) for both the plan year upon which a cost exemption is sought and the year prior, a description of the actual total costs of coverage with respect to medical and surgical benefits and mental health and substance use disorder benefits under the plan; and

''(III) for both the plan year upon which a cost exemption is sought and the year prior, the actual total costs of coverage with respect to mental health and substance use disorder benefits under the plan.

''(iii) CONFIDENTIALITY.—A notification to the Secretary under clause (i) shall be confidential. The Secretary shall make available, upon request and on not more than an annual basis, an anonymous itemization of such notifications, that includes—

''(I) a breakdown of States by the size and type of employers submitting such notification; and

''(II) a summary of the data received under clause (ii).

''(F) AUDITS BY APPROPRIATE AGENCIES.—To determine compliance with this paragraph, the Secretary may audit the books and records of a group health plan relating to an exemption, including any actuarial reports prepared pursuant to subparagraph (C), during the 6 year period following the notification of such exemption under subparagraph (E). A State agency receiving a notification under subparagraph (E) may also conduct such an audit with respect to an exemption covered by such notification.'';

(4) in subsection (e), by striking paragraph (4) and inserting the following:

''(4) MENTAL HEALTH BENEFITS.—The term 'mental health benefits' means benefits with respect to services for mental health conditions, as defined under the terms of the plan and in accordance with applicable Federal and State law.

''(5) SUBSTANCE USE DISORDER BENEFITS.—The term 'substance use disorder benefits' means benefits with respect to services for substance use disorders, as defined under the terms of the plan and in accordance with applicable Federal and State law.'';

(5) by striking subsection (f);

(6) by striking ''mental health benefits'' and inserting ''mental health and substance use disorder benefits'' each place it appears in subsections (a)(1)(B)(i), (a)(1)(C), (a)(2)(B)(i), and (a)(2)(C); and

(7) by striking ''mental health benefits'' and inserting ''mental health or substance use disorder benefits'' each place it appears (other than in any provision amended by the previous paragraph).

(d) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretaries of Labor, Health and Human Services, and the Treasury shall issue regulations to carry out the amendments made by subsections (a), (b), and (c), respectively.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to group health plans for plan years beginning after the date that is 1 year after the date of enactment of this Act, regardless of whether regulations have been issued to carry out such amendments by such effective date, except that the amendments made by subsections (a)(5), (b)(5), and (c)(5), relating to striking of certain sunset provisions, shall take effect on January 1, 2009.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to plan years beginning before the later of—

(A) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) January 1, 2009.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

(f) ASSURING COORDINATION.—The Secretary of Health and Human Services, the Secretary of Labor, and the Secretary of the Treasury may ensure, through the execution or revision of an interagency memorandum of understanding among such Secretaries, that—

(1) regulations, rulings, and interpretations issued by such Secretaries relating to the same matter over which two or more such Secretaries have responsibility under this section (and the amendments made by this section) are administered so as to have the same effect at all times; and

(2) coordination of policies relating to enforcing the same requirements through such Secretaries in order to have a coordinated enforcement strategy that avoids duplication of enforcement efforts and assigns priorities in enforcement.

(g) CONFORMING CLERICAL AMENDMENTS.—

(1) ERISA HEADING.—

(A) IN GENERAL.—The heading of section 712 of the Employee Retirement Income Security Act of 1974 is amended to read as follows:

''SEC. 712. PARITY IN MENTAL HEALTH AND SUBSTANCE USE DISORDER BENEFITS.''.

(B) CLERICAL AMENDMENT.—The table of contents in section 1 of such Act is amended by striking the item relating to section 712 and inserting the following new item:

''Sec. 712. Parity in mental health and substance use disorder benefits.''.

(2) PHSA HEADING.—The heading of section 2705 of the Public Health Service Act is amended to read as follows:

''SEC. 2705. PARITY IN MENTAL HEALTH AND SUBSTANCE USE DISORDER BENEFITS.''.

(3) IRC HEADING.—

(A) IN GENERAL.—The heading of section 9812 of the Internal Revenue Code of 1986 is amended to read as follows:

''SEC. 9812. PARITY IN MENTAL HEALTH AND SUBSTANCE USE DISORDER BENEFITS.''.

(B) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 100 of such Code is amended by striking the item relating to section 9812 and inserting the following new item:

''Sec. 9812. Parity in mental health and substance use disorder benefits.''.

(h) GAO STUDY ON COVERAGE AND EXCLUSION OF MENTAL HEALTH AND SUBSTANCE USE DISORDER DIAGNOSES.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study that analyzes the specific rates, patterns, and trends in coverage and exclusion of specific mental health and substance use disorder diagnoses by health plans and health insurance. The study shall include an analysis of—

(A) specific coverage rates for all mental health conditions and substance use disorders;

(B) which diagnoses are most commonly covered or excluded;

(C) whether implementation of this Act has affected trends in coverage or exclusion of such diagnoses; and

(D) the impact of covering or excluding specific diagnoses on participants' and enrollees' health, their health care coverage, and the costs of delivering health care.

(2) REPORTS.—Not later than 3 years after the date of the enactment of this Act, and 2 years after the date of submission the first report under this paragraph, the Comptroller General shall submit to Congress a report on the results of the study conducted under paragraph (1).

TITLE VI—OTHER PROVISIONS

SEC. 601. SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION PROGRAM.

(a) REAUTHORIZATION OF THE SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT OF 2000.—The Secure Rural Schools and Community Self-Determination Act of 2000 (16 U.S.C. 500 note; Public Law 106–393) is amended by striking sections 1 through 403 and inserting the following:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'Secure Rural Schools and Community Self-Determination Act of 2000'.

''SEC. 2. PURPOSES.

''The purposes of this Act are—

''(1) to stabilize and transition payments to counties to provide funding for schools and roads that supplements other available funds;

''(2) to make additional investments in, and create additional employment opportunities through, projects that—

''(A)(i) improve the maintenance of existing infrastructure;

''(ii) implement stewardship objectives that enhance forest ecosystems; and

''(iii) restore and improve land health and water quality;

''(B) enjoy broad-based support; and

''(C) have objectives that may include—

''(i) road, trail, and infrastructure maintenance or obliteration;

''(ii) soil productivity improvement;

''(iii) improvements in forest ecosystem health;

''(iv) watershed restoration and maintenance;

''(v) the restoration, maintenance, and improvement of wildlife and fish habitat;

''(vi) the control of noxious and exotic weeds; and

''(vii) the reestablishment of native species; and

''(3) to improve cooperative relationships among—

''(A) the people that use and care for Federal land; and

''(B) the agencies that manage the Federal land.

''SEC. 3. DEFINITIONS.

''In this Act:

''(1) ADJUSTED SHARE.—The term 'adjusted share' means the number equal to the quotient obtained by dividing—

''(A) the number equal to the quotient obtained by dividing—

''(i) the base share for the eligible county; by

''(ii) the income adjustment for the eligible county; by

''(B) the number equal to the sum of the quotients obtained under subparagraph (A) and paragraph (8)(A) for all eligible counties.

''(2) BASE SHARE.—The term 'base share' means the number equal to the average of—

''(A) the quotient obtained by dividing—

''(i) the number of acres of Federal land described in paragraph (7)(A) in each eligible county; by

''(ii) the total number acres of Federal land in all eligible counties in all eligible States; and

''(B) the quotient obtained by dividing—

''(i) the amount equal to the average of the 3 highest 25-percent payments and safety net payments made to each eligible State for each eligible county during the eligibility period; by

''(ii) the amount equal to the sum of the amounts calculated under clause (i) and paragraph (9)(B)(i) for all eligible counties in all eligible States during the eligibility period.

''(3) COUNTY PAYMENT.—The term 'county payment' means the payment for an eligible county calculated under section 101(b).

''(4) ELIGIBLE COUNTY.—The term 'eligible county' means any county that—

''(A) contains Federal land (as defined in paragraph (7)); and

''(B) elects to receive a share of the State payment or the county payment under section 102(b).

''(5) ELIGIBILITY PERIOD.—The term 'eligibility period' means fiscal year 1986 through fiscal year 1999.

''(6) ELIGIBLE STATE.—The term 'eligible State' means a State or territory of the United States that received a 25-percent payment for 1 or more fiscal years of the eligibility period.

''(7) FEDERAL LAND.—The term 'Federal land' means—

''(A) land within the National Forest System, as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)) exclusive of the National Grasslands and land utilization projects designated as National Grasslands administered pursuant to the Act of July 22, 1937 (7 U.S.C. 1010–1012); and

''(B) such portions of the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land as are or may hereafter come under the jurisdiction of the Department of the Interior, which have heretofore or may hereafter be classified as timberlands, and power-site land valuable for timber, that shall be managed, except as provided in the former section 3 of the Act of August 28, 1937 (50 Stat. 875; 43 U.S.C. 1181c), for permanent forest production.

''(8) 50-PERCENT ADJUSTED SHARE.—The term '50-percent adjusted share' means the number equal to the quotient obtained by dividing—

''(A) the number equal to the quotient obtained by dividing—

''(i) the 50-percent base share for the eligible county; by

''(ii) the income adjustment for the eligible county; by

''(B) the number equal to the sum of the quotients obtained under subparagraph (A) and paragraph (1)(A) for all eligible counties.

''(9) 50-PERCENT BASE SHARE.—The term '50-percent base share' means the number equal to the average of—

''(A) the quotient obtained by dividing—

''(i) the number of acres of Federal land described in paragraph (7)(B) in each eligible county; by

''(ii) the total number acres of Federal land in all eligible counties in all eligible States; and

''(B) the quotient obtained by dividing—

''(i) the amount equal to the average of the 3 highest 50-percent payments made to each eligible county during the eligibility period; by

''(ii) the amount equal to the sum of the amounts calculated under clause (i) and paragraph (2)(B)(i) for all eligible counties in all eligible States during the eligibility period.

''(10) 50-PERCENT PAYMENT.—The term '50-percent payment' means the payment that is the sum of the 50-percent share otherwise paid to a county pursuant to title II of the Act of August 28, 1937 (chapter 876; 50 Stat. 875; 43 U.S.C. 1181f), and the payment made to a county pursuant to the Act of May 24, 1939 (chapter 144; 53 Stat. 753; 43 U.S.C. 1181f–1 et seq.).

''(11) FULL FUNDING AMOUNT.—The term 'full funding amount' means—

''(A) $500,000,000 for fiscal year 2008; and

''(B) for fiscal year 2009 and each fiscal year thereafter, the amount that is equal to 90 percent of the full funding amount for the preceding fiscal year.

''(12) INCOME ADJUSTMENT.—The term 'income adjustment' means the square of the quotient obtained by dividing—

''(A) the per capita personal income for each eligible county; by

''(B) the median per capita personal income of all eligible counties.

''(13) PER CAPITA PERSONAL INCOME.—The term 'per capita personal income' means the most recent per capita personal income data, as determined by the Bureau of Economic Analysis.

''(14) SAFETY NET PAYMENTS.—The term 'safety net payments' means the special payment amounts paid to States and counties required by section 13982 or 13983 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66; 16 U.S.C. 500 note; 43 U.S.C. 1181f note).

''(15) SECRETARY CONCERNED.—The term 'Secretary concerned' means—

''(A) the Secretary of Agriculture or the designee of the Secretary of Agriculture with respect to the Federal land described in paragraph (7)(A); and

''(B) the Secretary of the Interior or the designee of the Secretary of the Interior with respect to the Federal land described in paragraph (7)(B).

''(16) STATE PAYMENT.—The term 'State payment' means the payment for an eligible State calculated under section 101(a).

''(17) 25-PERCENT PAYMENT.—The term '25-percent payment' means the payment to States required by the sixth paragraph under the heading of 'FOREST SERVICE' in the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

''TITLE I—SECURE PAYMENTS FOR STATES AND COUNTIES CONTAINING FEDERAL LAND

''SEC. 101. SECURE PAYMENTS FOR STATES CONTAINING FEDERAL LAND.

''(a) STATE PAYMENT.—For each of fiscal years 2008 through 2011, the Secretary of Agriculture shall calculate for each eligible State an amount equal to the sum of the products obtained by multiplying—

''(1) the adjusted share for each eligible county within the eligible State; by

''(2) the full funding amount for the fiscal year.

''(b) COUNTY PAYMENT.—For each of fiscal years 2008 through 2011, the Secretary of the Interior shall calculate for each eligible county that received a 50-percent payment during the eligibility period an amount equal to the product obtained by multiplying—

''(1) the 50-percent adjusted share for the eligible county; by

''(2) the full funding amount for the fiscal year.

''SEC. 102. PAYMENTS TO STATES AND COUNTIES.

''(a) PAYMENT AMOUNTS.—Except as provided in section 103, the Secretary of the Treasury shall pay to—

''(1) a State or territory of the United States an amount equal to the sum of the amounts elected under subsection (b) by each county within the State or territory for—

''(A) if the county is eligible for the 25-percent payment, the share of the 25-percent payment; or

''(B) the share of the State payment of the eligible county; and

''(2) a county an amount equal to the amount elected under subsection (b) by each county for—

''(A) if the county is eligible for the 50-percent payment, the 50-percent payment; or

''(B) the county payment for the eligible county.

''(b) ELECTION TO RECEIVE PAYMENT AMOUNT.—

''(1) ELECTION; SUBMISSION OF RESULTS.—

''(A) IN GENERAL.—The election to receive a share of the State payment, the county payment, a share of the State payment and the county payment, a share of the 25-percent payment, the 50-percent payment, or a share of the 25-percent payment and the 50-percent payment, as applicable, shall be made at the discretion of each affected county by August 1, 2008 (or as soon thereafter as the Secretary concerned determines is practicable), and August 1 of each second fiscal year thereafter, in accordance with paragraph (2), and transmitted to the Secretary concerned by the Governor of each eligible State.

''(B) FAILURE TO TRANSMIT.—If an election for an affected county is not transmitted to the Secretary concerned by the date specified under subparagraph (A), the affected county shall be considered to have elected to receive a share of the State payment, the county payment, or a share of the State payment and the county payment, as applicable.

''(2) DURATION OF ELECTION.—

''(A) IN GENERAL.—A county election to receive a share of the 25-percent payment or 50-percent payment, as applicable, shall be effective for 2 fiscal years.

''(B) FULL FUNDING AMOUNT.—If a county elects to receive a share of the State payment or the county payment, the election shall be effective for all subsequent fiscal years through fiscal year 2011.

''(3) SOURCE OF PAYMENT AMOUNTS.—The payment to an eligible State or eligible county under this section for a fiscal year shall be derived from—

''(A) any amounts that are appropriated to carry out this Act;

''(B) any revenues, fees, penalties, or miscellaneous receipts, exclusive of deposits to any relevant trust fund, special account, or permanent operating funds, received by the Federal Government from activities by the Bureau of Land Management or the Forest Service on the applicable Federal land; and

''(C) to the extent of any shortfall, out of any amounts in the Treasury of the United States not otherwise appropriated.

''(c) DISTRIBUTION AND EXPENDITURE OF PAYMENTS.—

''(1) DISTRIBUTION METHOD.—A State that receives a payment under subsection (a) for Federal land described in section 3(7)(A) shall distribute the appropriate payment amount among the appropriate counties in the State in accordance with—

''(A) the Act of May 23, 1908 (16 U.S.C. 500); and

''(B) section 13 of the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500).

''(2) EXPENDITURE PURPOSES.—Subject to subsection (d), payments received by a State under subsection (a) and distributed to counties in accordance with paragraph (1) shall be expended as required by the laws referred to in paragraph (1).

''(d) EXPENDITURE RULES FOR ELIGIBLE COUNTIES.—

''(1) ALLOCATIONS.—

''(A) USE OF PORTION IN SAME MANNER AS 25-PERCENT PAYMENT OR 50-PERCENT PAYMENT, AS APPLICABLE.—Except as provided in paragraph (3)(B), if an eligible county elects to receive its share of the State payment or the county payment, not less than 80 percent, but not more than 85 percent, of the funds shall be expended in the same manner in which the 25-percent payments or 50-percent payment, as applicable, are required to be expended.

''(B) ELECTION AS TO USE OF BALANCE.—Except as provided in subparagraph (C), an eligible county shall elect to do 1 or more of the following with the balance of any funds not expended pursuant to subparagraph (A):

''(i) Reserve any portion of the balance for projects in accordance with title II.

''(ii) Reserve not more than 7 percent of the total share for the eligible county of the State payment or the county payment for projects in accordance with title III.

''(iii) Return the portion of the balance not reserved under clauses (i) and (ii) to the Treasury of the United States.

''(C) COUNTIES WITH MODEST DISTRIBUTIONS.—In the case of each eligible county to which more than $100,000, but less than $350,000, is distributed for any fiscal year pursuant to either or both of paragraphs (1)(B) and (2)(B) of subsection (a), the eligible county, with respect to

the balance of any funds not expended pursuant to subparagraph (A) for that fiscal year, shall—

''(i) reserve any portion of the balance for—

''(I) carrying out projects under title II;

''(II) carrying out projects under title III; or

''(III) a combination of the purposes described in subclauses (I) and (II); or

''(ii) return the portion of the balance not reserved under clause (i) to the Treasury of the United States.

''(2) DISTRIBUTION OF FUNDS.—

''(A) IN GENERAL.—Funds reserved by an eligible county under subparagraph (B)(i) or (C)(i) of paragraph (1) for carrying out projects under title II shall be deposited in a special account in the Treasury of the United States.

''(B) AVAILABILITY.—Amounts deposited under subparagraph (A) shall—

''(i) be available for expenditure by the Secretary concerned, without further appropriation; and

''(ii) remain available until expended in accordance with title II.

''(3) ELECTION.—

''(A) NOTIFICATION.—

''(i) IN GENERAL.—An eligible county shall notify the Secretary concerned of an election by the eligible county under this subsection not later than September 30, 2008 (or as soon thereafter as the Secretary concerned determines is practicable), and each September 30 thereafter for each succeeding fiscal year.

''(ii) FAILURE TO ELECT.—Except as provided in subparagraph (B), if the eligible county fails to make an election by the date specified in clause (i), the eligible county shall—

''(I) be considered to have elected to expend 85 percent of the funds in accordance with paragraph (1)(A); and

''(II) return the balance to the Treasury of the United States.

''(B) COUNTIES WITH MINOR DISTRIBUTIONS.—In the case of each eligible county to which less than $100,000 is distributed for any fiscal year pursuant to either or both of paragraphs (1)(B) and (2)(B) of subsection (a), the eligible county may elect to expend all the funds in the same manner in which the 25-percent payments or 50-percent payments, as applicable, are required to be expended.

''(e) TIME FOR PAYMENT.—The payments required under this section for a fiscal year shall be made as soon as practicable after the end of that fiscal year.

"SEC. 103. TRANSITION PAYMENTS TO STATES.

''(a) DEFINITIONS.—In this section:

''(1) ADJUSTED AMOUNT.—The term 'adjusted amount' means, with respect to a covered State—

''(A) for fiscal year 2008, 90 percent of—

''(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the covered State that have elected under section 102(b) to receive a share of the State payment for fiscal year 2008; and

''(ii) the sum of the amounts paid for fiscal year 2006 under section 103(a)(2) (as in effect on September 29, 2006) for the eligible counties in the State of Oregon that have elected under section 102(b) to receive the county payment for fiscal year 2008;

''(B) for fiscal year 2009, 81 percent of—

''(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the covered State that have elected under section 102(b) to receive a share of the State payment for fiscal year 2009; and

''(ii) the sum of the amounts paid for fiscal year 2006 under section 103(a)(2) (as in effect on September 29, 2006) for the eligible counties in the State of Oregon that have elected under section 102(b) to receive the county payment for fiscal year 2009; and

''(C) for fiscal year 2010, 73 percent of—

''(i) the sum of the amounts paid for fiscal year 2006 under section 102(a)(2) (as in effect on September 29, 2006) for the eligible counties in the covered State that have elected under section 102(b) to receive a share of the State payment for fiscal year 2010; and

''(ii) the sum of the amounts paid for fiscal year 2006 under section 103(a)(2) (as in effect on September 29, 2006) for the eligible counties in the State of Oregon that have elected under section 102(b) to receive the county payment for fiscal year 2010.

''(2) COVERED STATE.—The term 'covered State' means each of the States of California, Louisiana, Oregon, Pennsylvania, South Carolina, South Dakota, Texas, and Washington.

''(b) TRANSITION PAYMENTS.—For each of fiscal years 2008 through 2010, in lieu of the payment amounts that otherwise would have been made under paragraphs (1)(B) and (2)(B) of section 102(a), the Secretary of the Treasury shall pay the adjusted amount to each covered State and the eligible counties within the covered State, as applicable.

''(c) DISTRIBUTION OF ADJUSTED AMOUNT.—Except as provided in subsection (d), it is the intent of Congress that the method of distributing the payments under subsection (b) among the counties in the covered States for each of fiscal years 2008 through 2010 be in the same proportion that the payments were distributed to the eligible counties in fiscal year 2006.

''(d) DISTRIBUTION OF PAYMENTS IN CALIFORNIA.—The following payments shall be distributed among the eligible counties in the State of California in the same proportion that payments under section 102(a)(2) (as in effect on September 29, 2006) were distributed to the eligible counties for fiscal year 2006:

''(1) Payments to the State of California under subsection (b).

''(2) The shares of the eligible counties of the State payment for California under section 102 for fiscal year 2011.

''(e) TREATMENT OF PAYMENTS.—For purposes of this Act, any payment made under subsection (b) shall be considered to be a payment made under section 102(a).

"TITLE II—SPECIAL PROJECTS ON FEDERAL LAND

"SEC. 201. DEFINITIONS.

''In this title:

''(1) PARTICIPATING COUNTY.—The term 'participating county' means an eligible county that elects under section 102(d) to expend a portion of the Federal funds received under section 102 in accordance with this title.

''(2) PROJECT FUNDS.—The term 'project funds' means all funds an eligible county elects under section 102(d) to reserve for expenditure in accordance with this title.

''(3) RESOURCE ADVISORY COMMITTEE.—The term 'resource advisory committee' means—

''(A) an advisory committee established by the Secretary concerned under section 205; or

''(B) an advisory committee determined by the Secretary concerned to meet the requirements of section 205.

''(4) RESOURCE MANAGEMENT PLAN.—The term 'resource management plan' means—

''(A) a land use plan prepared by the Bureau of Land Management for units of the Federal land described in section 3(7)(B) pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712); or

''(B) a land and resource management plan prepared by the Forest Service for units of the National Forest System pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604).

"SEC. 202. GENERAL LIMITATION ON USE OF PROJECT FUNDS.

''(a) LIMITATION.—Project funds shall be expended solely on projects that meet the requirements of this title.

''(b) AUTHORIZED USES.—Project funds may be used by the Secretary concerned for the purpose of entering into and implementing cooperative agreements with willing Federal agencies, State and local governments, private and nonprofit entities, and landowners for protection, restoration, and enhancement of fish and wildlife habitat, and other resource objectives consistent with the purposes of this Act on Federal land and on non-Federal land where projects would benefit the resources on Federal land.

"SEC. 203. SUBMISSION OF PROJECT PROPOSALS.

''(a) SUBMISSION OF PROJECT PROPOSALS TO SECRETARY CONCERNED.—

''(1) PROJECTS FUNDED USING PROJECT FUNDS.—Not later than September 30 for fiscal year 2008 (or as soon thereafter as the Secretary concerned determines is practicable), and each September 30 thereafter for each succeeding fiscal year through fiscal year 2011, each resource advisory committee shall submit to the Secretary concerned a description of any projects that the resource advisory committee proposes the Secretary undertake using any project funds reserved by eligible counties in the area in which the resource advisory committee has geographic jurisdiction.

''(2) PROJECTS FUNDED USING OTHER FUNDS.—A resource advisory committee may submit to the Secretary concerned a description of any projects that the committee proposes the Secretary undertake using funds from State or local governments, or from the private sector, other than project funds and funds appropriated and otherwise available to do similar work.

''(3) JOINT PROJECTS.—Participating counties or other persons may propose to pool project funds or other funds, described in paragraph (2), and jointly propose a project or group of projects to a resource advisory committee established under section 205.

''(b) REQUIRED DESCRIPTION OF PROJECTS.—In submitting proposed projects to the Secretary concerned under subsection (a), a resource advisory committee shall include in the description of each proposed project the following information:

''(1) The purpose of the project and a description of how the project will meet the purposes of this title.

''(2) The anticipated duration of the project.

''(3) The anticipated cost of the project.

''(4) The proposed source of funding for the project, whether project funds or other funds.

''(5)(A) Expected outcomes, including how the project will meet or exceed desired ecological conditions, maintenance objectives, or stewardship objectives.

''(B) An estimate of the amount of any timber, forage, and other commodities and other economic activity, including jobs generated, if any, anticipated as part of the project.

''(6) A detailed monitoring plan, including funding needs and sources, that—

''(A) tracks and identifies the positive or negative impacts of the project, implementation, and provides for validation monitoring; and

''(B) includes an assessment of the following:

''(i) Whether or not the project met or exceeded desired ecological conditions; created local employment or training opportunities, including summer youth jobs programs such as the Youth Conservation Corps where appropriate.

''(ii) Whether the project improved the use of, or added value to, any products removed from land consistent with the purposes of this title.

''(7) An assessment that the project is to be in the public interest.

''(c) AUTHORIZED PROJECTS.—Projects proposed under subsection (a) shall be consistent with section 2.

"SEC. 204. EVALUATION AND APPROVAL OF PROJECTS BY SECRETARY CONCERNED.

''(a) CONDITIONS FOR APPROVAL OF PROPOSED PROJECT.—The Secretary concerned may make a decision to approve a project submitted by a resource advisory committee under section 203 only if the proposed project satisfies each of the following conditions:

''(1) The project complies with all applicable Federal laws (including regulations).

''(2) The project is consistent with the applicable resource management plan and with any watershed or subsequent plan developed pursuant to the resource management plan and approved by the Secretary concerned.

''(3) The project has been approved by the resource advisory committee in accordance with section 205, including the procedures issued under subsection (e) of that section.

''(4) A project description has been submitted by the resource advisory committee to the Secretary concerned in accordance with section 203.

''(5) The project will improve the maintenance of existing infrastructure, implement stewardship objectives that enhance forest ecosystems, and restore and improve land health and water quality.

''(b) ENVIRONMENTAL REVIEWS.—

''(1) REQUEST FOR PAYMENT BY COUNTY.—The Secretary concerned may request the resource advisory committee submitting a proposed project to agree to the use of project funds to pay for any environmental review, consultation, or compliance with applicable environmental laws required in connection with the project.

''(2) CONDUCT OF ENVIRONMENTAL REVIEW.—If a payment is requested under paragraph (1) and the resource advisory committee agrees to the expenditure of funds for this purpose, the Secretary concerned shall conduct environmental review, consultation, or other compliance responsibilities in accordance with Federal laws (including regulations).

''(3) EFFECT OF REFUSAL TO PAY.—

''(A) IN GENERAL.—If a resource advisory committee does not agree to the expenditure of funds under paragraph (1), the project shall be deemed withdrawn from further consideration by the Secretary concerned pursuant to this title.

''(B) EFFECT OF WITHDRAWAL.—A withdrawal under subparagraph (A) shall be deemed to be a rejection of the project for purposes of section 207(c).

''(c) DECISIONS OF SECRETARY CONCERNED.—

''(1) REJECTION OF PROJECTS.—

''(A) IN GENERAL.—A decision by the Secretary concerned to reject a proposed project shall be at the sole discretion of the Secretary concerned.

''(B) NO ADMINISTRATIVE APPEAL OR JUDICIAL REVIEW.—Notwithstanding any other provision of law, a decision by the Secretary concerned to reject a proposed project shall not be subject to administrative appeal or judicial review.

''(C) NOTICE OF REJECTION.—Not later than 30 days after the date on which the Secretary concerned makes the rejection decision, the Secretary concerned shall notify in writing the resource advisory committee that submitted the proposed project of the rejection and the reasons for rejection.

''(2) NOTICE OF PROJECT APPROVAL.—The Secretary concerned shall publish in the Federal Register notice of each project approved under subsection (a) if the notice would be required had the project originated with the Secretary.

''(d) SOURCE AND CONDUCT OF PROJECT.—Once the Secretary concerned accepts a project for review under section 203, the acceptance shall be deemed a Federal action for all purposes.

''(e) IMPLEMENTATION OF APPROVED PROJECTS.—

''(1) COOPERATION.—Notwithstanding chapter 63 of title 31, United States Code, using project funds the Secretary concerned may enter into contracts, grants, and cooperative agreements with States and local governments, private and nonprofit entities, and landowners and other persons to assist the Secretary in carrying out an approved project.

''(2) BEST VALUE CONTRACTING.—

''(A) IN GENERAL.—For any project involving a contract authorized by paragraph (1) the Secretary concerned may elect a source for performance of the contract on a best value basis.

''(B) FACTORS.—The Secretary concerned shall determine best value based on such factors as—

''(i) the technical demands and complexity of the work to be done;

''(ii)(I) the ecological objectives of the project; and

''(II) the sensitivity of the resources being treated;

''(iii) the past experience by the contractor with the type of work being done, using the type of equipment proposed for the project, and meeting or exceeding desired ecological conditions; and

''(iv) the commitment of the contractor to hiring highly qualified workers and local residents.

''(3) MERCHANTABLE TIMBER CONTRACTING PILOT PROGRAM.—

''(A) ESTABLISHMENT.—The Secretary concerned shall establish a pilot program to implement a certain percentage of approved projects involving the sale of merchantable timber using separate contracts for—

''(i) the harvesting or collection of merchantable timber; and

''(ii) the sale of the timber.

''(B) ANNUAL PERCENTAGES.—Under the pilot program, the Secretary concerned shall ensure that, on a nationwide basis, not less than the following percentage of all approved projects involving the sale of merchantable timber are implemented using separate contracts:

''(i) For fiscal year 2008, 35 percent.

''(ii) For fiscal year 2009, 45 percent.

''(iii) For each of fiscal years 2010 and 2011, 50 percent.

''(C) INCLUSION IN PILOT PROGRAM.—The decision whether to use separate contracts to implement a project involving the sale of merchantable timber shall be made by the Secretary concerned after the approval of the project under this title.

''(D) ASSISTANCE.—

''(i) IN GENERAL.—The Secretary concerned may use funds from any appropriated account available to the Secretary for the Federal land to assist in the administration of projects conducted under the pilot program.

''(ii) MAXIMUM AMOUNT OF ASSISTANCE.—The total amount obligated under this subparagraph may not exceed $1,000,000 for any fiscal year during which the pilot program is in effect.

''(E) REVIEW AND REPORT.—

''(i) INITIAL REPORT.—Not later than September 30, 2010, the Comptroller General shall submit to the Committees on Agriculture, Nutrition, and Forestry and Energy and Natural Resources of the Senate and the Committees on Agriculture and Natural Resources of the House of Representatives a report assessing the pilot program.

''(ii) ANNUAL REPORT.—The Secretary concerned shall submit to the Committees on Agriculture, Nutrition, and Forestry and Energy and Natural Resources of the Senate and the Committees on Agriculture and Natural Resources of the House of Representatives an annual report describing the results of the pilot program.

''(f) REQUIREMENTS FOR PROJECT FUNDS.—The Secretary shall ensure that at least 50 percent of all project funds be used for projects that are primarily dedicated—

''(1) to road maintenance, decommissioning, or obliteration; or

''(2) to restoration of streams and watersheds.

''SEC. 205. RESOURCE ADVISORY COMMITTEES.

''(a) ESTABLISHMENT AND PURPOSE OF RESOURCE ADVISORY COMMITTEES.—

''(1) ESTABLISHMENT.—The Secretary concerned shall establish and maintain resource advisory committees to perform the duties in subsection (b), except as provided in paragraph (4).

''(2) PURPOSE.—The purpose of a resource advisory committee shall be—

''(A) to improve collaborative relationships; and

''(B) to provide advice and recommendations to the land management agencies consistent with the purposes of this title.

''(3) ACCESS TO RESOURCE ADVISORY COMMITTEES.—To ensure that each unit of Federal land has access to a resource advisory committee, and that there is sufficient interest in participation on a committee to ensure that membership can be balanced in terms of the points of view represented and the functions to be performed, the Secretary concerned may, establish resource advisory committees for part of, or 1 or more, units of Federal land.

''(4) EXISTING ADVISORY COMMITTEES.—

''(A) IN GENERAL.—An advisory committee that meets the requirements of this section, a resource advisory committee established before September 29, 2006, or an advisory committee determined by the Secretary concerned before September 29, 2006, to meet the requirements of this section may be deemed by the Secretary concerned to be a resource advisory committee for the purposes of this title.

''(B) CHARTER.—A charter for a committee described in subparagraph (A) that was filed on or before September 29, 2006, shall be considered to be filed for purposes of this Act.

''(C) BUREAU OF LAND MANAGEMENT ADVISORY COMMITTEES.—The Secretary of the Interior may deem a resource advisory committee meeting the requirements of subpart 1784 of part 1780 of title 43, Code of Federal Regulations, as a resource advisory committee for the purposes of this title.

''(b) DUTIES.—A resource advisory committee shall—

''(1) review projects proposed under this title by participating counties and other persons;

''(2) propose projects and funding to the Secretary concerned under section 203;

''(3) provide early and continuous coordination with appropriate land management agency officials in recommending projects consistent with purposes of this Act under this title;

''(4) provide frequent opportunities for citizens, organizations, tribes, land management agencies, and other interested parties to participate openly and meaningfully, beginning at the early stages of the project development process under this title;

''(5)(A) monitor projects that have been approved under section 204; and

''(B) advise the designated Federal official on the progress of the monitoring efforts under subparagraph (A); and

''(6) make recommendations to the Secretary concerned for any appropriate changes or adjustments to the projects being monitored by the resource advisory committee.

''(c) APPOINTMENT BY THE SECRETARY.—

''(1) APPOINTMENT AND TERM.—

''(A) IN GENERAL.—The Secretary concerned, shall appoint the members of resource advisory committees for a term of 4 years beginning on the date of appointment.

''(B) REAPPOINTMENT.—The Secretary concerned may reappoint members to subsequent 4-year terms.

''(2) BASIC REQUIREMENTS.—The Secretary concerned shall ensure that each resource advisory committee established meets the requirements of subsection (d).

''(3) INITIAL APPOINTMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary concerned shall make initial appointments to the resource advisory committees.

''(4) VACANCIES.—The Secretary concerned shall make appointments to fill vacancies on any resource advisory committee as soon as practicable after the vacancy has occurred.

''(5) COMPENSATION.—Members of the resource advisory committees shall not receive any compensation.

''(d) COMPOSITION OF ADVISORY COMMITTEE.—

''(1) NUMBER.—Each resource advisory committee shall be comprised of 15 members.

''(2) COMMUNITY INTERESTS REPRESENTED.—Committee members shall be representative of the interests of the following 3 categories:

''(A) 5 persons that—

''(i) represent organized labor or non-timber forest product harvester groups;

''(ii) represent developed outdoor recreation, off highway vehicle users, or commercial recreation activities;

''(iii) represent—

''(I) energy and mineral development interests; or

''(II) commercial or recreational fishing interests;

''(iv) represent the commercial timber industry; or

''(v) hold Federal grazing or other land use permits, or represent nonindustrial private forest land owners, within the area for which the committee is organized.

''(B) 5 persons that represent—

''(i) nationally recognized environmental organizations;

''(ii) regionally or locally recognized environmental organizations;

''(iii) dispersed recreational activities;

''(iv) archaeological and historical interests; or

''(v) nationally or regionally recognized wild horse and burro interest groups, wildlife or hunting organizations, or watershed associations.

''(C) 5 persons that—

''(i) hold State elected office (or a designee);

''(ii) hold county or local elected office;

''(iii) represent American Indian tribes within or adjacent to the area for which the committee is organized;

''(iv) are school officials or teachers; or

''(v) represent the affected public at large.

''(3) BALANCED REPRESENTATION.—In appointing committee members from the 3 categories in paragraph (2), the Secretary concerned shall provide for balanced and broad representation from within each category.

''(4) GEOGRAPHIC DISTRIBUTION.—The members of a resource advisory committee shall reside within the State in which the committee has jurisdiction and, to extent practicable, the Secretary concerned shall ensure local representation in each category in paragraph (2).

''(5) CHAIRPERSON.—A majority on each resource advisory committee shall select the chairperson of the committee.

''(e) APPROVAL PROCEDURES.—

''(1) IN GENERAL.—Subject to paragraph (3), each resource advisory committee shall establish procedures for proposing projects to the Secretary concerned under this title.

''(2) QUORUM.—A quorum must be present to constitute an official meeting of the committee.

''(3) APPROVAL BY MAJORITY OF MEMBERS.—A project may be proposed by a resource advisory committee to the Secretary concerned under section 203(a), if the project has been approved by a majority of members of the committee from each of the 3 categories in subsection (d)(2).

''(f) OTHER COMMITTEE AUTHORITIES AND REQUIREMENTS.—

''(1) STAFF ASSISTANCE.—A resource advisory committee may submit to the Secretary concerned a request for periodic staff assistance from Federal employees under the jurisdiction of the Secretary.

''(2) MEETINGS.—All meetings of a resource advisory committee shall be announced at least 1 week in advance in a local newspaper of record and shall be open to the public.

''(3) RECORDS.—A resource advisory committee shall maintain records of the meetings of the committee and make the records available for public inspection.

"SEC. 206. USE OF PROJECT FUNDS.

''(a) AGREEMENT REGARDING SCHEDULE AND COST OF PROJECT.—

''(1) AGREEMENT BETWEEN PARTIES.—The Secretary concerned may carry out a project submitted by a resource advisory committee under section 203(a) using project funds or other funds described in section 203(a)(2), if, as soon as practicable after the issuance of a decision document for the project and the exhaustion of all administrative appeals and judicial review of the project decision, the Secretary concerned and the resource advisory committee enter into an agreement addressing, at a minimum, the following:

''(A) The schedule for completing the project.

''(B) The total cost of the project, including the level of agency overhead to be assessed against the project.

''(C) For a multiyear project, the estimated cost of the project for each of the fiscal years in which it will be carried out.

''(D) The remedies for failure of the Secretary concerned to comply with the terms of the agreement consistent with current Federal law.

''(2) LIMITED USE OF FEDERAL FUNDS.—The Secretary concerned may decide, at the sole discretion of the Secretary concerned, to cover the costs of a portion of an approved project using Federal funds appropriated or otherwise available to the Secretary for the same purposes as the project.

''(b) TRANSFER OF PROJECT FUNDS.—

''(1) INITIAL TRANSFER REQUIRED.—As soon as practicable after the agreement is reached under subsection (a) with regard to a project to be funded in whole or in part using project funds, or other funds described in section 203(a)(2), the Secretary concerned shall transfer to the applicable unit of National Forest System land or Bureau of Land Management District an amount of project funds equal to—

''(A) in the case of a project to be completed in a single fiscal year, the total amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2); or

''(B) in the case of a multiyear project, the amount specified in the agreement to be paid using project funds, or other funds described in section 203(a)(2) for the first fiscal year.

''(2) CONDITION ON PROJECT COMMENCEMENT.—The unit of National Forest System land or Bureau of Land Management District concerned, shall not commence a project until the project funds, or other funds described in section 203(a)(2) required to be transferred under paragraph (1) for the project, have been made available by the Secretary concerned.

''(3) SUBSEQUENT TRANSFERS FOR MULTIYEAR PROJECTS.—

''(A) IN GENERAL.—For the second and subsequent fiscal years of a multiyear project to be funded in whole or in part using project funds, the unit of National Forest System land or Bureau of Land Management District concerned shall use the amount of project funds required to continue the project in that fiscal year according to the agreement entered into under subsection (a).

''(B) SUSPENSION OF WORK.—The Secretary concerned shall suspend work on the project if the project funds required by the agreement in the second and subsequent fiscal years are not available.

"SEC. 207. AVAILABILITY OF PROJECT FUNDS.

''(a) SUBMISSION OF PROPOSED PROJECTS TO OBLIGATE FUNDS.—By September 30, 2008 (or as soon thereafter as the Secretary concerned determines is practicable), and each September 30 thereafter for each succeeding fiscal year through fiscal year 2011, a resource advisory committee shall submit to the Secretary concerned pursuant to section 203(a)(1) a sufficient number of project proposals that, if approved, would result in the obligation of at least the full amount of the project funds reserved by the participating county in the preceding fiscal year.

''(b) USE OR TRANSFER OF UNOBLIGATED FUNDS.—Subject to section 208, if a resource advisory committee fails to comply with subsection (a) for a fiscal year, any project funds reserved by the participating county in the preceding fiscal year and remaining unobligated shall be available for use as part of the project submissions in the next fiscal year.

''(c) EFFECT OF REJECTION OF PROJECTS.—Subject to section 208, any project funds reserved by a participating county in the preceding fiscal year that are unobligated at the end of a fiscal year because the Secretary concerned has rejected one or more proposed projects shall be available for use as part of the project submissions in the next fiscal year.

''(d) EFFECT OF COURT ORDERS.—

''(1) IN GENERAL.—If an approved project under this Act is enjoined or prohibited by a Federal court, the Secretary concerned shall return the unobligated project funds related to the project to the participating county or counties that reserved the funds.

''(2) EXPENDITURE OF FUNDS.—The returned funds shall be available for the county to expend in the same manner as the funds reserved by the county under subparagraph (B) or (C)(i) of section 102(d)(1).

"SEC. 208. TERMINATION OF AUTHORITY.

''(a) IN GENERAL.—The authority to initiate projects under this title shall terminate on September 30, 2011.

''(b) DEPOSITS IN TREASURY.—Any project funds not obligated by September 30, 2012, shall be deposited in the Treasury of the United States.

"TITLE III—COUNTY FUNDS

"SEC. 301. DEFINITIONS.

''In this title:

''(1) COUNTY FUNDS.—The term 'county funds' means all funds an eligible county elects under section 102(d) to reserve for expenditure in accordance with this title.

''(2) PARTICIPATING COUNTY.—The term 'participating county' means an eligible county that elects under section 102(d) to expend a portion of the Federal funds received under section 102 in accordance with this title.

"SEC. 302. USE.

''(a) AUTHORIZED USES.—A participating county, including any applicable agencies of the participating county, shall use county funds, in accordance with this title, only—

''(1) to carry out activities under the Firewise Communities program to provide to homeowners in fire-sensitive ecosystems education on, and assistance with implementing, techniques in home siting, home construction, and home landscaping that can increase the protection of people and property from wildfires;

''(2) to reimburse the participating county for search and rescue and other emergency services, including firefighting, that are—

''(A) performed on Federal land after the date on which the use was approved under subsection (b);

''(B) paid for by the participating county; and

''(3) to develop community wildfire protection plans in coordination with the appropriate Secretary concerned.

''(b) PROPOSALS.—A participating county shall use county funds for a use described in subsection (a) only after a 45-day public comment period, at the beginning of which the participating county shall—

''(1) publish in any publications of local record a proposal that describes the proposed use of the county funds; and

''(2) submit the proposal to any resource advisory committee established under section 205 for the participating county.

"SEC. 303. CERTIFICATION.

''(a) IN GENERAL.—Not later than February 1 of the year after the year in which any county funds were expended by a participating county, the appropriate official of the participating county shall submit to the Secretary concerned a certification that the county funds expended in the applicable year have been used for the uses authorized under section 302(a), including a description of the amounts expended and the uses for which the amounts were expended.

''(b) REVIEW.—The Secretary concerned shall review the certifications submitted under subsection (a) as the Secretary concerned determines to be appropriate.

"SEC. 304. TERMINATION OF AUTHORITY.

''(a) IN GENERAL.—The authority to initiate projects under this title terminates on September 30, 2011.

''(b) AVAILABILITY.—Any county funds not obligated by September 30, 2012, shall be returned to the Treasury of the United States.

"TITLE IV—MISCELLANEOUS PROVISIONS

"SEC. 401. REGULATIONS.

''The Secretary of Agriculture and the Secretary of the Interior shall issue regulations to carry out the purposes of this Act.

"SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated such sums as are necessary to carry out this Act for each of fiscal years 2008 through 2011.

"SEC. 403. TREATMENT OF FUNDS AND REVENUES.

''(a) RELATION TO OTHER APPROPRIATIONS.—Funds made available under section 402 and funds made available to a Secretary concerned under section 206 shall be in addition to any other annual appropriations for the Forest Service and the Bureau of Land Management.

''(b) DEPOSIT OF REVENUES AND OTHER FUNDS.—All revenues generated from projects pursuant to title II, including any interest accrued from the revenues, shall be deposited in the Treasury of the United States.''.

(b) FOREST RECEIPT PAYMENTS TO ELIGIBLE STATES AND COUNTIES.—

(1) ACT OF MAY 23, 1908.—The sixth paragraph under the heading ''FOREST SERVICE'' in the Act of May 23, 1908 (16 U.S.C. 500) is amended in the first sentence by striking ''twenty-five percentum'' and all that follows through ''shall be paid'' and inserting the following: ''an amount equal to the annual average of 25 percent of all amounts received for the applicable fiscal year and each of the preceding 6 fiscal years from each national forest shall be paid''.

(2) WEEKS LAW.—Section 13 of the Act of March 1, 1911 (commonly known as the ''Weeks Law'') (16 U.S.C. 500) is amended in the first sentence by striking ''twenty-five percentum'' and all that follows through ''shall be paid'' and inserting the following: ''an amount equal to the annual average of 25 percent of all amounts received for the applicable fiscal year and each of the preceding 6 fiscal years from each national forest shall be paid''.

(c) PAYMENTS IN LIEU OF TAXES.—

(1) IN GENERAL.—Section 6906 of title 31, United States Code, is amended to read as follows:

"§ 6906. Funding

''For each of fiscal years 2008 through 2012—

''(1) each county or other eligible unit of local government shall be entitled to payment under this chapter; and

''(2) sums shall be made available to the Secretary of the Interior for obligation or expenditure in accordance with this chapter.''.

(2) CONFORMING AMENDMENT.—The table of sections for chapter 69 of title 31, United States Code, is amended by striking the item relating to section 6906 and inserting the following:

''6906. Funding.''.

(3) BUDGET SCOREKEEPING.—

(A) IN GENERAL.—Notwithstanding the Budget Scorekeeping Guidelines and the accompanying list of programs and accounts set forth in the joint explanatory statement of the committee of conference accompanying Conference Report 105–217, the section in this title regarding Payments in Lieu of Taxes shall be treated in the baseline for purposes of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002), and by the Chairmen of the House and Senate Budget Committees, as appropriate, for purposes of budget enforcement in the House and Senate, and under the Congressional Budget Act of 1974 as if Payment in Lieu of Taxes (14–1114–0–1–806) were an account designated as Appropriated Entitlements and Mandatories for Fiscal Year 1997 in the joint explanatory statement of the committee of conference accompanying Conference Report 105–217.

(B) EFFECTIVE DATE.—This paragraph shall remain in effect for the fiscal years to which the entitlement in section 6906 of title 31, United States Code (as amended by paragraph (1)), applies.

SEC. 602. TRANSFER TO ABANDONED MINE RECLAMATION FUND.

Subparagraph (C) of section 402(i)(1) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(i)(1)) is amended by striking ''and $9,000,000 on October 1, 2009'' and inserting ''$9,000,000 on October 1, 2009, and $9,000,000 on October 1, 2010''.

TITLE VII—DISASTER RELIEF

Subtitle A—Heartland and Hurricane Ike Disaster Relief

SEC. 701. SHORT TITLE.

This subtitle may be cited as the ''Heartland Disaster Tax Relief Act of 2008''.

SEC. 702. TEMPORARY TAX RELIEF FOR AREAS DAMAGED BY 2008 MIDWESTERN SEVERE STORMS, TORNADOS, AND FLOODING.

(a) IN GENERAL.—Subject to the modifications described in this section, the following provisions of or relating to the Internal Revenue Code of 1986 shall apply to any Midwestern disaster area in addition to the areas to which such provisions otherwise apply:

(1) GO ZONE BENEFITS.—

(A) Section 1400N (relating to tax benefits) other than subsections (b), (d), (e), (i), (j), (m), and (o) thereof.

(B) Section 1400O (relating to education tax benefits).

(C) Section 1400P (relating to housing tax benefits).

(D) Section 1400Q (relating to special rules for use of retirement funds).

(E) Section 1400R(a) (relating to employee retention credit for employers).

(F) Section 1400S (relating to additional tax relief) other than subsection (d) thereof.

(G) Section 1400T (relating to special rules for mortgage revenue bonds).

(2) OTHER BENEFITS INCLUDED IN KATRINA EMERGENCY TAX RELIEF ACT OF 2005.—Sections 302, 303, 304, 401, and 405 of the Katrina Emergency Tax Relief Act of 2005.

(b) MIDWESTERN DISASTER AREA.—

(1) IN GENERAL.—For purposes of this section and for applying the substitutions described in subsections (d) and (e), the term ''Midwestern disaster area'' means an area—

(A) with respect to which a major disaster has been declared by the President on or after May 20, 2008, and before August 1, 2008, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of severe storms, tornados, or flooding occurring in any of the States of Arkansas, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, and Wisconsin, and

(B) determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act with respect to damages attributable to such severe storms, tornados, or flooding.

(2) CERTAIN BENEFITS AVAILABLE TO AREAS ELIGIBLE ONLY FOR PUBLIC ASSISTANCE.—For purposes of applying this section to benefits under the following provisions, paragraph (1) shall be applied without regard to subparagraph (B):

(A) Sections 1400Q, 1400S(b), and 1400S(d) of the Internal Revenue Code of 1986.

(B) Sections 302, 401, and 405 of the Katrina Emergency Tax Relief Act of 2005.

(c) REFERENCES.—

(1) AREA.—Any reference in such provisions to the Hurricane Katrina disaster area or the Gulf Opportunity Zone shall be treated as a reference to any Midwestern disaster area and any reference to the Hurricane Katrina disaster area or the Gulf Opportunity Zone within a State shall be treated as a reference to all Midwestern disaster areas within the State.

(2) ITEMS ATTRIBUTABLE TO DISASTER.—Any reference in such provisions to any loss, damage, or other item attributable to Hurricane Katrina shall be treated as a reference to any loss, damage, or other item attributable to the severe storms, tornados, or flooding giving rise to any Presidential declaration described in subsection (b)(1)(A).

(3) APPLICABLE DISASTER DATE.—For purposes of applying the substitutions described in subsections (d) and (e), the term ''applicable disaster date'' means, with respect to any Midwestern disaster area, the date on which the severe storms, tornados, or flooding giving rise to the Presidential declaration described in subsection (b)(1)(A) occurred.

(d) MODIFICATIONS TO 1986 CODE.—The following provisions of the Internal Revenue Code of 1986 shall be applied with the following modifications:

(1) TAX-EXEMPT BOND FINANCING.—Section 1400N(a)—

(A) by substituting ''qualified Midwestern disaster area bond'' for ''qualified Gulf Opportunity Zone Bond'' each place it appears, except that in determining whether a bond is a qualified Midwestern disaster area bond—

(i) paragraph (2)(A)(i) shall be applied by only treating costs as qualified project costs if—

(I) in the case of a project involving a private business use (as defined in section 141(b)(6)), either the person using the property suffered a loss in a trade or business attributable to the severe storms, tornados, or flooding giving rise to any Presidential declaration described in subsection (b)(1)(A) or is a person designated for purposes of this section by the Governor of the State in which the project is located as a person carrying on a trade or business replacing a trade or business with respect to which another person suffered such a loss, and

(II) in the case of a project relating to public utility property, the project involves repair or reconstruction of public utility property damaged by such severe storms, tornados, or flooding, and

(ii) paragraph (2)(A)(ii) shall be applied by treating an issue as a qualified mortgage issue only if 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of the issue are to be used to provide financing for mortgagors who suffered damages to their principal residences attributable to such severe storms, tornados, or flooding.

(B) by substituting ''any State in which a Midwestern disaster area is located'' for ''the State of Alabama, Louisiana, or Mississippi'' in paragraph (2)(B),

(C) by substituting ''designated for purposes of this section (on the basis of providing assistance to areas in the order in which such assistance is most needed)'' for ''designated for purposes of this section'' in paragraph (2)(C),

(D) by substituting ''January 1, 2013'' for ''January 1, 2011'' in paragraph (2)(D),

(E) in paragraph (3)(A)—

(i) by substituting ''$1,000'' for ''$2,500'', and

(ii) by substituting ''before the earliest applicable disaster date for Midwestern disaster areas within the State'' for ''before August 28, 2005'',

(F) by substituting ''qualified Midwestern disaster area repair or construction'' for ''qualified GO Zone repair or construction'' each place it appears,

(G) by substituting ''after the date of the enactment of the Heartland Disaster Tax Relief Act of 2008 and before January 1, 2013'' for ''after the date of the enactment of this paragraph and before January 1, 2011'' in paragraph (7)(C), and

(H) by disregarding paragraph (8) thereof.

(2) LOW-INCOME HOUSING CREDIT.—Section 1400N(c)—

(A) only with respect to calendar years 2008, 2009, and 2010,

(B) by substituting ''Disaster Recovery Assistance housing amount'' for ''Gulf Opportunity housing amount'' each place it appears,

(C) in paragraph (1)(B)—

(i) by substituting ''$8.00'' for ''$18.00'', and

(ii) by substituting ''before the earliest applicable disaster date for Midwestern disaster areas within the State'' for ''before August 28, 2005'', and

(D) determined without regard to paragraphs (2), (3), (4), (5), and (6) thereof.

(3) EXPENSING FOR CERTAIN DEMOLITION AND CLEAN-UP COSTS.—Section 1400N(f)—

(A) by substituting ''qualified Disaster Recovery Assistance clean-up cost'' for ''qualified Gulf Opportunity Zone clean-up cost'' each place it appears,

(B) by substituting ''beginning on the applicable disaster date and ending on December 31, 2010'' for ''beginning on August 28, 2005, and ending on December 31, 2007'' in paragraph (2), and

(C) by treating costs as qualified Disaster Recovery Assistance clean-up costs only if the removal of debris or demolition of any structure was necessary due to damage attributable to the severe storms, tornados, or flooding giving rise to any Presidential declaration described in subsection (b)(1)(A).

(4) EXTENSION OF EXPENSING FOR ENVIRONMENTAL REMEDIATION COSTS.—Section 1400N(g)—

(A) by substituting ''the applicable disaster date'' for ''August 28, 2005'' each place it appears,

(B) by substituting ''January 1, 2011'' for ''January 1, 2008'' in paragraph (1),

(C) by substituting ''December 31, 2010'' for ''December 31, 2007'' in paragraph (1), and

(D) by treating a site as a qualified contaminated site only if the release (or threat of release) or disposal of a hazardous substance at the site was attributable to the severe storms, tornados, or flooding giving rise to any Presidential declaration described in subsection (b)(1)(A).

(5) INCREASE IN REHABILITATION CREDIT.—Section 1400N(h), as amended by this Act—

(A) by substituting ''the applicable disaster date'' for ''August 28, 2005'',

(B) by substituting ''December 31, 2011'' for ''December 31, 2009'' in paragraph (1), and

(C) by only applying such subsection to qualified rehabilitation expenditures with respect to any building or structure which was damaged or destroyed as a result of the severe storms, tornados, or flooding giving rise to any Presidential declaration described in subsection (b)(1)(A).

(6) TREATMENT OF NET OPERATING LOSSES ATTRIBUTABLE TO DISASTER LOSSES.—Section 1400N(k)—

(A) by substituting ''qualified Disaster Recovery Assistance loss'' for ''qualified Gulf Opportunity Zone loss'' each place it appears,

(B) by substituting ''after the day before the applicable disaster date, and before January 1, 2011'' for ''after August 27, 2005, and before January 1, 2008'' each place it appears,

(C) by substituting ''the applicable disaster date'' for ''August 28, 2005'' in paragraph (2)(B)(ii)(I),

(D) by substituting ''qualified Disaster Recovery Assistance property'' for ''qualified Gulf Opportunity Zone property'' in paragraph (2)(B)(iv), and

(E) by substituting ''qualified Disaster Recovery Assistance casualty loss'' for ''qualified Gulf Opportunity Zone casualty loss'' each place it appears.

(7) CREDIT TO HOLDERS OF TAX CREDIT BONDS.—Section 1400N(l)—

(A) by substituting ''Midwestern tax credit bond'' for ''Gulf tax credit bond'' each place it appears,

(B) by substituting ''any State in which a Midwestern disaster area is located or any instrumentality of the State'' for ''the State of Alabama, Louisiana, or Mississippi'' in paragraph (4)(A)(i),

(C) by substituting ''after December 31, 2008 and before January 1, 2010'' for ''after December 31, 2005, and before January 1, 2007'',

(D) by substituting ''shall not exceed $100,000,000 for any State with an aggregate population located in all Midwestern disaster areas within the State of at least 2,000,000, $50,000,000 for any State with an aggregate population located in all Midwestern disaster areas within the State of at least 1,000,000 but less than 2,000,000, and zero for any other State. The population of a State within any area shall be determined on the basis of the most recent census estimate of resident population released by the Bureau of Census before the earliest applicable disaster date for Midwestern disaster areas within the State.'' for ''shall not exceed'' and all that follows in paragraph (4)(C), and

(E) by substituting ''the earliest applicable disaster date for Midwestern disaster areas within the State'' for ''August 28, 2005'' in paragraph (5)(A).

(8) EDUCATION TAX BENEFITS.—Section 1400O, by substituting ''2008 or 2009'' for ''2005 or 2006''.

(9) HOUSING TAX BENEFITS.—Section 1400P, by substituting ''the applicable disaster date'' for ''August 28, 2005'' in subsection (c)(1).

(10) SPECIAL RULES FOR USE OF RETIREMENT FUNDS.—Section 1400Q—

(A) by substituting ''qualified Disaster Recovery Assistance distribution'' for ''qualified hurricane distribution'' each place it appears,

(B) by substituting ''on or after the applicable disaster date and before January 1, 2010'' for ''on or after August 25, 2005, and before January 1, 2007'' in subsection (a)(4)(A)(i),

(C) by substituting ''the applicable disaster date'' for ''August 28, 2005'' in subsections (a)(4)(A)(i) and (c)(3)(B),

(D) by disregarding clauses (ii) and (iii) of subsection (a)(4)(A) thereof,

(E) by substituting ''qualified storm damage distribution'' for ''qualified Katrina distribution'' each place it appears,

(F) by substituting ''after the date which is 6 months before the applicable disaster date and before the date which is the day after the applicable disaster date'' for ''after February 28, 2005, and before August 29, 2005'' in subsection (b)(2)(B)(ii),

(G) by substituting ''the Midwestern disaster area, but not so purchased or constructed on account of severe storms, tornados, or flooding giving rise to the designation of the area as a disaster area'' for ''the Hurricane Katrina disaster area, but not so purchased or constructed on account of Hurricane Katrina'' in subsection (b)(2)(B)(iii),

(H) by substituting ''beginning on the applicable disaster date and ending on the date which is 5 months after the date of the enactment of the Heartland Disaster Tax Relief Act of 2008'' for ''beginning on August 25, 2005, and ending on February 28, 2006'' in subsection (b)(3)(A),

(I) by substituting ''qualified storm damage individual'' for ''qualified Hurricane Katrina individual'' each place it appears,

(J) by substituting ''December 31, 2009'' for ''December 31, 2006'' in subsection (c)(2)(A),

(K) by disregarding subparagraphs (C) and (D) of subsection (c)(3) thereof,

(L) by substituting ''beginning on the date of the enactment of the Heartland Disaster Tax Relief Act of 2008 and ending on December 31, 2009'' for ''beginning on September 24, 2005, and ending on December 31, 2006'' in subsection (c)(4)(A)(i),

(M) by substituting ''the applicable disaster date'' for ''August 25, 2005'' in subsection (c)(4)(A)(ii), and

(N) by substituting ''January 1, 2010'' for ''January 1, 2007'' in subsection (d)(2)(A)(ii).

(11) EMPLOYEE RETENTION CREDIT FOR EMPLOYERS AFFECTED BY SEVERE STORMS, TORNADOS, AND FLOODING.—Section 1400R(a)—

(A) by substituting ''the applicable disaster date'' for ''August 28, 2005'' each place it appears,

(B) by substituting ''January 1, 2009'' for ''January 1, 2006'' both places it appears, and

(C) only with respect to eligible employers who employed an average of not more than 200 employees on business days during the taxable year before the applicable disaster date.

(12) TEMPORARY SUSPENSION OF LIMITATIONS ON CHARITABLE CONTRIBUTIONS.—Section 1400S(a), by substituting the following paragraph for paragraph (4) thereof:

''(4) QUALIFIED CONTRIBUTIONS.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'qualified contribution' means any charitable contribution (as defined in section 170(c)) if—

''(i) such contribution—

''(I) is paid during the period beginning on the earliest applicable disaster date for all States and ending on December 31, 2008, in cash to an organization described in section 170(b)(1)(A), and

''(II) is made for relief efforts in 1 or more Midwestern disaster areas,

''(ii) the taxpayer obtains from such organization contemporaneous written acknowledgment (within the meaning of section 170(f)(8)) that such contribution was used (or is to be used) for relief efforts in 1 or more Midwestern disaster areas, and

''(iii) the taxpayer has elected the application of this subsection with respect to such contribution.

''(B) EXCEPTION.—Such term shall not include a contribution by a donor if the contribution is—

''(i) to an organization described in section 509(a)(3), or

''(ii) for establishment of a new, or maintenance of an existing, donor advised fund (as defined in section 4966(d)(2)).

''(C) APPLICATION OF ELECTION TO PARTNERSHIPS AND S CORPORATIONS.—In the case of a partnership or S corporation, the election under subparagraph (A)(iii) shall be made separately by each partner or shareholder.''.

(13) SUSPENSION OF CERTAIN LIMITATIONS ON PERSONAL CASUALTY LOSSES.—Section 1400S(b)(1), by substituting ''the applicable disaster date'' for ''August 25, 2005''.

(14) SPECIAL RULE FOR DETERMINING EARNED INCOME.—Section 1400S(d)—

(A) by treating an individual as a qualified individual if such individual's principal place of abode on the applicable disaster date was located in a Midwestern disaster area,

(B) by treating the applicable disaster date with respect to any such individual as the applicable date for purposes of such subsection, and

(C) by treating an area as described in paragraph (2)(B)(ii) thereof if the area is a Midwestern disaster area only by reason of subsection (b)(2) of this section (relating to areas eligible only for public assistance).

(15) ADJUSTMENTS REGARDING TAXPAYER AND DEPENDENCY STATUS.—Section 1400S(e), by substituting ''2008 or 2009'' for ''2005 or 2006''.

(e) MODIFICATIONS TO KATRINA EMERGENCY TAX RELIEF ACT OF 2005.—The following provisions of the Katrina Emergency Tax Relief Act of 2005 shall be applied with the following modifications:

(1) ADDITIONAL EXEMPTION FOR HOUSING DISPLACED INDIVIDUAL.—Section 302—

(A) by substituting ''2008 or 2009'' for ''2005 or 2006'' in subsection (a) thereof,

(B) by substituting ''Midwestern displaced individual'' for ''Hurricane Katrina displaced individual'' each place it appears, and

(C) by treating an area as a core disaster area for purposes of applying subsection (c) thereof if the area is a Midwestern disaster area without regard to subsection (b)(2) of this section (relating to areas eligible only for public assistance).

(2) INCREASE IN STANDARD MILEAGE RATE.—Section 303, by substituting ''beginning on the applicable disaster date and ending on December 31, 2008'' for ''beginning on August 25, 2005, and ending on December 31, 2006''.

(3) MILEAGE REIMBURSEMENTS FOR CHARITABLE VOLUNTEERS.—Section 304—

(A) by substituting ''beginning on the applicable disaster date and ending on December 31, 2008'' for ''beginning on August 25, 2005, and ending on December 31, 2006'' in subsection (a), and

(B) by substituting ''the applicable disaster date'' for ''August 25, 2005'' in subsection (a).

(4) EXCLUSION OF CERTAIN CANCELLATION OF INDEBTEDNESS INCOME.—Section 401—

(A) by treating an individual whose principal place of abode on the applicable disaster date was in a Midwestern disaster area (determined without regard to subsection (b)(2) of this section) as an individual described in subsection (b)(1) thereof, and by treating an individual whose principal place of abode on the applicable disaster date was in a Midwestern disaster area solely by reason of subsection (b)(2) of this section as an individual described in subsection (b)(2) thereof,

(B) by substituting ''the applicable disaster date'' for ''August 28, 2005'' both places it appears, and

(C) by substituting ''January 1, 2010'' for ''January 1, 2007'' in subsection (e).

(5) EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—Section 405, by substituting ''on or after the applicable disaster date'' for ''on or after August 25, 2005''.

SEC. 703. REPORTING REQUIREMENTS RELATING TO DISASTER RELIEF CONTRIBUTIONS.

(a) IN GENERAL.—Section 6033(b) (relating to returns of certain organizations described in section 501(c)(3)) is amended by striking ''and'' at the end of paragraph (13), by redesignating paragraph (14) as paragraph (15), and by adding after paragraph (13) the following new paragraph:

''(14) such information as the Secretary may require with respect to disaster relief activities, including the amount and use of qualified contributions to which section 1400S(a) applies, and''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to returns the due date for which (determined without regard to any extension) occurs after December 31, 2008.

SEC. 704. TEMPORARY TAX-EXEMPT BOND FINANCING AND LOW-INCOME HOUSING TAX RELIEF FOR AREAS DAMAGED BY HURRICANE IKE.

(a) TAX-EXEMPT BOND FINANCING.—Section 1400N(a) of the Internal Revenue Code of 1986 shall apply to any Hurricane Ike disaster area in addition to any other area referenced in such section, but with the following modifications:

(1) By substituting ''qualified Hurricane Ike disaster area bond'' for ''qualified Gulf Opportunity Zone Bond'' each place it appears, except that in determining whether a bond is a qualified Hurricane Ike disaster area bond—

(A) paragraph (2)(A)(i) shall be applied by only treating costs as qualified project costs if—

(i) in the case of a project involving a private business use (as defined in section 141(b)(6)), either the person using the property suffered a loss in a trade or business attributable to Hurricane Ike or is a person designated for purposes of this section by the Governor of the State in which the project is located as a person carrying on a trade or business replacing a trade or business with respect to which another person suffered such a loss, and

(ii) in the case of a project relating to public utility property, the project involves repair or reconstruction of public utility property damaged by Hurricane Ike, and

(B) paragraph (2)(A)(ii) shall be applied by treating an issue as a qualified mortgage issue only if 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of the issue are to be used to provide financing for mortgagors who suffered damages to their principal residences attributable to Hurricane Ike.

(2) By substituting ''any State in which any Hurricane Ike disaster area is located'' for ''the State of Alabama, Louisiana, or Mississippi'' in paragraph (2)(B).

(3) By substituting ''designated for purposes of this section (on the basis of providing assistance to areas in the order in which such assistance is most needed)'' for ''designated for purposes of this section'' in paragraph (2)(C).

(4) By substituting ''January 1, 2013'' for ''January 1, 2011'' in paragraph (2)(D).

(5) By substituting the following for subparagraph (A) of paragraph (3):

''(A) AGGREGATE AMOUNT DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under this subsection with respect to any State shall not exceed the product of $2,000 multiplied by the portion of the State population which is in—

''(i) in the case of Texas, the counties of Brazoria, Chambers, Galveston, Jefferson, and Orange, and

''(ii) in the case of Louisiana, the parishes of Calcasieu and Cameron,

(as determined on the basis of the most recent census estimate of resident population released by the Bureau of Census before September 13, 2008).''.

(6) By substituting ''qualified Hurricane Ike disaster area repair or construction'' for ''qualified GO Zone repair or construction'' each place it appears.

(7) By substituting ''after the date of the enactment of the Heartland Disaster Tax Relief Act of 2008 and before January 1, 2013'' for ''after the date of the enactment of this paragraph and before January 1, 2011'' in paragraph (7)(C).

(8) By disregarding paragraph (8) thereof.

(9) By substituting ''any Hurricane Ike disaster area'' for ''the Gulf Opportunity Zone'' each place it appears.

(b) LOW-INCOME HOUSING CREDIT.—Section 1400N(c) of the Internal Revenue Code of 1986 shall apply to any Hurricane Ike disaster area in addition to any other area referenced in such section, but with the following modifications:

(1) Only with respect to calendar years 2008, 2009, and 2010.

(2) By substituting ''any Hurricane Ike disaster area'' for ''the Gulf Opportunity Zone'' each place it appears.

(3) By substituting ''Hurricane Ike Recovery Assistance housing amount'' for ''Gulf Opportunity housing amount'' each place it appears.

(4) By substituting the following for subparagraph (B) of paragraph (1):

''(B) HURRICANE IKE HOUSING AMOUNT.—For purposes of subparagraph (A), the term 'Hurricane Ike housing amount' means, for any calendar year, the amount equal to the product of $16.00 multiplied by the portion of the State population which is in—

''(i) in the case of Texas, the counties of Brazoria, Chambers, Galveston, Jefferson, and Orange, and

''(ii) in the case of Louisiana, the parishes of Calcasieu and Cameron,

(as determined on the basis of the most recent census estimate of resident population released by the Bureau of Census before September 13, 2008).''.

(5) Determined without regard to paragraphs (2), (3), (4), (5), and (6) thereof.

(c) HURRICANE IKE DISASTER AREA.—For purposes of this section and for applying the substitutions described in subsections (a) and (b), the term ''Hurricane Ike disaster area'' means an area in the State of Texas or Louisiana—

(1) with respect to which a major disaster has been declared by the President on September 13, 2008, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Hurricane Ike, and

(2) determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act with respect to damages attributable to Hurricane Ike.

Subtitle B—National Disaster Relief

SEC. 706. LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.

(a) WAIVER OF ADJUSTED GROSS INCOME LIMITATION.—

(1) IN GENERAL.—Subsection (h) of section 165 is amended by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

''(3) SPECIAL RULE FOR LOSSES IN FEDERALLY DECLARED DISASTERS.—

''(A) IN GENERAL.—If an individual has a net disaster loss for any taxable year, the amount determined under paragraph (2)(A)(ii) shall be the sum of—

''(i) such net disaster loss, and

''(ii) so much of the excess referred to in the matter preceding clause (i) of paragraph (2)(A) (reduced by the amount in clause (i) of this subparagraph) as exceeds 10 percent of the adjusted gross income of the individual.

''(B) NET DISASTER LOSS.—For purposes of subparagraph (A), the term 'net disaster loss' means the excess of—

''(i) the personal casualty losses—

''(I) attributable to a federally declared disaster occurring before January 1, 2010, and

''(II) occurring in a disaster area, over

''(ii) personal casualty gains.

''(C) FEDERALLY DECLARED DISASTER.—For purposes of this paragraph—

''(i) FEDERALLY DECLARED DISASTER.—The term 'federally declared disaster' means any disaster subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

''(ii) DISASTER AREA.—The term 'disaster area' means the area so determined to warrant such assistance.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 165(h)(4)(B) (as so redesignated) is amended by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)''.

(B) Section 165(i)(1) is amended by striking ''loss'' and all that follows through ''Act'' and inserting ''loss occurring in a disaster area (as defined by clause (ii) of subsection (h)(3)(C)) and attributable to a federally declared disaster (as defined by clause (i) of such subsection)''.

(C) Section 165(i)(4) is amended by striking ''Presidentially declared disaster (as defined by section 1033(h)(3))'' and inserting ''federally declared disaster (as defined by subsection (h)(3)(C)(i)''.

(D)(i) So much of subsection (h) of section 1033 as precedes subparagraph (A) of paragraph (1) thereof is amended to read as follows:

''(h) SPECIAL RULES FOR PROPERTY DAMAGED BY FEDERALLY DECLARED DISASTERS.—

''(1) PRINCIPAL RESIDENCES.—If the taxpayer's principal residence or any of its contents is located in a disaster area and is compulsorily or involuntarily converted as a result of a federally declared disaster—''.

(ii) Paragraph (2) of section 1033(h) is amended by striking ''investment'' and all that follows through ''disaster'' and inserting ''investment located in a disaster area and compulsorily or involuntarily converted as a result of a federally declared disaster''.

(iii) Paragraph (3) of section 1033(h) is amended to read as follows:

''(3) FEDERALLY DECLARED DISASTER; DISASTER AREA.—The terms ''federally declared disaster'' and ''disaster area'' shall have the respective meaning given such terms by section 165(h)(3)(C).''.

(iv) Section 139(c)(2) is amended to read as follows:

''(2) federally declared disaster (as defined by section 165(h)(3)(C)(i)),''.

(v) Subclause (II) of section 172(b)(1)(F)(ii) is amended by striking ''Presidentially declared disasters (as defined in section 1033(h)(3))'' and inserting ''federally declared disasters (as defined by subsection (h)(3)(C)(i))''.

(vi) Subclause (III) of section 172(b)(1)(F)(ii) is amended by striking ''Presidentially declared disasters'' and inserting ''federally declared disasters''.

(vii) Subsection (a) of section 7508A is amended by striking ''Presidentially declared disaster (as defined in section 1033(h)(3))'' and inserting ''federally declared disaster (as defined by section 165(h)(3)(C)(i))''.

(b) INCREASE IN STANDARD DEDUCTION BY DISASTER CASUALTY LOSS.—

(1) IN GENERAL.—Paragraph (1) of section 63(c), as amended by the Housing Assistance Tax Act of 2008, is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by adding at the end the following new subparagraph:

''(D) the disaster loss deduction.''.

(2) DISASTER LOSS DEDUCTION.—Subsection (c) of section 63, as amended by the Housing Assistance Tax Act of 2008, is amended by adding at the end the following new paragraph:

''(8) DISASTER LOSS DEDUCTION.—For the purposes of paragraph (1), the term 'disaster loss deduction' means the net disaster loss (as defined in section 165(h)(3)(B)).''.

(3) ALLOWANCE IN COMPUTING ALTERNATIVE MINIMUM TAXABLE INCOME.—Subparagraph (E) of section 56(b)(1) is amended by adding at the end the following new sentence: ''The preceding sentence shall not apply to so much of the standard deduction as is determined under section 63(c)(1)(D).''.

(c) INCREASE IN LIMITATION ON INDIVIDUAL LOSS PER CASUALTY.—Paragraph (1) of section 165(h) is amended by striking ''$100'' and inserting ''$500 ($100 for taxable years beginning after December 31, 2009)''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided by paragraph (2), the amendments made by this section shall apply to disasters declared in taxable years beginning after December 31, 2007.

(2) INCREASE IN LIMITATION ON INDIVIDUAL LOSS PER CASUALTY.—The amendment made by subsection (c) shall apply to taxable years beginning after December 31, 2008.

SEC. 707. EXPENSING OF QUALIFIED DISASTER EXPENSES.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by inserting after section 198 the following new section:

''SEC. 198A. EXPENSING OF QUALIFIED DISASTER EXPENSES.

''(a) IN GENERAL.—A taxpayer may elect to treat any qualified disaster expenses which are paid or incurred by the taxpayer as an expense which is not chargeable to capital account. Any expense which is so treated shall be allowed as a deduction for the taxable year in which it is paid or incurred.

''(b) QUALIFIED DISASTER EXPENSE.—For purposes of this section, the term 'qualified disaster expense' means any expenditure—

''(1) which is paid or incurred in connection with a trade or business or with business-related property,

''(2) which is—

''(A) for the abatement or control of hazardous substances that were released on account of a federally declared disaster occurring before January 1, 2010,

''(B) for the removal of debris from, or the demolition of structures on, real property which is business-related property damaged or destroyed as a result of a federally declared disaster occurring before such date, or

''(C) for the repair of business-related property damaged as a result of a federally declared disaster occurring before such date, and

''(3) which is otherwise chargeable to capital account.

''(c) OTHER DEFINITIONS.—For purposes of this section—

''(1) BUSINESS-RELATED PROPERTY.—The term 'business-related property' means property—

''(A) held by the taxpayer for use in a trade or business or for the production of income, or

''(B) described in section 1221(a)(1) in the hands of the taxpayer.

''(2) FEDERALLY DECLARED DISASTER.—The term 'federally declared disaster' has the meaning given such term by section 165(h)(3)(C)(i).

''(d) DEDUCTION RECAPTURED AS ORDINARY INCOME ON SALE, ETC.—Solely for purposes of section 1245, in the case of property to which a qualified disaster expense would have been capitalized but for this section—

''(1) the deduction allowed by this section for such expense shall be treated as a deduction for depreciation, and

''(2) such property (if not otherwise section 1245 property) shall be treated as section 1245 property solely for purposes of applying section 1245 to such deduction.

''(e) COORDINATION WITH OTHER PROVISIONS.—Sections 198, 280B, and 468 shall not apply to amounts which are treated as expenses under this section.

''(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 198 the following new item:

''Sec. 198A. Expensing of Qualified Disaster Expenses.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2007 in connection with disaster declared after such date.

SEC. 708. NET OPERATING LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.

(a) IN GENERAL.—Paragraph (1) of section 172(b) is amended by adding at the end the following new subparagraph:

''(J) CERTAIN LOSSES ATTRIBUTABLE FEDERALLY DECLARED DISASTERS.—In the case of a taxpayer who has a qualified disaster loss (as defined in subsection (j)), such loss shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.''.

(b) QUALIFIED DISASTER LOSS.—Section 172 is amended by redesignating subsections (j) and (k) as subsections (k) and (l), respectively, and by inserting after subsection (i) the following new subsection:

''(j) RULES RELATING TO QUALIFIED DISASTER LOSSES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified disaster loss' means the lesser of—

''(A) the sum of—

''(i) the losses allowable under section 165 for the taxable year—

''(I) attributable to a federally declared disaster (as defined in section 165(h)(3)(C)(i)) occurring before January 1, 2010, and

''(II) occurring in a disaster area (as defined in section 165(h)(3)(C)(ii)), and

''(ii) the deduction for the taxable year for qualified disaster expenses which is allowable under section 198A(a) or which would be so allowable if not otherwise treated as an expense, or

''(B) the net operating loss for such taxable year.

''(2) COORDINATION WITH SUBSECTION (b)(2).—For purposes of applying subsection (b)(2), a qualified disaster loss for any taxable year shall be treated in a manner similar to the manner in which a specified liability loss is treated.

''(3) ELECTION.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(J) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(J). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.

''(4) EXCLUSION.—The term 'qualified disaster loss' shall not include any loss with respect to any property described in section 1400N(p)(3).''.

(c) LOSS DEDUCTION ALLOWED IN COMPUTING ALTERNATIVE MINIMUM TAXABLE INCOME.—Subsection (d) of section 56 is amended by adding at the end the following new paragraph:

''(3) NET OPERATING LOSS ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.—In the case of a taxpayer which has a qualified disaster loss (as defined by section 172(b)(1)(J)) for the taxable year, paragraph (1) shall be applied by increasing the amount determined under subparagraph (A)(ii)(I) thereof by the sum of the carrybacks and carryovers of such loss.''.

(d) CONFORMING AMENDMENTS.—

(1) Clause (ii) of section 172(b)(1)(F) is amended by inserting ''or qualified disaster loss (as defined in subsection (j))'' before the period at the end of the last sentence.

(2) Paragraph (1) of section 172(i) is amended by adding at the end the following new flush sentence:

''Such term shall not include any qualified disaster loss (as defined in subsection (j)).''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to losses arising in taxable years beginning after December 31, 2007, in connection with disasters declared after such date.

SEC. 709. WAIVER OF CERTAIN MORTGAGE REVENUE BOND REQUIREMENTS FOLLOWING FEDERALLY DECLARED DISASTERS.

(a) IN GENERAL.—Subsection (k) of section 143 is amended by adding at the end the following new paragraph:

''(12) SPECIAL RULES FOR RESIDENCES DESTROYED IN FEDERALLY DECLARED DISASTERS.—

''(A) PRINCIPAL RESIDENCE DESTROYED.—At the election of the taxpayer, if the principal residence (within the meaning of section 121) of such taxpayer is—

''(i) rendered unsafe for use as a residence by reason of a federally declared disaster occurring before January 1, 2010, or

''(ii) demolished or relocated by reason of an order of the government of a State or political subdivision thereof on account of a federally declared disaster occurring before such date,

then, for the 2-year period beginning on the date of the disaster declaration, subsection (d)(1) shall not apply with respect to such taxpayer and subsection (e) shall be applied by substituting '110' for '90' in paragraph (1) thereof.

''(B) PRINCIPAL RESIDENCE DAMAGED.—

''(i) IN GENERAL.—At the election of the taxpayer, if the principal residence (within the meaning of section 121) of such taxpayer was damaged as the result of a federally declared disaster occurring before January 1, 2010, any owner-financing provided in connection with the repair or reconstruction of such residence shall be treated as a qualified rehabilitation loan.

''(ii) LIMITATION.—The aggregate owner-financing to which clause (i) applies shall not exceed the lesser of—

''(I) the cost of such repair or reconstruction, or

''(II) $150,000.

''(C) FEDERALLY DECLARED DISASTER.—For purposes of this paragraph, the term 'federally declared disaster' has the meaning given such term by section 165(h)(3)(C)(i).

''(D) ELECTION; DENIAL OF DOUBLE BENEFIT.—

''(i) ELECTION.—An election under this paragraph may not be revoked except with the consent of the Secretary.

''(ii) DENIAL OF DOUBLE BENEFIT.—If a taxpayer elects the application of this paragraph, paragraph (11) shall not apply with respect to the purchase or financing of any residence by such taxpayer.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to disasters occurring after December 31, 2007.

SEC. 710. SPECIAL DEPRECIATION ALLOWANCE FOR QUALIFIED DISASTER PROPERTY.

(a) IN GENERAL.—Section 168, as amended by this Act, is amended by adding at the end the following new subsection:

''(n) SPECIAL ALLOWANCE FOR QUALIFIED DISASTER ASSISTANCE PROPERTY.—

''(1) IN GENERAL.—In the case of any qualified disaster assistance property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of the qualified disaster assistance property, and

''(B) the adjusted basis of the qualified disaster assistance property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED DISASTER ASSISTANCE PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified disaster assistance property' means any property—

''(i)(I) which is described in subsection (k)(2)(A)(i), or

''(II) which is nonresidential real property or residential rental property,

''(ii) substantially all of the use of which is—

''(I) in a disaster area with respect to a federally declared disaster occurring before January 1, 2010, and

''(II) in the active conduct of a trade or business by the taxpayer in such disaster area,

''(iii) which—

''(I) rehabilitates property damaged, or replaces property destroyed or condemned, as a result of such federally declared disaster, except that, for purposes of this clause, property shall be treated as replacing property destroyed or condemned if, as part of an integrated plan, such property replaces property which is included in a continuous area which includes real property destroyed or condemned, and

''(II) is similar in nature to, and located in the same county as, the property being rehabilitated or replaced,

''(iv) the original use of which in such disaster area commences with an eligible taxpayer on or after the applicable disaster date,

''(v) which is acquired by such eligible taxpayer by purchase (as defined in section 179(d)) on or after the applicable disaster date, but only if no written binding contract for the acquisition was in effect before such date, and

''(vi) which is placed in service by such eligible taxpayer on or before the date which is the last day of the third calendar year following the applicable disaster date (the fourth calendar year in the case of nonresidential real property and residential rental property).

''(B) EXCEPTIONS.—

''(i) OTHER BONUS DEPRECIATION PROPERTY.—The term 'qualified disaster assistance property' shall not include—

''(I) any property to which subsection (k) (determined without regard to paragraph (4)), (l), or (m) applies,

''(II) any property to which section 1400N(d) applies, and

''(III) any property described in section 1400N(p)(3).

''(ii) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified disaster assistance property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined without regard to paragraph (7) of subsection (g) (relating to election to have system apply).

''(iii) TAX-EXEMPT BOND FINANCED PROPERTY.—Such term shall not include any property any portion of which is financed with the proceeds of any obligation the interest on which is exempt from tax under section 103.

''(iv) QUALIFIED REVITALIZATION BUILDINGS.—Such term shall not include any qualified revitalization building with respect to which the taxpayer has elected the application of paragraph (1) or (2) of section 1400I(a).

''(v) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(C) SPECIAL RULES.—For purposes of this subsection, rules similar to the rules of subparagraph (E) of subsection (k)(2) shall apply, except that such subparagraph shall be applied—

''(i) by substituting 'the applicable disaster date' for 'December 31, 2007' each place it appears therein,

''(ii) without regard to 'and before January 1, 2009' in clause (i) thereof, and

''(iii) by substituting 'qualified disaster assistance property' for 'qualified property' in clause (iv) thereof.

''(D) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—For purposes of this subsection, rules similar to the rules of subsection (k)(2)(G) shall apply.

''(3) OTHER DEFINITIONS.—For purposes of this subsection—

''(A) APPLICABLE DISASTER DATE.—The term 'applicable disaster date' means, with respect to any federally declared disaster, the date on which such federally declared disaster occurs.

''(B) FEDERALLY DECLARED DISASTER.—The term 'federally declared disaster' has the meaning given such term under section 165(h)(3)(C)(i).

''(C) DISASTER AREA.—The term 'disaster area' has the meaning given such term under section 165(h)(3)(C)(ii).

''(D) ELIGIBLE TAXPAYER.—The term 'eligible taxpayer' means a taxpayer who has suffered an economic loss attributable to a federally declared disaster.

''(4) RECAPTURE.—For purposes of this subsection, rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified disaster assistance property which ceases to be qualified disaster assistance property.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007, with respect disasters declared after such date.

SEC. 711. INCREASED EXPENSING FOR QUALIFIED DISASTER ASSISTANCE PROPERTY.

(a) IN GENERAL.—Section 179 is amended by adding at the end the following new subsection:

''(e) SPECIAL RULES FOR QUALIFIED DISASTER ASSISTANCE PROPERTY.—

''(1) IN GENERAL.—For purposes of this section—

''(A) the dollar amount in effect under subsection (b)(1) for the taxable year shall be increased by the lesser of—

''(i) $100,000, or

''(ii) the cost of qualified section 179 disaster assistance property placed in service during the taxable year, and

''(B) the dollar amount in effect under subsection (b)(2) for the taxable year shall be increased by the lesser of—

''(i) $600,000, or

''(ii) the cost of qualified section 179 disaster assistance property placed in service during the taxable year.

''(2) QUALIFIED SECTION 179 DISASTER ASSISTANCE PROPERTY.—For purposes of this subsection, the term 'qualified section 179 disaster assistance property' means section 179 property (as defined in subsection (d)) which is qualified disaster assistance property (as defined in section 168(n)(2)).

''(3) COORDINATION WITH EMPOWERMENT ZONES AND RENEWAL COMMUNITIES.—For purposes of sections 1397A and 1400J, qualified section 179 disaster assistance property shall not be treated as qualified zone property or qualified renewal property, unless the taxpayer elects not to take such qualified section 179 disaster assistance property into account for purposes of this subsection.

''(4) RECAPTURE.—For purposes of this subsection, rules similar to the rules under subsection (d)(10) shall apply with respect to any qualified section 179 disaster assistance property which ceases to be qualified section 179 disaster assistance property.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007, with respect disasters declared after such date.

SEC. 712. COORDINATION WITH HEARTLAND DISASTER RELIEF.

The amendments made by this subtitle, other than the amendments made by sections 706(a)(2), 710, and 711, shall not apply to any disaster described in section 702(c)(1)(A), or to any expenditure or loss resulting from such disaster.

TITLE VIII—SPENDING REDUCTIONS AND APPROPRIATE REVENUE RAISERS FOR NEW TAX RELIEF POLICY

SEC. 801. NONQUALIFIED DEFERRED COMPENSATION FROM CERTAIN TAX INDIFFERENT PARTIES.

(a) IN GENERAL.—Subpart B of part II of subchapter E of chapter 1 is amended by inserting after section 457 the following new section:

''SEC. 457A. NONQUALIFIED DEFERRED COMPENSATION FROM CERTAIN TAX INDIFFERENT PARTIES.

''(a) IN GENERAL.—Any compensation which is deferred under a nonqualified deferred compensation plan of a nonqualified entity shall be includible in gross income when there is no substantial risk of forfeiture of the rights to such compensation.

''(b) NONQUALIFIED ENTITY.—For purposes of this section, the term 'nonqualified entity' means—

''(1) any foreign corporation unless substantially all of its income is—

''(A) effectively connected with the conduct of a trade or business in the United States, or

''(B) subject to a comprehensive foreign income tax, and

''(2) any partnership unless substantially all of its income is allocated to persons other than—

''(A) foreign persons with respect to whom such income is not subject to a comprehensive foreign income tax, and

''(B) organizations which are exempt from tax under this title.

''(c) DETERMINABILITY OF AMOUNTS OF COMPENSATION.—

''(1) IN GENERAL.—If the amount of any compensation is not determinable at the time that such compensation is otherwise includible in gross income under subsection (a)—

''(A) such amount shall be so includible in gross income when determinable, and

''(B) the tax imposed under this chapter for the taxable year in which such compensation is includible in gross income shall be increased by the sum of—

''(i) the amount of interest determined under paragraph (2), and

''(ii) an amount equal to 20 percent of the amount of such compensation.

''(2) INTEREST.—For purposes of paragraph (1)(B)(i), the interest determined under this paragraph for any taxable year is the amount of interest at the underpayment rate under section 6621 plus 1 percentage point on the underpayments that would have occurred had the deferred compensation been includible in gross income for the taxable year in which first deferred or, if later, the first taxable year in which such deferred compensation is not subject to a substantial risk of forfeiture.

''(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) SUBSTANTIAL RISK OF FORFEITURE.—

''(A) IN GENERAL.—The rights of a person to compensation shall be treated as subject to a substantial risk of forfeiture only if such person's rights to such compensation are conditioned upon the future performance of substantial services by any individual.

''(B) EXCEPTION FOR COMPENSATION BASED ON GAIN RECOGNIZED ON AN INVESTMENT ASSET.—

''(i) IN GENERAL.—To the extent provided in regulations prescribed by the Secretary, if compensation is determined solely by reference to the amount of gain recognized on the disposition of an investment asset, such compensation shall be treated as subject to a substantial risk of forfeiture until the date of such disposition.

''(ii) INVESTMENT ASSET.—For purposes of clause (i), the term 'investment asset' means any single asset (other than an investment fund or similar entity)—

''(I) acquired directly by an investment fund or similar entity,

''(II) with respect to which such entity does not (nor does any person related to such entity) participate in the active management of such asset (or if such asset is an interest in an entity, in the active management of the activities of such entity), and

''(III) substantially all of any gain on the disposition of which (other than such deferred compensation) is allocated to investors in such entity.

''(iii) COORDINATION WITH SPECIAL RULE.—Paragraph (3)(B) shall not apply to any compensation to which clause (i) applies.

''(2) COMPREHENSIVE FOREIGN INCOME TAX.—The term 'comprehensive foreign income tax' means, with respect to any foreign person, the income tax of a foreign country if—

''(A) such person is eligible for the benefits of a comprehensive income tax treaty between such foreign country and the United States, or

''(B) such person demonstrates to the satisfaction of the Secretary that such foreign country has a comprehensive income tax.

''(3) NONQUALIFIED DEFERRED COMPENSATION PLAN.—

''(A) IN GENERAL.—The term 'nonqualified deferred compensation plan' has the meaning given such term under section 409A(d), except that such term shall include any plan that provides a right to compensation based on the appreciation in value of a specified number of equity units of the service recipient.

''(B) EXCEPTION.—Compensation shall not be treated as deferred for purposes of this section if the service provider receives payment of such compensation not later than 12 months after the end of the taxable year of the service recipient during which the right to the payment of such compensation is no longer subject to a substantial risk of forfeiture.

''(4) EXCEPTION FOR CERTAIN COMPENSATION WITH RESPECT TO EFFECTIVELY CONNECTED INCOME.—In the case a foreign corporation with income which is taxable under section 882, this section shall not apply to compensation which, had such compensation had been paid in cash on the date that such compensation ceased to be subject to a substantial risk of forfeiture, would have been deductible by such foreign corporation against such income.

''(5) APPLICATION OF RULES.—Rules similar to the rules of paragraphs (5) and (6) of section 409A(d) shall apply.

''(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations disregarding a substantial risk of forfeiture in cases where necessary to carry out the purposes of this section.''.

(b) CONFORMING AMENDMENT.—Section 26(b)(2), as amended by the Housing Assistance Tax Act of 2008, is amended by striking ''and'' at the end of subparagraph (V), by striking the period at the end of subparagraph (W) and inserting '', and'', and by adding at the end the following new subparagraph:

''(X) section 457A(c)(1)(B) (relating to determinability of amounts of compensation).''.

(c) CLERICAL AMENDMENT.—The table of sections of subpart B of part II of subchapter E of chapter 1 is amended by inserting after the item relating to section 457 the following new item:

''Sec. 457A. Nonqualified deferred compensation from certain tax indifferent parties.''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to amounts deferred which are attributable to services performed after December 31, 2008.

(2) APPLICATION TO EXISTING DEFERRALS.—In the case of any amount deferred to which the amendments made by this section do not apply solely by reason of the fact that the amount is attributable to services performed before January 1, 2009, to the extent such amount is not includible in gross income in a taxable year beginning before 2018, such amounts shall be includible in gross income in the later of—

(A) the last taxable year beginning before 2018, or

(B) the taxable year in which there is no substantial risk of forfeiture of the rights to such compensation (determined in the same manner as determined for purposes of section 457A of the Internal Revenue Code of 1986, as added by this section).

(3) ACCELERATED PAYMENTS.—No later than 120 days after the date of the enactment of this Act, the Secretary shall issue guidance providing a limited period of time during which a nonqualified deferred compensation arrangement attributable to services performed on or before December 31, 2008, may, without violating the requirements of section 409A(a) of the Internal Revenue Code of 1986, be amended to conform the date of distribution to the date the amounts are required to be included in income.

(4) CERTAIN BACK-TO-BACK ARRANGEMENTS.—If the taxpayer is also a service recipient and maintains one or more nonqualified deferred compensation arrangements for its service providers under which any amount is attributable to services performed on or before December 31, 2008, the guidance issued under paragraph (4) shall permit such arrangements to be amended to conform the dates of distribution under such arrangement to the date amounts are required to be included in the income of such taxpayer under this subsection.

(5) ACCELERATED PAYMENT NOT TREATED AS MATERIAL MODIFICATION.—Any amendment to a nonqualified deferred compensation arrangement made pursuant to paragraph (4) or (5) shall not be treated as a material modification of the arrangement for purposes of section 409A of the Internal Revenue Code of 1986.

ORDERS FOR TUESDAY, SEPTEMBER 30, 2008

Mr. WHITEHOUSE. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Tuesday, September 30; that following the prayer and pledge, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of H.R. 2095.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. WHITEHOUSE. Madam President, tomorrow the Senate will resume consideration of the rail safety/Amtrak legislation postcloture. There will be no rollcall votes during Tuesday's session.

RECESS UNTIL 10 A.M. TOMORROW

Mr. WHITEHOUSE. Madam President, 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 5:06 p.m., recessed until Tuesday, September 30, 2008, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate:

ENVIRONMENTAL PROTECTION AGENCY

G. DAVID BANKS, OF MISSOURI, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE JUDITH ELIZABETH AYRES, RESIGNED.

DEPARTMENT OF TRANSPORTATION

DAVID KELLY, OF NEW YORK, TO BE ADMINISTRATOR OF THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, VICE NICOLE R. NASON, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN C. KOZIOL

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. STEPHEN L. HOOG