



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 112<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 158

WASHINGTON, TUESDAY, JULY 24, 2012

No. 111

## House of Representatives

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

### DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,  
July 24, 2012.

I hereby appoint the Honorable DAVID RIVERA to act as Speaker pro tempore on this day.

JOHN A. BOEHNER,  
*Speaker of the House of Representatives.*

### MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 17, 2012, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 1 hour and each Member other than the majority and minority leaders and the minority whip limited to 5 minutes each, but in no event shall debate continue beyond 11:50 a.m.

### THE DRONES ARE COMING

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas (Mr. POE) for 5 minutes.

Mr. POE of Texas. Mr. Speaker, for years, the United States has used drones to track terrorists overseas, catch outlaws along the border and other lawful purposes—but now, thousands of drones are heading to the homeland. The FAA plans to allow the expanded use of drones to operate nationwide by the year 2015. It is estimated, by 2020, 30,000 of them will be flying in American skies.

Yes, Mr. Speaker, the drones are coming.

Who will operate these drones, and what will be their mission? Could it be a suspicious government agent who thinks someone looks kind of funny? The EPA bureaucrat to monitor somebody's farm and watch Bessie the cow graze in the pasture? Or a nosy neighbor who wants to make sure someone's shutters are pretty and the flowers don't violate the homeowners' association rules? Or could it be a legitimate and lawful and legal purpose of drones that doesn't violate the right of privacy?

These are the kinds of situations Americans face as we enter this uncharted and unprecedented world of drone technology.

Congress has the legal obligation to ensure that the Fourth Amendment rights of private citizens are protected in this new "drone world." You see, Mr. Speaker, the Fourth Amendment says this:

The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated. No warrants shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized.

The Fourth Amendment limits government intrusion into our lives. The Constitution limits eavesdropping, snooping, and spying on American citizens. While there are some legitimate uses for drones domestically, such as monitoring forest fires and floods and hurricanes, tracking an escaped bank robber, and other law enforcement uses, it is up to Congress to limit their use so that the Fourth Amendment and the right of privacy are protected.

That is why I am introducing the Preserving American Privacy Act.

Now is the time for Congress to act, not in 2015. With the increased technology of surveillance, Congress has to be proactive in controlling drone use to law enforcement and also in protecting civilians from the private use of

drones. This bill will ensure the privacy of private citizens is protected by establishing guidelines about when and for what purposes law enforcement agencies, private citizens, and businesses can use drones.

I repeat: This bill will ensure the privacy of private citizens, that it is protected by establishing guidelines about when and for what purposes law enforcement agencies, private citizens, and businesses can use drones.

First, it would prevent the FAA from issuing a permit for the use of a drone to fly in United States airspace for law enforcement purposes unless it is pursuant to a warrant and in the investigation of a felony. This would apply to State, Federal, and local jurisdictions. The warrant exceptions and exigent circumstances rules that are already the law of the land would be the same as those that are applicable in the State, Federal, or local jurisdiction where that surveillance occurs.

It would also prevent the FAA from issuing a permit to any private individual for the use of a drone for the surveillance of a U.S. citizen or the property of a U.S. citizen unless that person under surveillance has consented or the owner of the property has consented. There may be some other lawful exceptions as well.

Lastly, this bill would ensure that no evidence obtained from the use of a drone may be used at an administrative hearing.

Americans expect their constitutional rights will be protected at any time in our history or our future, so Congress must decide when drones can and cannot be used in order to ensure constitutional safeguards. This decision cannot be left up to government agencies, special interest groups, or others. Mr. Speaker, technology may change with time, but the Constitution does not.

And that's just the way it is.

This symbol represents the time of day during the House proceedings, e.g.,  1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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**THE NEAR COLLAPSE OF THE ECONOMY: AVOIDING A REPEAT PERFORMANCE**

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oregon (Mr. BLUMENAUER) for 5 minutes.

Mr. BLUMENAUER. There is plenty of blame for the near collapse of the economy over the last 5 years—greedy, even criminal business behavior, lax or nonexistent oversight with regulators asleep at the switch. Clearly, there were some reckless consumers and a failed political system. But as instructive as the postmortem might be, it's more important to avoid a repeat performance.

What should we do? I would suggest we simplify, regulate, and prosecute.

Let's begin by reinstating the Glass-Steagall, Depression-era bank regulation that helped promote stability in that industry. It would be a small step in the right direction, a signal that the era of deregulation, unfettered, is at an end. I hope we can move to performance-based regulation. The Dodd-Frank bill had many important and valuable features, but I fear that it is at risk of becoming a bureaucratic nightmare.

We do need to regulate. The cozy, light-touched, gentle—some would say diffident—approach that assumes that the gentle people in the financial industry will self-police must be a thing of the past. We should provide the various regulatory authorities with adequate staff and budget. We should pay them properly so that they aren't a training ground to be hired away for much higher salaries by the industry they're supposed to regulate. We should have high expectations that they will do their jobs, and then we should back them up and not undercut those efforts.

Finally, we should prosecute. Sending people to jail will send a message. All of the people in American prisons collectively have not stolen as much with guns as the American public, our pension funds, our businesses lost in the near meltdown of the economy. Every time somebody illegally profits from a financial transaction, somebody else loses. Crooks, whatever the color of their collars, should be held accountable.

To make this happen, the public needs to focus some of their frustration to make this an issue in the election. At a time when politicians and special interests are making strange and outrageous noises, here is a real issue for them to address.

**REGULATORY REFORM: FINDING A BALANCE**

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan (Mr. WALBERG) for 5 minutes.

Mr. WALBERG. Mr. Speaker, for the record, America's businesses and innovators do not need the administration mandating how they run their

companies—yet it regularly does and in the form of burdensome and costly regulations. We all share in the responsibility to find the balance of making sure employees have the safest working conditions possible while allowing them to have a job to come back to every day. Burdensome, onerous regulations place such a heavy toll on businesses that hiring slows and they are forced to start cutting from their workforces.

□ 1010

Part of protecting employees' jobs is making sure that the business they work for is still able to grow and create more good-paying jobs for those in Michigan and across the country.

Over the course of this Congress, I have had the opportunity to speak with numerous small businesses, owners, and workers who state unequivocally that they'd rather Washington hand out less regulations and more certainty. According to a Chamber of Commerce small business outlook survey from earlier this year, nearly 80 percent of small businesses say taxes, regulations, and legislation make it harder for them to hire. That's because small businesses are forced to pay on average \$10,000 per employee per year in order to comply with excessive regulations. The Small Business Administration has reported that when added up, those costs amount to \$1.75 trillion annually, which is enough money for businesses to provide 35 million private sector jobs with an average salary of \$50,000 per year.

Mr. Speaker, truly, the price of red tape is the loss of American jobs. Because of these regulations, the United States is also losing its competitive edge. According to the "Global Competitiveness Report" for 2011-2012, the U.S. fell to the fifth most competitive economy in the world. It is down from second place when President Obama took office in 2009. The reason stated by the report: more burdensome regulations.

I ask my Big Government colleagues: What's wrong with being number one? Regulations are important, and businesses should be held accountable for the safety of their employees. But how much is too much? So far this year, the Federal Register has run more than 40,000 pages of regulations that range from burdensome to downright ridiculous. It contains such provisions as multiple hospital claim reimbursement codes for injuries caused by parrots and burns from flaming water skis. We need regulatory reform that cleans up the system, removes duplicative regs, and wipes out burdensome and excessive rules.

My Republican colleagues and I in the House have passed dozens of bills to pull back the government's regulatory arm. We passed the Regulations From the Executive in Need of Scrutiny, or REINS, Act which would require both Congress and the President approve all major rulings created by Federal agen-

cies. We also have passed rules that would discourage any regulation that will have an annual impact of more than \$100 million, resulting in major increases in costs and prices, or impose a significant negative effect on competition and jobs.

This week, we'll vote on H.R. 4078, the Red Tape Reduction and Small Business Job Creation Act, which would prevent any Federal agency from taking a significant regulatory action until employment has reached 6 percent or less. House Republicans remain committed to growing the economy and requiring congressional approval for any regulation that has significant impact on the economy or burdens small businesses and costs jobs.

We must stop allowing unelected bureaucrats to enact job-killing rules with no checks or balances. By preventing these kinds of job-hindering proposals, we can give job creators more certainty about what rules they can expect. Small businesses are our country's real job creators, creating seven out of every 10 jobs.

To protect these jobs and our country and Michigan, I'll continue to fight for less red tape here and in Washington, and more jobs in our homeland.

**TRIBUTE TO KATHLEEN "KATHI" WILKES**

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Texas (Ms. JACKSON LEE) for 5 minutes.

Ms. JACKSON LEE of Texas. Mr. Speaker, these are tasks that we often do not find welcoming. I rise this morning to pay tribute to a public servant among us, someone who served in this House as a staff person, a chief of staff in my office. I rise this morning to pay tribute to Kathleen "Kathi" Wilkes, whose memorial service will be held this afternoon, July 24, 1:30 p.m., at the Alfred Street Baptist Church in Alexandria, Virginia.

Kathi died suddenly last Saturday. The good news is that so many of her friends were able to fly in, as I was able to do from Houston, and to be with her in those waning hours. One can always ask the question why, and there is no explanation for someone so full of life, so ready to serve, so willing to help, to lose their life so suddenly, even as she was so active the week of her death.

Kathi had a wonderful history of coming from Ohio, touching down in Pennsylvania, in Houston, and Washington, D.C. How often can what we call a "civilian" touch the lives of so many States and so many people? Kathi pulled herself up by her bootstraps, supported herself, and became a nurse. As she was so good at nursing as well, she continued to nurture people, maybe in the spirit of Florence Nightingale.

That was not enough for Kathi. She continued to put herself through school and ultimately graduated and became a lawyer. That brought her to Houston, Texas, working for one of the major

corporations there, but it brought her into my life so many years ago. There, she was a light as well, interested in helping and befriending not only my husband and myself, but my two little ones, Erica and Jason. Boy, did they have a buddy in Kathi Wilkes. She loved to do things that children much smaller and much younger than herself enjoyed. She was just a fun-loving person. Then, of course, she traveled to places around the world embracing friends.

As she came back to Washington, D.C., to become the chief of staff in the 18th Congressional District, what a light she was in the office, bringing in great talent and other young people who were nurtured, counseled by her, tutored, and made great. Then, of course, what a partner in legislation. She was there through the ups and downs of the 1990s, through the impeachment proceedings, as I was a member of the House Judiciary Committee. Through all these tough times, Kathi was there.

Then we were able to do something quite great, if I might say so myself. This House was built by slaves, the Capitol of the United States of America. But as we looked around a few years past, there were no statues of African Americans, less an African American woman. I passed legislation, along with then-Senator Clinton, to place a statue of Sojourner Truth in this House. Sojourner Truth was a person who had been an abolitionist, a suffragette, a slave, a mother of 13 children, who had seen most all of them sold into slavery.

Kathi worked without ceasing to ensure that that statue was sculpted, that we had the opportunity to place it historically in the United States Congress, and it was honored with 2,000 people coming to see the placement of the Sojourner Truth statue having then-Secretary Hillary Clinton and First Lady Michelle Obama and, of course, the Speaker, NANCY PELOSI, present. What a wonderful day and occasion and tribute to the hard work of Kathi Wilkes.

It is befitting that I rise today to express the deep pain that so many of us feel, friends from all around the world even, but certainly in this Nation. Friends, as I said from Ohio, to Pennsylvania, to Washington, D.C., to Texas, many of whom will be able to come today, others of whom will celebrate her in Houston and in Ohio. One may ask why she is deserving of such. In the backdrop of such terrible tragedies that have faced us in Aurora and places around the world, as we mourn the loss of so many in the occurrence of last Thursday, I stand here today to say that I know that if Kathi Wilkes were alive today, she would be somewhere trying to help, to nurture, to assist my office, to be of help, even as she is no longer a chief of staff, but really a former chief of staff.

That is simply the way Kathi Wilkes is to her mother, her son, and, of

course, her granddaughter and her many relatives and many friends. We have lost a good friend, but I can see her now taking wings.

Farewell, my good friend. You have served well and made us proud. More importantly, you have given of yourself. May you rest in peace.

□ 1020

#### AFGHANISTAN

The SPEAKER pro tempore. The Chair recognizes the gentleman from North Carolina (Mr. JONES) for 5 minutes.

Mr. JONES. Mr. Speaker, last Saturday, I had the privilege to speak to well over 200 retirees. Many of the retirees are veterans of our previous wars for this country. They wanted me to be there with them to discuss sequestration, their benefits, and what do I think is going to happen, which I could not honestly tell them. And none of us really seem to know until we get back after the election in November.

But, Mr. Speaker, when I spoke to this group of retirees, I took this poster down, and I had it on a stand like this one. It says: "Funding the Enemy: How U.S. Taxpayers Bankroll the Taliban." And I told these veterans that it was time to get our troops out of Afghanistan. It was time to stop sending money to a corrupt leader named Karzai and time to bring the troops home and spend the money here in America on our own people and guarantee the benefits for our veterans, which they have earned.

Mr. Speaker, I got a strong applause from those people, who have served this Nation, and their spouses. This took place in Jacksonville, North Carolina, which is in my district. The Camp LeJeune Marine base is in my district. And many of these in attendance served in the Marine Corps, the Navy, a few in the Air Force. And they agree with me, it is time to stop spending money, digging a hole that has no end to it, known as Afghanistan.

Mr. Speaker, in a critique on this book, "Funding the Enemy," I read one of the most candid behind-the-scenes examples of war reportage. This book contains a host of voices that spell out the chaos and mayhem of America's longest war.

Mr. Speaker, it is a no-win situation. I'm a history major from college, but I'm not an expert on history. But in everything I have ever read about Afghanistan, the end is always the same. No nation has ever gone to Afghanistan and changed anything, nothing at all.

And, Mr. Speaker, speaking of mayhem, yesterday in The New York Times—and I will quote the article—the title of the article is "Top Afghans Tied to Nineties Carnage, Researchers Say: Activists Say Powerful Figures Are Blocking 800-Page Report" of carnage in the nineties by many of those that are leading Afghanistan today.

I don't know why there is not more outrage from Congress. Anytime we

have a debate about Afghanistan, it's a few Republicans and a few Democrats who stand up. And we might get 10 minutes, but that's about all. Ten minutes? We are spending \$10 billion a month; young men and women are losing their legs and arms. And 10 minutes is all we're going to debate the policy in Afghanistan? That, in itself, is crazy.

In this article, it further states:

The American Embassy here has been another source of objection to the mass-graves report. American officials say releasing the report would be a bad idea, at least until after Afghanistan's 2014 Presidential election is complete.

This has been a failed policy. It should have stopped after Mr. Obama got bin Laden. The reason we went into Afghanistan was to get bin Laden and al Qaeda which was responsible for 9/11. Well, he is dead now; al Qaeda has been disbursed all around the world. It is time to stop this failed policy in Afghanistan.

And I will say to the embassy that does not want this report out, Why? Why do you continue to play this game with the American young men and women who give their lives and limbs in Afghanistan? Why won't you be honest with the American people and Congress and say, Bring the troops home; stop spending money we don't have.

The money is actually borrowed from China, Mr. Speaker. We owe China \$1.3 trillion. We can't pay our own bills. Yet we're going to borrow the money from China to send to a corrupt leader named Karzai in Afghanistan. And, Mr. Speaker, the subtitle of this book, "How U.S. Taxpayers Bankroll the Taliban"—it's the Taliban that are killing Americans.

Mr. Speaker, in closing, I will ask God to please bless our men and women in uniform.

#### ASSAULT WEAPONS BAN

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia (Mr. JOHNSON) for 5 minutes.

Mr. JOHNSON of Georgia. Mr. Speaker, today I rise to express my heartfelt sorrow and condolences to the victims and their families and the community of Aurora, Colorado, a great tragedy. Words are inadequate to describe it. And it's certainly a reminder to everyone that no time is promised to any of us. And we never know what will happen in the next second or the next minute or the next hour and certainly the next day. So we give praise that we were able to wake up this morning, come to the floor of the House and talk about an issue that is going to take a lot of time to heal.

But while we are healing, we have work to do in this Congress. You see, the assault weapons ban, in place for 10 years, expired in 2004. And after the expiration of the assault weapons ban, it's been open season.

Now, I know that there are people who hold the Second Amendment dear.

And it is established clearly in law that citizens have a right to bear arms. Beyond that, the Constitution is silent. So it leaves it up to us to address issues concerning the reasonable regulation of that right. Should we not have any regulations, or should we have regulations that are reasonable?

Now, I just heard some of my colleagues on the other side of the aisle talking about the numerous bills that we will be considering this week having to do with stopping regulation in its tracks in all areas, whether or not it be child safety, food, drugs, car safety, whether or not it be air, water, food, drugs. I have heard talk that regulations stop jobs from being created. That is one that I disagree with; but nevertheless, we will be considering it today.

□ 1030

But there are some regulations governing the affairs of people that are reasonable, and that includes restrictions on who can bear arms and what kind of arms they can bear. To say that we should have no regulations on weapons, particularly weapons of mass destruction, to me is unwise. I don't understand why someone who has a gun in their home for protection needs to have a magazine that is capable of rapid fire, a hundred rounds in a couple of minutes or in a minute. I don't understand why someone needs that kind of firepower to protect their home.

I know people love to go hunting. I, myself, will one day have the opportunity to do that. I have never done it before, but I respect those who wait until hunting season begins on their particular prey of choice. They exercise that right and get a lot of joy and satisfaction out of it, and also bring home some food. I can't disagree with that, and we do need to cull our deer population and other populations. We have reasonable regulations on that. But you don't need an AK-47 to go deer hunting.

My 5 minutes went by very quickly, but I think you all understand what I'm saying.

HONORING PENNSYLVANIA STATE  
REPRESENTATIVE ANTHONY  
MELIO

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania (Mr. FITZPATRICK) for 5 minutes.

Mr. FITZPATRICK. Mr. Speaker, I rise today to honor the life and memory of Pennsylvania State Representative Anthony Melio, who passed away on Thursday afternoon. To his family, friends, and neighbors, he was known simply as "Tony," "Pop Pop," and "Uncle Tony." In the Pennsylvania State capitol, he was known as a hardworking and honorable State representative.

Having served his country in the Naval Reserves and working as one of the first employees in the United

States Steel Fairless Works in Bucks County, Tony's story is the story of my hometown of Levittown, Pennsylvania, a town of dignified and hardworking people.

Tony Melio was a man who built his political career on bringing the community together with his contagious smile and his warm personality. He embodied the spirit of public service during his time in Harrisburg. As the people's representative from Lower Bucks County, Tony carried out his duties with dignity and perseverance. His commitment to his family and his community were the hallmarks of his service.

A man of great faith, Bucks County has lost one of its most well-respected and beloved public servants in Tony Melio. I, like so many, had the privilege of calling Tony a friend and a neighbor, and my thoughts and prayers are with the Melio family in this difficult time.

I thank the United States House of Representatives for stopping to remember this dignified public servant this morning.

DEVELOP AMERICA'S ENERGY  
RESOURCES

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania (Mr. THOMPSON) for 5 minutes.

Mr. THOMPSON of Pennsylvania. Mr. Speaker, President Obama continues to pursue an energy agenda that is contrary to his all-of-the-above rhetoric. There is no better example than his administration's recently released 5-year offshore leasing plan.

According to the nonpartisan Congressional Research Service, the plan proposes a mere 15 lease sales over the next 5 years, which is the lowest number since 1980, when CRS began tracking that data. Instead of allowing the development of America's vast offshore oil and gas resources, the plan effectively imposes a moratorium on most development, a moratorium which Congress lifted nearly 4 years ago. The plan blocks drilling on 85 percent of the Outer Continental Shelf. Effectively, States which sought Federal approval will have to wait another 12 years before any production is possible.

Under current law, Congress has a 60-day review period to replace the President's plan. Last week, the House Natural Resources Committee passed H.R. 6082, a plan that will allow more development of our energy resources. Instead of a moratorium of a none-of-the-above energy policy, we should responsibly develop all of our resources for the long-term benefits of the American people.

Mr. Speaker, the American people deserve affordable and reliable energy.

PASS RUSSIA PNTR

The SPEAKER pro tempore. The Chair recognizes the gentleman from California (Mr. DREIER) for 5 minutes.

Mr. DREIER. Mr. Speaker, I rise to discuss an issue which I hope we will be addressing in the coming days.

There is a great deal of confusion about the possibility of our passing PNTR for Russia. Some are laboring under the impression that this is a reward to Vladimir Putin and Russia; and, in fact, the opposite is the case. We know that Vladimir Putin—in fact, many people say they look at him and what they are reminded of is the KGB. We know that Vladimir Putin, according to many reports, is attempting to reassemble the former Soviet Union. We know that he has grossly violated human rights. We know that they have a massive bureaucracy, crony capitalism, and a very corrupt court system. That's why, Mr. Speaker, it is very important for us to make sure that we pass Russia PNTR.

According to The Wall Street Journal in an editorial last week, they made it clear, Vladimir Putin does not want to us to pass the Magnitsky Act, which is part of PNTR, and they go on to say that he probably would be just as happy if we did not have PNTR. Why? Because based on overwhelming votes that took place in the last 2 weeks in the Russian Parliament, in the Duma, the lower house, and the Federated Council, the upper house, overwhelming votes, Russia is going to become a member of the World Trade Organization. I personally believe that's a good thing. It will take a great step in the direction of forcing Russia to live with a rules-based trading system, to address those issues of crony capitalism, a corrupt court system, and a massive bureaucracy.

But, Mr. Speaker, having said that, I think it is important to note that we've seen action taken here in the House Foreign Affairs Committee, the Senate Finance Committee, and we have seen a great deal of enthusiasm focused on the Magnitsky Act.

What is the Magnitsky Act? It is legislation that is named for Sergei Magnitsky, who was a whistleblower who focused on basically corruption that existed within the tax reporting system, basically, tax fraud. He reported on that, and he was imprisoned. He died in 2009. Mr. Speaker, what happened, very sadly, according to most reports, is that he was beaten to death.

Well, what does this legislation do? Something, again, Vladimir Putin would be virulently opposed to. It actually penalizes anyone who was involved in those human rights violations against Sergei Magnitsky. So, Mr. Speaker, this is a good thing. And at the same time in passing PNTR, we will say that the 140 million consumers in Russia will have access to goods and services from the United States of America.

Under the measure that has passed both houses of the Russian Parliament, as I said, overwhelming majorities, it will go into effect within the next couple or 3 weeks. What we need to do, Mr. Speaker, we need to recognize that the

world will have access to that consumer market. We need to create jobs here in the United States of America. We need to open up that market for U.S. goods and services.

And so, Mr. Speaker, when this vote comes forward, don't believe that this is somehow a reward to Vladimir Putin and the people who are leading Russia. This, in fact, is a great benefit for workers in the United States of America, businesses in the United States of America, and a benefit to the consumers of Russia who will have access to our goods and services.

I want to congratulate, in closing, Mr. Speaker, my colleagues BILLY LONG and TOM REED, who, along with 71 other of the newly elected Members, sent a letter that indicates strong support of this effort.

□ 1040

#### RECOGNIZING BELL FLAVORS & FRAGRANCES

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. DOLD) for 5 minutes.

Mr. DOLD. Mr. Speaker, I certainly want to echo the comments of the esteemed chairman from the Rules Committee about the effects the Russian PNTR is going to have for American businesses. It really is going to allow us to compete more on a level playing field.

Mr. Speaker, I rise today also to recognize Bell Flavors & Fragrances of Northbrook, Illinois, who tomorrow will celebrate their 100-year anniversary on July 25. This is, indeed, a remarkable achievement and something that we should celebrate. Mr. James Heintz and his team at Bell Flavors & Fragrances are innovating and selling products that satisfy the needs of their customers. And their customers, Mr. Speaker, are literally all over the world. Headquartered in Northbrook, Illinois, Bell Flavors & Fragrances has sales offices in 40 countries around the world and tailors its products to meet the regional demands of its consumers.

Bell is one of the many small businesses in my district that has utilized the Export-Import Bank. They've utilized it this year to support their export operations. As a member of the Financial Services Committee and a strong supporter of the Export-Import Bank, I'm proud that here in Congress we were able to work together on a broad, bipartisan basis to reauthorize the Export-Import Bank. So many of our small and medium-sized businesses rely on support of the Export-Import Bank in order to more efficiently and effectively compete in the global marketplace.

Mr. Speaker, we don't always spend enough time, effort, or energy here in Washington, D.C., celebrating business growth and success. So today on behalf of the residents of the 10th District of Illinois, I want to congratulate the wonderful people who make up Bell

Flavors & Fragrances on their centennial anniversary.

#### RECESS

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

Accordingly (at 10 o'clock and 41 minutes a.m.), the House stood in recess.

□ 1200

#### AFTER RECESS

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

#### PRAYER

Reverend Bud Roland, St. John Neumann Catholic Church, Austin, Texas, offered the following prayer:

Good and loving God, we thank You for this day. We thank You for the gift of public service.

We ask for Your blessings on these women and men who serve on our behalf. Grant them the wisdom to be humble in collaboration, the vision to consider the needs of all American citizens, and the desire to protect our freedom as they provide for the common good.

Direct their deliberations to be good leaders and guide them in fruitful dialogue.

May Your grace shine forth in all their proceedings. May they enact just laws for our government, and may they seek to preserve peace, promote national happiness, and continue to bring us the blessings of liberty and equality.

Amen.

#### THE JOURNAL

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

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

#### PLEDGE OF ALLEGIANCE

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

Mr. CRAWFORD led the Pledge of Allegiance as follows:

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

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Brian Pate, one of his secretaries.

#### ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will remind the House that on July 24, 1998, at

3:40 p.m., Officer Jacob J. Chestnut and Detective John M. Gibson of the United States Capitol Police were killed in the line of duty defending the Capitol against an intruder armed with a gun.

At 3:40 p.m. today, the Chair will recognize the anniversary of this tragedy by observing a moment of silence in their memory.

#### WELCOMING REVEREND BUD ROLAND

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

Mr. MCCAUL. Mr. Speaker, I rise today to pay tribute to a good and decent man, a man of God and a man of faith, a man who has devoted his entire life to the service of his fellow man. Father Bud Roland, whom we affectionately call Father Bud, is our guest chaplain today and is the pastor of St. John Neumann Catholic Church in Austin, Texas.

A native of Amarillo, Father Bud was ordained a Roman Catholic priest in January 1999. He was inspired to convert to Catholicism by a loving and generous man in Amarillo named Jordan Grooms who also inspired scores of others to go into the priesthood.

I am thankful that this man impacted Father Bud, who has gone on to shepherd so many with great love and great leadership. Father Bud is revered, admired, and loved by all whose lives he has touched. It has been a great privilege to call him my pastor, and everyone who knows him experiences the true message of Christ. In his words, in his deeds and, above all, in his heart, his example is a beacon of light which draws us all closer to the Creator.

I am reminded of Romans 8:28, which says:

We know that for those who love God all things work together for good, for those who are called according to His purpose.

We are blessed, and the world is a better place because Father Bud was called according to His purpose.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. YODER). The Chair will entertain 15 further requests for 1-minute speeches on each side of the aisle.

#### RECOGNITION OF RETA HAMILTON

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

Mr. CRAWFORD. Mr. Speaker, I rise today to recognize the leadership and dedication Reta Hamilton has shown to the Republican Party of Arkansas and the Republican National Committee. Ms. Hamilton has made a lifelong commitment to advancing conservative causes.

Her career began as a volunteer in political activism in 1995; and she has

gone on to hold positions, including the first vice chairman of the Republican Party of Arkansas, an appointee to the Governor's Appointments Committee, and a member of the National Committee's Women's Leadership Forum.

She served as a national committee-woman for the Republican Party of Arkansas since 2004; and as a member of the national rules committee, she is able to influence party nominations and messages.

Ms. Hamilton has been a delegate to every Republican national convention since 1992. She is also a 2012 RNC convention committee member.

Mr. Speaker, today I honor Ms. Reta Hamilton for her commitment to our commonsense, conservative ideals and thank her for her service.

#### VETERANS TRANSITIONING TO CIVILIAN LIFE

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

Ms. HOCHUL. Mr. Speaker, exactly 2 months ago, I was in Afghanistan breaking bread with our troops, and I asked them, What is your biggest worry? What keeps you awake at night? I thought it had to be the Taliban lurking in the nearby mountains. Well, it wasn't. Their biggest fear—and I heard this over and over—was the fear of coming back to this country and not finding a job.

At this point in our country, over 30 percent is the rate of unemployment for recently returning veterans from Iraq and Afghanistan. That is absolutely unacceptable. We've taken some steps in Congress. The tax credit for employers is a good start, and I introduced the VETS bill, which will help veterans receive professional certification for the training and skills they've already acquired abroad.

I also want to recognize that the VA and DOD are recognizing that we need to do much more to help these individuals transition into civilian society. In fact, tomorrow we are having a joint hearing with the Armed Services and Veterans' Affairs Committees to address these matters.

As I told many veterans groups, we didn't get it right after Vietnam. We have to do so much more to help them reintegrate into society and help them heal their wounds. I say instead of just giving them a thank-you, let's give our veterans a job.

#### RED TAPE REDUCTION ACT HELPS CREATE JOBS

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

Mr. WILSON of South Carolina. Mr. Speaker, since the President took office, his administration has enacted over 400 new government regulations limiting small business owners from

creating new jobs. This year alone, the Federal Register has published over 41,000 pages of regulations that would cost \$56.6 billion and result in paperwork that would take over 114 million wasted hours to complete.

With record unemployment, it is sadly clear that the President's new taxes and policies are failing American families and destroying jobs. House Republicans are focused on putting Americans back to work. As a result, we have passed over 30 job-creation bills in the past year. Sadly, these bills remain stalled by the liberal-controlled Senate.

This week, the House, led by KEVIN BRADY, will vote on the Red Tape Reduction and Small Business Job Creation Act and, once again, attempt to remove government red tape prohibiting America's job creators from achieving economic success in creating jobs. I hope we can work together to support this legislation.

In conclusion, God bless our troops, and we will never forget September the 11th in the global war on terrorism.

□ 1210

#### THINK BEFORE WE CUT

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

Mr. COHEN. Mr. Speaker, this weekend, the whole country was struck with the tragedy in Aurora, Colorado. A deranged individual murdered 12 citizens and wounded 58 others.

My mind went back to the day that Gabrielle Giffords was shot—another deranged individual. What it says to me is we need to spend more money, not less money, on mental health issues. There are a lot of mentally disturbed people out there who need mental health treatment, and this Congress has been cutting funds for mental health and for clinics and for health care. And we need more law enforcement and more protection.

There are cuts that can be made to protect our country's fiscal health, but to protect our Nation's physical health, some funds need to be maintained. Let's think before we cut.

#### CONGRATULATING DR. VIRGILIO I. BEATO NUNEZ

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

Ms. ROS-LEHTINEN. Mr. Speaker, it is with great pride, admiration, and affection that I rise to recognize Dr. Virgilio Beato Nunez, an outstanding member of the south Florida medical community, on his very well-deserved retirement.

In his 69 years of medical practice, he has improved the lives of countless individuals and has enjoyed a career of many achievements. Dr. Beato is a

great example of the patriotism and dedication that we see throughout our Nation, and also to his profession.

Forced to flee from the oppressive Communist regime of Fidel Castro, Dr. Beato began his new life and his career in Miami. He then moved to San Antonio, Texas, where in 1974 he was elected vice president of the American Heart Association. In 1977, Dr. Beato moved back to Miami, where he helped many struggling young doctors who had moved to freedom in the United States.

He has received many awards, including a proclamation by the city of Miami naming "Dr. Virgilio Beato Day," and a congressional recognition in 2006 for his many contributions to the medical field.

Congratulations to Dr. Beato on his retirement, and I wish him all the best in this new, exciting chapter in his life.

#### MARKETPLACE EQUITY ACT

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

Mr. WELCH. Mr. Speaker, retailing is an important part of the American economy. The Main Street retailers—brick-and-mortar retailers—play an essential function of providing access to stores in communities. They're the engine of downtown revitalization. E-commerce retailers are emerging as a very strong retailing force, providing convenience and low cost to consumers.

The challenge we face is having a level playing field between these two retailers. The way things stand right now, if a State assesses a sales tax, Main Street retailers have to collect it; e-retailers, more often than not, don't. That's not a level playing field for them to compete on a fair basis.

There are two bills in the House to resolve this: the Main Street Fairness Act and the Marketplace Equity Act. Both I am a cosponsor of, with bipartisan support.

Fair is fair. We're making progress on this. Just recently, the Governors from both parties attending the National Governors Association spoke in favor of the importance of updating Federal law so there will be this level playing field. And just this morning, in Chairman SMITH's House Judiciary Committee, there was a hearing on the Marketplace Equity Act.

Let's bring this to the floor for a vote. Let's pass it. Let's return fairness.

#### STOP THE TAX HIKE

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

Mr. GUINTA. Mr. Speaker, I rise today to add my voice to those calling attention to the harmful tax hikes that could soon come our way.

With tax cuts set to expire at midnight on December 31 of this year, the

Obama administration wants some of those taxes to increase. I think that that would inflict a body blow to our economy and prolong this recovery.

A recent study by the accounting firm Ernst & Young finds raising these taxes would cause the estimated loss of 700,000 jobs, wages would be reduced by 1.8 percent, and our economy would shrink by 1.3 percent.

My State of New Hampshire relies heavily on small businesses; they are the backbone of our economy. This tax hike would hit small businesses especially hard because at least 75 percent pay their taxes as individuals.

I think of the many job creators in my district, such as Hampshire Fire Protection in Londonderry. They face enough challenges without Washington imposing higher taxes and that burden on their small business. With the Nation's unemployment at 8.2 percent, we simply cannot afford to lose an additional 700,000 jobs. That is why I say we must stop this tax hike, Mr. Speaker.

#### AMERICA LOST A TRUE HERO

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

Mrs. DAVIS of California. Mr. Speaker, yesterday, we lost a true hero in Sally Ride. Dr. Ride was a constituent, and I recall my excitement in first meeting her years ago.

At the age of 32, Sally K. Ride broke her first barrier when she flew on the space shuttle Challenger in 1983. She was the first American woman ever to fly in space. But her journey didn't end there. She went back to space in 1984, and later on became director of the California Space Institute at UCSC, as well as a professor of physics.

She was a trailblazer in every sense of the word. She cracked open the door for women to enter the fields of science and engineering and helped inspire countless young girls to follow in her footsteps. I think of what it will mean to my granddaughter Jane to see her in our history books.

Dr. Ride will be missed by all those who knew her and all those whom she touched and will continue to reach with her courage, her determination, and fearless spirit.

#### FARM BILL

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

Mrs. NOEM. Mr. Speaker, I wanted to bring up a subject today that's on the minds of people all across this country, and this is the drought that is hitting so many people and our economy.

I was recently in the northwest corner of South Dakota and had the chance to drive all the way across the State and visit with producers and communities that have been hit so hard. I'll tell you the facts are clear. We have feed shortages, stock dams are

going dry, and there are escalating feed costs that are hitting our producers every single day.

Our livestock producers undeniably take a great risk. They don't have the crop insurance programs that many of our commodity producers do have and that protects them and gives them a safety net. That's why our livestock disaster programs are so important.

I was proud of the fact that I introduced legislation that reauthorized this bill's programs earlier this year and that they were included in the committee version of the farm bill that came through the House Ag Committee earlier. That's why it's so important that we get our farm bill work done and that we bring it to the House floor and have a vote so that our livestock producers truly can have a safety net that our commodity producers already enjoy.

#### INTERNATIONAL AIDS CONFERENCE

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

Mr. HEINRICH. Mr. Speaker, this week, Washington plays host to the International AIDS Conference, a conference that brings together activists, scientists, and people living with HIV to mourn those millions who have been lost to that disease around this world but also to celebrate some very real progress made against that disease.

HIV is no longer a death sentence for those who are diagnosed. That's a very large accomplishment that the U.S. Government can claim some credit for through research at NIH, CDC, small things like the fact that the city of Washington can be host because the President's administration lifted the travel ban on people with HIV.

Mr. Speaker, there is also something for us to learn. The Bush administration—which I didn't always agree with—also can take enormous credit for PEPFAR, a program which saved millions of lives in Africa and Asia and which earned us the respect and the love of people around this planet. We should learn from that, to work together to end this disease, to make sure that those with it are treated and that we prevent it and ultimately end it. That should be our goal.

#### FEDERAL RESERVE TRANSPARENCY ACT

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

Mr. MARCHANT. Mr. Speaker, I rise today as an original cosponsor of the Federal Reserve Transparency Act of 2011, authored by my colleague from Texas, RON PAUL. I commend Congressman PAUL for his years of diligence in pursuing this issue. It has long since been time for the Federal Reserve to commit to an audit.

This legislation requires the Comptroller General to complete an audit of the Federal Reserve Board of Governors and of the Federal Reserve Bank. Many of my constituents have been calling and writing and asking me for this significant new transparency of the Federal Reserve. I agree with them on the urgent need for accountability. This legislation is an important step forward in achieving that goal.

I urge all of my colleagues to join me in supporting the Federal Reserve Transparency Act.

□ 1220

#### LOOK AT WHAT'S REALLY IN THE AFFORDABLE CARE ACT

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

Ms. SCHAKOWSKY. Now that it's the law of the land, it's time for everyone in the country to take a deep breath and look at what really is in the Affordable Care Act, ObamaCare.

If you're a senior citizen, you're now receiving a 50 percent discount on brand name drugs if you fall into what is called the doughnut hole, the Medicare prescription drug coverage gap.

If you're a woman, you now have free coverage of lifesaving preventive services such as mammograms; and beginning on August 1, free coverage is going to include many additional preventive care services, so take a good look at that.

If you're a parent, if you have children under age 19, they cannot be denied coverage by an insurance company because they have a preexisting condition.

And if you're a young adult, you can now stay on your parents' health care plan until your 26th birthday, which is really important if you don't have a job that has health insurance coverage.

And if you're a small business owner, like my son is, there are millions now of eligible small business owners that are receiving tax credits if you choose to offer coverage to your employees.

So take a look. It's really good for most Americans.

#### MD ANDERSON CANCER CENTER THE BEST IN THE WORLD

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

Mr. POE of Texas. Mr. Speaker, last week I met with Dr. Loretta Williams, an oncology nurse from MD Anderson Cancer Center in Houston, Texas. For 30 years, Dr. Williams has provided care to cancer patients, whether they have battled the disease for years or they are just beginning that fight. I was impressed by her compassion and her dedication.

People like Dr. Williams are why MD Anderson is the greatest cancer center in the world, named the top hospital

for cancer care for the 6th year in a row. While its innovative cancer research is most impressive, dedicated and knowledgeable staff are the reasons why it remains the number one center for cancer care.

It all starts at the top with Dr. Ronald DePinho. Dr. DePinho is an impressive individual. His main motivation is to provide the best care possible to patients while conducting creative research to dramatically reduce the number of deaths from cancer.

This year, MD Anderson will see its one-millionth patient since its doors opened in 1944. Each day lives are forever changed by the staff and the volunteers who are tenaciously determined to stop cancer.

And that's just the way it is.

#### KEEPING OUR WATERS HEALTHY AND FREE OF INVASIVE SPECIES IS A FEDERAL RESPONSIBILITY

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

Mr. HIGGINS. Mr. Speaker, a recent report issued by American and Canadian scientists for the Department of Fisheries and Oceans reveals alarming findings regarding the health of our Great Lakes.

The report warns that Asian carp are closer to entering the Great Lakes than we had anticipated. When introduction occurs, it will be irreversible and devastating to the ecology of the lakes and the economy of the region. This report is an urgent reminder that it is imperative that we intensify our efforts and act immediately to prevent Asian carp from entering the Great Lakes.

Today, I, along with 15 of my colleagues from both sides of the aisle, sent a bipartisan letter to the Environmental Protection Agency and the Army Corps of Engineers calling attention to this study, and urging swift action on the threat of the Asian carp to the Great Lakes environment.

Keeping our waters healthy and free of invasive species is a Federal responsibility. It's time to act—and to act now.

#### LET'S AUDIT THE FEDERAL RESERVE

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

Mr. DEFAZIO. In 1989, I sponsored a bill, along with 11 other Democrats, to audit the Federal Reserve.

The Wall Street Journal wrote an editorial saying we would destroy the American economy if we audited the Federal Reserve. Well, guess what? Eighteen years later, Wall Street destroyed the economy of the United States of America—Wall Street, the big banks—and then they were bailed out secretly by the Federal Reserve. We don't know how many trillions of dollars the Federal Reserve committed

to them. We know their profits were billions, tens of billions on the bailout they got. So it's past time to audit the Federal Reserve.

Today we'll take up a bill, finally, RON PAUL's bill, to audit the Reserve. I strongly support it.

I also urge Members to support my bill, which would establish conflict-of-interest rules for the Federal Reserve and take the two-thirds of the Federal Reserve that is controlled by Wall Street banks, take those people off the board and put citizen representatives who represent the taxpayers and the consumers of the United States, not the big banks, on that board.

#### KEEP TAX RATES LOW FOR MIDDLE CLASS AMERICANS

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

Ms. HAHN. Mr. Speaker, yesterday the Government Accountability Office revealed that the debt ceiling crisis Republicans put this country through last August cost us taxpayers \$1.3 billion. Now, Americans are hearing that they may be put through that wringer again.

I hope my Republican friends would agree with me that the middle class families are the backbone of our economy. Keeping their taxes at their historically low rate is the best way to get our economy back on track.

Unfortunately, that middle class tax cut extension is under threat. My friends on the other side of the aisle are demanding, instead, that the super-rich get their tax breaks.

This isn't the way forward. We tried tax breaks for the rich and tax giveaways for the corporations during the Bush years. It didn't work.

Let's keep tax rates low for the middle class Americans and move this country forward.

#### DRILL, BABY, DRILL? WE HAVE, BABY, WE HAVE

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

Mr. CONNOLLY of Virginia. Mr. Speaker, some claim the solution to America's energy concerns is "Drill, Baby, drill." Under President Obama, domestic oil and natural gas production increased every year, with the largest increase in the number of drilling rigs in American history. Domestic oil production last year was the highest in a decade, and natural gas production the highest ever in our history.

Under President Obama, we've reduced foreign oil imports by 1 million barrels of oil per day. Foreign oil dependence was 60 percent of U.S. consumption in 2005 under Bush. It's dropped to 49 percent in 2010 under Obama, and is now on pace to fall to 36 percent, reversing trends since the Nixon Presidency. By 2020, U.S. oil pro-

duction will be up 11 percent, rivaling the largest producer in the world, Saudi Arabia.

Under this President, U.S. oil production and exploration are booming, while foreign oil imports are plummeting.

The U.S. consumes 21 percent of the world's energy but contains 2 percent of proven oil reserves. That's why it's so imperative we follow President Obama's lead and pursue multiple sources of energy to meet our ever-expanding needs.

So to those who say, "Drill more," President Obama can respond, "We have, Baby, we have."

□ 1230

#### EXTEND MIDDLE CLASS TAX CUTS

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

Ms. HANABUSA. Mr. Speaker, both sides agree on one thing: that we must reduce taxes on the group of Americans that fuels our economy. We disagree as to who this group is. Republicans believe that it is the wealthy 2 percent. Democrats believe that it is the 98 percent—the middle class—that fuels our economy.

The bottom line is: Do you believe that the economy is going to be revived top down? But really, it isn't. Rather, it's going to be a strong and secure middle class.

Today, the White House released some figures.

For Hawaii, my State, 500,000 families qualify as middle class. Do you know what it means? If we extend the middle class tax credits and tax breaks, it will mean \$1,600 more per family per year. More importantly, what does it mean for the super wealthy? If we let those tax breaks expire, like they should, we will be able to reduce the deficit by about \$1.16 trillion in 10 years.

This is a no-brainer. Extend the middle class tax credits for those who really fuel our economy, and expire the Bush tax cuts.

#### RECESS

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

Accordingly (at 12 o'clock and 31 minutes p.m.), the House stood in recess.

□ 1315

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. YODER) at 1 o'clock and 15 minutes p.m.

CONTINUATION OF NATIONAL EMERGENCY DECLARED WITH RESPECT TO THE ACTIONS OF CERTAIN PERSONS TO UNDERMINE THE SOVEREIGNTY OF LEBANON OR ITS DEMOCRATIC PROCESSES OR INSTITUTIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 112-127)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

*To the Congress of the United States:*

Section 2(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, within 90 days prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the *Federal Register* for publication the enclosed notice stating that the national emergency declared with respect to the actions of certain persons to undermine the sovereignty of Lebanon or its democratic processes and institutions is to continue in effect beyond August 1, 2012.

Certain ongoing activities, such as continuing arms transfers to Hizballah that include increasingly sophisticated weapons systems, undermine Lebanese sovereignty, contribute to political and economic instability in the region, and continue to constitute an unusual and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency declared on August 1, 2007, to deal with that threat and the related measures adopted on that date to respond to the emergency.

BARACK OBAMA.  
THE WHITE HOUSE, July 24, 2012.

PROVIDING FOR CONSIDERATION OF H.R. 4078, RED TAPE REDUCTION AND SMALL BUSINESS JOB CREATION ACT, AND PROVIDING FOR CONSIDERATION OF H.R. 6082, CONGRESSIONAL REPLACEMENT OF PRESIDENT OBAMA'S ENERGY-RESTRICTING AND JOB-LIMITING OFFSHORE DRILLING PLAN

Ms. FOXX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 738 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 738

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the

House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4078) to provide that no agency may take any significant regulatory action until the unemployment rate is equal to or less than 6.0 percent. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed two hours equally divided and controlled by the chair and ranking minority member of the Committee on the Judiciary and the chair and ranking minority member of the Committee on Oversight and Government Reform. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments in the nature of a substitute recommended by the Committees on the Judiciary and Oversight and Government Reform now printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 112-28, modified by the amendment printed in part A of the report of the Committee on Rules accompanying this resolution, shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against provisions in the bill, as amended, are waived. No further amendment to the bill, as amended, shall be in order except those printed in part B of the report of the Committee on Rules. Each such further amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such further amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill, as amended, and any further amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. At any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 6082) to officially replace, within the 60-day Congressional review period under the Outer Continental Shelf Lands Act, President Obama's Proposed Final Outer Continental Shelf Oil; Gas Leasing Program (2012-2017) with a congressional plan that will conduct additional oil and natural gas lease sales to promote offshore energy development, job creation, and increased domestic energy production to ensure a more secure energy future in the United States, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on Natural Resources. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment in the nature of a substitute recommended by the Committee on Natural Resources now printed in

the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of Rules Committee Print 112-29. That amendment in the nature of a substitute shall be considered as read. All points of order against that amendment in the nature of a substitute shall be in order except those printed in part C of the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1320

The SPEAKER pro tempore. The gentlewoman from North Carolina is recognized for 1 hour.

Ms. FOXX. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Ms. FOXX. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks.

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

There was no objection.

Ms. FOXX. House Resolution 738 is a structured rule providing for consideration of H.R. 6082, the Congressional Replacement of President Obama's Energy-Restricting and Job-Limiting Offshore Drilling Plan, from the Natural Resources Committee and Chairman HASTINGS, and seven other bills that will be considered as a single package, including mine, H.R. 373, the Unfunded Mandates Information and Transparency Act; H.R. 4078, the Regulatory Freeze for Jobs Act by Mr. GRIFFIN; H.R. 4607, the Midnight Rule Relief Act by Mr. RIBBLE; H.R. 3862, the Sunshine for Regulatory Decrees and Settlements Act by Mr. QUAYLE; H.R. 4377, the RAPID ACT by Mr. ROSS of Florida; H.R. 2308, the SEC Regulatory Accountability Act by Mr. GARRETT; and H.R. 1840, which is a bill by Mr. CONWAY to improve consideration by the

Commodity Futures Trading Commission of the cost and benefits of its regulations and orders.

H.R. 6082 is a bill to replace the Obama administration's final offshore drilling plan announced on June 28, which keeps 85 percent of America's offshore areas off limits to energy production, with one that would establish a timeline for 29 specific leases, some of which are not open for drilling under the Obama plan.

The legislation would also require the Interior Department to prepare a multilease environmental impact statement for any leases required under the bill not in the June 2012 plan.

The remaining bills are rolled into one package; and while each has its own unique virtues, they're all intended to provide for Federal regulatory relief.

H.R. 373 is the culmination of nearly 5 years of work to build on the success of the Unfunded Mandates Reform Act, or UMRA, which is a bipartisan initiative that has not been modernized since its inception in 1995.

Given his express support for regulatory reform, my hope is that President Obama will support my bill, which incorporates many of his ideas, including those embodied in Executive Order 13563.

Mr. Speaker, so often we thank people for working on our legislation and for working in the Congress only at the time that they retire, but I want to give some thanks today for the hard work that's been done, particularly on H.R. 373. There's an enormous amount of work that has gone into bringing this bill to the floor.

I'd first like to thank Brandon Renz, my legislative director, who has worked with this for over 5 years. I thank Kristin Nelson and Peter Warren with the House Oversight and Government Reform Committee for providing the diligence and creative thinking needed to shape the product we're considering today.

I also thank Ryan Little, Austin Smythe, Daniel Flores, and Hugh Halpern for their help shepherding this bill through the various committees of jurisdiction. It's this kind of cooperation that's necessary to ensure the proper functioning of this legislative body.

I thank Chairman DARRELL ISSA for bringing this bill to the Oversight and Government Reform Committee. He is providing extraordinary leadership for that committee and our country. But it's my colleague and good friend, Congressman JAMES LANKFORD, the chairman of the House Oversight and Government Reform Committee's Subcommittee on Technology, Information Policy, Intergovernmental Relations and Procurement Reform, who is deserving of my most sincere appreciation and praise.

Mr. LANKFORD's dogged work and determination to build upon and improve on my initiative is only one demonstration of his keen intellect and ex-

ceptional legislative acumen. For a freshman with no prior legislative experience to have received such immense respect by peers of both parties further underscores his professionalism and amiable personality. Undoubtedly, this House would be better off if it were filled with legislators as serious about seeking tangible solutions to problems as Mr. LANKFORD and Mr. ISSA.

Mr. Speaker, it's on that note that I urge my colleagues to support this rule and the underlying bill and reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentlelady for yielding me the customary 30 minutes.

I'd like to address process just very briefly, and that is that, when we began this session of Congress, we were advised by our Republican colleagues that we were going to bring up each measure individually and discuss them. This is a structured rule that does contemplate the opportunity for many Members to participate, but it isn't an open rule. What it is is it's a measure as the base bill that has cobbled to it six distinctly different measures—evidenced by the number of thank-yous that had to come from Dr. FOXX to the various committees.

I do agree with the one, Dr. FOXX, where you thank the young man for creative thinking. This is out of the box when it comes to us as far as process is concerned being creative. Cobbling six pieces of legislation—with another to make seven—is a bit much.

This rule provides for consideration of H.R. 4078, the Red Tape Reduction and Small Business Act of 2012, and H.R. 6082, which has such a long and convoluted name that the cost to the government to simply print the bill may require the Republican majority to raise the debt ceiling.

What the red tape bill should be called, Mr. Speaker, is the "Eliminate the Government's Ability to Protect Its Own Citizens Act of 2012," because that is what the radical legislation—creative, though one may think it is—aims to do.

Under this legislation, Federal agencies would be prohibited from issuing new regulations until the unemployment rate falls below 6 percent.

□ 1330

And I defy any economist or anybody else in the world to tell me when that's going to be in an economy such as the one that we have. So too, would new regulations be prohibited between Election Day in early November and Inauguration Day in late January.

For the past 2 years, the Republican majority has been spending its time doing everything, it seems to me, to crash the economy by defaulting on our debt, eliminating the greatest health care protections made in decades, and turning sensible decisions about women's health care into a fantasy of religious persecution.

But now it appears that perhaps struggling Americans have finally managed to capture the Republicans' attention, except that the majority's response is not to make the kind of investments that will actually create jobs, but, instead, to gut the Federal Government's efforts to protect the health and safety of American citizens.

I realize that in the fantasy world inhabited by some far-right ideologues allowing polluters to run amok is tantamount to creating jobs, allowing corporations to pursue fantastic profits at the expense of public health and safety is somehow good governance, and enabling the middle class to fall farther and farther behind the ultra-wealthy is somehow a shining example of the American spirit.

But I have to ask, under this legislation, where will these new jobs come from?

I suppose we'll need more doctors to care for sick children, since the FDA will be prohibited from monitoring the safety of baby formula. We will need caregivers, I'm sure, willing to provide free care for older Americans, as Medicare will be unable to change its payments to providers. And we'll need new water treatment plant workers, as corporate polluters will have increased freedom to dump harmful chemicals into our drinking water, as they have for years.

If I sound extreme, Mr. Speaker, it's because this bill is extreme. A blanket prohibition on new regulations is not any kind of solution to grow our economy. The FDA, the EPA, and the Veterans Administration, these agencies are not responsible for the failure of our jobless recovery.

What is irresponsible is the failure to address the real needs of the American people. Rather than preventing the Federal Government from ensuring clean drinking water, we ought to be investing in the infrastructure that makes clean drinking water possible and that desalinates salt water.

We ought to be investing in economic development projects, in the national infrastructure, in clean energy technology, in education, and in the kinds of programs that support those Americans who are struggling the hardest. Rich CEOs of big polluters aren't one of those that are in need.

But speaking of rich CEOs out of touch with everyday Americans, it was Mitt Romney who said in 2009 that, "You have to have regulation." He said that regulations need to be modernized, reviewed, and effective, and that Republicans "misspeak" when they say they don't like regulation.

I guess what Mitt Romney calls "misspeak" other people might call "outright ridiculous" because that is what the ideology behind this bill is. It is as ridiculous a notion that yet more drilling for oil will somehow—drilling in these places where companies like BP can cause the kind of incidents that we saw in the gulf—that somehow this is going to benefit the country. It won't.

The other bill to be considered under this rule is just the latest manifestation of the Republican energy doctrine: "Only drilling, all the time, and everywhere." This legislation does exactly two things. It tears up environmental protections, and it further enriches oil company executives.

The House, under the Republican majority, has taken 142 pro-oil-and-gas drilling votes this Congress. Using the hourly cost of voting in the House, as calculated by the Congressional Research Service, the more than 90 hours we have spent debating these measures that everybody in this House knew were going nowhere when they left this House, we've spent \$54 million of the taxpayers' money debating, and these are the people that would tell me they want to cut costs.

I suppose, Mr. Speaker, that there's always a chance that the Republicans will achieve success the 143rd time and additional hours that they try something. But once again, the majority's efforts reflect a dogged determination to rely on an outdated ideology that seeks only to reward the wealthiest corporations.

We are already drilling at historic levels in this country. The United States is home to more offshore drilling rigs than the entire rest of the world combined. Seventy percent of offshore areas currently leased are not even active yet.

This legislation isn't going to change the price of fuel for the average American. It does not mandate that oil drilled in the United States—Mr. MARKKEY brought an amendment that allowed that if it's going to be drilled here, it ought to stay here. But this legislation doesn't allow for it to even be sold in the United States.

In fact, oil will simply be shipped out to the highest bidder, similar to what's going to happen with Keystone when it's completed, on the world market, generating enormous profits for the oil companies while sticking the American public with the bill.

I recently saw an editorial cartoon by Joel Pett. And in the cartoon, a man stands up at a climate change summit and asks, what happens if climate change is, indeed, a hoax, but we achieve energy independence anyway, that we preserve the environment anyway, that we create green jobs anyway, and livable cities, and have cleaner air and water. The answer, of course, is that we will all be better off.

Republicans can stick their heads in the tar sands all they want, but pumping more fossil fuels out of the ground and into the atmosphere will not sustain the American economy, nor provide the kind of economic prosperity that will benefit all Americans. And as I've said before, and I repeat again, I'll be the last person standing against drilling offshore of Florida.

At the same time, preventing the Federal Government from acting on behalf of public health and safety will not create new jobs. It won't return the un-

employment rate to 6 percent, and it won't send a signal to the American public that their elected Representatives are ably minding public resources.

I reserve the balance of my time.

Ms. FOXX. Mr. Speaker, I just would like to point out to my colleague from Florida that we certainly agree on our side of the aisle with Governor Romney that we need regulations. These bills don't do away with all regulations. Republicans know you need government. We just want some common sense brought into our government. We want a cost-benefit analysis done to rules and regulations.

After all, we're here, we're breathing the air, we're drinking the water, we're eating the food. Our children, our grandchildren are, too. It doesn't make any sense these tired old accusations against Republicans that we don't care anything about our environment or our food because we're here living with them, also.

□ 1340

I don't think the American people are going to buy the arguments that my colleague made.

I would now like to yield 5 minutes to the distinguished gentleman from Oklahoma (Mr. LANKFORD).

Mr. LANKFORD. I thank Ms. FOXX, my colleague, for her kind introduction on that.

All aspects of this bill, each part of it, has gone through the committee process. Multiple of them have had multiple hearings related to them. There has been plenty of opportunity to be able to allow for input and for votes through the traditional committee process on this.

The reality is that red tape is strangling our businesses. Each day, they wake up, and they are worried about what the Federal Government is going to do to them rather than what the Federal Government is going to do for them. There is an appropriate role for the Federal Government for regulations, but it seems like there is a never-ending acceleration of regulations—and not just small—they get larger and larger and larger and more and more expensive and more and more nonsensical at times.

Let me just give you one quick example of this: community bankers that are facing hundreds of new regulations.

When the problem seemed to be the largest investment banks, the one who got hit the hardest with the regulations were the community banks. Now community banks have to step aside. A bank that may have 14 to 20 employees and \$50 million or less in total assets, which is a very small rural bank, has to go and prove that these rules don't apply to them. That involves their hiring outside attorneys. That involves setting aside staff that should be doing loans. That involves setting aside additional time to prove these hundreds of rules don't apply to them and that they're not a big bank. Regulations

passed on to them—death by a thousand paper cuts is how they explain it to me.

Simplicity and common sense need to be applied to how we do regulations. When there is no check and balance in the regulatory environment, it needs to have that.

Now, the other side seems to assume that, occasionally, Americans are in need of daily oversight by the Federal Government, that unless some Federal bureaucrat or some Federal regulator is not standing next to their beds when they get up that they won't know how to get to work and that, when they get to work, they're going to cheat a neighbor and that, on the way home, they're going to cheat another neighbor, so we'd better have a Federal regulator standing right next to them because American citizens can't be trusted to do the right thing without Federal control.

I would say the neighbors that I live around, in the cities that I visit all over America, have great citizens who want to do the right thing and are doing the right thing and are serving their neighbors. We have great city and State governments. They're doing very good regulatory schemes. We should trust them more to engage in what they're doing in the communities that they live in, where they eat the food, where they drink the water. They are the first line of defense on that, rather than taking all those things to Washington, D.C., and assuming all Americans can't function without someone from Washington, D.C., checking on them each and every day. Let me just give you a couple things on that.

During the first hearing that I participated in here in this Congress, someone from the other side extolled the benefits of adding more regulations because companies were sitting on money and were not spending it. This was a way to force companies to hire additional people by hiring compliance officers—people to oversee regulations—and that, if we couldn't increase employment in America through producing more goods and services, we would increase employment in America by creating more bureaucrats just in the private business.

That's not how I see that you should grow an economy. Let me just highlight one area, one title of this great bill.

Title IV of this is the Unfunded Mandates Information and Transparency Act of 2011. This was a bill that started in the previous Congress with Ms. VIRGINIA FOXX as the author. That bill went through multiple processes in the previous Congress. We picked it up in the Oversight and Government Reform Committee, and we did three hearings on it at the beginning of last year. We had city leaders, we had State and county leaders, we had private business leaders, and we had administration individuals from this administration and from the previous administration come and testify.

In 1995, the House and the Senate and the President signed a bill called the Unfunded Mandates Reform Act. It was a wide bipartisan act—394 votes in the House and 91 votes in the Senate—to give information to the House and to the Senate before decisions were made about what is an unfunded mandate, and what effect will that have.

There are large loopholes that have been exploited in the last 17 years. This bill aims to fix those loopholes:

It takes in all the independent agencies, and it also puts them under those same requirements;

It puts in the language that President Clinton put in in Executive Order 12866 in order to clarify this, that the administration's functioned under. It puts that language and codifies it from President Clinton into this bill. It also takes a clarification of President Obama's that he has for this bill and also adds it into the language;

It redefines "direct costs" with how the CBO already defines "direct costs," and it actually codifies that language and provides ability;

It allows for a ranking member or a chairman of a committee to do an analysis of a rule to make sure that it is not exceeding our unfunded mandates requirements. It is very bipartisan. It's not just the chairman. A chairman or a ranking member can get in on that.

It is the intent of this, in this modern regulatory environment, to clean this up and to make sure Congress has the information to make their decisions.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 5 minutes to my good friend, the distinguished gentlewoman from Florida (Ms. CASTOR).

Ms. CASTOR of Florida. I thank my good friend from Florida on the Rules Committee for yielding time.

I rise to oppose the rule and the underlying bills, particularly H.R. 6082, because that bill unreasonably expands offshore drilling without the corresponding and necessary safety standards.

The Republicans are ignoring the lessons that we learned after the BP Deepwater Horizon blowout. Again, they are putting the profits of the oil companies ahead of the safety and larger economic concerns of families and businesses all across our great country.

Certainly, memories cannot be so short that we don't remember the devastation caused by the BP Deepwater Horizon blowout and disaster. That oil spewed for months and months, and they could not cap the well. In the meantime, it caused serious economic damage, not just to my home State of Florida and to the tourism industry and fishing and to the hotels and motels and restaurants, but all across the gulf coast and all across the country.

I recall very well, prior to the blowout, they said it was safe. They said drilling in deep water and offshore was safe and that there hadn't been very many accidents. But they were wrong.

I remember Tony Hayward came in front of our committee, and he said, We were wrong. We didn't anticipate this would happen.

You've got to anticipate that it will happen.

Unfortunately, in the aftermath, we appointed a blue ribbon commission, the National Commission on the BP Deepwater Horizon blowout. They issued their report in January of 2011. They had many recommendations from experts in how you make offshore drilling safe. The Congress has not acted on any of those recommendations to make it safe. Yet, in this bill, they press ahead to open even more areas for oil drilling. That's not right. You're putting our economy and our environment at risk when you do so.

This was a great commission, by the way, because they didn't just stop there. They've issued progress reports along the way. I know people often-times don't like report cards, and the Congress is not going to like this report card. They've broken it down into safety and environmental protection, spill response and containment, and ensuring adequate resources.

Under safety and environmental protection, they say Congress has done nothing to make permanent the improvements that have been made by industry and the Obama administration. We've got to enact these into law before we go forward with more offshore drilling in new and pristine areas.

They say Congress has provided little support for spill response and containment. If we're going to expand drilling—and it certainly has to be part of our energy portfolio—we have to be able to respond to a disaster, and yet Congress has done nothing there.

It says, although the administration has provided increases in funding to oversight, Congress has taken little action to adjust the unrealistic limits on liability. Who is going to pay? It shouldn't be the taxpayers who pay for these disasters. Right now, they have not adjusted the outrageous liability limits that these oil companies have when there are accidents.

What you're doing is really thumbing your nose at—you're turning a blind eye to—the hard work done by the commission, the commission that proposed to protect us if we were going to rely on offshore oil. I think it's going to be part of our portfolio, so why not adopt reasonable safety standards?

I know some of my colleagues say, Well, we don't like red tape. I don't like red tape either, but this isn't red tape. These are vital environmental and economic safety standards to ensure that the \$60 billion tourism industry in Florida is maintained. Those are hardworking folks and good jobs back home. For the hotels and motels, even though the oil was coming out of the ocean 350 miles away, their businesses fell off. All we ask is that simple safety standards be adopted.

Mr. MARKEY and Mr. HOLT have proposed some of those as amendments.

The Republicans rejected other ones. We need to adopt these. Otherwise, it is irresponsible to press ahead with expansive, new deepwater drilling in deeper areas, in pristine areas.

□ 1350

These recommendations are reasonable. And if the Republican Congress cannot take up reasonable safety standards in the wake of one of the worst economic and environmental disasters in our history, then I'd hate to say what's at risk for this great country.

Ms. FOXX. Mr. Speaker, I now yield 3 minutes to my colleague from Florida (Mr. ROSS).

Mr. ROSS of Florida. Mr. Speaker, I thank the gentlelady from North Carolina.

Mr. Speaker, recent economic indicators show that another recession is a real danger. Consumer confidence is plummeting, businesses aren't hiring, and recovery continues to slow. Real unemployment is at 14.9 percent, and millions of Americans have given up hope. The World Bank reports that the U.S. is now 13th in the world when measuring the ease of starting a new business. In 2007, we were ranked third. Last month, American manufacturing shrank for the first time in nearly 2 years. Economists are revising their growth projections downward. Inflation looms on the horizon, and Europe's sovereign debt crisis continues unabated.

Some of the circumstances that led to this crisis are out of anybody's control, but many of these circumstances are not. Policymakers in Washington have an obligation to our constituents and to this country to work together to create an environment where the American people prosper. We have such an opportunity today. The Red Tape Reduction and Small Business Job Creation Act takes a balanced approach towards regulatory reforms that are desperately needed in today's market.

For 25 years, before I was elected, I was a small businessman. I started a business not because of a government program or because of government lending; in fact, I couldn't even get a bank to loan me money. I borrowed money from a friend and grew that business over 20-some years to 27 employees. I didn't do it because there were good bridges and roads next door to me. I saw a need, I took a risk, and worked harder than the next guy. I also knew the rules and understood that government was the referee, not the player.

Today, the regulatory climate and litigious nature of many government agencies create uncertainty. Some falsely claim that certainty has nothing to do with our current economic crisis. Mr. Speaker, economics is as much a behavioral science as anything. When businesses don't know what the next regulatory hurdle will be, they won't invest.

The Florida Chamber of Commerce has recently done a study of small

businesses in Florida. The results were clear: uncertainty is the number one issue facing job creators and entrepreneurs. Right now there are projects waiting on the sidelines that have the potential to create 1.9 million jobs annually in this country. Talk about a shot in the arm to the economy.

The only thing certain about this President has been the uncertainty that he has provided and the regulatory reform and tax reform for small business. Take my home State of Florida for example. According to research by the U.S. Chamber of Commerce, there is potential for 121,000 jobs there if we have regulatory certainty. In the first year of operations, businesses could generate over \$2 billion in employment earnings. This bill is not about generating profits for fat cats and Big Oil. How do I know? Because I have seen firsthand a project in my area come to a halt because of a litigious activist group that affected 200 blue color jobs: secretaries, machinists, and more. There were 14 Federal agencies, State and local agencies, 7 years of permits and review, only to have a lawsuit 1 month later kill the dreams of a better life for my neighbors.

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

Ms. FOXX. Mr. Speaker, I yield an additional 30 seconds to the gentleman from Florida.

Mr. ROSS of Florida. Mr. Speaker, one thing I know about government is that before it gives to someone, it must take from someone else. This legislation presents solutions that are sensible and immediately effective. My neighbors are tired of the regulatory burden. I'm tired of the regulatory burden.

Mr. Speaker, I urge my colleagues to support this rule and the underlying bill.

Mr. HASTINGS of Florida. Mr. Speaker, I would say to my good friend and colleague from Florida that when he speaks about 120,000 jobs that may have been created, Governor Rick Scott categorically rejected money for light rail between the I-4 corridor of Orlando and Tampa that would definitely have produced 18,000 jobs.

You can't have it both ways. You can't one minute say that you don't want something, and then the next minute say that some fictional number is going to take place that's a magic bullet. We worked hard to get that money appropriated. The last statement that he made was that you can't give something unless you get something. Well, they got from Florida, and that money went to the east coast corridor, to California, to Illinois. I'm not certain about whether any of it went to Kentucky, but I'm sure that the next speaker would be prepared to address that.

Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Kentucky (Mr. YARMUTH).

Mr. YARMUTH. I thank my friend from Florida. Mr. Speaker, I rise in op-

position to the rule which, if enacted, will block United States servicemembers and veterans from getting the best care and services we can offer.

In the Rules Committee, I offered an amendment to exempt from the proposed moratorium any regulation that is related to the health and safety of United States servicemembers and veterans. I did so because I believe, as I'm certain all my colleagues do, that servicemembers and veterans are best served when the agencies that serve them can provide critical treatment and assistance in a timely and responsive manner. Doing so often requires writing new rules and regulations. We should not, for example, block a new regulation that allows the VA to provide medical or other benefits to caregivers of veterans and servicemembers in exchange for a new talking point about the economy.

My colleagues on the Oversight and Government Reform Committee agreed. My amendment was unanimously approved in a bipartisan fashion. Yet, inexplicably, Republicans are now blocking it from a full vote. Suddenly, they're ready to let our commitments to our heroes lapse. And for what, a new talking point? Over the next 5 years, more than 1 million veterans will return home from war. Part of our commitment to them must be to ensure that they have the best services available, whether that's in health care, job training, or educational benefits.

Mr. Speaker, most legislation has unanticipated consequences. This legislation has a consequence that is easily anticipated, and that is that we will be tying the hands of the agencies that serve our brave men and women in the armed services. I ask any one of my Republican colleagues from the Rules Committee to explain why this amendment wasn't made in order and why this rule is sending a message to our military and veterans that they aren't entitled to the best we have.

I urge my colleagues to vote against this rule and the bill.

Ms. FOXX. Mr. Speaker, as I often do when I'm handling a rule, I have to make sure that the public understands the facts.

It's my understanding that the amendment that the gentleman spoke of that was adopted in the committee and then presented in the way that it was presented for this bill was not germane. I need to point out to the public that it was not the majority, it wasn't the Republicans, who decided the amendment wasn't germane. It is our Parliamentarians, who are non-partisan.

I would now like to yield 3½ minutes to my colleague from Texas, Representative CANSECO.

Mr. CANSECO. Mr. Speaker, I thank the gentlelady from North Carolina, and I rise today in strong support of the rule for H.R. 4078.

The Regulatory Freeze for Jobs Act is an important piece of legislation

that will ensure the government does not stand in the way of America's job creators.

I have the honor of representing a district that reaches from San Antonio, Texas, to El Paso, Texas, including nearly 800 miles of U.S.-Mexico border. When I head home for a work period, my days are spent on the road meeting with diverse groups of small businessmen, entrepreneurs, community bankers, farmers, energy producers, teachers, and law enforcement agents.

The most common theme that I hear from my constituents, whether they're Democrat or Republican, conservatives or liberals, to the left or to the right, is that the Federal Government is intrusive and standing in the way of job creation by issuing job-killing regulations. One constituent even sent a letter to my office on how regulations and high energy costs are impacting his family. He writes:

Our family is on a fixed income. It has become a hardship to buy gasoline. Now, with the coal mines being shut down, our electric bills are going to go through the roof. I guess the wife and I will have to get a block of ice and a box fan to stay cool this summer.

□ 1400

Since President Obama took office, we have seen a 52 percent increase in regulations deemed economically significant, which means a regulation costs the economy at least \$100 million annually. And according to a September 2010 report from the Small Business Administration, total regulatory costs amount to \$1.75 trillion annually, enough money for business to provide 35 million private sector jobs with an average salary of \$50,000. In the midst of an economic downturn in which the unemployment rate has been above 8 percent for 41 consecutive months, 35 million private sector jobs is a very significant amount of jobs.

The legislation we begin to consider today is an important step in the right direction to provide certainty to our Nation's job creators so they can start hiring again and get our economy back on track.

It is amazing that this year alone, the Federal Register, where rules and regulations are published for the public to view, has seen more than 41,000 pages alone devoted to this regulatory explosion. These regulations would cost \$56 billion and result in paperwork burdens that would take 114 million hours to complete. That is 13,000 years working 24 hours a day, 7 days a week. Imagine how many jobs we could create in America if those 114 million paperwork hours were spent on building roads, issuing loans, expanding small businesses, and selling products instead of pushing paperwork across a desk to please a government regulator.

From regulating farm dust, stock tanks, and streams on private property, keeping young people off the farm, and imposing the most expensive rule ever on the energy sector, nothing is off limits for the out-of-control regulators in this administration. Even

though the House of Representatives has had some success in reining in job-killing regulations, right now it is still a good time to go to work for the Federal Government as a regulator in Washington, DC, because they are hiring.

If we want more jobs on Main Street, we need less red tape from bureaucrats and other regulators in Washington, DC.

Mr. HASTINGS of Florida. Mr. Speaker, would you be so kind as to tell both sides how much time remains.

The SPEAKER pro tempore (Mr. WOMACK). The gentleman from Florida has 12 minutes remaining. The gentleman from North Carolina has 12 minutes remaining.

Mr. HASTINGS of Florida. Mr. Speaker, at this time, I am very pleased to yield 1 minute to my good friend from Connecticut (Mr. COURTNEY), whose State did benefit from that money that was to go to Florida, as appropriated.

Mr. COURTNEY. Mr. Speaker, I rise in opposition to the rule on the so-called regulatory freeze bill which will act as a chain saw, going through parts of the government that have absolutely nothing to do with small business or small business job creation. And I say that as a former small employer.

One of the regulations which will be butchered under this law is the income-based repayment program which the Department of Education is now in the middle of fashioning, which will provide loan payment relief for people paying title IV student loans. For a teacher making \$25,000 a year with maybe about \$20,000 in student loan debt, that program will reduce monthly payments by \$100 a month. That is real help for people who are contributing to the U.S. economy. Allowing that regulation to go forward will not hurt the U.S. economy. In fact, it will provide more basis for that teacher to go out and survive and spend money on housing, car loans, et cetera.

Yet this bill, in the name of job creation, will knock down the income-based repayment program.

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

Mr. HASTINGS of Florida. I yield the gentleman an additional 30 seconds.

Mr. COURTNEY. The income-based repayment program is trying to provide student loan relief at a time when student loan debt in this country now exceeds \$1 trillion—higher than credit card debt, higher than car loan debt. It is a commonsense program, fully paid for.

The Student Aid and Fiscal Responsibility Act, signed into law in 2010, offset every nickel of cost in the income-based repayment program; and yet here we are, debating a bill at a time of crisis for middle class families because of student loan debt, denying them the needed relief which will help the U.S. economy.

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

The rule before us today provides for consideration of my bill, H.R. 373, the Unfunded Mandates Information and Transparency Act, as I mentioned before. While working on this legislation over the years, I have come to appreciate that the subject matter is not one of the most thrilling ever to be considered by this House. In fact, I'm confident that reading a summary of my bill would provide an effective remedy for even the most stubborn case of insomnia.

Some have compared observing the legislative process with that of making sausage. Admittedly, in the case of my bill, it more closely resembles watching paint dry. Nor do I expect many in the media will sell many advertisements dissecting legislation entitled the Unfunded Mandates Information and Transparency Act. However, this certainly does not diminish the meaning or value of this important work.

By collaborating with the House Oversight and Government Reform Committee, we've worked to create a comprehensive legislative package that promotes the principles of good government, accountability, and transparency that my constituents sent me to Congress to represent. These principles have been a top priority of mine throughout my legislative career, starting in the North Carolina State Senate.

Very simply, H.R. 373 advances these priorities by drawing upon bipartisan initiatives to expand access to information. The legislative text, itself, identifies the stated purpose of H.R. 373 as improving:

the quality of the deliberations of Congress with respect to proposed Federal mandates by providing Congress and the public with more complete information about the effects of such mandates, ensuring that Congress acts on such mandates only after focused deliberation on their effects while enhancing the ability of Congress and the public to identify Federal mandates that may impose undue harm on consumers, workers, employers, small businesses, and State, local, and tribal governments.

But it does so much more than that. The strength of the bill is that it serves to inform more fully decision-makers engaged in the policymaking process while letting affected State and local governments and those in the private sector who must put Washington dictates into practice know what's coming and better participate in the process.

Many provisions of the bill simply codify, clarify, and streamline existing practice. Others enhance the purpose of UMRA by applying its disclosure requirements to more circumstances while initiating more complete, detailed, useful, and accurate cost estimates to expose otherwise hidden costs. Yet others still protect legislative intent by closing loopholes in current law, allowing enterprising rule-makers to circumvent disclosure requirements while imposing costly mandates.

All of these provisions are harmonized in a way that provides some-

thing for everyone—which, unfortunately, is a rare legislative virtue—yet underscores the unique opportunity Members of both parties have to vote for a modest, yet effective legislative solution.

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

Mr. HASTINGS of Florida. Mr. Speaker, I would advise the gentlelady that I'm going to be the last speaker, and I am prepared to close.

Ms. FOXX. That would be fine with me, Mr. Speaker, if the gentleman is prepared to close. I will have some more comments to make, and then I will close.

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

We could go back to the days when government was helpless against the robber barons who abused our public resources. We could go back to the days when citizens had no recourse against corporations who valued profit above individual health and safety. And we could go back to the days when unelected oligarchs drove this Nation's destiny, rather than democratically elected governments representing the interests of the American public.

Prohibiting Federal agencies from carrying out necessary and essential public protections will not create new jobs. It will not boost our economy. It will not protect the most vulnerable and disadvantaged Americans in a time of extraordinary uncertainty.

Drilling for oil everywhere and anywhere is not a solution. It won't even provide much benefit, unless you consider further enriching oil executives to be a benefit for millions of struggling Americans.

□ 1410

What Americans need is government that is willing to invest in its citizens.

Mr. Speaker, if we defeat the previous question, I will offer an amendment to this rule to make in order an amendment which proposes that Congress will not adjourn until the President signs middle class tax cuts into law.

We have an opportunity to extend the middle class tax cuts for 98 percent of Americans who make less than \$250,000. This should not be a partisan fight; this is what we were elected to do. We should not adjourn into August recess while American families across this country are trying to make ends meet. It is imperative that Congress act on behalf of families across this Nation and bring them the certainty and security that their taxes will not go up in 6 months.

I don't know about all of my colleagues here, but I have had the misfortune of having been involved in lame duck sessions; and the one that is coming up where we are about to go off the cliff is going to be brutal for some of the newcomers in this institution who do not understand that it seems to be a methodology to wait until the last

minute before we do something. We can do it in August. We can give 98 percent of the American people certainty about their taxes and be assured that if they make less than \$250,000 their taxes will not go up in December, or that their taxes will not be leveraged so we can avoid seeing to it that the Bush tax cuts on the 2 percent of Americans that are even concerned about the little bit of money that each one of them would have to provide in order for us to ensure safety for children, education for children, safety for old people, and understanding that the middle class has this great need.

I ask unanimous consent to insert the text of the amendment in the RECORD along with extraneous material immediately prior to the vote on the previous question.

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

There was no objection.

Mr. HASTINGS of Florida. Mr. Speaker, I urge my colleagues to vote "no" and defeat the previous question. I urge a "no" vote on the rule, and I yield back the balance of my time.

Ms. FOXX. Mr. Speaker, the various elements of the comprehensive reform contained in title IV of the underlying bill can be overwhelming, which is why it may be helpful to elaborate on the purpose of some of the most prominent individual provisions within the package.

In that light, it is important for the American people to understand the oppressive nature and full scope of the costs associated with complying with Federal mandates.

As a former small business owner, I experienced a myriad of costly, overly burdensome Federal mandates, and I hear from my constituents every day about the challenges that they face in dealing with them.

In my position as chairwoman of the House Subcommittee on Higher Education and Workforce Training, I have become familiar with an example of a ridiculous rule that will unnecessarily complicate student access to higher education. As we all know, in recent months, students and families have urged Congress to act to stem the ever-increasing cost of higher education. In response, the Obama administration has offered several proposals claiming to reduce student loan debt and rein in tuition. However, these initiatives only further entrench the Federal Government in the affairs of States and institutions.

In response, higher education officials are crying foul over a 2010 Department of Education rule establishing a Federal definition of a credit hour. Higher education personnel believe this regulation will restrict innovation, limit flexibility, and pave the way for additional Federal overreach into higher education. As we've seen many times before, onerous Federal regulation always come with a price, which in this case is paid by students or their families.

It's time to take a comprehensive view of the problems facing our Nation's higher education system and eliminate burdensome Federal regulations that pile unnecessary costs on institutions and students. Rather than getting the Federal Government further entrenched in higher education, we should be working together to remove costly mandates that pile unnecessary financial burdens on colleges and universities.

Mr. Speaker, I enter into the RECORD a statement from the 2012 edition of "Ten Thousand Commandments" issued by the Competitive Enterprise Institute relative to the explosive growth of regulations by Federal agencies in the past 2 years.

Mr. Speaker, again I want to say that Republicans, contrary to what our colleagues have said across the aisle, are not opposed to all regulations and rules. We are not opposed to government. We understand that we have to have government in order to have a civil society. We understand that we have to have regulations to protect us in some cases from each other and to make sure that we have an orderly society.

We live in the greatest country in the world, Mr. Speaker; and we got here not because of the government, but we got here because of the hardworking Americans who have good values, who love this country and want to see it continue to thrive. We can count on those hardworking Americans to do the right things in almost every case. What Republicans want are commonsense regulations, and we want to stop the flood of regulations that have come particularly from this administration. And the materials that I have submitted to the RECORD, Mr. Speaker, will document the unnecessary rules and regulations that have come, particularly in this administration.

We have heard today many reasons for Congress and President Obama to pursue Federal regulatory reform as a cost-free way in which the Federal Government can promote economic growth. We have the worst deficit, the worst debt we've ever had in this country. We have an unemployment rate that is stifling economic growth. What we're proposing here today will help our economy, will help revive our economy, and will bring jobs to this country.

This legislative package, with the passage of this rule, represents a variety of ways we can move towards these ends. As Americans look to Congress for innovative solutions to spur private sector job growth, I call on my colleagues to support this rule and the underlying legislation.

The 2011 Federal Register stands at 81,247 pages. That number is just shy of 2010's all-time record-high 81,405 pages. These years are the only two in which the number of Federal Register pages topped 81,000.

In 2011, agencies issued 3,807 final rules, compared with 3,573 in 2010, a 6.5-percent increase.

Proposed rules appearing in the Federal Register increased even more than the num-

ber of final rules, from 2,439 to 2,898, an 18.8-percent increase that signals a likely future rise in final rules.

Although regulatory agencies issued 3,807 final rules in 2011, Congress passed and the president signed into law a comparatively few 81 bills. Substantial lawmaking power is delegated to unelected bureaucrats at agencies.

Of the 4,128 regulations now in the pipeline, 822 affect small businesses and 212 are 'economically significant' rules wielding at least \$100 million in economic impact. That number represents a 32.5-percent jump over the 160 rules five years ago, in 2006, and a higher level than any year of the past decade except for the 224 rules in 2010.

The number of final 'major rule' reports issued by agencies and reviewed by the Government Accountability Office (GAO) has grown. The 99 rules of 2010 represented the highest number since this tabulation began. Five years ago, there were 56 such reports.

The five most active rule-producing agencies—the departments of the Treasury, Commerce, the Interior, and Agriculture, along with the Environmental Protection Agency (EPA)—account for 1,733 rules, or 42 percent of all rules in the Unified Agenda pipeline.

The government's reach extends well beyond the taxes Washington collects and its deficit spending and borrowing. Federal environmental, safety and health, and economic regulations cost hundreds of billions—perhaps trillions—of dollars every year over and above the costs of the official federal outlays that dominate the policy debate.

Economics 101 on tax incidence explains how and why firms generally pass along to consumers the costs of some taxes. Likewise, some regulatory compliance costs that businesses face will find their way into the prices consumers pay and into wages earned.

Taxation and regulation can substitute for each other because regulation can advance government initiatives without using tax dollars. Rather than pay directly and book expenses for new programs, the government can require the private sector—as well as state and local governments—to pay for federal initiatives through compliance costs.

Because such regulatory costs are not budgeted and lack the formal public disclosure of federal spending, they may generate comparatively little public outcry. Regulation thus becomes a form of off-budget or hidden taxation.

As the mounting federal debt causes concern, the impulse to regulate instead can also mount. Deficit spending, in a manner of speaking, can manifest itself as regulatory compliance costs that go largely unacknowledged by the federal government. Worse, if regulatory compliance costs prove burdensome, Congress can escape accountability by blaming the agencies that issue the unpopular rules.

Openness about regulatory facts and figures is critical, just as disclosure of program costs is critical in the federal budget . . .

[But] Disclosure of and accountability for regulatory costs are spotty. This allows policy makers to be reckless about imposing regulatory costs relative to undertaking ordinary—but more publicly visible—government spending.

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

AN AMENDMENT TO H. RES. 738 OFFERED BY  
MR. HASTINGS OF FLORIDA

At the end of the resolution, add the following new section:

SEC. 3

It shall not be in order to consider a concurrent resolution providing for adjournment or adjournment sine die unless the

House has been notified that the President has signed a bill to extend for one year certain expired or expiring tax provisions that apply to middle-income taxpayers with income below \$250,000 for married couples filing jointly, and below \$200,000 for single filers, including, but not limited to, marginal rate reductions, capital gains and dividend rate preferences, alternative minimum tax relief, marriage penalty relief, and expanded tax relief for working families with children and college students.

(The information contained herein was provided by the Republican Minority on multiple occasions throughout the 110th and 111th Congresses.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

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

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

Because the vote today may look bad for the Republican majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual: "Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule . . . When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment."

In Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: "Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Mem-

ber leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

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

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

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

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

Mr. HASTINGS of Florida. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess for a period of less than 15 minutes.

Accordingly (at 2 o'clock and 17 minutes p.m.), the House stood in recess.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. WOMACK) at 2 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed. Votes will be taken in the following order:

Ordering the previous question on House Resolution 738, and adopting House Resolution 738, if ordered.

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

The unfinished business is the vote on ordering the previous question on the resolution (H. Res. 738) providing for consideration of the bill (H.R. 4078) to provide that no agency may take any significant regulatory action until the unemployment rate is equal to or less than 6.0 percent; and providing for consideration of the bill (H.R. 6082) to officially replace, within the 60-day Congressional review period under the Outer Continental Shelf Lands Act, President Obama's Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012-2017) with a congressional plan that will conduct additional oil and natural gas lease sales to promote offshore energy development, job creation, and increased domestic energy production to ensure a more secure energy future in the United States, and for other purposes, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

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

The vote was taken by electronic device, and there were—yeas 238, nays 177, not voting 16, as follows:

[Roll No. 502]

YEAS—238

Adams	Goodlatte	Nunnelee
Aderholt	Gosar	Olson
Alexander	Gowdy	Owens
Amash	Granger	Palazzo
Amodei	Graves (GA)	Paul
Austria	Graves (MO)	Paulsen
Bachmann	Griffin (AR)	Pearce
Bachus	Griffith (VA)	Pence
Barletta	Grimm	Petri
Bartlett	Guinta	Pitts
Barton (TX)	Guthrie	Platts
Bass (NH)	Hall	Poe (TX)
Benishek	Hanna	Pompeo
Berg	Harper	Posey
Biggert	Harris	Price (GA)
Bilbray	Hartzler	Quayle
Bilirakis	Hastings (WA)	Reed
Black	Hayworth	Rehberg
Blackburn	Heck	Reichert
Bonner	Hensarling	Renacci
Bono Mack	Herger	Ribble
Boren	Herrera Beutler	Rigell
Boustany	Huelskamp	Rivera
Brady (TX)	Huizenga (MI)	Roby
Brooks	Hultgren	Roe (TN)
Broun (GA)	Hunter	Rogers (AL)
Buchanan	Hurt	Rogers (KY)
Bucshon	Issa	Rogers (MI)
Buerkle	Jenkins	Rohrabacher
Burgess	Johnson (IL)	Rokita
Burton (IN)	Johnson (OH)	Rooney
Calvert	Johnson, Sam	Ros-Lehtinen
Camp	Jones	Roskam
Campbell	Jordan	Ross (FL)
Canseco	Kelly	Royce
Cantor	King (IA)	Runyan
Capito	King (NY)	Ryan (WI)
Carter	Kingston	Scalise
Cassidy	Kinzinger (IL)	Schilling
Chaffetz	Kline	Schmidt
Coble	Labrador	Schock
Coffman (CO)	Lamborn	Schweikert
Cole	Lance	Scott (SC)
Conaway	Landry	Scott, Austin
Cravaack	Lankford	Sensenbrenner
Crawford	Latham	Sessions
Crenshaw	LaTourrette	Shimkus
Culberson	Latta	Shuler
Davis (KY)	Lewis (CA)	Shuster
Denham	LoBiondo	Simpson
Dent	Long	Smith (NE)
DesJarlais	Lucas	Smith (NJ)
Diaz-Balart	Luetkemeyer	Smith (TX)
Dold	Lummis	Southernland
Dreier	Lungren, Daniel	Stearns
Duffy	E.	Stutzman
Duncan (SC)	Mack	Sullivan
Duncan (TN)	Manzullo	Terry
Ellmers	Marchant	Thompson (PA)
Emerson	Marino	Thornberry
Farenthold	McCarthy (CA)	Tiberi
Fincher	McCaul	Tipton
Fitzpatrick	McClintock	Turner (NY)
Flake	McHenry	Turner (OH)
Fleischmann	McKeon	Upton
Fleming	McKinley	Walberg
Flores	McMorris	Walden
Forbes	Rodgers	Walsh (IL)
Fortenberry	Meehan	Webster
Foxx	Mica	West
Franks (AZ)	Miller (FL)	Westmoreland
Frelinghuysen	Miller (MI)	Whitfield
Gallegly	Miller, Gary	Wilson (SC)
Gardner	Mulvaney	Wittman
Garrett	Murphy (PA)	Wolf
Gerlach	Myrick	Womack
Gibbs	Neugebauer	Woodall
Gibson	Noem	Yoder
Gingrey (GA)	Nugent	Young (FL)
Gohmert	Nunes	Young (IN)

NAYS—177

Ackerman	Baldwin	Berkley
Altmire	Barber	Berman
Andrews	Barrow	Bishop (GA)
Baca	Becerra	Bishop (NY)

Blumenauer	Hanabusa	Pelosi
Bonamici	Hastings (FL)	Perlmutter
Boswell	Heinrich	Peters
Brady (PA)	Higgins	Peterson
Braley (IA)	Himes	Pingree (ME)
Brown (FL)	Hinchev	Polis
Butterfield	Hinojosa	Price (NC)
Capps	Hochul	Quigley
Capuano	Holden	Rahall
Cardoza	Holt	Rangel
Carnahan	Honda	Richardson
Carney	Hoyer	Richmond
Carson (IN)	Israel	Ross (AR)
Castor (FL)	Johnson (GA)	Rothman (NJ)
Chandler	Johnson, E. B.	Roybal-Allard
Chu	Kaptur	Ruppersberger
Ciilline	Keating	Rush
Clarke (MI)	Kildee	Ryan (OH)
Clarke (NY)	Kind	Sánchez, Linda
Clay	Kissell	T.
Cohen	Kucinich	Sanchez, Loretta
Connolly (VA)	Langevin	Sarbanes
Conyers	Larsen (WA)	Schakowsky
Cooper	Larson (CT)	Schiff
Costa	Levin	Schrader
Costello	Lewis (GA)	Schwartz
Courtney	Lipinski	Scott (VA)
Critz	Loeb sack	Scott, David
Crowley	Lofgren, Zoe	Serrano
Cuellar	Lowey	Sewell
Cummings	Lujan	Sherman
Davis (CA)	Lynch	Sires
Davis (IL)	Maloney	Slaughter
DeFazio	Markey	Speier
DeGette	Matheson	Stark
DeLauro	Matsui	Sutton
Deutch	McCarthy (NY)	Thompson (CA)
Dicks	McCollum	Thompson (MS)
Dingell	McDermott	Tierney
Doggett	McGovern	Tonko
Donnelly (IN)	McIntyre	Towns
Doyle	McNerney	Tsongas
Ellison	Meeks	Van Hollen
Engel	Michaud	Velázquez
Eshoo	Miller (NC)	Visclosky
Farr	Miller, George	Walz (MN)
Fattah	Moore	Wasserman
Filner	Moran	Schultz
Frank (MA)	Murphy (CT)	Waters
Fudge	Nadler	Watt
Garamendi	Napolitano	Waxman
Gonzalez	Neal	Welch
Green, Al	Olver	Wilson (FL)
Green, Gene	Pallone	Woolsey
Gutierrez	Pascrell	Yarmuth
Hahn	Pastor (AZ)	

NOT VOTING—16

Akin	Edwards	Lee (CA)
Bass (CA)	Grijalva	Reyes
Bishop (UT)	Hirono	Smith (WA)
Chabot	Jackson (IL)	Stivers
Cleaver	Jackson Lee	Young (AK)
Clyburn	(TX)	

□ 1456

Messrs. ISRAEL, FILNER, and Ms. WILSON of Florida changed their vote from “yea” to “nay.”

Mr. LEWIS of California changed his vote from “nay” to “yea.”

So the previous question was ordered.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. PERLMUTTER was allowed to speak out of order.)

AURORA, COLORADO TRAGEDY

Mr. PERLMUTTER. Mr. Speaker, I stand here with a lot of sadness with my friends from the Colorado delegation. We Democrats and Republicans are a pretty tight-knit group. We had a terrible incident in Aurora, Colorado, on Friday, you all are well aware of, where 12 people were killed and 58 were wounded. It is with sadness and grief that we come before you today. As our Governor said at the vigil on Sunday night, we will remember these 12 and those who were shot.

But there was a silver lining in this very, very dark moment in the history of Colorado. We saw bravery and selflessness and heroism among the people who were in the theater that night. Any one of us can tell you stories of how complete strangers were willing to give up their own lives to save the lives of the strangers next to them. In times when it is difficult like that, you want to find bright spots—and there were many. Another bright spot was the courage demonstrated by the Aurora police and the fire department and the FBI and the ATF in the face of what was a monstrous action by this guy.

In Colorado, we consider ourselves to be pretty tough. Aurorans, where this act took place, are pretty tough. It hurts—we all hurt—but we are resilient and we will get through it, and the stories being shared of some of those who were injured actually really do lighten the day. I know any one of us would be happy to talk to you all about that.

There has been a tremendous outpouring of sympathy and condolences and compassion from all of you. I know I speak on behalf of our entire delegation when I thank you for thinking about us and where we live and our community, because we are in this together. We just thank you very much.

MOMENT OF SILENCE

So I ask that all of you stand with me and our delegation in a moment of silence to honor the memory of those who were killed, the wounded victims and all Americans during this time of healing. As I said once before and as our Governor said, we will remember these people who were hurt, and we will help them all along the way.

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

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

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

RECORDED VOTE

Mr. HASTINGS of Florida. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

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

The vote was taken by electronic device, and there were—ayes 244, noes 170, not voting 17, as follows:

[Roll No. 503]

AYES—244

Adams	Black	Canseco
Aderholt	Blackburn	Cantor
Alexander	Bonner	Capito
Amash	Bono Mack	Carter
Amodei	Boren	Cassidy
Austria	Boustany	Chaffetz
Bachmann	Brady (TX)	Coble
Bachus	Brooks	Coffman (CO)
Barletta	Broun (GA)	Cole
Bartlett	Buchanan	Conaway
Barton (TX)	Bucshon	Cravaack
Bass (NH)	Buerkle	Crawford
Benishke	Burgess	Crenshaw
Berg	Burton (IN)	Culberson
Biggert	Calvert	Davis (KY)
Bilbray	Camp	Denham
Bilirakis	Campbell	Dent

DesJarlais	Kelly	Rehberg
Diaz-Balart	King (IA)	Reichert
Dold	King (NY)	Renacci
Donnelly (IN)	Kingston	Ribble
Dreier	Kinzinger (IL)	Rigell
Duffy	Kissell	Rivera
Duncan (SC)	Kline	Roby
Duncan (TN)	Labrador	Roe (TN)
Ellmers	Lamborn	Rogers (AL)
Emerson	Lance	Rogers (KY)
Farenthold	Landry	Rogers (MI)
Fincher	Lankford	Rohrabacher
Fitzpatrick	Latham	Rokita
Flake	LaTourette	Rooney
Fleischmann	Latta	Ros-Lehtinen
Fleming	Lewis (CA)	Roskam
Flores	LoBiondo	Ross (AR)
Forbes	Long	Ross (FL)
Fortenberry	Lucas	Royce
Fox	Luetkemeyer	Runyan
Franks (AZ)	Lummis	Ryan (WI)
Frelinghuysen	Lungren, Daniel	Scalise
Gallegly	E.	Schilling
Gardner	Mack	Schmidt
Garrett	Manzullo	Schock
Gerlach	Marino	Schweikert
Gibbs	Matheson	Scott (SC)
Gibson	McCarthy (CA)	Scott, Austin
Gingrey (GA)	McCaul	Sensenbrenner
Gohmert	McClintock	Sessions
Goodlatte	McHenry	Shimkus
Gosar	McIntyre	Shuler
Gowdy	McKeon	Shuster
Granger	McKinley	Simpson
Graves (GA)	McMorris	Smith (NE)
Graves (MO)	Rodgers	Smith (NJ)
Green, Gene	Meehan	Smith (TX)
Griffin (AR)	Mica	Southerland
Griffith (VA)	Miller (FL)	Stearns
Grimm	Miller (MI)	Stutzman
Guinta	Miller, Gary	Sullivan
Guthrie	Mulvaney	Terry
Hall	Murphy (PA)	Thompson (PA)
Hanna	Myrick	Thornberry
Harper	Neugebauer	Tiberi
Harris	Noem	Tipton
Hartzler	Nugent	Turner (NY)
Hastings (WA)	Nunes	Turner (OH)
Hayworth	Nunnelee	Upton
Heck	Olson	Walberg
Hensarling	Owens	Walden
Herger	Palazzo	Walsh (IL)
Herrera Beutler	Paul	Webster
Huelskamp	Paulsen	West
Huizenga (MI)	Pearce	Westmoreland
Hultgren	Pence	Whitfield
Hunter	Petri	Wilson (SC)
Hurt	Pitts	Wittman
Issa	Platts	Wolf
Jenkins	Poe (TX)	Womack
Johnson (IL)	Pompeo	Woodall
Johnson (OH)	Posey	Yoder
Johnson, Sam	Price (GA)	Young (AK)
Jones	Quayle	Young (FL)
Jordan	Reed	Young (IN)

NOES—170

Ackerman	Cleaver	Gonzalez
Altmire	Clyburn	Green, Al
Andrews	Cohen	Grijalva
Baca	Connolly (VA)	Gutierrez
Baldwin	Conyers	Hahn
Barber	Cooper	Hanabusa
Barrow	Costa	Heinrich
Becerra	Costello	Higgins
Berkley	Courtney	Himes
Berman	Critz	Hinchev
Bishop (GA)	Crowley	Hinojosa
Bishop (NY)	Cuellar	Hochul
Blumenauer	Cummings	Holden
Bonamici	Davis (CA)	Holt
Boswell	Davis (IL)	Honda
Brady (PA)	DeFazio	Hoyer
Braley (IA)	DeGette	Israel
Brown (FL)	DeLauro	Johnson (GA)
Butterfield	Deutch	Johnson, E. B.
Capps	Dicks	Kaptur
Capuano	Dingell	Keating
Cardoza	Doggett	Kildee
Carnahan	Doyle	Kind
Carney	Ellison	Kucinich
Carson (IN)	Engel	Langevin
Castor (FL)	Eshoo	Larsen (WA)
Chandler	Farr	Larson (CT)
Chu	Fattah	Levin
Ciilline	Filner	Lewis (GA)
Clarke (MI)	Frank (MA)	Lipinski
Clarke (NY)	Fudge	Loeb sack
Clay	Garamendi	Lofgren, Zoe

Lowey	Peters	Sires
Luján	Peterson	Slaughter
Lynch	Pingree (ME)	Speier
Maloney	Polis	Stark
Markey	Price (NC)	Sutton
Matsui	Quigley	Thompson (CA)
McCarthy (NY)	Rahall	Thompson (MS)
McCollum	Rangel	Tierney
McGovern	Richardson	Tonko
McNerney	Rothman (NJ)	Towns
Meeks	Roybal-Allard	Tsongas
Michaud	Ruppersberger	Van Hollen
Miller (NC)	Rush	Velázquez
Miller, George	Ryan (OH)	Visclosky
Moore	Sánchez, Linda	Walz (MN)
Moran	T.	Wasserman
Murphy (CT)	Sanchez, Loretta	Schultz
Nadler	Sarbanes	Waters
Napolitano	Schiff	Watt
Neal	Schrader	Waxman
Olver	Schwartz	Welch
Pallone	Scott (VA)	Wilson (FL)
Pascrell	Scott, David	Woolsey
Pastor (AZ)	Serrano	Yarmuth
Pelosi	Sewell	
Perlmutter	Sherman	

## NOT VOTING—17

Akin	Hirono	McDermott
Bass (CA)	Jackson (IL)	Reyes
Bishop (UT)	Jackson Lee	Richmond
Chabot	(TX)	Schakowsky
Edwards	Lee (CA)	Smith (WA)
Hastings (FL)	Marchant	Stivers

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There is 1 minute remaining.

□ 1506

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. AKIN. Mr. Speaker, on rollcall Nos. 502 and 503 I was delayed and unable to vote. Had I been present I would have voted "aye" on rollcall No. 502 and "aye" on rollcall No. 503.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Record votes on postponed questions will be taken later.

□ 1510

FEDERAL RESERVE  
TRANSPARENCY ACT OF 2012

Mr. ISSA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 459) to require a full audit of the Board of Governors of the Federal Reserve System and the Federal reserve banks by the Comptroller General of the United States before the end of 2012, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 459

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

## SECTION 1. SHORT TITLE.

*This Act may be cited as the "Federal Reserve Transparency Act of 2012".*

## SEC. 2. AUDIT REFORM AND TRANSPARENCY FOR THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

(a) *IN GENERAL.*—Notwithstanding section 714 of title 31, United States Code, or any other provision of law, an audit of the Board of Governors of the Federal Reserve System and the Federal reserve banks under subsection (b) of such section 714 shall be completed within 12 months of the date of enactment of this Act.

(b) *REPORT.*—

(1) *IN GENERAL.*—A report on the audit required under subsection (a) shall be submitted by the Comptroller General to the Congress before the end of the 90-day period beginning on the date on which such audit is completed and made available to the Speaker of the House, the majority and minority leaders of the House of Representatives, the majority and minority leaders of the Senate, the Chairman and Ranking Member of the committee and each subcommittee of jurisdiction in the House of Representatives and the Senate, and any other Member of Congress who requests it.

(2) *CONTENTS.*—The report under paragraph (1) shall include a detailed description of the findings and conclusion of the Comptroller General with respect to the audit that is the subject of the report, together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

(c) *REPEAL OF CERTAIN LIMITATIONS.*—Subsection (b) of section 714 of title 31, United States Code, is amended by striking all after "in writing."

(d) *TECHNICAL AND CONFORMING AMENDMENT.*—Section 714 of title 31, United States Code, is amended by striking subsection (f).

## SEC. 3. AUDIT OF LOAN FILE REVIEWS REQUIRED BY ENFORCEMENT ACTIONS.

(a) *IN GENERAL.*—The Comptroller General of the United States shall conduct an audit of the review of loan files of homeowners in foreclosure in 2009 or 2010, required as part of the enforcement actions taken by the Board of Governors of the Federal Reserve System against supervised financial institutions.

(b) *CONTENT OF AUDIT.*—The audit carried out pursuant to subsection (a) shall consider, at a minimum—

(1) *the guidance given by the Board of Governors of the Federal Reserve System to independent consultants retained by the supervised financial institutions regarding the procedures to be followed in conducting the file reviews;*

(2) *the factors considered by independent consultants when evaluating loan files;*

(3) *the results obtained by the independent consultants pursuant to those reviews;*

(4) *the determinations made by the independent consultants regarding the nature and extent of financial injury sustained by each homeowner as well as the level and type of remediation offered to each homeowner; and*

(5) *the specific measures taken by the independent consultants to verify, confirm, or rebut the assertions and representations made by supervised financial institutions regarding the contents of loan files and the extent of financial injury to homeowners.*

(c) *REPORT.*—Not later than the end of the 6-month period beginning on the date of the enactment of this Act, the Comptroller General shall issue a report to the Congress containing all findings and determinations made in carrying out the audit required under subsection (a).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ISSA) and the gentleman from Maryland (Mr. CUMMINGS) each will control 20 minutes.

The Chair recognizes the gentleman from California.

## GENERAL LEAVE

Mr. ISSA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on the bill under consideration.

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

There was no objection.

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

H.R. 459, the Federal Reserve Transparency Act, directs the GAO to conduct a full audit of the Federal Reserve. The Dodd-Frank legislation mandated a GAO audit of the Fed, but that audit, issued by the Government Accountability Office in July of 2011, focused solely on the issues concerning emergency credit facilities.

GAO remains restricted, under the current law, from conducting a broader audit of the Fed that includes, for instance, a review of the Fed's monetary policy operations and its agreements with foreign governments and central banks. The bill remedies this situation by permitting GAO, the investigative arm of Congress, to conduct a non-partisan audit that will review all of these transactions. The findings of the audit are to be reported to Congress.

It is particularly appropriate that we consider this legislation at this time. While Congress should not manage or micromanage details of monetary policy, it needs to be able to conduct oversight of the Fed. The Fed was created by Congress to be a central bank, independent of the influence of the U.S. Treasury. It was never intended to, in fact, be independent of Congress or independent of the American people.

In recent years, the Fed's extraordinary interventions into the economy and financial markets have led some to call into question its independence. We do not ask for an audit for that reason. We ask for an audit because the American people ultimately must be able to hold the Fed accountable; and to do so, they must know, at least in retrospect, what the Fed has done over these many years that it has been without an audit. That is why I support H.R. 459, a bipartisan bill with 273 other cosponsors.

I urge my colleagues' support, and I reserve the balance of my time.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded not to traffic the well while another Member is under recognition.

Mr. CUMMINGS. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the gentleman for yielding.

Mr. Speaker, when the sponsors of this bill talk about "auditing" the Federal Reserve, they don't mean a traditional audit. An outside, independent accounting firm already audits the Federal Reserve's annual financial statements, and GAO is already empowered to review the Fed's financial

statements and a broad range of its functions.

In fact, the Wall Street reform legislation Democrats passed last Congress expanded the types of audits GAO can conduct, as has been mentioned by Mr. ISSA. So there is transparency and accountability when it comes to the Federal Reserve's finances and operations. However, this bill would, instead, jeopardize the Fed's independence by subjecting its decisions on interest rates and monetary policy to a GAO audit.

The Fed, like every other major central bank in the world, is independent, and Congress has rightly insulated the Fed from short-term political pressures.

I agree with Chairman Bernanke that congressional review of the Fed's monetary policy decisions would be a "nightmare scenario," especially judging by the track record of this Congress when it comes to governing effectively and intervening in the courts and other areas. We don't have to look any further than the Congress unnecessarily taking the country to the brink of default last summer in a display of politics.

All of us, Mr. Speaker, want transparency. All of us here want to make sure that the Federal Reserve is working to carry out the economic goals of the American people, which are maximum employment and price stability. But that's not what this bill is about. This bill increases the likelihood that the Fed will make decisions based on political rather than economic considerations, and that is not a recipe for sound monetary policy.

I urge my colleagues to defeat this bill and preserve the independence of the Fed so it can keep our currency stable and cultivate the best conditions for our economy to grow and create jobs.

Unfortunately, Mr. Speaker, we, in Congress, have shown too frequently our inability in a political environment to make tough choices. That failure has led us, in part, to where we are today. I urge my colleagues to defeat this unwarranted, unjustified, and dangerous legislation.

Mr. ISSA. Mr. Speaker, it's now my honor to yield 2 minutes to the gentleman from Texas (Mr. PAUL), the author of this bill and the man who understands that not knowing should never be an answer.

Mr. PAUL. I thank the gentleman for yielding.

I rise, obviously, in strong support of this legislation. I don't know how anybody could be against transparency.

They want secrecy, especially when the secrecy is to protect individuals who deal in trillions of dollars, much bigger than what the Congress does. And these trillions of dollars bail out all the wealthy, rich people; the banks and the big corporations; international, overseas banks; bailing out Europe; dealing with central banks around Europe and different places.

And to say that we should have secrecy and to say that it's political to

have transparency, well, it's very political when you have a Federal Reserve that can bail out one company and not another company. That's pretty political.

I think when people talk about independence and having this privacy of the central bank means they want secrecy, and secrecy is not good. We should have privacy for the individual, but we should have openness of government all the time, and we've drifted a long way from that.

The bill essentially removes the prohibitions against a full audit. To audit, we should know what kind of transactions there are. We should know about the deals that they made when they were fixing the price of LIBOR. These are the kinds of things that have gone on for years that we have no access to.

Congress has this responsibility. We are reneging on our responsibility. We have had the responsibility and we have not done it, so it is up to us to reassert ourselves.

The Constitution is very clear who has the responsibility, but the law conflicts with the Constitution. The law comes along and says the Congress can't do it. Well, you can't change the Constitution and prohibit the Congress from finding out what's going on by writing a law, and this is what has happened.

So it is time that we repeal this prohibition against a full audit of the Federal Reserve. We deserve it. The American people deserve it. The American people know about it and understand it, and that's what they're asking for. They're sick and tired of what happened in the bailout, where the wealthy got bailed out and the poor lost their jobs and they lost their homes.

Mr. CUMMINGS. I yield 4 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK), the ranking member of the Financial Services Committee.

Mr. FRANK of Massachusetts. Mr. Speaker, I think this is a bad idea, and I am somewhat confused.

By the way, we will be debating tomorrow a bill which restricts rulemaking, and it exempts the Federal Reserve, as I read it. So we're kind of on again/off again about the Federal Reserve. It seems to me what we're talking about is taking some fake punches at the Federal Reserve but not doing anything serious.

My Republican colleagues brought up a reconciliation bill that was going to subject the Consumer Bureau to appropriations.

□ 1520

So I offered an amendment to subject the Federal Reserve to appropriations. That was voted down. So we're not going to restrict their rulemaking. We're not going to subject them to appropriations, even though that's being done elsewhere. We're going to audit them, which is a way to look tough without really being tough.

Mr. ISSA. Will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from California.

Mr. ISSA. I thank the gentleman. Would you suggest that we should do both of those?

Mr. FRANK of Massachusetts. No. I reclaim my time and say we should do none of them. I was saying I have a consistent position. I don't think we should do any of them. What I'm saying is, people who get up there and beat their chest about how tough they are and they're not afraid of the Federal Reserve but exempt it from the great rulemaking bill, and subject the Consumer Bureau—that terrible threat to the well-being of Americans—to the appropriations process, but let the Federal Reserve, which spends about 150 times as much, go free—I am inclined to doubt their seriousness. Not their purity, that would be a violation of the rules, but their seriousness. This is a way to shake your fist at that big, bad Fed. And it's not a good way.

We hear a lot about uncertainty. Remember, the Federal Reserve is now subject to a complete openness about all of its transactions with private companies. We did that last year. The gentleman from Texas had a major role in that. When the Federal Reserve deals with any other institution, we know what it does. We don't know it necessarily the same day. There were these predictions about what terrible things were going to happen when the Federal Reserve did this and that. They haven't come true. Maybe they will some day, but we will know it.

This makes this exception: it says that we will audit the decisions about monetary policy. It says that members who vote on what the interest rate should be will now be audited. They will be subject to being quizzed about why they did that. Now, I will tell my Democratic friends, understand that one part of this problem is the objection on the part of the Republican Party to the fact that our Federal Reserve, unusual among central banks, has a dual mandate. They are charged under our statute to be concerned about inflation and about unemployment.

Now, the Republicans have an agenda they're keeping on low key until next year. They have a bill, but they won't act on it yet. But they would like to strip that part of the mandate. They would like the Federal Reserve to be only involved in inflation. They don't like the notion that the Federal Reserve deals with unemployment, and this is a way that, if it were ever to become law, and no one thinks it will—this is a, Look how tough we are. We are going to wave our fists at the Fed. But it would be a way to kind of put pressure on members of the Open Market Committee and see, were you worried about unemployment when you did this? That's the audit. This has nothing to do with how they spend their money. It has nothing to do with whom they contract. That is what people usually think about an audit. It doesn't

have anything to do with whether they are efficient or not. It is an ideological agenda by a group of people who didn't like what the Federal Reserve was doing—under, by the way, George Bush, there was reference to the bailouts, which were, of course, under the Bush administration. One of the things that we did, by the way, in our bill 2 years ago—and all my Republican colleagues voted against the bill—was to take away from the Federal Reserve the power they used—under President Bush—to give/lend \$85 billion to AIG. We rescinded that. I don't think Mr. Bernanke, a Bush appointee, was doing the wrong thing necessarily, but we took back that power.

So this is partly a show because on the two serious efforts to curtail the Fed's powers, my Republican colleagues aren't there. But secondly—and as I said, I'm consistent—I don't think that we should do any of these things. I think what we did with regard to openness makes sense. I'm not pretending to be tough when I'm not.

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

Mr. CUMMINGS. I yield the gentleman 1 additional minute.

Mr. FRANK of Massachusetts. But what it will do is destabilize. We have worries about expectations. There is a fear that we will be too inflationary or that we won't grow enough. People on Wall Street are not as sophisticated as some people think. I don't mean they're not sophisticated about their own business, as we know, but they will read this and take it more seriously than the Members here do who think it might eventually become law, and it will destabilize some of the financial system. They will see it as political interference not with the contracting procedures, not with the budget, not with how many cars they have, but with how they decide on interest rates. And the perception that the Congress is going to politicize the way in which interest rates are set will in itself have a destabilizing effect.

And as I said, nobody here thinks this will ever become law. But there is this fear on the part of others who don't know that that will translate into precisely the kind of uncertainty, precisely the kind of unsettling on investments that my Republican colleagues pretend to fear, and it will also send them the message, stop worrying about unemployment.

Mr. ISSA. As I introduced my good friend and leader on this issue, Mr. CHAFFETZ, I might note that when the word "Democrat" and "Republican" are used in this Hall, hopefully when there are 45 Democratic Members on this bill as cosponsors, we would recognize this is a bipartisan bill.

I now yield 2 minutes to the gentleman from Utah (Mr. CHAFFETZ).

Mr. CHAFFETZ. I thank the chairman.

I also want to appreciate and congratulate Dr. RON PAUL for his tireless pursuit of this openness and trans-

parency. Without his leadership, we wouldn't be at this point today, and I applaud him and thank him for that.

Some would say that the Fed is already audited, but there are some key points where it is not. These include transactions with foreign central banks, discussion and actions on monetary policy, and transactions made under the direction of the Federal Open Market Committee.

If we are truly about openness and transparency in this Nation, which distinguishes us above and beyond so many others, we deserve and need to know this information.

We need also understand the imperative that is before us because the Federal Reserve balance sheet has exploded in recent years. In fact, since 2008, it has literally tripled. It's gone from \$908 billion on its balance sheet to over \$2.8 trillion, nearly a 33 percent annualized increase since January 2008.

The Federal Reserve ownership of Treasuries has also increased substantially in recent years, having more than doubled from January of 2008 to January of 2012, where it went from \$741 billion to \$1.66 trillion.

Let's understand also that in fiscal year 2011, the Federal Reserve purchased 76 percent of new Treasuries. Certainly the American people and this Congress deserves more openness, transparency, and at the very least an audit. I encourage my colleagues on both sides of the aisle to support this commonsense piece of legislation, and again congratulate Dr. PAUL, and continue to hope for his pursuit of this issue.

Mr. CUMMINGS. I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. This is an absolute terrible idea. Although I am in total agreement with Mr. PAUL that transparency is a virtue, I also believe that the Federal Reserve must be free of any political influence, and I'm afraid this bill opens the door for precisely that to happen. I don't believe there is anyone in this Chamber that thinks that what the process needs is more politics.

Make no mistake, I agree that maximum transparency is necessary and desirable, and that's precisely why we included numerous transparency requirements in the financial reform bill, as well as numerous audit requirements. We authorized the GAO to audit the Fed's emergency lending facility. We authorized the GAO to audit any special facility created within the Fed. And we required the Fed to issue an assessment 2 years after institutions were granted access to the Fed's discount window.

We crafted those measures and more in a way that ensures transparency but still preserves the independence of the Federal Reserve in its decision-making process in the critical area of monetary policy. But this bill, as it now stands, would provide information without a proper context. That could have unin-

tended consequences and have totally unwarranted effects on consumer confidence in our financial institutions.

If the individual members of the Open Markets Committee know that each one of their decisions are subject to potential political pressure, it would significantly alter that decision-making process. An open door to the Federal Open Markets Committee would invite political pressures. And having decisions that are driven by politics and polling data is not the path to sound monetary policy.

Decisions about monetary policy should never be based on the raw political needs of the moment but instead should always be based strictly on objective economic considerations and guided by the twin mandates of low inflation and full employment. The unintended consequences of this bill would be to open the Federal Reserve to political influence, and that would have a negative impact on the Fed's independence and its ability to produce sound economic policy. I urge a strong bipartisan "no" vote.

□ 1530

Mr. ISSA. It is now my honor to yield 1 minute to the gentleman from Texas (Mr. FARENTHOLD).

Mr. FARENTHOLD. Mr. Speaker, the Constitution grants us the power to coin money and regulate the value thereof, and we've delegated this to the Fed. Unfortunately, we've tied our hands behind our back with respect to seeing what they're doing, and it's our duty to conduct oversight. A moment ago, Mr. FRANK said the audit was just fist pounding and chest pounding. I disagree. It's the first step. It is our doing our homework to determine what needs to be done to reform the Fed.

Chairman Bernanke said this bill would be a "nightmare scenario" of political meddling in monetary affairs. I disagree. I think the current situation is a nightmare scenario in unaccountable government. As Justice Brandeis said, "Sunshine is always the best disinfectant." As a member of the Oversight and Government Reform Committee, we demand transparency from agencies like the GSA, the TSA, and other Fed agencies.

I join my friend and neighbor in Congress, Dr. PAUL, in demanding for the American people that sunshine be shined into the Fed and this audit be conducted. I urge my colleagues to support this bill because the American people have a right to know.

Mr. CUMMINGS. I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, to illustrate the misconceptions about this bill, let's refer to what the gentleman from Utah (Mr. CHAFFETZ) had to say. He said 76 percent of the purchasers of this and that. Well, if they were so nontransparent, I don't know how he would know that. He didn't have a subpoena. But the fact is, yes, he knows that because of the

transparency we've already built in. But all the more important, the details, the specifics of every one of those transactions are already public.

This isn't about those transactions or about with whom they were done and under what time period. It's about the motives of the people setting monetary policy.

And let me address the Constitution. Yes, it is true that the Constitution gives us the power to do this. The Constitution gives us a lot of power. It gives us power to declare war on Canada. It gives us the power to do a lot of things. Wise people pick and choose which powers they use.

But this is not about getting more information about their transactions. All of that is out there. This is an effort to give politicians, a wonderful group of people of which I am one, more direct involvement in the actual decisions on setting of interest rates than is good for the economy.

Mr. ISSA. It is now my honor to yield 1 minute to the gentleman from Michigan (Mr. AMASH).

Mr. AMASH. I would like to thank Chairman ISSA and thank and congratulate Dr. RON PAUL for his tireless work on this issue for many decades.

Mr. Speaker, what is the Federal Reserve? I think even many Members of this body couldn't answer that question. And yet Congress has delegated its constitutional authority to this committee of bankers and Presidential appointees. To no institution in our country's history has Congress given so much power while knowing so little.

As our central bank, we've entrusted the Federal Reserve with managing inflation. That means the Fed can change the value of Americans' life savings, their retirement accounts and their mortgages. Lately, the Fed has taken on the role of "lender of last resort." It has made unprecedented market interventions, promising billions of dollars to the country's largest financial institutions. When investors wouldn't buy mortgages, the Fed did. When creditors became wary of Congress' spending binge, the Fed stepped in.

Years ago, Congress enacted an audit statute, but it prevents an audit of monetary policy. The government's accountants understandably were outraged, saying they couldn't "satisfactorily audit the Federal Reserve system without authority to examine the Fed's largest assets."

Congress should be wary of all types of central planning. We should be especially vigilant against unaccountable groups that profoundly affect Americans' lives and liberty.

Pass this bill, and let's audit the Fed. Mr. CUMMINGS. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. WATT).

Mr. WATT. I thank the gentleman.

Let me say, first, that this bill is not about sunshine and it's not about transparency. It is about dissatisfaction that some individuals have with

the mandate that Congress has given to the Federal Reserve.

The gentleman who just spoke is absolutely right; They are supposed to deal with inflation. That's what we told them to do in their mandate. They're supposed to deal with unemployment. That's what we told them to do in the mandate we gave.

And some people over there are dissatisfied with the fact that—they don't want them to deal with unemployment. They don't want them to try to adjust and make changes that will be beneficial to our economy. And if they don't want that, they ought to just introduce a bill that repeals the mandate that we gave to them.

Don't come and say that we are talking about sunshine and transparency.

Every time I turn on the television now, I hear the Federal Reserve, Chairman Bernanke and members of the Federal Reserve, talking about how the economy is going. That is not lack of sunshine and lack of information. I thought we had dealt with this when Mr. PAUL was the ranking member of the subcommittee and I was the chairman.

Mr. PAUL's problem is he doesn't like the Federal Reserve. He is avowedly in favor of doing away with the Federal Reserve. That's an honest position. But don't come in and try to cloak it in the guise of this agency is not transparent or it lacks sunshine. If you don't like the mandate that they have, then have the guts to stand up and introduce a bill that says that we are doing away with the Federal Reserve.

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

Mr. CUMMINGS. I yield the gentleman 1 additional minute.

Mr. WATT. If you think we are in trouble now, if you get the politics and the Congress involved in transactions with foreign governments and the decisions about how we get ourselves out of this unemployment situation, if we have some answers about how to get out of unemployment, then I would assume we would come forward with them. And nobody on this floor of this Congress has done anything to take up an unemployment bill. So I'm glad we have the Federal Reserve over there at least trying to figure out how to make some adjustments in our economy that will deal with unemployment.

The last thing I want is for this Congress to be second-guessing—or an auditor that is not elected by anybody to be second-guessing—the decisions of the people who are on the Federal Reserve. An auditor might be a good accountant, he can count, but I want somebody on the Federal Reserve, and hopefully it would be nice to have some people in Congress who can make some decisions about how to deal with unemployment.

Mr. ISSA. Mr. Speaker, the rules of the House prohibit going after someone's motivation. I'm very concerned that a bill that, in a substantially similar form, was placed into Dodd-

Frank by then-Chairman BARNEY FRANK is now being characterized as somehow ill-intended and mischievous activity by the proponent. I would trust that that is not the intent of the speakers on behalf of that side of the aisle about this bipartisan bill. It is virtually identical to the language that BARNEY FRANK put into Dodd-Frank.

Mr. WATT. Will the gentleman yield?

Mr. ISSA. I yield to the gentleman from North Carolina.

Mr. WATT. I just want to be clear that Mr. FRANK and I both voted against the bill that you're talking about, so don't try to make it sound like it's Mr. FRANK's and my bill. We voted against the bill. This is RON PAUL's bill. We thought it was a terrible idea then, and we think it's a terrible idea now.

Mr. ISSA. Reclaiming my time, I would like to yield 15 seconds to the gentleman from Texas, the author of the bill.

Mr. PAUL. Did you vote against Dodd-Frank? Because it was in Dodd-Frank. It wasn't a separate bill. Maybe on a separate vote you might have done it, but it was in Dodd-Frank.

Mr. ISSA. I now yield 1 minute to the gentleman from Montana (Mr. REHBERG).

Mr. REHBERG. Thank you, Mr. ISSA, and I especially thank you, Dr. PAUL.

Tomorrow, the House of Representatives will uphold our constitutional duty and vote to pull back the secretive curtain of the Federal Reserve. The American people have a right to know. It's an important step in openness and government transparency that's long overdue.

Just a few years ago, the Senate rejected an effort to add this strong audit language to the Dodd-Frank bill, but times are changing. As our economy struggles and job creation lags, it's more important than ever to look under the hood of the Federal Reserve. We need to find out exactly what they are doing and why. That way, we can determine if the Fed is actually hurting our economy and discouraging job growth.

In a democracy, no government body should be allowed to hide behind a curtain of secrecy. That's why I stand strongly behind this legislation.

□ 1540

MOMENT OF SILENCE IN MEMORY OF OFFICER JACOB J. CHESTNUT AND DETECTIVE JOHN M. GIBSON

The SPEAKER pro tempore. Pursuant to the Chair's announcement of earlier today, the House will now observe a moment of silence in memory of Officer Jacob J. Chestnut and Detective John M. Gibson.

Will all present please rise in observance of a moment of silence.

Mr. CUMMINGS. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I'm glad that the Committee on Government and Oversight isn't the

official House historian. In fact, there was a motion to include language like this offered to the financial reform bill. I voted “no,” as did Mr. WATT. It was included in the bill. It’s true, I voted for the bill. Of course, the gentleman from Texas voted against the bill. So if your vote on the whole bill is taken as an account of what you feel, he was against it.

But when it went to conference, it was not in the Senate bill—which was the text of the conference—so it did not come up, and no Republican conferee offered it as an amendment. That is, in the conference, that language which I and the gentleman from North Carolina voted against was not offered by any Member of the conference, Democrat or Republican.

Mr. ISSA. History records that Democrats broadly voted for it when it was voted out of this body. Nothing more need be said.

With that, I yield 1 minute to the gentledady from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. I thank the gentleman from California for the time. And I want to commend the gentleman from Texas (Mr. PAUL) for his excellent work on this issue.

Recently, I had a constituent say to me in a townhall meeting they thought it was time for Congress to start putting some mandates on the Federal Government. They’re tired of government mandates on them. Why don’t we mandate, why don’t we hold them accountable?

This is a piece of legislation that does exactly that. It requires the GAO to conduct a full audit of the Board of Governors of the Federal Reserve System and of the Federal Reserve banks by the Comptroller General before the end of the year. That is significant. A timeline to do a job, to be held accountable to the people of this great Nation for how they spend their time, their money, the decisions they make that affect us.

It is imperative that we get this economy back on track. The actions that we will vote on today are part of that, having a Federal Reserve that is accountable—accountable to our constituents, accountable to the people of this Nation. I commend the gentleman for a move toward transparency and accountability.

Mr. CUMMINGS. Mr. Speaker, may I inquire as to how much time we have.

The SPEAKER pro tempore. The gentleman from Maryland has 6½ minutes remaining. The gentleman from California has 9¼ minutes remaining.

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

Mr. Speaker, I rise today in opposition to H.R. 459, which passed out of the Oversight Committee without even a single hearing and without testimony from any Federal Reserve officials.

Let me be clear: the Government Accountability Office has had the authority to audit the Federal Reserve’s books for three decades. In 2010, the

Dodd-Frank Act expanded the types of audits GAO conducts of the Federal Reserve, as well as the data the Fed must disclose to the public. For example, Dodd-Frank required the GAO to audit the emergency financial assistance provided during the financial crisis.

The act also opens discount window operations and open market operations to audit so GAO can assess the operational integrity, collateral policies, fairness, and use of third-party contractors. And Dodd-Frank requires the Federal Reserve to release information regarding borrowers and counterparties participating in discount-lending programs and open market operations. Mr. Speaker, as a conferee who helped craft the final Dodd-Frank legislation, I supported all of these provisions.

I believe other areas of the Federal Reserve’s operations are also ripe for audit. During the committee’s consideration of this legislation, I offered an amendment that would require GAO to perform an audit of the independent foreclosure reviews currently being conducted by the Federal Reserve and the Office of the Comptroller of the Currency.

Fourteen mortgage servicers have been required to establish a process under which borrowers can request an independent review of their loan histories. But at the end of May, only 200,000 out of about 4.4 million eligible borrowers had requested an independent review of their foreclosure cases. We need to understand whether the design of the program has limited the number of borrowers who have sought reviews of their cases.

Further, it is unclear how the types and amounts of remediation are being determined. This is precisely the type of issue that should be reviewed by the GAO. Certainly, the public has a right and the Congress has a responsibility to know and understand the transactions and enforcement actions undertaken by the Nation’s central bank. However, when Congress established the Fed in 1913, it understood that independence from political interference was critical to the bank’s ability to fulfill its monetary policy responsibilities.

The Dodd-Frank Act was carefully crafted to expand transparency while preserving the protections that ensure the independence of the Federal Reserve’s internal deliberations on monetary policy matters. The Board of Governors of the Federal Reserve must be able to pursue the policies it considers most responsive to our Nation’s current economic conditions and most likely to fulfill its dual mandate of promoting maximum employment and stable prices.

We should not allow GAO examinations to be the back door through which politics intrude on monetary policy—which is what this legislation would allow. Opening the Federal Reserve’s internal policy deliberations to GAO review could influence how such deliberations are conducted and poten-

tially the policies that are chosen, thus degrading the Fed’s independence.

Last week, the Chairman of the Federal Reserve, Mr. Bernanke, described the potential impact of this bill to the Financial Services Committee. He said:

The nightmare scenario I have is one in which some future Fed Chairman would decide and say to raise the Federal funds rate to 25 basis points and somebody would say, I don’t like that decision. I want the GAO to go in and get all the records, get all the transcripts, get all the preparatory materials and give us an independent opinion whether or not that was the right decision.

I share Chairman Bernanke’s concern. For that reason, during the markup of this legislation in the Oversight Committee, I offered an amendment that would have retained the protections for the Board of Governors’ internal monetary policy deliberations to ensure that the audit required by this legislation did not intrude on the Federal Reserve’s independence. I continue to believe this provision is needed to ensure this bill does not prohibit the ability of the Federal Reserve to implement monetary policies to strengthen our Nation’s economy as it has done repeatedly throughout the recent financial crisis.

I reserve the balance of my time.

Mr. ISSA. Mr. Speaker, can I inquire how much time we both have remaining, please.

The SPEAKER pro tempore. The gentleman from California has 9¼ minutes remaining. The gentleman from Maryland has 2 minutes remaining.

Mr. ISSA. I now yield 1 minute to the gentledady from Kansas (Ms. JENKINS).

Ms. JENKINS. I thank the gentleman for yielding, and I thank Dr. PAUL for his leadership on this very important issue.

Mr. Speaker, the Federal Reserve lent out \$16 trillion during the fiscal crisis. That’s larger than the entire U.S. economy—or worse, our Federal debt. Trillions of taxpayer dollars, and we have very little understanding of where it went.

Congress holds the purse, but we have no oversight over how the Fed manages the funds. This is why I’ve sponsored a bipartisan effort to audit the Fed in full. It’s our responsibility.

Current monetary policy audits of the Fed are insufficient. Most Fed operations consist of transactions with foreign central banks, and yet they are exempt from review. When corruption is suspected, a common refrain is: follow the money. With the historic sovereign debt crisis brewing in Europe, we must look closely at our own balance sheet. We must follow the money.

As a CPA, I know we need more transparency in Washington. It should start with the Federal Reserve.

□ 1550

Mr. CUMMINGS. I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. I would like to include in the record of this debate an article about the Fed’s policy model

sacrificing its maximum employment mandate and targeting 5 to 6 percent as unemployment.

SPEECH BY JANET L. YELLEN, VICE CHAIR, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM AT THE BOSTON ECONOMIC CLUB DINNER, BOSTON, MASSACHUSETTS JUNE 6, 2012

#### PERSPECTIVES ON MONETARY POLICY

Good evening. I'm honored to have the opportunity to address the Boston Economic Club and I'm grateful to Chip Case for inviting me to speak to you tonight. As most of you probably know, Chip was one of the first economists to document worrisome signs of a housing bubble in parts of the United States. After sounding an early alarm in 2003, Chip watched the bubble grow and was prescient in anticipating the very serious toll that its unwinding would impose on the economy. Chip recognized that declining house prices would affect not just residential construction but also consumer spending, the ability of households to borrow, and the health of the financial system. In light of these pervasive linkages, the repeat sales house price index that bears Chip's name is one of the most closely watched of all U.S. economic indicators. Indeed, as I will discuss this evening, prolonged weakness in the housing sector remains one of several serious headwinds facing the U.S. economy. Given these headwinds, I believe that a highly accommodative monetary policy will be needed for quite some time to help the economy mend. Before continuing, let me emphasize that my remarks reflect my own views and not necessarily those of others in the Federal Reserve System.

#### ECONOMIC CONDITIONS AND THE OUTLOOK

In my remarks tonight, I will describe my perspective on monetary policy. To begin, however, I'll highlight some of the current conditions and key features of the economic outlook that shape my views. To anticipate the main points, the economy appears to be expanding at a moderate pace. The unemployment rate is almost 1 percentage point lower than it was a year ago, but we are still far from full employment. Looking ahead, I anticipate that significant headwinds will continue to restrain the pace of the recovery so that the remaining employment gap is likely to close only slowly. At the same time, inflation (abstracting from the transitory effects of movements in oil prices) has been running near 2 percent over the past two years, and I expect it to remain at or below the Federal Open Market Committee's (the FOMC's) 2 percent objective for the foreseeable future. As always, considerable uncertainty attends the outlook for both growth and inflation; events could prove either more positive or negative than what I see as the most likely outcome. That said, as I will explain, I consider the balance of risks to be tilted toward a weaker economy.

Starting with the labor market, conditions have gradually improved over the past year, albeit at an uneven pace. Average monthly payroll gains picked up from about 145,000 in the second half of 2011 to 225,000 during the first quarter of this year. However, these gains fell back to around 75,000 a month in April and May. The deceleration of payroll employment from the first to the second quarter was probably exacerbated by some combination of seasonal adjustment difficulties and an unusually mild winter that likely boosted employment growth earlier in the year. Payback for that earlier strength probably accounts for some of the weakness we've seen recently. Smoothing through these fluctuations, the average pace of job creation for the year to date, as well as recent unemployment benefit claims data and

other indicators, appear to be consistent with an economy expanding at only a moderate rate, close to its potential.

Such modest growth would imply little additional progress in the near term in improving labor market conditions, which remain very weak. Currently, the unemployment rate stands around 3 percentage points above where it was at the onset of the recession—a figure that is stark enough as it is, but does not even take account of the millions more who have left the labor force or who would have joined under more normal circumstances in the past four years. All told, only about half of the collapse in private payroll employment in 2008 and 2009 has been reversed. A critical question for monetary policy is the extent to which these numbers reflect a shortfall from full employment versus a rise in structural unemployment. While the magnitude of structural unemployment is uncertain, I read the evidence as suggesting that the bulk of the rise during the recession was cyclical, not structural in nature.

Consider figure 1, which presents three indicators of labor market slack. The black solid line is the unemployment gap, defined as the difference between the actual unemployment rate and the Congressional Budget Office (CBO) estimate of the rate consistent with inflation remaining stable over time. The red dashed line is an index of the difficulty households perceive in finding jobs, based on results from a survey conducted by the Conference Board. And the red dotted line is an index of firms' ability to fill jobs, based on a survey conducted by the National Federation of Independent Business. All three measures show similar cyclical movements over the past 20 years, and all now stand at very high levels. This similarity runs counter to claims that the CBO's and other estimates of the unemployment gap overstate the true amount of slack by placing insufficient weight on structural explanations, such as a reduced efficiency of matching workers to jobs, for the rise in unemployment since 2007. If that were the case, why would firms now find it so easy to fill positions? Other evidence also points to the dominant role of cyclical forces in the recent rise in unemployment: job losses have been widespread, rather than being concentrated in the construction and financial sectors, and the co-movement of job vacancies and unemployment over the past few years does not appear to be unusual.

As I mentioned, I expect several factors to restrain the pace of the recovery and the corresponding improvement in the labor market going forward. The housing sector remains a source of very significant headwinds. Housing has typically been a driver of economic recoveries, and we have seen some modest improvement recently, but continued uncertainties over the direction of house prices, and very restricted mortgage credit availability for all but the most creditworthy buyers, will likely weigh on housing demand for some time to come. When housing demand does pick up more noticeably, the huge overhang of both unoccupied dwellings and homes in the foreclosure pipeline will likely allow a good deal of that demand to be met for a time without a sizeable expansion in homebuilding. Moreover, the enormous toll on household wealth resulting from the collapse of house prices—almost a 35 percent decline from its 2006 peak, according to the Case-Shiller index—imposes ongoing restraint on consumer spending, and the loss of home equity has impaired many households' ability to borrow.

A second headwind that will likely become more important over coming months relates to fiscal policy. At the federal level, stimulus-related policies are scheduled to wind

down, while both defense and nondefense purchases are expected to decline in inflation-adjusted terms over the next several years. Toward the end of this year, important decisions regarding the extension of current federal tax and budget policies loom. I will return to the associated uncertainties and their potentially detrimental effects later.

A third factor weighing on the outlook is the likely sluggish pace of economic growth abroad. Strains in global financial markets have resurfaced in recent months, reflecting renewed uncertainty about the resolution of the European situation. Risk premiums on sovereign debt and other securities have risen again in many European countries, while European banks continue to face pressure to shrink their balance sheets. Even without a further intensification of stresses, the slowdown in economic activity in Europe will likely hold back U.S. export growth. Moreover, the perceived risks surrounding the European situation are already having a meaningful effect on financial conditions here in the United States, further weighing on the prospects for U.S. growth.

Given these formidable challenges, most private sector forecasters expect only gradual improvement in the labor market and I share their view. Figure 2 shows the unemployment rate together with the median forecast from last month's Survey of Professional Forecasters (SPF), the dashed blue line. The figure also shows the central tendency of the unemployment projections that my FOMC colleagues and I made at our April meeting: Those projections reflect our assessments of the economic outlook given our own individual judgements about the appropriate path of monetary policy. Included in the figure as well is the central tendency of FOMC participants' estimates of the longer-run normal unemployment rate, which ranges from 5.2 percent to 6 percent. Like private forecasters, most FOMC participants expect the unemployment rate to remain well above its longer-run normal value over the next several years.

Of course, considerable uncertainty attends this outlook: The shaded area provides an estimate of the 70 percent confidence interval for the future path of the unemployment rate based on historical experience and model simulations. Its width suggests that these projections could be quite far off, in either direction. Nevertheless, the figure shows that labor market slack at present is so large that even a very large and favorable forecast error would not change the conclusion that slack will likely remain substantial for quite some time.

Turning to inflation, figure 3 summarizes private and FOMC forecasts. Overall consumer price inflation has fluctuated quite a bit in recent years, largely reflecting movements in prices for oil and other commodities. In early 2011 and again earlier this year, prices of crude oil, and thus of gasoline, rose noticeably. Smoothing through these fluctuations, inflation as measured by the price index for personal consumption expenditures (PCE) averaged near 2 percent over the past two years. In recent weeks, however, oil and gasoline prices have moderated and are now showing through to the headline inflation figures. Looking ahead, most FOMC participants at the time of our April meeting expected inflation to be at, or a bit below, our long-run objective of 2 percent through 2014; private forecasters on average also expect inflation to be close to 2 percent. As with unemployment, uncertainty around the inflation projection is substantial.

In the view of some observers; the stability of inflation in the face of high unemployment in recent years constitutes evidence

that much of the remaining unemployment is structural and not cyclical. They reason that if there were truly substantial slack in the labor market, simple accelerationist “Phillips curve” models would predict more noticeable downward pressure on inflation. However, substantial cross-country evidence suggests that, in low-inflation environments, inflation is notably less responsive to downward pressure from labor market slack than it is when inflation is elevated.

In other words, the short-run Phillips curve may flatten out. One important reason for this non-linearity, in my view, is downward nominal wage rigidity—that is, the reluctance or inability of many firms to cut nominal wages.

The solid blue bars in figure 4 present a snapshot of the distribution of nominal wage changes for individual jobs during the depth of the current labor market slump, based on data collected by the Bureau of Labor Statistics. For comparison, the dashed red line presents a hypothetical distribution of wage changes, using a normal distribution that approximates the actual distribution of wage changes greater than zero. The distribution of actual wage changes shows that a relatively high percentage of workers saw no change in their nominal wage, and relatively few experienced modest wage cuts. This pile-up phenomenon at zero suggests that, even when the unemployment rate was around 10 percent, many firms were reluctant to cut nominal wage rates. In the absence of this barrier, nominal gains in wages and unit labor costs would have likely been even more subdued given the severity of the economic downturn, with the result that inflation would probably now be running at a lower rate.

Anchored inflation expectations are another reason why inflation has remained close to 2 percent in the face of very low resource utilization. As shown in figure 5, survey measures of longer-horizon inflation expectations have remained nearly constant since the mid-1990s even as actual inflation has fluctuated. As a result, the current slump has not generated the downward spiral of falling expected and actual inflation that a simple accelerationist model of inflation might have predicted. Indeed, keeping inflation expectations from declining has been an important success of monetary policy over the past few years. At the same time, the fact that longer-term inflation expectations have not risen above 2 percent has also proved extremely valuable, for it has freed the FOMC to take strong actions to support the economic recovery without greatly worrying that higher energy and commodity prices would become ingrained in inflation and inflation expectations, as they did in the 1970s.

While my modal outlook calls for only a gradual reduction in labor market slack and a stable pace of inflation near the FOMC’s longer-run objective of 2 percent, I see substantial risks to this outlook, particularly to the downside. As I mentioned before, even without any political gridlock, fiscal policy is bound to become substantially less accommodative from early 2013 on. However, federal fiscal policy could turn even more restrictive if the Congress does not reach agreement on several important tax and budget policy issues before the end of this year; in fact, the CBO recently warned that the potential hit to gross domestic product (GDP) growth could be sufficient to push the economy into recession in 2013. The deterioration of financial conditions in Europe of late, coupled with notable declines in global equity markets, also serve as a reminder that highly destabilizing outcomes cannot be ruled out. Finally, besides these clearly identifiable sources of risk, there remains the

broader issue that economic forecasters have repeatedly overestimated the strength of the recovery and so still may be too optimistic about the prospects that growth will strengthen.

Although I view the bulk of the increase in unemployment since 2007 as cyclical, I am concerned that it could become a permanent problem if the recovery were to stall. In this economic downturn, the fraction of the workforce unemployed for six months or more has climbed much more than in previous recessions, and remains at a remarkably high level. Continued high unemployment could wreak long-term damage by eroding the skills and labor force attachment of workers suffering long-term unemployment, thereby turning what was initially cyclical into structural unemployment. This risk provides another important reason to support the recovery by maintaining a highly accommodative stance of monetary policy.

#### THE CONDUCT OF POLICY WITH UNCONVENTIONAL TOOLS

Now turning to monetary policy, I will begin by discussing the FOMC’s reliance on unconventional tools to address the disappointing pace of recovery. I will then elaborate my rationale for supporting a highly accommodative policy stance.

As you know, since late 2008, the FOMC’s standard policy tool, the target federal funds rate, has been maintained at the zero lower bound. To provide further accommodation, we have employed two unconventional tools to support the recovery—extended forward guidance about the future path of the federal funds rate, and large-scale asset purchases and other balance sheet actions that have greatly increased the size and duration of the Federal Reserve’s portfolio.

These two tools have become increasingly important because the recovery from the recession has turned out to be persistently slower than either the FOMC or private forecasters anticipated. Figure 6 illustrates the magnitude of the disappointment by comparing Blue Chip forecasts for real GDP growth made two years ago with ones made earlier this year. As shown by the dashed blue line, private forecasters in early 2010 anticipated that real GDP would expand at an average annual rate of just over 3 percent from 2010 through 2014. However, actual growth in 2011 and early 2012 has turned out to be much weaker than expected, and, as indicated by the dotted red line, private forecasters now anticipate only a modest acceleration in real activity over the next few years.

In response to the evolving outlook, the FOMC has progressively added policy accommodation using both of its unconventional tools. For example, since the federal funds rate target was brought down to a range of 0 to ¼ percent in December 2008, the FOMC has gradually adjusted its forward guidance about the anticipated future path of the federal funds rate. In each meeting statement from March 2009 through June 2011, the Committee indicated its expectation that economic conditions “are likely to warrant exceptionally low levels of the federal funds rate for an extended period.” At the August 2011 meeting, the Committee decided to provide more specific information about the likely time horizon by substituting the phrase “at least through mid-2013” for the phrase “for an extended period”; at the January 2012 meeting, this horizon was extended to “at least through late 2014.” Has this guidance worked? Figure 7 illustrates how dramatically forecasters’ expectations of future short-term interest rates have changed. As the dashed blue line indicates, the Blue Chip consensus forecast made in early 2010

anticipated that the Treasury-bill rate would now stand at close to 3½ percent; today, in contrast, private forecasters expect short-term interest rates to remain very low in 2014.

Of course, much of this revision in interest rate projections would likely have occurred in the absence of explicit forward guidance; given the deterioration in projections of real activity due to the unanticipated persistence of headwinds, and the continued subdued outlook for inflation, forecasters would naturally have anticipated a greater need for the FOMC to provide continued monetary accommodation. However, I believe the changes over time in the language of the FOMC statement, coupled with information provided by Chairman Bernanke and others in speeches and congressional testimony, helped the public understand better the Committee’s likely policy response given the slower-than-expected economic recovery. As a result, forecasters and market participants appear to have marked down their expectations for future short-term interest rates by more than they otherwise would have, thereby putting additional downward pressure on long-term interest rates, improving broader financial conditions, and lending support to aggregate demand.

The FOMC has also provided further monetary accommodation over time by altering the size and composition of the Federal Reserve’s securities holdings, shown in figure 8. The expansion in the volume of securities held by the Federal Reserve is shown in the left panel of the figure. During 2009 and early 2010, the Federal Reserve purchased about \$1.4 trillion in agency mortgage-backed securities and agency debt securities and about \$300 billion in longer-term Treasury securities. In November 2010, the Committee initiated an additional \$600 billion in purchases of longer-term Treasury securities, which were completed at the end of June of last year. Last September, the FOMC decided to implement the “Maturity Extension Program,” which affected the maturity composition of our Treasury holdings as shown in the right panel. Through this program, the FOMC is extending the average maturity of its securities holdings by selling \$400 billion of Treasury securities with remaining maturities of 3 years or less and purchasing an equivalent amount of Treasury securities with remaining maturities of 6 to 30 years. These transactions are currently scheduled to be completed at the end of this month.

Research by Federal Reserve staff and others suggests that our balance sheet operations have had substantial effects on longer-term Treasury yields, principally by reducing term premiums on longer-dated Treasury securities. Figure 9 provides an estimate, based on Federal Reserve Board staff calculations, of the cumulative reduction of the term premium on 10-year Treasury securities from the three balance sheet programs. These results suggest that our portfolio actions are currently keeping 10-year Treasury yields roughly 60 basis points lower than they otherwise would be. Other evidence suggests that this downward pressure has had favorable spillover effects on other financial markets, leading to lower long-term borrowing costs for households and firms, higher equity valuations, and other improvements in financial conditions that in turn have supported consumption, investment, and net exports. Because the term premium effect depends on both the Federal Reserve’s current and expected future asset holdings, most of this effect—without further actions—will likely wane over the next few years as the effect depends less and less on the current elevated level of the balance sheet and increasingly on the level of holdings during and after the normalization of our portfolio.

## THE RATIONALE FOR HIGHLY ACCOMMODATIVE POLICY

I have already noted that, in my view, an extended period of highly accommodative policy is necessary to combat the persistent headwinds to recovery. I will next explain how I've reached this policy judgment. In evaluating the stance of policy, I find the prescriptions from simple policy rules a logical starting point. A wide range of such rules has been examined in the academic literature, the most famous of which is that proposed by John Taylor in his 1993 study. Rules of the general sort proposed by Taylor (1993) capture well our statutory mandate to promote maximum employment and price stability by prescribing that the federal funds rate should respond to the deviation of inflation from its longer-run goal and to the output gap, given that the economy should be at or close to full employment when the output gap—the difference between actual GDP and an estimate of potential output—is closed. Moreover, research suggests that such simple rules can be reasonably robust to uncertainty about the true structure of the economy, as they perform well in a variety of models. Today, I will consider the prescriptions of two such benchmark rules—Taylor's 1993 rule, and a variant that is twice as responsive to economic slack. In my view, this latter rule is more consistent with the FOMC's commitment to follow a balanced approach to promoting our dual mandate, and so I will refer to it as the "balanced-approach" rule.

To show the prescriptions these rules would have called for at the April FOMC meeting, I start with an illustrative baseline outlook constructed using the projections for unemployment, inflation, and the federal funds rate that FOMC participants reported in April. I then employ the dynamics of one of the Federal Reserve's economic models, the FRB/US model, to solve for the joint paths of these three variables if the short-term interest rate had instead been set according to the Taylor (1993) rule or the balanced-approach rule, subject, in both cases, to the zero lower bound constraint on the federal funds rate. The dashed red line in figure 10 shows the resulting path for the federal funds rate under Taylor (1993) and the solid blue line with open circles illustrates the corresponding path using the balanced-approach rule. In both simulations, the private sector fully understands that monetary policy follows the particular rule in force. Figure 10 shows that the Taylor rule calls for monetary policy to tighten immediately, while the balanced-approach rule prescribes raising the federal funds rate in the fourth quarter of 2014—the earliest date consistent with the FOMC's current forward guidance of "exceptionally low levels for the federal funds rate at least through late 2014."

Although simple rules provide a useful starting point in determining appropriate policy, they by no means deserve the "last word"—especially in current circumstances. An alternative approach, also illustrated in figure 10, is to compute an "optimal control" path for the federal funds rate using an economic model—FRB/US, in this case. Such a path is chosen to minimize the value of a specific "loss function" conditional on a baseline forecast of economic conditions. The loss function attempts to quantify the social costs resulting from deviations of inflation from the Committee's longer-run goal and from deviations of unemployment from its longer-run normal rate. The solid green line with dots in figure 10 shows the "optimal control" path for the federal funds rate, again conditioned on the illustrative baseline outlook. This policy involves keeping the federal funds rate close to zero until

late 2015, four quarters longer than the balanced-approach rule prescription and several years longer than the Taylor rule. Importantly, optimal control calls for a later lift-off date even though this benchmark—unlike the simple policy rules—implicitly takes full account of the additional stimulus to real activity and inflation being provided over time by the Federal Reserve's other policy tool, the past and projected changes to the size and maturity of its securities holdings.

Figure 11 shows that, by keeping the federal funds rate at its current level for longer, monetary policy under the balanced-approach rule achieves a more rapid reduction of the unemployment rate than monetary policy under the Taylor (1993) rule does, while nonetheless keeping inflation near 2 percent. But the improvement in labor market conditions is even more notable under the optimal control path, even as inflation remains close to the FOMC's long-run inflation objective.

As I noted, simple rules have the advantage of delivering good policy outcomes across a broad range of models, and are thereby relatively robust to our limited understanding of the precise working of the economy—in contrast to optimal-control policies, whose prescriptions are sensitive to the specification of the particular model used in the analysis. However, simple rules also have their shortcomings, leading them to significantly understate the case for keeping policy persistently accommodative in current circumstances.

One of these shortcomings is that the rules do not adjust for the constraints that the zero lower bound has placed on conventional monetary policy since late 2008. A second is that they do not fully take account of the protracted nature of the forces that have been restraining aggregate demand in the aftermath of the housing bust. As I've emphasized, the pace of the current recovery has turned out to be persistently slower than most observers expected, and forecasters expect it to remain quite moderate by historical standards. The headwinds that explain this disappointing performance represent a substantial departure from normal cyclical dynamics. As a result, the economy's equilibrium real federal funds rate—that is, the rate that would be consistent with full employment over the medium run—is probably well below its historical average, which the intercept of simple policy rules is supposed to approximate. By failing to fully adjust for this decline, the prescriptions of simple policy rules—which provide a useful benchmark under normal circumstances—could be significantly too restrictive now and could remain so for some time to come. In this regard, I think it is informative that the Blue Chip consensus forecast released in March showed the real three-month Treasury bill rate settling down at only 1¼ percent late in the decade, down 120 basis points from the long-run projections made prior to the recession.

## LOOKING AHEAD

Recent labor market reports and financial developments serve as a reminder that the economy remains vulnerable to setbacks. Indeed, the simulations I described above did not take into account this new information. In our policy deliberations at the upcoming FOMC meeting we will assess the effects of these developments on the economic forecast. If the Committee were to judge that the recovery is unlikely to proceed at a satisfactory pace (for example, that the forecast entails little or no improvement in the labor market over the next few years), or that the downside risks to the outlook had become sufficiently great, or that inflation appeared to be in danger of declining notably below its

2 percent objective, I am convinced that scope remains for the FOMC to provide further policy accommodation either through its forward guidance or through additional balance-sheet actions. In taking these decisions, however, we would need to balance two considerations.

On the one hand, our unconventional tools have some limitations and costs. For example, the effects of forward guidance are likely to be weaker the longer the horizon of the guidance, implying that it may be difficult to provide much more stimulus through this channel. As for our balance sheet operations, although we have now acquired some experience with this tool, there is still considerable uncertainty about its likely economic effects. Moreover, some have expressed concern that a substantial further expansion of the balance sheet could interfere with the Fed's ability to execute a smooth exit from its accommodative policies at the appropriate time. I disagree with this view: The FOMC has tested a variety of tools to ensure that we will be able to raise short-term interest rates when needed while gradually returning the portfolio to a more normal size and composition. But even if unjustified, such concerns could in theory reduce confidence in the Federal Reserve and so lead to an undesired increase in inflation expectations.

On the other hand, risk management considerations arising from today's unusual circumstances strengthen the case for additional accommodation beyond that called for by simple policy rules and optimal control under the modal outlook. In particular, as I have noted, there are a number of significant downside risks to the economic outlook, and hence it may well be appropriate to insure against adverse shocks that could push the economy into territory where a self-reinforcing downward spiral of economic weakness would be difficult to arrest.

## CONCLUSION

In my remarks this evening I have sought to explain why, in my view, a highly accommodative monetary policy will remain appropriate for some time to come. My views concerning the stance of monetary policy reflect the FOMC's firm commitment to the goals of maximum employment and stable prices, my appraisal of the medium term outlook (which is importantly shaped by the persistent legacy of the housing bust and ensuing financial crisis), and by my assessment of the balance of risks facing the economy. Of course, as I've emphasized, the outlook is uncertain and the Committee will need to adjust policy as appropriate as actual conditions unfold. For this reason, the FOMC's forward guidance is explicitly conditioned on its anticipation of "low rates of resource utilization and a subdued outlook for inflation over the medium run." If the recovery were to proceed faster than expected or if inflation pressures were to pick up materially, the FOMC could adjust policy by bringing forward the expected date of tightening. In contrast, if the Committee judges that the recovery is proceeding at an insufficient pace, we could undertake portfolio actions such as additional asset purchases or a further maturity extension program. It is for this reason that the FOMC emphasized, in its statement following the April meeting, that it would "regularly review the size and composition of its securities holdings and is prepared to adjust those holdings as appropriate to promote a stronger economic recovery in a context of price stability."

Mr. KUCINICH. I would also like to include in the record of this debate an article from Bloomberg News that talks about how secret Fed loans gave

banks billions that were undisclosed to Congress.

[From: Bloomberg Markets Magazine,  
Nov. 27, 2011]

SECRET FED LOANS GAVE BANKS \$13 BILLION  
UNDISCLOSED TO CONGRESS

(By Bob Ivry, Bradley Keoun, and Phi Kuntz)

The Federal Reserve and the big banks fought for more than two years to keep details of the largest bailout in U.S. history a secret. Now, the rest of the world can see what it was missing. The Fed didn't tell anyone which banks were in trouble so deep they required a combined \$1.2 trillion on Dec. 5, 2008, their single neediest day. Bankers didn't mention that they took tens of billions of dollars in emergency loans at the same time they were assuring investors their firms were healthy. And no one calculated until now that banks reaped an estimated \$13 billion of income by taking advantage of the Fed's below-market rates, Bloomberg Markets magazine reports in its January issue.

Saved by the bailout, bankers lobbied against government regulations, a job made easier by the Fed, which never disclosed the details of the rescue to lawmakers even as Congress doled out more money and debated new rules aimed at preventing the next collapse.

A fresh narrative of the financial crisis of 2007 to 2009 emerges from 29,000 pages of Fed documents obtained under the Freedom of Information Act and central bank records of more than 21,000 transactions. While Fed officials say that almost all of the loans were repaid and there have been no losses, details suggest taxpayers paid a price beyond dollars as the secret funding helped preserve a broken status quo and enabled the biggest banks to grow even bigger.

"CHANGE THEIR VOTES"

"When you see the dollars the banks got, it's hard to make the case these were successful institutions," says Sherrod Brown, a Democratic Senator from Ohio who in 2010 introduced an unsuccessful bill to limit bank size. "This is an issue that can unite the Tea Party and Occupy Wall Street. There are lawmakers in both parties who would change their votes now." The size of the bailout came to light after Bloomberg LP, the parent of Bloomberg News, won a court case against the Fed and a group of the biggest U.S. banks called Clearing House Association LLC to force lending details into the open.

The Fed, headed by Chairman Ben S. Bernanke, argued that revealing borrower details would create a stigma—investors and counterparties would shun firms that used the central bank as lender of last resort—and that needy institutions would be reluctant to borrow in the next crisis. Clearing House Association fought Bloomberg's lawsuit up to the U.S. Supreme Court, which declined to hear the banks' appeal in March 2011.

\$7.77 TRILLION

The amount of money the central bank parceled out was surprising even to Gary H. Stern, president of the Federal Reserve Bank of Minneapolis from 1985 to 2009, who says he "wasn't aware of the magnitude." It dwarfed the Treasury Department's better-known \$700 billion Troubled Asset Relief Program, or TARP. Add up guarantees and lending limits, and the Fed had committed \$7.77 trillion as of March 2009 to rescuing the financial system, more than half the value of everything produced in the U.S. that year.

"TARP at least had some strings attached," says Brad Miller, a North Carolina Democrat on the House Financial Services Committee, referring to the program's executive-pay ceiling. "With the Fed programs, there was nothing."

Bankers didn't disclose the extent of their borrowing. On Nov. 26, 2008, then-Bank of America (BAC) Corp. Chief Executive Officer Kenneth D. Lewis wrote to shareholders that he headed "one of the strongest and most stable major banks in the world." He didn't say that his Charlotte, North Carolina-based firm owed the central bank \$86 billion that day.

"MOTIVATE OTHERS"

JPMorgan Chase & Co. CEO Jamie Dimon told shareholders in a March 26, 2010, letter that his bank used the Fed's Term Auction Facility "at the request of the Federal Reserve to help motivate others to use the system." He didn't say that the New York-based bank's total TAF borrowings were almost twice its cash holdings or that its peak borrowing of \$48 billion on Feb. 26, 2009, came more than a year after the program's creation.

Howard Opinsky, a spokesman for JPMorgan (JPM), declined to comment about Dimon's statement or the company's Fed borrowings. Jerry Dubrowski, a spokesman for Bank of America, also declined to comment.

The Fed has been lending money to banks through its so-called discount window since just after its founding in 1913. Starting in August 2007, when confidence in banks began to wane, it created a variety of ways to bolster the financial system with cash or easily traded securities. By the end of 2008, the central bank had established or expanded lending facilities catering to banks, securities firms and corporations that couldn't get short-term loans from their usual sources.

"CORE FUNCTION"

"Supporting financial-market stability in times of extreme market stress is a core function of central banks," says William B. English, director of the Fed's Division of Monetary Affairs. "Our lending programs served to prevent a collapse of the financial system and to keep credit flowing to American families and businesses."

The Fed has said that all loans were backed by appropriate collateral. That the central bank didn't lose money should "lead to praise of the Fed, that they took this extraordinary step and they got it right," says Phillip Swagel, a former assistant Treasury secretary under Henry M. Paulson and now a professor of international economic policy at the University of Maryland. The Fed initially released lending data in aggregate form only. Information on which banks borrowed, when, how much and at what interest rate was kept from public view.

The secrecy extended even to members of President George W. Bush's administration who managed TARP. Top aides to Paulson weren't privy to Fed lending details during the creation of the program that provided crisis funding to more than 700 banks, say two former senior Treasury officials who requested anonymity because they weren't authorized to speak.

BIG SIX

The Treasury Department relied on the recommendations of the Fed to decide which banks were healthy enough to get TARP money and how much, the former officials say. The six biggest U.S. banks, which received \$160 billion of TARP funds, borrowed as much as \$460 billion from the Fed, measured by peak daily debt calculated by Bloomberg using data obtained from the central bank. Paulson didn't respond to a request for comment.

The six—JPMorgan, Bank of America, Citigroup Inc. (C), Wells Fargo & Co. (WFC), Goldman Sachs Group Inc. (GS) and Morgan Stanley—accounted for 63 percent of the average daily debt to the Fed by all publicly

traded U.S. banks, money managers and investment-services firms, the data show. By comparison, they had about half of the industry's assets before the bailout, which lasted from August 2007 through April 2010. The daily debt figure excludes cash that banks passed along to money-market funds.

BANK SUPERVISION

While the emergency response prevented financial collapse, the Fed shouldn't have allowed conditions to get to that point, says Joshua Rosner, a banking analyst with Graham Fisher & Co. in New York who predicted problems from lax mortgage underwriting as far back as 2001. The Fed, the primary supervisor for large financial companies, should have been more vigilant as the housing bubble formed, and the scale of its lending shows the "supervision of the banks prior to the crisis was far worse than we had imagined," Rosner says.

Bernanke in an April 2009 speech said that the Fed provided emergency loans only to "sound institutions," even though its internal assessments described at least one of the biggest borrowers, Citigroup, as "marginal."

On Jan. 14, 2009, six days before the company's central bank loans peaked, the New York Fed gave CEO Vikram Pandit a report declaring Citigroup's financial strength to be "superficial," bolstered largely by its \$45 billion of Treasury funds. The document was released in early 2011 by the Financial Crisis Inquiry Commission, a panel empowered by Congress to probe the causes of the crisis.

"NEED TRANSPARENCY"

Andrea Priest, a spokeswoman for the New York Fed, declined to comment, as did Jon Diat, a spokesman for Citigroup.

"I believe that the Fed should have independence in conducting highly technical monetary policy, but when they are putting taxpayer resources at risk, we need transparency and accountability," says Alabama Senator Richard Shelby, the top Republican on the Senate Banking Committee.

Judd Gregg, a former New Hampshire senator who was a lead Republican negotiator on TARP, and Barney Frank, a Massachusetts Democrat who chaired the House Financial Services Committee, both say they were kept in the dark.

"We didn't know the specifics," says Gregg, who's now an adviser to Goldman Sachs.

"We were aware emergency efforts were going on," Frank says. "We didn't know the specifics."

DISCLOSE LENDING

Frank co-sponsored the Dodd-Frank Wall Street Reform and Consumer Protection Act, billed as a fix for financial-industry excesses. Congress debated that legislation in 2010 without a full understanding of how deeply the banks had depended on the Fed for survival. It would have been "totally appropriate" to disclose the lending data by mid-2009, says David Jones, a former economist at the Federal Reserve Bank of New York who has written four books about the central bank.

"The Fed is the second-most-important appointed body in the U.S., next to the Supreme Court, and we're dealing with a democracy," Jones says. "Our representatives in Congress deserve to have this kind of information so they can oversee the Fed."

The Dodd-Frank law required the Fed to release details of some emergency-lending programs in December 2010. It also mandated disclosure of discount-window borrowers after a two-year lag.

PROTECTING TARP

TARP and the Fed lending programs went "hand in hand," says Sherrill Shaffer, a banking professor at the University of Wyoming in Laramie and a former chief economist at the New York Fed. While the TARP

money helped insulate the central bank from losses, the Fed's willingness to supply seemingly unlimited financing to the banks assured they wouldn't collapse, protecting the Treasury's TARP investments, he says.

"Even though the Treasury was in the headlines, the Fed was really behind the scenes engineering it," Shaffer says.

Congress, at the urging of Bernanke and Paulson, created TARP in October 2008 after the bankruptcy of Lehman Brothers Holdings Inc. made it difficult for financial institutions to get loans. Bank of America and New York-based Citigroup each received \$45 billion from TARP. At the time, both were tapping the Fed. Citigroup hit its peak borrowing of \$99.5 billion in January 2009, while Bank of America topped out in February 2009 at \$91.4 billion.

#### NO CLUE

Lawmakers knew none of this.

They had no clue that one bank, New York-based Morgan Stanley (MS), took \$107 billion in Fed loans in September 2008, enough to pay off one-tenth of the country's delinquent mortgages. The firm's peak borrowing occurred the same day Congress rejected the proposed TARP bill, triggering the biggest point drop ever in the Dow Jones Industrial Average. (INDU) The bill later passed, and Morgan Stanley got \$10 billion of TARP funds, though Paulson said only "healthy institutions" were eligible.

Mark Lake, a spokesman for Morgan Stanley, declined to comment, as did spokesmen for Citigroup and Goldman Sachs.

Had lawmakers known, it "could have changed the whole approach to reform legislation," says Ted Kaufman, a former Democratic Senator from Delaware who, with Brown, introduced the bill to limit bank size.

#### MORAL HAZARD

Kaufman says some banks are so big that their failure could trigger a chain reaction in the financial system. The cost of borrowing for so-called too-big-to-fail banks is lower than that of smaller firms because lenders believe the government won't let them go under. The perceived safety net creates what economists call moral hazard—the belief that bankers will take greater risks because they'll enjoy any profits while shifting losses to taxpayers.

If Congress had been aware of the extent of the Fed rescue, Kaufman says, he would have been able to line up more support for breaking up the biggest banks.

Byron L. Dorgan, a former Democratic senator from North Dakota, says the knowledge might have helped pass legislation to reinstate the Glass-Steagall Act, which for most of the last century separated customer deposits from the riskier practices of investment banking.

"Had people known about the hundreds of billions in loans to the biggest financial institutions, they would have demanded Congress take much more courageous actions to stop the practices that caused this near financial collapse," says Dorgan, who retired in January.

#### GETTING BIGGER

Instead, the Fed and its secret financing helped America's biggest financial firms get bigger and go on to pay employees as much as they did at the height of the housing bubble.

Total assets held by the six biggest U.S. banks increased 39 percent to \$9.5 trillion on Sept. 30, 2011, from \$6.8 trillion on the same day in 2006, according to Fed data.

For so few banks to hold so many assets is "un-American," says Richard W. Fisher, president of the Federal Reserve Bank of Dallas. "All of these gargantuan institutions are too big to regulate. I'm in favor of breaking them up and slimming them down."

Employees at the six biggest banks made twice the average for all U.S. workers in 2010, based on Bureau of Labor Statistics

hourly compensation cost data. The banks spent \$146.3 billion on compensation in 2010, or an average of \$126,342 per worker, according to data compiled by Bloomberg. That's up almost 20 percent from five years earlier compared with less than 15 percent for the average worker. Average pay at the banks in 2010 was about the same as in 2007, before the bailouts.

#### "WANTED TO PRETEND"

"The pay levels came back so fast at some of these firms that it appeared they really wanted to pretend they hadn't been bailed out," says Anil Kashyap, a former Fed economist who's now a professor of economics at the University of Chicago Booth School of Business. "They shouldn't be surprised that a lot of people find some of the stuff that happened totally outrageous."

Bank of America took over Merrill Lynch & Co. at the urging of then-Treasury Secretary Paulson after buying the biggest U.S. home lender, Countrywide Financial Corp. When the Merrill Lynch purchase was announced on Sept. 15, 2008, Bank of America had \$14.4 billion in emergency Fed loans and Merrill Lynch had \$8.1 billion. By the end of the month, Bank of America's loans had reached \$25 billion and Merrill Lynch's had exceeded \$60 billion, helping both firms keep the deal on track.

#### PREVENT COLLAPSE

Wells Fargo bought Wachovia Corp., the fourth-largest U.S. bank by deposits before the 2008 acquisition. Because depositors were pulling their money from Wachovia, the Fed channeled \$50 billion in secret loans to the Charlotte, North Carolina-based bank through two emergency-financing programs to prevent collapse before Wells Fargo could complete the purchase. "These programs proved to be very successful at providing financial markets the additional liquidity and confidence they needed at a time of unprecedented uncertainty," says Ancel Martinez, a spokesman for Wells Fargo.

JPMorgan absorbed the country's largest savings and loan, Seattle-based Washington Mutual Inc., and investment bank Bear Stearns Cos. The New York Fed, then headed by Timothy F. Geithner, who's now Treasury secretary, helped JPMorgan complete the Bear Stearns deal by providing \$29 billion of financing, which was disclosed at the time. The Fed also supplied Bear Stearns with \$30 billion of secret loans to keep the company from failing before the acquisition closed, central bank data show. The loans were made through a program set up to provide emergency funding to brokerage firms.

#### "REGULATORY DISCRETION"

"Some might claim that the Fed was picking winners and losers, but what the Fed was doing was exercising its professional regulatory discretion," says John Deane, a former speechwriter at the New York Fed who's now executive vice president for policy at the Financial Services Forum, a Washington-based group consisting of the CEOs of 20 of the world's biggest financial firms. "The Fed clearly felt it had what it needed within the requirements of the law to continue to lend to Bear and Wachovia."

The bill introduced by Brown and Kaufman in April 2010 would have mandated shrinking the six largest firms.

"When a few banks have advantages, the little guys get squeezed," Brown says. "That, to me, is not what capitalism should be."

Kaufman says he's passionate about curbing too-big-to-fail banks because he fears another crisis.

#### "CAN WE SURVIVE?"

"The amount of pain that people, through no fault of their own, had to endure—and the prospect of putting them through it again—is appalling," Kaufman says. "The public has no more appetite for bailouts. What would happen tomorrow if one of these big banks got in trouble? Can we survive that?"

Lobbying expenditures by the six banks that would have been affected by the legislation rose to \$29.4 million in 2010 compared with \$22.1 million in 2006, the last full year before credit markets seized up—a gain of 33 percent, according to OpenSecrets.org, a research group that tracks money in U.S. politics. Lobbying by the American Bankers Association, a trade organization, increased at about the same rate, OpenSecrets.org reported.

Lobbyists argued the virtues of bigger banks. They're more stable, better able to serve large companies and more competitive internationally, and breaking them up would cost jobs and cause "long-term damage to the U.S. economy," according to a Nov. 13, 2009, letter to members of Congress from the FSF.

The group's website cites Nobel Prize-winning economist Oliver E. Williamson, a professor emeritus at the University of California, Berkeley, for demonstrating the greater efficiency of large companies.

#### "SERIOUS BURDEN"

In an interview, Williamson says that the organization took his research out of context and that efficiency is only one factor in deciding whether to preserve too-big-to-fail banks.

"The banks that were too big got even bigger, and the problems that we had to begin with are magnified in the process," Williamson says. "The big banks have incentives to take risks they wouldn't take if they didn't have government support. It's a serious burden on the rest of the economy."

Deane says his group didn't mean to imply that Williamson endorsed big banks.

Top officials in President Barack Obama's administration sided with the FSF in arguing against legislative curbs on the size of banks.

#### GEITHNER, KAUFMAN

On May 4, 2010, Geithner visited Kaufman in his Capitol Hill office. As president of the New York Fed in 2007 and 2008, Geithner helped design and run the central bank's lending programs. The New York Fed supervised four of the six biggest U.S. banks and, during the credit crunch, put together a daily confidential report on Wall Street's financial condition. Geithner was copied on these reports, based on a sampling of e-mails released by the Financial Crisis Inquiry Commission.

At the meeting with Kaufman, Geithner argued that the issue of limiting bank size was too complex for Congress and that people who know the markets should handle these decisions, Kaufman says. According to Kaufman, Geithner said he preferred that bank supervisors from around the world, meeting in Basel, Switzerland, make rules increasing the amount of money banks need to hold in reserve. Passing laws in the U.S. would undercut his efforts in Basel, Geithner said, according to Kaufman.

Anthony Coley, a spokesman for Geithner, declined to comment.

#### "PUNISHING SUCCESS"

Lobbyists for the big banks made the winning case that forcing them to break up was "punishing success," Brown says. Now that they can see how much the banks were borrowing from the Fed, senators might think differently, he says.

The Fed supported curbing too-big-to-fail banks, including giving regulators the power to close large financial firms and implementing tougher supervision for big banks, says Fed General Counsel Scott G. Alvarez. The Fed didn't take a position on whether large banks should be dismantled before they get into trouble.

Dodd-Frank does provide a mechanism for regulators to break up the biggest banks. It established the Financial Stability Oversight Council that could order teetering banks to shut down in an orderly way. The council is headed by Geithner.

“Dodd-Frank does not solve the problem of too big to fail,” says Shelby, the Alabama Republican. “Moral hazard and taxpayer exposure still very much exist.”

#### BELOW MARKET

Dean Baker, co-director of the Center for Economic and Policy Research in Washington, says banks “were either in bad shape or taking advantage of the Fed giving them a good deal. The former contradicts their public statements. The latter—getting loans at below-market rates during a financial crisis—is quite a gift.”

The Fed says it typically makes emergency loans more expensive than those available in the marketplace to discourage banks from abusing the privilege. During the crisis, Fed loans were among the cheapest around, with funding available for as low as 0.01 percent in December 2008, according to data from the central bank and money-market rates tracked by Bloomberg.

The Fed funds also benefited firms by allowing them to avoid selling assets to pay investors and depositors who pulled their money. So the assets stayed on the banks' books, earning interest.

Banks report the difference between what they earn on loans and investments and their borrowing expenses. The figure, known as net interest margin, provides a clue to how much profit the firms turned on their Fed loans, the costs of which were included in those expenses. To calculate how much banks stood to make, Bloomberg multiplied their tax-adjusted net interest margins by their average Fed debt during reporting periods in which they took emergency loans.

#### ADDED INCOME

The 190 firms for which data were available would have produced income of \$13 billion, assuming all of the bailout funds were invested at the margins reported, the data show.

The six biggest U.S. banks' share of the estimated subsidy was \$4.8 billion, or 23 percent of their combined net income during the time they were borrowing from the Fed. Citigroup would have taken in the most, with \$1.8 billion.

“The net interest margin is an effective way of getting at the benefits that these large banks received from the Fed,” says Gerald A. Hanweck, a former Fed economist who's now a finance professor at George Mason University in Fairfax, Virginia.

While the method isn't perfect, it's impossible to state the banks' exact profits or savings from their Fed loans because the numbers aren't disclosed and there isn't enough publicly available data to figure it out.

Opinsky, the JPMorgan spokesman, says he doesn't think the calculation is fair because “in all likelihood, such funds were likely invested in very short-term investments,” which typically bring lower returns.

#### STANDING ACCESS

Even without tapping the Fed, the banks get a subsidy by having standing access to the central bank's money, says Viral Acharya, a New York University economics professor who has worked as an academic adviser to the New York Fed.

“Banks don't give lines of credit to corporations for free,” he says. “Why should all these government guarantees and liquidity facilities be for free?”

In the September 2008 meeting at which Paulson and Bernanke briefed lawmakers on the need for TARP, Bernanke said that if

nothing was done, “unemployment would rise—to 8 or 9 percent from the prevailing 6.1 percent,” Paulson wrote in “On the Brink” (Business Plus, 2010).

#### OCCUPY WALL STREET

The U.S. jobless rate hasn't dipped below 8.8 percent since March 2009, 3.6 million homes have been foreclosed since August 2007, according to data provider RealtyTrac Inc., and police have clashed with Occupy Wall Street protesters, who say government policies favor the wealthiest citizens, in New York, Boston, Seattle and Oakland, California.

The Tea Party, which supports a more limited role for government, has its roots in anger over the Wall Street bailouts, says Neil M. Barofsky, former TARP special inspector general and a Bloomberg Television contributing editor.

“The lack of transparency is not just frustrating; it really blocked accountability,” Barofsky says. “When people don't know the details, they fill in the blanks. They believe in conspiracies.”

In the end, Geithner had his way. The Brown-Kaufman proposal to limit the size of banks was defeated, 60 to 31. Bank supervisors meeting in Switzerland did mandate minimum reserves that institutions will have to hold, with higher levels for the world's largest banks, including the six biggest in the U.S. Those rules can be changed by individual countries. They take full effect in 2019.

Meanwhile, Kaufman says, “we're absolutely, totally, 100 percent not prepared for another financial crisis.”

This is all about disclosure and accountability. You know, the Fed's not some kind of hocus-pocus, black box operation. The Fed essentially supplants the constitutional mandate in article I, section 8 that belongs to the Congress of the United States.

Let's look at some recent history here: 2008, subprime meltdown, collateralized debt obligations go back to mortgage-backed securities. Neighborhoods in Cleveland melting down, people losing their homes. The Fed looked the other way.

And we're saying, don't go into the Fed; it will be political. Yes, it's political. We have unemployment because of politics. We have people losing their homes because of politics. We have banks getting uncalculated amounts of money from the Federal Reserve, and we don't even know about it.

Meanwhile, people can't get a loan to keep their home or keep their business.

Audit the Fed? You bet we should audit the Fed. We have to have accountability. It's time the Congress stood up for its constitutional role. Article I, section 8: power to coin and create money.

It's time that we stood up for America's 99 percent. It's time that we stood up to the Federal Reserve that right now acts like it's some kind of high, exalted priesthood, unaccountable in a democracy.

Let's change that by voting for the Paul bill.

Mr. ISSA. I yield 1 minute to the gentlewoman from Wyoming (Mrs. LUMMIS).

Mrs. LUMMIS. Mr. Speaker, before the financial crisis, the Fed's lending to the financial system was minimal,

and monetary policy was limited; but since 2008, they've tripled their balance sheet and transacted nearly \$16 trillion in loans.

Clearly, Congress has delegated monetary policy to the Fed; and I, for one, am not advocating that we abolish the Fed. But Congress retains oversight responsibility, and Congress should insist on an accurate accounting of the Fed so Members of Congress can better understand monetary policy.

Our colleague, RON PAUL, was instrumental in getting an audit of the Fed's emergency activities during the financial crisis, but restrictions remain in place on examining monetary policy actions such as quantitative easing and assisting failing banks in Europe.

When the Fed's cumulative lending hits the size and scope to be greater than the entire GDP of the United States, it's past time for Congress to insist on transparency.

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

Mr. ISSA. I yield myself 2 minutes.

Mr. Speaker, it appears as though we agree on certain things. We agree that some transparency is required. We certainly agree, on a bipartisan basis, that what the GAO did, under Dodd-Frank, at a minimum, was a good thing. I think there's no question my colleague who was here earlier, Mr. FRANK, certainly would agree to the numbers, the expansion of the Fed in that period that Mrs. LUMMIS talked about between 2008 and now.

I think we would all agree the Federal Reserve is the people's bank. It is broadly owned by 316 or 320 million Americans.

I served on the board of a public company, one that I founded. I understand that if you have more than 500 stockholders, you have an obligation to considerable disclosure.

Although the Fed is audited to see whether, basically, some numbers are correct or not on a limited basis, the truth is the Federal Reserve is not open and transparent, not even years after they make decisions.

I think the American people have a piercing question right now, one that is not the question that Dr. PAUL was asking when he first wanted to audit the Fed. The question is, Will we be like Greece? Will we be like Germany? Will we be like the trauma that's sweeping over the European Union?

Do we, in fact, know the true numbers? Do we know the extent of the leverage and the policies and the accuracy and the knowledge of the Federal Reserve?

I think calmly we have to ask that question. Do we know what we need to know, or are we willing to not know, in hopes that we won't be political because we don't know?

I've been in Congress for 12 full years at the end of this term, and I've learned one thing: Congress has a tendency to do two things well: nothing at

all, and overreact. I trust today will be a day in which we're in between.

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

Mr. ISSA. I yield myself an additional minute.

We would do something so that we would know more a year from now than we know today. We would not overreact. We would not want to stifle what the Fed has done historically, without an awful lot more study. Changes to an entity like the Central Bank should be done thoughtfully and over time.

My friend, Dr. PAUL, would like to do more than this bill does; but this minimal effort, offered on a bipartisan basis, is offered today because we believe the American people have a right to know, an interest to know, and a need to know.

With that, I reserve the balance of my time.

Mr. CUMMINGS. I yield 1 minute to the gentleman from Missouri (Mr. CLAY).

Mr. CLAY. Mr. Speaker, I rise in support of H.R. 459. This bill directs the Comptroller General to conduct an audit of the Federal Reserve.

Since 1982, the GAO has had authority to audit the Federal Reserve Board and Bank, subject to exceptions for monetary policy-related decisions and activities.

In 2009, Congress provided authority for the GAO to audit actions by the Fed under section 13(3) of the Federal Reserve Act to lend to any single and specific partnership or corporation, notwithstanding the generally applicable monetary policy-related exceptions.

In 2010, the Dodd-Frank Wall Street Reform Act added new audit authorities. In addition, GAO has conducted a number of other reviews of Federal Reserve activities; but we need a full audit, and I urge my colleagues to vote for the bill.

Mr. ISSA. Mr. Speaker, could I inquire how much time is available.

The SPEAKER pro tempore. The gentleman from California has 4¼ minutes remaining. The time of the gentleman from Maryland has expired.

Mr. ISSA. Mr. Speaker, I won't use all of our time.

I have a slightly different opinion than the ranking member's. I believe regular order has been followed on this bill, followed and then some.

This is something that Dr. PAUL has worked on, on a bipartisan basis, with Republican Presidents and Democratic Presidents, with Republican Congresses and Democratic Congresses. The support for this, as you saw here today, goes to Republicans and Democrats, Progressives, Conservatives, Blue Dogs.

The American people want to know. I don't believe the American people are afraid to know. Of course, the American people would not be comfortable with interference with the Fed, with micromanaging policy decisions, with tearing down the institution.

But, in fact, I think that the 9/11 of the financial market, if you will, the meltdown in 2008 and 2009, \$1 trillion nearly in TARP money, and countless trillions in expansion of the balance sheet, have taught us one thing: what we don't know can hurt us.

Now, before 9/11 of the financial market, before the meltdown, before Lehman Brothers and Bear, Stearns evaporated, we would have thought, well, there are some very smart people on Wall Street, and we'd have been right. But smart people can be wrong.

We put very good people on the Federal Reserve Board. We choose very good chairmen. Chairman Bernanke was a choice of Republicans and Democrats alike.

But, ultimately, looking over the shoulder by Congress, by my committee, by the Financial Services Committee, just to ask the question, are those numbers undeniable truths brought down on tablets; or are they, in fact, open to second guessing after the fact, questioning of whether or not a model works or whether there is just a small, but meaningful, opportunity for tens of trillions of dollars to fall on the backs of the American people if they got it wrong?

□ 1600

That's the question the American people asked, and after 2008, it's a question Congress must ask.

When Chairman FRANK voted for RON PAUL's bill, perhaps he didn't want it, but he voted for it as did countless Democrats. Ultimately, it was reduced—but not eliminated—in conference. There was some recognition that it needed to be audited.

Today, what we are doing is asking to send to the Senate a piece of legislation that more purely and clearly says: I believe the American people have a right to know. Perhaps the Senate will take up a slightly different version. Perhaps it will be truly a one-time audit. Perhaps it will be limited.

The American people need to hold us in the House and our counterparts in the Senate responsible, that we do know what we need to know and that we will never again say we rely on other people to be so smart that we shouldn't look over their shoulders. That's not the America that I grew up in. It's not the clear and transparent America the American people are asking for.

With that, I urge the passage of this bipartisan bill, and I yield back the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I rise in strong support of H.R. 459, the Federal Reserve Transparency Act. I am an original co-sponsor of this important measure and I have long supported Representative PAUL's efforts to authorize a full audit of the Federal Reserve by the Government Accountability Office (GAO).

In 2009, I conducted a "We the People Town Hall By Mail" and asked my constituents how they felt about several issues before the Congress. Of the 32,000 Pinellas County resi-

dents who responded, 95 percent said they supported a full audit of the Federal Reserve.

The Constitution gives the Congress the authority to coin money and to regulate the dollar's value. In an effort to remove politics from decisions about monetary policy, the Congress outsourced this responsibility to an independent Federal Reserve almost one hundred years ago.

Unfortunately, for too long the Fed has operated in secret. Current law actually prohibits the Congress from having access to all of the Federal Reserve's books. The GAO serves as Congress's watchdog, and should be allowed to audit the Fed just as it does other agencies. Only through increased transparency can the Congress conduct the necessary oversight of the Fed and hold it accountable for the American people. This institution plays an important role in managing the dollar and the American people deserve to know what is being done to our currency.

One of the few good provisions of the Dodd-Frank financial reform legislation was that it permitted a limited audit of the Federal Reserve's response to the financial crisis. What the GAO uncovered in this limited audit was astonishing. Between December 2007 and July 2010, Fed committed trillions of dollars to backstop hundreds of financial institutions. Some of the largest of recipients of this aid were even foreign banks. According to Bloomberg News, "the Fed and its secret financing helped America's biggest financial firms get bigger and go on to pay employees as much as they did at the height of the housing bubble."

Much of this emergency action was run through the Federal Reserve Bank of New York, which at that time was headed by Tim Geithner, who is now President Obama's Treasury Secretary.

The Fed has continued its extraordinary tactics. In addition to holding the federal funds rate at practically zero since December 2008, the Fed has engaged in programs called Quantitative Easing 1, Quantitative Easing 2, and Operation Twist. In 2011 alone, the Fed's balance sheet grew by 20 percent. The Federal Reserve says it will likely hold interest rates at "exceptionally low levels" through 2014 and there is speculation that it will soon implement a third round of quantitative easing.

Mr. Speaker, this legislation has broad support from all sides. In fact, it seems like the only one who opposes H.R. 459 is the Chairman of the Federal Reserve Ben Bernanke. My question would be: "What is there to hide?" We should have passed this legislation long ago, and it is my hope that my colleagues in the Senate will follow the House's lead and act quickly to approve the Federal Reserve Transparency Act so that we can finally shine a light on the Fed's policies.

Mr. GINGREY of Georgia. Mr. Speaker, I rise in strong support of H.R. 459, the Federal Reserve Transparency Act of 2012, and I would like to commend our colleague from Texas, Dr. RON PAUL, who has worked tirelessly as the author of this legislation for a number of years.

With its ability to control monetary supply policy, the Federal Reserve is arguably the most powerful entity of the federal government. Yet, despite this power, current law specifically prevents Congress from fully auditing the monetary policy actions the Fed takes that impact each of us on a daily basis.

Mr. Speaker, as a proud cosponsor of H.R. 459, I believe it is well past time to change that policy. This legislation would simply require the Comptroller General to conduct a full audit of the Federal Reserve before the end of 2012.

At a time when the Federal Reserve has expanded its balance sheet to \$3 trillion as of last month, the American people deserve to have transparency and accountability when it comes to our monetary supply policy. I urge all of my colleagues to support H.R. 459.

Mrs. MILLER of Michigan. Mr. Speaker, in America we believe in freedom, in democracy and in the belief that in this country the people rule. And in order for the people to rule responsibly they must have knowledge and information about the handling of our economy.

Unfortunately, the American people are denied the basic information they need on one of the most important pillars of our economy, the Federal Reserve.

Today the Federal Reserve operates in secrecy. It creates money out of thin air, it can make purchases of questionable assets from friendly Wall Street firms and it can loan hundreds of billions of dollars to foreign governments and central banks—all out of the sight of the American people and even policy makers in Washington.

It is time to lift the veil of secrecy by passing H.R. 459, the Federal Reserve Transparency Act.

This bill will allow for a thorough audit of the Fed, including transactions with foreign governments, central banks and the decision making process in setting monetary policy.

We should never fear transparency in a free society—it is vital—and we should embrace it. Today I urge my colleagues to join me in supporting this bill which provides for a long overdue audit of the Fed.

Mr. TIPTON. Mr. Speaker, the ability to provide oversight of the Federal Reserve's dealings is hindered by current law that prohibits the Government Accountability Office from auditing aspects of the Bank's activities including monetary policy matters and transactions with foreign entities. H.R. 459 would remove these and other restrictions on GAO audits of the Federal Reserve, increasing transparency.

It defies common sense that there is currently no full oversight over the Federal Reserve, which sets the monetary policy that impacts every American citizen and holds a balance sheet of \$3 trillion. H.R. 459 will increase transparency of the Federal Reserve by allowing a full audit of all aspects of the bank's dealings including the decision-making behind its monetary policy. The ability to fully audit the Federal Reserve is long overdue, and this bill is a victory for all who strive for a more transparent government.

Mr. MICA. Mr. Speaker, I rise in strong support of legislation that will provide greater transparency within our Federal Reserve System.

H.R. 459, the Federal Reserve Transparency Act, requires an audit of that agency. As a cosponsor, I urge my colleagues to join me in voting for this crucial piece of legislation. In order to get our financial house in order, we must take all necessary steps to ensure the Federal Reserve, which sets the conditions for the free market to thrive; is operating in the most efficient manner possible. The auditing of the Federal Reserve is the first step in inspecting this important level of gov-

ernment for financial and regulatory waste and inefficiency.

It was recently revealed that the New York District Federal Reserve had previous knowledge of dangers threatening our financial markets before the financial market collapsed in 2007. The New York Fed, led then by Treasury Secretary Timothy Geithner, had knowledge that certain rates were being manipulated but failed to act. Auditing the Federal Reserve will pinpoint responsibility, foster accountability and provide Congress and the American people with transparency over this powerful Federal entity. Our Nation's central bank should not be exempt from financial audit, especially with the immense financial power it controls. In its hands lies the fate of our country's financial stability.

As I have worked to uncover waste throughout government as Chairman of the House Transportation Committee and as a senior member of the House Oversight and Government Reform Committee, I must insist that our Nation's financial operators be subject to the same level of scrutiny. An audit is the first positive step in that direction, and I will continue to work for passage of the Federal Reserve Transparency Act.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ISSA) that the House suspend the rules and pass the bill, H.R. 459, as amended. The question was taken.

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

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

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

#### PRESERVING AMERICA'S FAMILY FARMS ACT

Mr. WALBERG. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4157) to prohibit the Secretary of Labor from finalizing a proposed rule under the Fair Labor Standards Act of 1938 relating to child labor, as amended.

The Clerk read the title of the bill. The text of the bill is as follows:

H.R. 4157

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

##### SECTION 1. SHORT TITLE AND FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the “Preserving America’s Family Farms Act”.

(b) FINDINGS.—Congress finds that—

(1) family farms have a long history and tradition of providing youth with valuable work experience;

(2) Department of Labor regulations should not adversely impact the longstanding tradition of youth working on farms where they can gain valuable skills and lessons on hard work, character, and leadership;

(3) the Department of Labor’s proposed regulations would have curtailed opportunities for youth to gain experiential learning and hands-on skills for enrollment in vocational agricultural training;

(4) the proposed regulations would have obstructed the opportunity for youth to find

rewarding employment and earn money for a college education or other meaningful purposes;

(5) the proposed regulations would have limited opportunities for young farmers wishing to pursue a career in agriculture at a time when the average age of farmers continues to rise; and

(6) working on a farm has become a way of life for thousands of youth across the rural United States.

##### SEC. 2. RULE RELATING TO CHILD LABOR.

The Secretary of Labor shall not reissue in substantially the same form, or issue a new rule that is substantially the same as, the proposed rule entitled “Child Labor Regulations, Orders and Statements of Interpretation; Child Labor Violations—Civil Money Penalties” (published at 76 Fed. Reg. 54836 (September 2, 2011)).

The SPEAKER pro tempore (Mr. DOLD). Pursuant to the rule, the gentleman from Michigan (Mr. WALBERG) and the gentlewoman from California (Ms. WOOLSEY) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan.

##### GENERAL LEAVE

Mr. WALBERG. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4157.

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

There was no objection.

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

I want to first thank my colleague from Iowa, Congressman TOM LATHAM, for introducing this very important legislation. Representative LATHAM is a long-time advocate for farmers and agribusiness, and his leadership in Congress is greatly appreciated.

According to a report on MLive.com, which is a new site from my home State of Michigan, parts of the country are experiencing the worst drought in more than 20 years. Jim Spink, a sixth-generation farmer from Michigan’s Liberty Township, said:

It’s going to be one of the years that separates those that are positioned well financially and those that are not.

Unpredictability in the weather and harvest is not a new challenge for American farmers. Quite the contrary, it’s a way of life. Farmers work each day under difficult circumstances, growing the food and resources necessary to power this Nation and this world. Often the presence of a son or a daughter working with his or her parents is important to a farm’s long-term success.

Federal labor policies recognize the support youth provide to family farms by exempting farmworkers between 14 and 16 years of age from restrictions on agriculture activities. For decades, this exemption has applied to youth working on a farm owned or operated by the parent or an individual standing in place of his or her parent. With farmers facing a tough year with high temperatures and low rainfall, we should continue to support the ability for youth

to experience safe employment in American farming. That's why many were shocked when the Obama administration announced new rules that would make it difficult for young people to work on family farms.

Last September, the Department of Labor proposed regulatory changes that would negatively affect youth employment in agriculture, such as narrowing the parental exemption, restricting the rules of farm ownership, and prohibiting the use of certain equipment central to a farm's operation, even for young people who have received safety training through the Federal Services Extension program. The Labor Department even tried to prevent youth from working with non-toxic pesticides available at the local hardware store.

These proposed regulatory shifts fail to reflect the changes in farming that have occurred in recent years. We all want to keep young people safe from harm, especially when they work in an inherently dangerous environment. However, the administration's proposal would deny youth an opportunity to gain hands-on experience that is crucial to a farm's survival.

Throughout our history, farms have been handed down from one generation to the next through the knowledge a future farmer gained from working alongside his or her parents. Public policy should promote this great American tradition, not dismantle it.

Mr. Speaker, across the country, many farmers are struggling. While I recognize the Department has withdrawn its proposal for now, we owe it to these hardworking men and women to remove as much uncertainty as we can, especially the uncertainty caused by flawed government policies. I am proud to support the Preserving America's Family Farms Act, and I urge my colleagues to vote "yes."

I reserve the balance of my time.

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

Last September, the Department of Labor published a proposed rule on children employed in agriculture. I saw it as an important regulation that would protect young people working in one of the top three most hazardous industries in the Nation—agriculture. But in May, the Department withdrew the rule. I want to say this again: in May of this year, the Department withdrew the rule.

That wasn't enough, apparently, for the Republican majority. Today, they've decided to waste precious legislative time on a bill that tells the Department of Labor not to issue this regulation—again, a regulation the Department already withdrew. Today's debate gives new meaning to the idea of government waste. Not only did the Department of Labor withdraw this rule; the administration has said it will not reissue the rule.

I was disappointed that the Department chose not to pursue the rule in the first place because the rule sought

to implement specific recommendations made by the National Institute for Occupational Safety and Health, OSHA, and increase parity between the agriculture and non-agriculture child labor provisions.

Agriculture is dangerous, Mr. Speaker. Children working on farms, like their adult counterparts, work with or around toxic pesticides. They carry very heavy materials, and they use dangerous equipment. The fatality rate for child farmworkers is four times higher than for children in other industries. There are an estimated 400,000 children working on farms that are not owned by family members, and those children deserve health and safety protections. That is all this rule would have required. Children under 16 should not be permitted or required to work with hazardous pesticides or dangerous equipment—period.

But let's be clear. Nothing in the proposed rule would have applied to children working on their parents' farms in the first place. I've been a steadfast supporter of family farms throughout my 20 years in Congress. We have many family farms in California's Sixth Congressional District.

□ 1610

They are the important economic engine and a part of the fabric of our beautiful and diverse community.

Mr. Speaker, my intent here is simply to protect children who are in danger of being exploited and injured. The withdrawal of this rule was disappointing. Today's debate, however, is a disgrace. There are nearly 24 million Americans unemployed or underemployed. Instead of addressing the real issues that affect them, we are debating legislation that does nothing that hasn't already been done. It prevents a rule that has been already prevented by powerful special interests—and talk about a waste of taxpayer money.

With the Republican majority taking floor time with meaningless legislation like this, it's no wonder Congress has an approval rating in the low teens.

With that, I reserve the balance of my time.

Mr. WALBERG. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa, the sponsor of the bill, Mr. LATHAM.

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

I'm pleased to stand today in support of H.R. 4157, Preserving America's Family Farm Act. This is a very bipartisan bill that I think really gets to what we're concerned about in agriculture today. Anymore these days, it seems like armies of Federal bureaucrats are drawing up new regulations, often with little or no consideration or understanding of the very industries that they're trying to regulate.

While some regulations do serve a legitimate purpose, others do little more than create uncertainty and additional costs for hardworking taxpayers, farmers, and small business owners. I be-

lieve if we want to put America back in business, back to work, one of the first things we must do is crack down on overregulation.

I've introduced a proposal called the Regulatory Accountability and Economic Freedom Act that would take a number of steps to reverse our government's direction and overregulation. Unfortunately, we're standing here today to fight one of those misguided regulation attempts. Last September, the Department of Labor proposed rules that would have dramatically limited the ability of America's youth to contribute to work on their family's farm or agricultural operations, and it would have restricted, if not completely eliminated, educational training opportunities for youth in rural America. As a result, I introduced H.R. 4157 as the solution to block the DOL's overly burdensome regulations.

We can't allow Federal bureaucrats, many of whom have never set foot on a farm, to tell Iowa farm families how they can run their operations. As a person who grew up on a family farm and later became a farmer myself, I can attest to the valuable skills that are developed through days of bailing hay and detassling cornfields and showing cattle at the county fair. I, like so many thousands of youth across this country today, utilized my own farm experience to learn the often difficult lessons of hard work, character development, problem solving skills, and leadership.

Life on the farm is never easy, but the valuable lessons learned while producing America's food, feed, and fiber make for a rewarding way of life. I think it goes without saying that the safety and well-being of all farmworkers, especially our youth, is of the utmost importance to our Nation's farmers and ranchers. However, the regulations proposed by the DOL went beyond all common sense and would have destroyed opportunities for youth across the agricultural economy. This bill will ensure the Department cannot reissue a proposed rule substantial in nature to its version released last year.

Our youth deserve an opportunity to learn and grow through on-farm experience, and my bill ensures that that opportunity will remain available. And I urge support for Preserving America's Family Farms Act.

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

Mr. WALBERG. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. DUFFY).

Mr. DUFFY. Mr. Speaker, I rise today in support of the American family farm.

Wisconsin farms are the bedrock of our society. They are the cornerstone of the Wisconsin economy. Look at our family farms. If we don't have the whole family and the youth working on the family farm, oftentimes they can't be successful in this very challenging economy. If you look at the life skills and the work ethic that our youth get

from the family farm, it is amazing. They learn how to milk cows, how to plant, how to harvest, how to balance the books, how to manage risk. They learn how markets work on the family farm.

Here again is a great example of Big Government getting bigger and more intrusive, telling American families whether or not their kids can engage in the family farm and the family business. When you talk to employers in Wisconsin, they tell me some of their best workers are workers who grew up on a family farm. If you look back, thank goodness that we didn't have my friends across the aisle who are now going to complain about the family farms. The Greatest Generation was raised on the family farm.

Ms. WOOLSEY. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. BOSWELL).

Mr. BOSWELL. Mr. Speaker, I thank the gentlewoman for yielding me time. I appreciate this opportunity.

I rise in support of H.R. 4157, Preserving America's Family Farms, or I should say farm family traditions. Passing this legislation today will codify our successful effort to prevent the Department of Labor from undercutting the structure of our Nation's family farms.

For generations, the contributions of young people have led to family success and bright futures on household farms. However, late last year, our family farmers faced a sweeping regulation that would have prevented children and grandchildren from participating in the very important lessons and traditions that have stabilized not only our families but also our economy.

The short-sighted ruling proposed by the Department of Labor would have affected a wide variety of subsectors within agriculture, work with livestock and grain production, commodity transportation, youth agriculture education, and a number of other sectors that train and educate our youth in family-farm settings with hands-on experience.

Not only did this ruling admit in its own text that there was little or no data available to back the proposal being made, it would, as stated by Future Farmers of America—our youth—limit, if not eliminate, opportunities to effectively teach students to be safe when working in agriculture.

I'm proud that many of us join in a bipartisan effort to tell the Secretary of Labor through multiple letters that this ruling is wrong. Fortunately, the Department did rescind this ruling, as it was stated a little while ago, so that the youth in our districts could continue to learn important lessons taking place in the most successful sector of our economy.

I support H.R. 4157 because it will codify this effort. This bill will clarify the intention of Congress with respect to youth education on farms, and it will prevent the Department of Labor

from implementing or enforcing this very specific proposal. In codifying our intention and passing this bill, we ensure that all farmers have access to education and retain their family's traditions, two things that are critical in our changing society.

I often think back when I returned home from the Army to the farm and realized the changes that had taken place in farm technology while I was away. The farmers we are nurturing now will acquire even more skills and adjust to faster changes than ever before. Young people today, and even some of us who aren't too young, are maintaining high-tech GPS programs, aerial mapping, and biotechnology that create greater efficiencies in farming, increase output, and reduce the cost of food at our local grocery store. These young farmers are taking their experience on the farm to study and create the software that improves farming and acquire the financial skills it takes to run a farm, and they are gaining the entrepreneurial spirit that is needed to be part of one of America's greatest economic sectors. These youth, backed by their experience on the farm, are not just farmers. They're agronomists, engineers, economists, and international liaisons.

□ 1620

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

Ms. WOOLSEY. I yield an additional 30 seconds to the gentleman from Iowa.

Mr. BOSWELL. We must ensure these young farmers have access to the education they deserve, to the traditions and lessons that so many of us hold dear and have treasured our entire lives.

However, I not only call on my colleagues to join me in supporting this legislation today, to ensure our young farmers have access to the education they need, but I also call on us to demand that the farm bill, passed with 35 ayes out of the House Agriculture Committee, be brought to the House floor for debate.

Farming in America requires a great deal of capital for major investments, access to land and credit, the ability to hire and purchase. American farmers create jobs and make investments in communities that keep jobs. The primary and perhaps only difference between a farmer and a businessman is that the farmer's revenue and profits are more subject to the whims of the climate, such as the drought that is devastating our Nation this summer.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Ms. WOOLSEY. I yield the gentleman an additional 30 seconds.

Mr. BOSWELL. I thank the gentlewoman from California.

So if we care about the future of our farmers and our young farmers, we must pass a 5-year farm bill, and we must do it before the August work period. So let's pass this bill today, and let's move on to the farm bill next.

Mr. WALBERG. Mr. Speaker, I am glad to yield 1 minute to my colleague and farmer friend from Kansas (Mr. HUELSKAMP).

Mr. HUELSKAMP. Mr. Speaker, I rise in support of the family farms of Kansas and all of America.

The proposed Department of Labor rule, restricting children from working on family farms, presented a direct threat not only to the continuity of our Nation's ag tradition, but to a way of life in rural America. Though the bureaucrats have put it off for now, such a reprieve may only be temporary.

The family farm is one of the best places for a child to learn and develop a strong work ethic. I know this as a former farm kid myself, now a fifth-generation farmer who hopes that my children will be the sixth.

With our aging crisis facing agriculture, the last thing we need is for Washington bureaucrats who know next to nothing about the family farm—or rural America, for that matter—to regulate it into oblivion. Parents, not bureaucrats, know what's best for their children. Moms and dads should be trusted to raise their kids as they see fit.

I encourage my colleagues to support this bill.

Ms. WOOLSEY. I reserve the balance of my time.

Mr. WALBERG. Mr. Speaker, I yield 2 minutes, at this time, to a former rancher kid, rancher, and colleague of mine, the gentlelady from South Dakota, KRISTI NOEM.

Mrs. NOEM. Mr. Speaker, it's often through debate here on different bills and legislation that comes that we learn things about each other. We may learn facts about a bill that we're discussing or about experiences that we've all had. What a lot of people probably don't know about me is that I care deeply about this subject because I lost my dad in an accident on a farm. It was devastating to our family. But I thank God every single day for every moment that I had working beside him, growing up on the family farm. It was there that I learned how to pick out good land and look for good soil. It's where I learned how to identify a cow that would be a good mother or a good milk-er. And it was there that I learned to look at a problem and not just talk about it, but to actually solve it and to fix it.

So my children are having that same experience with me. We get the chance, when I go home from here, to work together, to work with our livestock and our animals, and we love it.

I would be devastated if a Washington bureaucrat came and told me that no longer could I teach my children the way of life that was passed on to me by my father because of a decision that they decided they would be safer, that that was no longer allowed. So that is why I stand here today in support of H.R. 4157, Preserving America's Family Farms Act.

The Department of Labor talked about putting this regulation in place. They withdrew it because of pressure from the American people who recognized that it was not the way to go about regulating family farms. And this act is just going to ensure that they can no longer take this action and put it into place.

So with that, I proudly stand here, protecting our family farms and our way of life by endorsing this act.

Ms. WOOLSEY. Mr. Speaker, I yield 4 minutes to the gentleman from Oklahoma (Mr. BOREN).

Mr. BOREN. Mr. Speaker, I rise today in strong support of H.R. 4157, the Preserving America's Family Farms Act.

I commend my friend from Iowa (Mr. LATHAM) and his entire staff for all of their hard work on ensuring that the Department of Labor's proposed rule to restrict family farm tradition be reversed.

In December, the U.S. Department of Labor proposed updated regulations on labor practices for minors in agricultural operations, including a rule that would have prevented children under the age of 16 from performing certain duties on farms. Historically, family farms have been exempted from such rules, but the new proposal could have been interpreted broadly to exclude operations that are partly owned by extended family members.

In response to the proposed rule, Congressman LATHAM and I introduced H.R. 4157. The bill protects the family farm tradition by directing the Secretary of Labor to recognize and understand the unique circumstances of family farm youth and multigenerational family partnerships when drafting regulations now and in the future.

In April, the administration announced that, as a result of loud opposition, they would not finalize the proposed rule. Although I am very pleased that they have decided to abandon the flawed rule and listen to thousands of voices among our rural communities, passage of H.R. 4157 will ensure that, in the future, the Department of Labor does not reissue this proposal or any other rule that would have a similar effect on our family farms.

This legislation encourages the administration to work collaboratively with rural stakeholders, such as farmers and ranchers, to understand issues that affect our communities and our way of life.

Family farms have a long history of providing invaluable work ethic and leadership experience to future farmers. Many of these young folks dedicate their entire lives to providing us with an abundant and safe marketplace, so we owe it to them to protect the foundation on which this American spirit of hard work is built.

Please join me, my friend Congressman LATHAM, and the over 93 bipartisan cosponsors to pass this legislation.

Mr. WALBERG. Mr. Speaker, in a point of personal privilege, I would ap-

plaud my colleague and friend from Oklahoma for his comments.

The concept of "trust, but verify" is carried out here. We trust what has been said by the Department and the administration, but we verify with the action that we are taking today.

It gives me a privilege now to yield 2 minutes of time to a friend from Tennessee (Mr. DESJARLAIS), a colleague who cares about people and their safety, and especially young people, as a medical doctor.

Mr. DESJARLAIS. I thank the gentleman.

Earlier this year, the Department of Labor issued a misguided rule that would effectively ban children from working on family-owned farms. While I'm sure there were some kids in rural areas across our Nation who were overjoyed by this news, I think it would be horribly unfair to deprive our youth of the same valuable work experience many of us were afforded.

Growing up in a rural community, I spent a lot of time doing work on farms, and I will be the first to admit that it wasn't always fun. But the values and appreciation for hard work that it instilled in me played an important role in shaping me as a person.

That is why I was proud to support Preserving America's Family Farms Act. This legislation will prevent the Department of Labor from issuing this rule or any similar rule, preventing children from working on their parents' farm.

If this proposal from the Department of Labor were actually implemented, not only would it rob our young farmers of important educational opportunities, but it would erode part of our Nation's rural culture. These actions by the Department of Labor serve as yet another reminder of the troubling pattern of government overreach and intrusion we have seen from this administration.

I thank the Tennessee Farm Bureau for their efforts in speaking out against this misguided notion and working with me to ensure that farming decisions are left to farmers, not bureaucrats in Washington.

Ms. WOOLSEY. Mr. Speaker, I just want to repeat what I said in my opening remarks. Nothing in the proposed rule would have applied to children working on their parents' family farm. The proposed rule maintains the parental exemption.

But again, to remind everybody, the Department of Labor withdrew their proposal. We are wasting time today.

I reserve the balance of my time.

Mr. WALBERG. Mr. Speaker, I yield 2 minutes of time to my friend from New York, RICHARD HANNA.

Mr. HANNA. Mr. Speaker, I rise today in strong support of H.R. 4157, the Preserving America's Family Farms Act. I am pleased to cosponsor this legislation.

This rule, had it been enacted, would be one more sad example of how far our government is willing to go to protect us from ourselves.

□ 1630

The Preserving America's Family Farms Act would prohibit the Department of Labor from issuing a rule prohibiting young people from working on their own family farms.

Mr. Speaker, like so many children growing up in rural America, I spent many of my summers working on my grandparents' modest dairy farm in Herkimer County, New York. By my grandfather's side, I learned personal responsibility, accountability, gained character and a sense of accomplishment, as well as the pride and dignity that results from a day's work.

My family farm would not have been economically viable if my younger cousins and I had not worked and assisted during harvest and milking. I am concerned, along with many Americans, that the belief in personal accountability and responsibility, as well as hard work—which is best instilled at a young age—is being diminished. The lessons learned on a family farm should be reinforced and encouraged more, not less.

Mr. Speaker, I acknowledge farms are a dangerous place to work. But as a man who has employed hundreds of people, those who worked early and hard in their lives, regardless of where they worked, were my most eager and responsible employees. I could not have succeeded without those men and women, and neither will this country. We should not restrict young people from working. Character built early grows deeper and lasts a lifetime. Let's pass this bill and protect our family farms and the great Americans they produce.

Ms. WOOLSEY. I continue to reserve.

Mr. WALBERG. Mr. Speaker, I'm privileged to yield 1 minute to my friend and colleague, the gentle lady from Missouri (Mrs. HARTZLER).

Mrs. HARTZLER. Mr. Speaker, as a lifelong farmer, I rise today in support of H.R. 4157, Preserving America's Family Farms Act. This bill prohibits the Secretary of Labor from finalizing or enforcing a proposed rule that will fundamentally alter the way family farms have operated for decades, and is another example of Washington bureaucrats trying to tell farmers and ranchers how to operate their operations. If these rules are finalized in their current form, children in rural America will not have the opportunity to learn the important life skills and values that working on the farm provides.

As I talk with farm families in Missouri's Fourth District, they are frustrated by this rule. Their message is clear, plain and simple: Big Government should not tell hardworking Americans how to raise their children and care for their land.

I believe the government should ensure our basic liberties, not trample on them. Parents care more for their children than government bureaucrats and should make the ultimate decisions on the activities of their children, not Washington, D.C.

I encourage all of my colleagues to support this commonsense legislation.

Ms. WOOLSEY. Again, Mr. Speaker, nothing in the proposed rule would have applied to children working on their parents' family farm, and I reserve the balance of my time.

Mr. WALBERG. Mr. Speaker, point of personal privilege: a family farm and a family farm sometimes isn't the same. If it's incorporated, it would come under this proposed rule initially, and for that reason we continue to offer this great piece of legislation. And that gives me the privilege to introduce another great farmer.

I yield 1 minute to my colleague, the gentleman from Iowa (Mr. KING).

Mr. KING of Iowa. Mr. Speaker, I thank the gentleman for yielding to me.

When I saw this rule, it was appalling to me to think about the attempt of the administration, this assault on the sanctity of the family and on the family farm all at the same time. And as we had a witness come before the Small Business Committee, the Assistant Secretary of Labor, under oath I asked her what was driving this rule. Her answer was: It's driven by data; the highest level of injuries in youth labor are on the farm, and so we have to do something to interrupt this injury that's taking on place on the farm.

So I asked her: What was the second-highest level of injury in youth labor? Her answer was: I don't know.

Not data driven; it's driven by some misguided ideology. It's also been supported by the Secretary of Agriculture, Tom Vilsack, whose team has been working with the Department of Labor. And this has not been withdrawn by the administration, Mr. Speaker, for the sake of them understanding that this is a misguided policy decision; it's been withdrawn because it is a misguided political initiative. So I'm glad it's temporarily withdrawn, and I appreciate the gentleman from Iowa (Mr. LATHAM) for bringing this legislation to prohibit this rule from being reintroduced again. Let's protect the tradition that made America great.

Ms. WOOLSEY. I understand, Mr. Speaker, that we're ready to close, so I yield myself the balance of my time.

In closing, Mr. Speaker, once again, at a time when there are so many Americans looking for work and so many middle class families struggling to make ends meet, Congress has better things to do than take up a redundant bill. It's wasteful, it's unnecessary, and it prevents us from doing the real work that our constituents have sent us here to do. Let's answer the important challenges facing the country. Let's start creating jobs for the American people. Let's start now, and let's stop wasting time on something that has already been satisfied.

I yield back the balance of my time.

Mr. WALBERG. Mr. Speaker, I appreciate so much that we've had this time of debate. Again, trust but verify. This is a verifying opportunity. As has been

said, the proposed regulation was pulled because of political challenges. The American people generally understand common sense, and this wasn't common sense.

When we see the cost of regulations in this country right now being \$10,000 per employee, we add this to the impact on the farm family, those that have incorporated in order to carry on their business and ultimately carry on farming for generations, we see additional problems. So we want to make sure that this debate carries through and ultimately we don't have to do it again, but that we preserve the right to farm, we preserve the right to carry on the farming tradition, and the opportunity to train our young people to do something that is valuable long term and full of impact.

Having said that, Mr. Speaker, I yield the remainder of my time to the sponsor of this bill, the gentleman from Iowa (Mr. LATHAM).

Mr. LATHAM. Mr. Speaker, I thank the gentleman from Michigan for yielding once again. I will be submitting a letter here from 16 national farm groups in support of this legislation. I would also like to respond—the gentleman talked about farm families, that parents can still let their children be involved in the farming operation. That statement to me just shows a total misunderstanding and miscomprehension of what agriculture is today. Yes, you have family, Mom and Dad, but the highest percentage of all farms today are in partnership with their brothers, with their sisters. If their grandparents are still involved, if their parents are involved in that farming operation, this rule would have prohibited any child from working on the farm and being part of a family operation. Or, if you're a subchapter S corporation, any of the things that are so common today—partnerships, small business corporations—that these family farm operations are, it would have totally prohibited our youth from getting the kind of education, getting the knowledge, getting the experience that they can derive working with their parents on a family farm operation.

Mr. Speaker, last Saturday I had the opportunity to travel to three county fairs, one in Bedford, one in Red Oak, and one in Avoca, Iowa. It brought back so many memories from my own youth to go to those fairs and see young people showing livestock, either 4-H or FFA, and to see the experience, the love they have for those animals, the love of the farm and agriculture that they are developing in their youth. This is extraordinarily important.

While some people may dismiss the importance of this bill, it will prohibit, even in the proposal that was made, but also anything like it from happening.

□ 1640

That's what's very, very important, to give those families out there the

certainty, to give the 4-H and the FFA, the educational programs in agriculture today, a chance to continue this great legacy of agriculture and of family farm operations. That's really what this is all about.

Mr. Speaker, I, again, ask for support of all the Members for this bill. It is extremely important for family farms.

JULY 24, 2012.

The Honorable,  
House of Representatives,  
Washington, DC.

DEAR REPRESENTATIVE: This afternoon the House of Representatives will debate and vote on H.R. 4157, the Preserving America's Family Farms Act. The undersigned organizations support preserving the ability of youth to gain training and education by working on the farm. Accordingly, we urge all members of the House to vote in favor of H.R. 4157.

The safety of all workers is of utmost importance; however, in September 2011, the Department of Labor introduced regulations that took caution beyond recognition. The proposed regulations were overly burdensome to agriculture producers and would have limited, if not eliminated, training opportunities for youth in rural America. Fortunately, the administration listened to the concerns of farmers and ranchers by withdrawing the regulation in April. However, the threat to family farms still exists. H.R. 4157 protects an agricultural way of life from future child labor regulations that could limit the ability of youth to learn valuable skills by working on the farm.

While we all respect the obligations and responsibilities of the Department of Labor to ensure the safety of youth working on farms as delineated in the Fair Labor Standards Act, we believe that the approaches taken need to be well reasoned and not detrimental to the family farm or the youth participating in farm work. Thus, we urge all members of the House to vote in favor of this bill when it reaches the floor.

Sincerely,

American Farm Bureau Federation, American Feed Industry Association, American Horse Council, American Seed Trade Association, American Soybean Association, Florida Fruit & Vegetable Association, International Association of Fairs and Expositions, National Association of State Departments of Agriculture.

National Cattlemen's Beef Association, National Council of Agricultural Employers, National Cotton Council, National FFA Organization, National Milk Producers Federation, National Pork Producers Council, United Fresh Produce Association, U.S. Apple Association.

Mr. PENCE. Mr. Speaker, I rise in support of H.R. 4157, the Preserving America's Family Farms Act, and I thank Representative LATHAM for his work on this issue.

Like many Hoosiers who worked on a farm during their youth, I believe we must encourage young men and women to participate in family farming and ranching.

Last September the Labor Department proposed regulations that would significantly limit the ability of young men and women to work on farms and ranches. They have since backed-off, but the law does not currently prevent them from bringing it up again. This legislation will explicitly prohibit the Department of Labor from pursuing these types of regulations and ensure that family farming and youth employment will be continued traditions in Indiana and throughout our Nation.

Despite the severe drought we are currently experiencing, young Hoosiers continue to look

forward to summer jobs on the farm, where life lessons and a few dollars can be learned and earned along the way.

Mr. Speaker, I can think of few places better than an Indiana farm where a young person can truly learn the values of personal responsibility and hard work. And if America's farms are to continue to feed this nation and world, we must encourage young men and women to participate in farming and ranching. I urge my colleagues to support this commonsense, bipartisan legislation.

Mrs. MILLER of Michigan. Mr. Speaker, America's Family Farmers have built the most productive agriculture sector in the world and this abundance helps feed not only our nation, but also the world.

Family farms are truly based on the family where each generation trains the succeeding generation.

Last year the Department of Labor tried to inject itself into the family farm by proposing onerous new regulations that would have basically denied family farmers the ability to train the next generation of farmers.

Some would have you believe that the Labor Department was just looking out for children, but does anyone truly believe that a bureaucrat in Washington cares more about a family's children than their parents, or aunts and uncles, or their grandparents?

Faced with overwhelming opposition earlier to this overreach the Department of Labor withdrew the proposed regulations and went back to the drawing board. The legislation we are considering today would stop these regulations in their tracks and keep the bureaucrats from getting between family farmers and their children.

I urge my colleagues to support the heritage of the family farm and join me in passing this legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. WALBERG) that the House suspend the rules and pass the bill, H.R. 4157, as amended.

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

The title was amended so as to read: "A bill to prohibit the Secretary of Labor from reissuing or issuing a rule substantially similar to a certain proposed rule under the Fair Labor Standards Act of 1938 relating to child labor."

A motion to reconsider was laid on the table.

#### CONGRESSIONAL REPLACEMENT OF PRESIDENT OBAMA'S ENERGY-RESTRICTING AND JOB-LIMITING OFFSHORE DRILLING PLAN

##### GENERAL LEAVE

Mr. HASTINGS of Washington. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill, H.R. 6082.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 738 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 6082.

The Chair appoints the gentleman from Illinois (Mr. DOLD) to preside over the Committee of the Whole.

□ 1643

##### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 6082) to officially replace, within the 60-day Congressional review period under the Outer Continental Shelf Lands Act, President Obama's Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012-2017) with a congressional plan that will conduct additional oil and natural gas lease sales to promote offshore energy development, job creation, and increased domestic energy production to ensure a more secure energy future in the United States, and for other purposes, with Mr. DOLD in the chair.

The Acting CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Washington (Mr. HASTINGS) and the gentleman from Massachusetts (Mr. MARKEY) each will control 30 minutes.

The Chair recognizes the gentleman from Washington.

Mr. HASTINGS of Washington. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, under the shadow of the Supreme Court's ruling on ObamaCare, the Obama administration on June 28 quietly announced the President's proposed final offshore drilling plan for 2012-2017.

Despite claims of their being proud of their energy record, the Obama administration deliberately chose to announce their plan on a day when it would get buried in the ObamaCare news coverage. This shows that even this administration is not proud of their plan that would place 85 percent of America's offshore areas off-limits to energy production.

Under section 18 of the Outer Continental Shelf Leasing Act, when any President proposes a new 5-year offshore drilling plan, it must be submitted to Congress for a mandatory 60-day review before it can become final and take effect. That 60-day clock is now ticking. It's now Congress' responsibility to take action and to reject President Obama's no-new-drilling, no-new-jobs plan and to replace it with a robust, responsible plan to safely develop our offshore energy resources.

According to analysis conducted by the nonpartisan Congressional Research Office, the President has proposed fewer leases in his plan than any President since this process began—that goes back to President Jimmy

Carter, so it's even worse than President Carter.

President Obama's proposal doesn't open up one new area for leasing and energy production. It would set our Nation's energy production back to the days before 2008 when two moratoria that prohibited drilling of a vast majority of American offshore areas were in place. Both moratoria were lifted after the summer of 2008 due to the outrage of the American people over the cost of \$4-per-gallon gasoline, and they demanded that the Federal Government take action. President Obama proposes to effectively reimpose that moratoria.

From nearly the day he took the oath of office, this President has put the brakes on new American energy production and job creation. In the first weeks of this administration, the Interior Department took a nearly complete new offshore lease plan and put it on hold for 6 months, and then they tossed out that draft plan entirely and started over. It took them over 3½ years to get a new proposed plan in place. And along the way, they delayed and canceled multiple lease sales.

For example, President Obama canceled the Virginia lease sale scheduled for 2011 last year and now refuses to include Virginia in his 2012-2017 plan. He is responsible for closing an entire new area of drilling and cheating the Commonwealth out of thousands of jobs and another industry. If President Obama has his way, Virginia will be left out in the cold in until 2017 at the earliest.

The bill being considered today, H.R. 6082, is entitled the Congressional Replacement of President Obama's Energy-Restricting and Job-Limiting Offshore Drilling Plan. In stark contrast to President Obama's plan, this bill represents a drill-smart plan that includes 29 lease sales and focuses energy production in specific areas containing America's greatest known oil and natural gas resources. What a novel idea: go to where the resources are.

The bill would replace the lease sales scheduled in the President's proposed plan and safely open new areas that were previously under moratoria—such as the Mid-Atlantic, southern Pacific, and the Arctic. It does this while ensuring that necessary and required environmental reviews are conducted.

The congressional replacement plan would generate \$600 million in additional revenue and create tens of thousands of new American jobs.

Tomorrow there will be a direct up-or-down vote on the President's proposed plan when we consider, under suspension, H.R. 6168. There will also, obviously, be a direct up-or-down vote on this legislation. So Members can decide if the President's plan meets the standards expected by the American people or if we should replace it with a real plan that creates jobs and grows our economy.

The House has taken action to replace the President's proposed plan,

and I call on the Senate to do the same. If the Senate does nothing and lets the 60-day clock run out, that is an endorsement of the President's plan. It is an endorsement of the plan that re-imposes the drilling moratoria, creates no new jobs and no new energy.

I believe that we can do better than this proposed plan, and our Nation deserves better. By passing this bill, we are standing up for American energy and American jobs and moving our country forward.

With that, I reserve the balance of my time.

Mr. MARKEY. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, I would like to welcome everyone back to yet another episode of the GOP Wheel of Giveaway game show here. Every week on the floor of the House of Representatives, the majority picks an industry to benefit from giveaways of our public lands.

□ 1650

One month ago, the Republican majority voted to turn over nearly all of our onshore public lands to the oil and gas industry in just a few short years.

Two weeks ago, the majority voted to eviscerate proper environmental review for massive gold and silver and uranium mines on public lands to benefit the mining industry. And here we are on the House floor once again debating a Republican bill from the Natural Resources Committee intended to hand out even more industry giveaways.

Well, it actually gets hard to keep track of which industry is getting the GOP giveaway each week, so let's consult our chart—the GOP Wheel of Giveaways—so that we can make sure that everyone at home can follow along to see whether it will be the oil, the gas, the mining, or the timber industries that will be the big winner in the giveaway of our public lands this week.

Of course, we all know that it won't be the solar or the wind industries benefiting from the Republicans because in the Republican "oil above all" game, if you land on renewable energy, you lose a turn. So which industry is getting the giveaway this week? We are back on the "even more oil" on the House floor today, even more oil giveaways.

H.R. 6082 would place drill rigs right off our beaches in southern California, off our beaches in Maine, in New Hampshire, in Massachusetts, in Rhode Island, in Connecticut, in New York, in New Jersey—just put the drills right out there, right off the Maryland coast. And by the way, there will be millions of people, of course, out on those beaches saying get those oil rigs off the beaches, off the places where people go and have a good time during the summer, where the fishing industry is.

My amendment will say, and by the way, if you do find any oil and gas out there, at least let's keep the oil and gas here in the United States. Let's not run

the risk of spoiling the natural resources of our country—the beaches, the fishing areas—finding natural gas and then ship it to other countries; at least let's keep it here. And the Republicans are going to oppose keeping the natural gas that they would find off these beaches in California and Maine and Massachusetts and New Jersey and send it to other countries.

This is truly the "even more oil" Republican Party. Whatever ExxonMobile wants, whatever Shell wants, whatever BP wants, we'll do it, even if we know millions of people will just be protesting right from the very beginning—and by the way, without passing one of the reforms from the BP spill commission to make sure that the drilling occurs in a safe fashion.

They still, in 2 years, have yet to bring out one single safety reform that would implement safeguards to protect against the repetition of what happened in the Gulf of Mexico. So the natural gas that's found can go overseas. It will be done in a risky fashion because they refuse to learn the lessons of BP in the Gulf of Mexico, and they've included no new safety measures. That's what ExxonMobil wants, that's what BP wants, so it's out here on the House floor to be voted upon, by the way, over the vigorous objection of this Democrat and Democrats all across the country.

This Congress, the Republican majority, has reported 11 drilling bills out of the Natural Resources Committee. Those 11 bills have been combined and brought to the House floor and this is now the sixth massive passage of giveaways to Big Oil that we have considered. Two of those bills were largely similar to the legislation we are considering today to dramatically expand offshore drilling without putting any new safety measures in place.

All of the previous drilling bills have suffered from the same fate. They were all far too extreme to pass the Senate and not a single one of them has been signed into law. Well, let me let everyone in on a little secret: this bill is also not becoming law. Like the bills before it, it can't pass the Senate, and the administration has already said that the President would veto this bill.

But that reality hasn't stopped the Republican House from passing giveaways to the oil and gas industry over and over again. The reason they keep passing them is the same reason when you go to a movie and you see previews of coming attractions. What they're saying here is we're passing, that is, Republicans are passing, all of this legislation for the oil companies to drill off our beaches for the big oil companies. And if just somehow or other Mitt Romney becomes President and the Republicans take over the Senate, this will become the law of the Nation. So they see this as a preview of coming attractions, and they want the public to know that that will happen.

They want to run this year on this premise, and I think that's great. It's a

very honest way of dealing with something that will horrify people who live all along the coastlines in these States that would run the risk of having damage done to their beaches.

When you include all of the bills that have been reported by all of the committees altogether, this Republican House has already cast 139 votes—139 votes—on the House floor this Congress to benefit the oil and gas industry.

We are going to pass 90 hours of debate on the floor on oil and gas legislation this Congress just today. What a streak. When most people think of the great records of American history, they might think of Joe DiMaggio's 56-game hitting streak, or Cal Ripkin's 2,362 consecutive games, or maybe Wilt Chamberlain scoring 100 points in a basketball game, or Ted Williams hitting .406 in 1941.

But when all is said and done, the record of this Republican Congress voting to benefit Big Oil might be just as untouchable a record. With already 139 votes and nearly 90 hours of debate on these giveaways to the oil industry on the House floor, this is a once-in-a-generation performance by this Republican Congress. It may stand as a record that can never be broken by any other Congress in terms of the number of giveaways to the oil and gas industry.

Whether it's voting 33 times to repeal the Affordable Care Act, or voting again and again for more and more drilling, under the GOP, this isn't the House of Representatives, it's the House of Repetition. President Truman dubbed the 80th Congress the "do nothing" Congress. Well, this is apparently the "do the same thing over and over and over again" Congress.

The Republican majority has already cast 139 votes to aid the oil and gas industry. How many votes have they cast to benefit the wind and the solar industry? Ah, there's a good question. Well, the answer is zero—139 for oil and gas, zero for the wind and solar industry. Is that all you really need to know about what's going on here in Congress?

Can you imagine the millennials out there listening to this debate saying zero for wind and solar? Zero for the future? Zero for making our country more of the clean energy leader of the world, of reducing greenhouse gases, of creating jobs in these industries? Zero for wind and solar?

The wind tax breaks, by the way, are expiring this year. Do not expect that to come out on the House floor as a vote that the Republicans say we must extend. But tax breaks for oil companies, extra drilling privileges off our beaches for the oil and gas companies? Oh, yeah, plenty of votes for that.

While we have been spending 90 hours debating legislation to help Big Oil, recently the majority wouldn't even allow a debate on the floor on an amendment to create a renewable electricity standard for our Nation because the Republican energy policy isn't "all of the above." It is "oil above all." And

that's what we're going to be debating for the rest of the day out here on the House floor—sad to say for the future of renewable energy for our country.

At this point, I reserve the balance of my time.

Mr. HASTINGS of Washington. Before I yield to the gentleman from Colorado, I'll yield myself 30 seconds to simply point out to my good friend from Massachusetts that in response to his answer on how many bills this House has addressed on renewables, the gentleman said zero, and that is incorrect.

□ 1700

There have been multiple bills and parts of bills dealing with the process of putting wind and solar in place, specifically on public lands, so I just wanted to correct the gentleman in that regard.

I yield 3 minutes to the gentleman from Colorado, (Mr. LAMBORN).

Mr. LAMBORN. Mr. Chairman, the bill we are considering today is very simple. Republicans are taking a proactive step to secure a more stable energy future for our country.

Just last week, the nonpartisan Congressional Research Service published a report confirming what you can see on this chart, that President Obama's plan for offshore drilling offers the lowest number of lease sales in the history of our Outer Continental Shelf program.

There, on the left, my left, "15" is the number you see in red. Going back to 1980, when President Jimmy Carter was in office, he had 36 lease sales in his proposed 5-year plan. And you can see intervening 5-year plans since 1980 until today.

This is the fewest ever. Even this number is generous, because we're operating under the assumption that the administration will actually follow through on doing all of these 15 lease sales. This is not a sure bet, when you consider that since the President was elected, he has cancelled more lease sales than he has held.

Let me repeat that. This President, in 3½ years, has cancelled more lease sales than have been held.

Now, the administration proposes a new leasing plan that offers for sale the fewest leasing sales ever and locks away 85 percent of our Outer Continental Shelf from any development.

Why would the President propose the fewest number of lease sales ever? Is it because we've solved our dependency on foreign oil? No. We import 5 million barrels a day.

Is it because we've developed all of our domestic resources so there's nothing left to develop? No. The President's plan leaves tens of billions of barrels of oil off limits and trillions of cubic feet of natural gas untapped, unused, and unavailable for the American consumer.

The President says over and over that he supports U.S. energy development, then we see that, at every oppor-

tunity, he makes the choice to prevent efficient energy development from happening.

We must do more for the American people in generating more energy for lower prices and lessen our dependence on foreign oil. This bill does exactly that.

I ask my colleagues to join me in voting for this bill. Vote for American energy and American jobs. Let's replace the President's do nothing plan with a plan that moves America forward.

Mr. HOLT. Mr. Chairman, I rise in opposition to this bill, and I yield myself such time as I may consume.

First, I would like to address a point that the chairman made as he attempted to correct Mr. MARKEY and said that there have been a number of wind energy bills considered. I think we would gladly count those votes in the column of gutting the national environmental protection act, but wind, no. The wind industry did not support any of those bills that he was talking about or amendments. They are not wind legislation. They are environmental spoilage legislation.

Mr. Chairman, this Republican bill would allow drilling off the coast of every State in the east coast, from Maine to South Carolina, and off of California and in Bristol Bay, off of Alaska, which is, I might add, one of our Nation's most important salmon fisheries. By reviving long dead lease sales in these fishery areas, they would be reviving sales that the Bush administration issued just 4 days before they left office.

Now, it's interesting that tomorrow we will consider Republican legislation on this floor that is intended to prohibit midnight regulations, yet, today, we have a midnight drilling lease sale. They are, in effect, trying to reinstate the Bush administration's midnight offshore leasing plan. So I just want my colleagues on the other side to know that tomorrow, when we are talking about midnight regulations, that they were actually talking about it a day in advance.

The other side has also made the point that the administration's offshore drilling plan would reinstate a moratorium. Quite the opposite. Mr. Chairman, the Obama administration's offshore drilling plan already, now, makes more than 75 percent of our oil and gas resources available for drilling. They are not doing what the Republicans are saying they are doing.

Two months ago, industry analysts were projecting that, by the end of this year, we would have 50 percent more floating rigs operating in the gulf than before the BP spill. It turns out they were wrong. Not by the end of this year. It's already happened. We have about 50 percent more rigs operating in the gulf today. We have more rigs operating in the United States than in the rest of the world combined.

And they're saying the President is trying to kill the oil industry.

H.R. 6082 ignores the fact that President Obama's all-of-the-above energy strategy has successfully reduced our dependence on foreign oil from 57 percent in the last year of the Bush administration to only 45 percent today. It ignores the fact that our oil production is at an 18-year high.

It does raise the question of why we have this legislation in front of us at all if not to maybe embarrass the President. But, no, the President will not be embarrassed by the facts, and I hope we will deal with the facts here.

This legislation is unnecessary and unwise—unnecessary because the drilling is taking place, and unwise because the other side wants to strike all of the environmental protections that, rather than weakened, should be strengthened.

Later we will be considering an amendment that I will offer to strike the language from the underlying bill that requires the Department of the Interior to conduct a single multisale environmental impact statement for all new areas opened for drilling.

You may recall, Mr. Chairman, I said a moment ago that this legislation talks about drilling from Maine to South Carolina, off California and in Alaska. And they propose to say a single environmental impact statement will deal with that? Well, that's like the environmental impact statement that applied to the BP drilling in the gulf that talked about walrus. Yes, because they were using the same environmental impact statement that they had used in Alaska previously.

No, the protection of the environment requires a little more attention than that. Congress has a responsibility to the American people to ensure that offshore oil and gas drilling is occurring in a safe and environmentally responsible manner.

Also, later, we will be considering an amendment that I will offer that has to do with the royalties that will be collected—or should be collected—from offshore drilling.

The Big Five oil companies made a record profit of \$137 billion last year. In the first quarter of this year, they continued to capitalize on the pain of Americans at the pump, raking in \$368 million in profits per day. And this legislation that is brought to the floor by the Republicans here wants to allow them to drill in many places without paying any royalties, without paying a fee to the taxpayers for the oil that the taxpayers own.

□ 1710

Right now, more than 25 percent of all oil produced offshore on Federal lands is produced without paying a penny of royalty. That should be changed.

My constituents—and I think the constituents of any Member of this House—would say it's only fair that these oil companies pay for what they use.

With that, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Louisiana, a member of the Natural Resources Committee and a subcommittee chairman, Dr. FLEMING.

Mr. FLEMING. I want to thank the committee chairman for allowing me to speak.

First, I would like to agree with the gentleman from New Jersey. He is absolutely correct that oil production has increased in recent years and that our dependence on oil has actually decreased over the same period of time.

But why? Because of the private sector.

The private sector industry has been out there and has been drilling in new areas like North Dakota and in my own home State of Louisiana. It's the private sector that's driving this. It's producing more oil than we ever have, and there is much more that we can have.

On the other hand, on public lands, which have been under the control of the President, we have seen a reduction of 15 percent. So there is no way in the world we could give our President, President Obama, credit for that unless, of course, we said, Well, indeed, the private sector didn't build it—he did. But I really don't think that's the case.

Mr. Chairman, I stand in support of H.R. 6082.

What we are seeing in President Obama's lease plan is a study in contrasts. When demand for energy was up and prices were spiking in 2008, the Bush administration opened more areas for drilling. That's just common-sense economics. Here we are 4 years later with high energy prices again, and this President's solution is to propose a plan that opens no new areas of drilling.

The Obama administration pounced on the BP spill 2 years ago to ratchet down our Nation's ability to drill for oil, and then it dragged its feet in issuing new drilling permits. All the while, taxpayer dollars were being thrown at failed wind and solar energy projects like Solyndra and many others too numerous to name today.

The Acting CHAIR (Mr. MARCHANT). The time of the gentleman has expired.

Mr. HASTINGS of Washington. I yield the gentleman an additional minute.

Mr. FLEMING. This legislation is smart policy and is a return to common sense. Our country needs energy, and it needs jobs. The President's plan doesn't help, but H.R. 6082 does. It will open areas for drilling that never should have been closed off, and that will lead to more jobs and more cost-effective energy for Americans.

Mr. HOLT. Mr. Chair, in 1969, many in America encountered the phrase "oil spill" for the first time. Off the coast of Santa Barbara, California, there was what has now become the granddaddy of oil spills.

Currently representing that area and those beaches is our good colleague. I

yield 3 minutes to the gentlelady from California (Mrs. CAPPs).

Mrs. CAPPs. I thank my colleague for yielding.

Mr. Chairman, here we are, voting once again to mandate new offshore drilling in areas where it simply isn't wanted. And just like before, this proposal simply ignores the facts, the facts stated by my colleague from New Jersey: the fact that we already make more than 75 percent of the offshore oil and gas resources available for drilling; the fact that domestic oil production is at an 18-year high; and the fact that we have more rigs that are drilling in the United States than in the rest of the world combined.

Instead of addressing the real issues in offshore drilling, like the need to adopt the safety recommendations of the nonpartisan oil spill commission, this bill seeks to compound the problems by mandating new drilling all over the place.

H.R. 6082 also cavalierly dismisses the legitimate concerns raised by the people most affected by this mandated new drilling idea—my constituents. After nearly 100 years of drilling off my coastline, Californians have spoken loud and clear: we've had enough. In fact, a 2010 proposal to allow slant drilling from the shores of a coastal town in my district was opposed by 70 percent—that's right, 70 percent—of the voters.

To protect communities now at risk under this bill, I offered an amendment that would have stopped the mandated new lease sales off southern California—off my district—but the majority refused to allow a debate on this amendment. In addition, this new mandated drilling would happen on platforms that have been in the Santa Barbara Channel since the Everly Brothers were topping the music charts over 50 years ago. It's not a good idea to use these old rigs for expanded drilling—20 of them—including platform A, as my colleague referenced, which was the very culprit of the 1969 Santa Barbara oil spill.

I offered an amendment to require the Interior Department to certify these platforms were actually capable of handling new drilling before it could start; but thanks to the Rules Committee, we won't be debating that issue either.

What is also true is that the Pentagon doesn't support new drilling off its base on the central coast. The Pentagon told ExxonMobil that the company's proposed drilling plan at Vandenberg Air Force Base would "present a wide range of significant operational constraints." That's why I offered an amendment to protect the national space launch mission at Vandenberg Air Force Base; but again, the House won't be able to debate that issue, and the concerns of the Air Force are left unaddressed.

Mr. Chairman, it's clear that H.R. 6082 is not a well-thought out proposal. It's another heavy-handed, know-it-all

approach from Washington, D.C.—rubber-stamping destructive drilling, cutting out environmental reviews, limiting public input. That might be good policy for oil companies; but it's bad policy for my constituents, and it's bad energy policy for our Nation. I urge my colleagues to oppose this reckless offshore drilling bill.

Mr. HASTINGS of Washington. Mr. Chairman, I am pleased to yield 2 minutes to another member of the Natural Resources Committee and a subcommittee chairman, the gentleman from California (Mr. MCCLINTOCK).

Mr. MCCLINTOCK. As I listened to my colleague from Santa Barbara, I was reflecting on the fact that, during that same period, I represented the same area of Santa Barbara. I was in the State senate for 8 years. So I would remind the gentlelady that less than 4 years ago the Santa Barbara County Board of Supervisors passed a resolution asking for more offshore development of the Santa Barbara area, so dependent is the region's economy on that enterprise.

Mr. Chairman, that speaks volumes, I think, about where the American people stand today as well.

America's energy crisis is not because of any shortage of American energy. Our Nation is blessed with vast reserves of petroleum, natural gas, coal, hydroelectricity, and uranium that dwarf those of any other nation, and they should make us the most prosperous and energy-independent Nation in the world.

The real energy crisis is here in Washington—some would say right here in this Chamber—where our government, in thrall to the green left, continues to thwart the development of American resources.

We have seen this policy time and time again as the President has blocked the Keystone pipeline, waged war on coal, and thwarted offshore exploration and development, which is a problem that this bill now addresses. To add hypocrisy to injury, while blocking American petroleum development, many of these politicians exhort the Saudis and Brazilians to increase their production.

Enough is enough. Our Nation is at a crossroads. We can choose either a future of government-created energy shortages or a future of jobs, prosperity and abundance produced by American enterprise. That is the issue before us today, and that is one of the issues that will be before the American people in November.

Mr. HOLT. Mr. Chairman, I would like to yield 4 minutes to the gentleman from New York (Mr. TONKO), who is a new member of the committee, but who is one of the most energetic and informed members of the committee and passionate about preserving a healthful environment.

Mr. TONKO. Mr. Chairman, here we go again.

It isn't enough that the Obama administration's offshore drilling plan

makes more than 75 percent of our oil and natural gas resources available for drilling; but the majority is not going to be happy until we have turned over every square foot of our public lands and our coastline to the oil and gas companies.

H.R. 6082 abandons any pretense to the support of states' rights by mandating lease sales for the east coast and southern California—the coastlines of States that are on record as opposing oil and gas drilling along their coasts.

□ 1720

Too bad New York, New Jersey, Connecticut, and Massachusetts. If your citizens want to prioritize the tourism, recreation, and fishing industries, Big Oil wants to move in, and H.R. 6028 gives them the authority to do so. H.R. 6082 requires no public comment or consultation with the States. Apparently, those steps, steps followed by the administration in putting together their plan, are too time consuming. Besides, they may result in opposition to this ill-conceived drilling plan.

On the same day that the United States Chemical Safety Board has released its report on the Deepwater Horizon accident with the finding that safety lessons were not learned from the 2005 refinery accident, we're moving a bill that does nothing to improve the safety of offshore drilling for either the people who work on these rigs or for the many citizens and businesses whose coastal access, enjoyment, or livelihood would be lost if there were an oil spill.

Thankfully, this bill will go no further than this House, at least in this Congress. If it passed the other body, the President has already issued a veto threat. Why are we doing this? One can only speculate.

I'm disappointed that the Rules Committee did not make my amendment in order. It would have required oil and gas companies that are awarded leases to disclose their Federal campaign donations to candidates and super PACs.

We are in real danger of losing our democracy. Free speech should not cost millions of dollars, and corporations are not people. Sunshine is the best antidote to this particular brand of poison. The public should know who is funding issue ads and other campaign-focused activities, especially when those funds come from corporations that profit from public resources.

The Supreme Court's decision in the Citizens United case unleashed a tidal wave of anonymous campaign donations. There are now over 600 super PACs poised to spend at least the \$221 million that they have collected so far to dominate the airwaves with advertisements of the political viewpoints of corporations and wealthy individuals. According to a Bloomberg news article published earlier this year, Americans for Prosperity, an organization backed by oil interests, paid over \$12 million for ads attacking the Obama administration's green energy policies.

The public has a right to know how profits made through exploitation of public resources of our land and our coastlines are being used to influence elections. My amendment would have provided the public with some of that information.

H.R. 6082 will not make us energy independent. It will not make us more energy efficient. It will not lower fuel prices. Energy efficiency and investment in our new energy resources are the real way to kick our oil habit.

I urge my colleagues to reject H.R. 6082.

Mr. HOLT. Mr. Chair, before the gentleman begins, may I ask the time remaining on each side?

The Acting CHAIR. The gentleman from New Jersey has 7 minutes remaining, and the gentleman from Washington has 17¼ minutes remaining.

Mr. HASTINGS of Washington. Mr. Chairman, I am very pleased to yield 2 minutes to another member of the Natural Resources Committee, the gentleman from South Carolina (Mr. DUNCAN).

Mr. DUNCAN of South Carolina. Mr. Chairman, I give thanks to the Natural Resources Committee for their hard work on this issue.

As my good friend, JEFF LANDRY, the Congressman from Louisiana reminds us, drilling equals jobs. And Republicans have a plan for job creation in America, and it begins not with a government takeover of our health care industry like the Democrats thought would create jobs. It begins with America pursuing energy independence, utilizing the resources that we are blessed with in this country, primarily right now in the offshore areas. We do this by expanding the areas of our Outer Continental Shelf that are included in our Nation's plan for exploration over the next 5 years. It seems simple to the average American, and that's what frustrates them so much, that we would refuse to at least explore our reserves and meet our energy needs in this country.

With a 9.4 percent unemployment rate in South Carolina, South Carolina understands that drilling equals jobs. Jobs we want, and that is why the Palmetto State offshore area is included in this bill.

I urge my colleagues on both sides of the aisle to support this American Jobs and Energy initiative by passing H.R. 6082.

Mr. HOLT. At this time, I am pleased to yield 3 minutes to the gentleman from Virginia (Mr. MORAN), who, on the Appropriations Committee and Interior Appropriations, is a champion for the environment.

Mr. MORAN. Mr. Chairman, I want to thank my good friend from New Jersey for yielding to me.

I have a few facts that we need to put on the table here:

One, this bill isn't going anywhere. It's not going to be accepted by the Senate, let alone be enacted by the President;

Secondly, we could create more jobs and a more sustainable future if we dropped the subsidies for oil and gas and we redirected them into wind and solar power;

Thirdly, this will have no impact upon the world oil price.

The fact is that we have a good deal of experience that shows that no matter how much production comes out of the United States, it, at best, has a negligible impact upon what consumers pay at the gas pump. Let me introduce some numbers to that effect to prove the point.

We currently consume about 18.8 million barrels of oil a day, and we produce about 5.4 million. Despite the concerted efforts of former oilmen President Bush and Vice President Cheney and a Congress that embraced the "drill, baby, drill" mantra, total oil production actually dropped from 2.118 billion barrels in 2001, when President Bush and Vice President Cheney came into office, to 1.812 billion barrels in 2008, when they left office. Under the friendliest, most pro-oil administration, U.S. production declined, despite technological advances in drilling and despite the lifting of previously restricted areas to drilling on land and at sea.

Ironically, oil production today, under the Obama administration, is higher than at any time during the last 14 years. I'll mention that once again. Oil production today is higher, under the Obama administration, than at any time during the last 14 years.

Onshore, oil companies hold leases on more than 73 million acres of the public's land; offshore, more than 37 million acres of the Outer Continental Shelf have been offered for lease since 2012.

More of the public's lands and waters are available and have been leased for drilling than at any previous time in U.S. history. It's worth repeating. More of the public's lands and waters are available today and have been leased for drilling than at any previous time in U.S. history.

As of June 1 of this year, there were 1,980 rotary drilling rigs operating on U.S. lands and waters, more than all other countries combined.

But all this activity has had no impact on prices. The fact is we have 36 years of data to show that it will have no impact on the price of oil.

Why are we doing this? That's the real question that needs to be answered. The Associated Press undertook a statistical analysis of 36 years of monthly, inflation-adjusted gasoline prices and U.S. domestic oil production. The study found that there was no statistical correlation between how much oil comes out of U.S. wells and the price at the pump.

U.S. oil production this past spring has been steady, yet the price of regular gasoline has fluctuated by more than 50 cents a gallon over a three month period.

The price spike this past spring can no more be attributed to President Obama and

the false claim that he is failing to drill more than he can be credited with the recent drop in the gasoline prices.

This bill moves us in exactly the opposite direction of what the bipartisan National Oil Spill Commission recommended: that current environmental reviews be more thorough and that oil spill response plans cover all contingencies.

It did not call for an arbitrary mandate to open all areas offshore on an unrealistic timetable, and it did not recommend drilling applicants be granted fast track approval.

This bill dismisses the work of the commission and pretends the trauma we all experienced in 2010, watching day-after-day and month-after-month, as more than 200 million gallons of oil spilled into the Gulf didn't happen.

It pretends the suffering and economic losses thousands of residents and local Gulf businesses experienced didn't happen.

This bill returns to the lax regulatory climate that existed before the disaster. It should be defeated.

Mr. HASTINGS of Washington. Mr. Chair, I am very pleased to yield 2 minutes to the gentlelady from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Chairman, I thank the gentleman for yielding time.

It was just last month that the administration announced its proposed final lease plan for developing the U.S. offshore energy resources for the next 5 years, 2012-2017. There was a lot of anticipation about this. We thought that finally the administration would hear the calls that have come from this House saying we need to increase our American energy supply and we need to create jobs, but we were disappointed. Our calls for relief obviously fell on deaf ears.

Instead of opening up 98 percent of the U.S. offshore, which is currently unleased for energy exploration, the President's plan will make the situation worse by closing 85 percent of our offshore areas to energy production. I think that's significant.

You have to ask the question: What do you really want? If you want energy independence, open it up. Let's explore for these sources.

□ 1730

To put that into context, I think what we need to do is look at this President's plan and compare it to previous Presidents. And, Mr. Chairman, what we find is that this President's plan offers fewer offshore drilling leases than former President Jimmy Carter had offered. The President's plan also ignores the economic struggles that are facing our country, and it really does not move us toward energy independence.

What it does do is it moves us a step backwards. We are heading in the wrong direction on this issue, and it imposes a drilling moratorium that had been lifted in 2008, a moratorium that the gulf coast still has not recovered from. And I think that we need to look at that and consider those jobs in our coastal regions.

In stark contrast to the President's plan, H.R. 6082 proposes a drill smart job creation plan that expands offshore drilling and opens new areas containing the most oil and natural gas resources. I encourage my colleagues to support this plan.

Mr. HOLT. May I inquire of the time remaining, Mr. Chair?

The Acting CHAIR. The gentleman from New Jersey has 4 minutes. The gentleman from Washington has 14 minutes.

Mr. HOLT. I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Chairman, I am very pleased to yield 2 minutes to the gentleman from Louisiana, Dr. BOUSTANY.

Mr. BOUSTANY. Mr. Chairman, I rise in support of H.R. 6082 which I believe is a commonsense approach to energy production and jobs in south Louisiana and for our Nation.

I continue to be disappointed. The President states we must have "an all-of-the-above strategy for the 21st century that develops every source of American-made energy," but at the same time, he fails to understand the need to develop resources now for future energy production.

South Louisiana has tens of thousands of jobs in the oil and gas industry. This administration's hostility to responsible, safe American energy production—by closing 85 percent—85 percent—of our offshore areas to energy production and issuing burdensome and duplicative regulations stalls our languishing economy and hurts job growth.

I rise in support of H.R. 6082 because it's a rational and responsible plan. Not only will this bill generate a robust drilling plan, creating thousands of new jobs, helping to lower the price at the pump, improve American energy security, and strengthen our national and economic security, but it requires separate environmental reviews for each specific lease sale. This is good policy.

Passage of this legislation sends a crystal clear message to the administration: a do-nothing energy plan is simply unacceptable.

I look over at my colleagues on the other side of the aisle, and I would urge the President as well to take a look at that plaque up there near the ceiling above the Speaker's Chair—read it—from Daniel Webster. It says, "Let us develop the resources of our land."

Passage of this bill gets us on to a good start of developing the resources of our land, which include good, high-paying American jobs.

Mr. HOLT. I would now like to yield 3 minutes to the gentleman from Massachusetts (Mr. KEATING) who represents one of the areas that would be affected by offshore drilling, should this go forward.

Mr. KEATING. I thank the gentleman for yielding the time.

I don't have a lot of time to watch television these days. But I think most

of us have seen on television a commercial comes up time and time again. It's a commercial with beautiful coastal scenes in it, telling people, Come to Louisiana, Come to Mississippi, Come to Florida, Come to the coast. And I looked at that. And I said, That's great marketing. At the end of the commercial, I was surprised to see it was sponsored by BP. Now why was that sponsored by BP? It was sponsored by BP because of *Deepwater Horizon* and the damage that that did.

And this bill is just another attempt at giving Big Oil a handout, putting oil companies and their profits above both the American taxpayers and American treasures.

Now my district includes the south shore of Massachusetts, the Cape, the islands of Martha's Vineyard and Nantucket and the south coast. We're a maritime community, one that respects the ocean and one that has prospered from its resources.

This bill would threaten our shores, our marine life, and the industries that rely upon them by opening up the waters of the east coast from Maine to South Carolina for quote-unquote "required oil and gases."

Now I ask my colleagues, is this necessary? Why put hundreds of miles of ocean waters and the livelihoods of our fishing and tourism industries at risk when our Nation's oil imports are already down to their lowest level in nearly two decades, and production is up?

Now in the spirit of compromise, I would like to offer a suggestion that will help the oil companies increase their profits. And that would be this: Let's defeat this bill, and the oil companies won't have to spend all that money paying for TV commercials to lure people to areas that are our Nation's treasures because they've been damaged.

Mr. HASTINGS of Washington. Mr. Chairman, I am very pleased to yield 2 minutes to the gentleman from a coastal State, the gentleman from Mississippi (Mr. NUNNELEE).

Mr. NUNNELEE. I thank the chairman for yielding.

I rise in support of H.R. 6082, the Congressional Replacement of President Obama's Energy-Restricting and Job-Limiting Offshore Drilling Plan.

The President's lease plan for offshore energy resources is unacceptable. It would close 85 percent of our offshore areas to energy production and recovery. Just like the Keystone pipeline, this is just another example of an administration beholden to a radical environmental agenda.

We must be about safely and responsibly recovering American energy. We have available energy under our feet and off our shores. This plan does that by expanding offshore drilling into new areas, areas that contain the most oil and natural gas resources.

Our economy is still struggling. People are still looking for work. And this bill would generate \$600 million in government revenue and at the same time,

put tens of thousands of Americans back to work.

It's time that we choose jobs and energy security over left-wing ideology.

Mr. MARKEY. Mr. Chairman, I am the final speaker on our side. If the gentleman from Washington State is ready to conclude debate, so are we in the minority.

Mr. HASTINGS of Washington. Mr. Chairman, I would tell my friend from Massachusetts, I have one other request for time and then myself to close.

Mr. MARKEY. Then, Mr. Chairman, I will reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Chairman, I am very pleased to yield 2 minutes to the gentleman from Virginia (Mr. HURT).

Mr. HURT. I thank the chairman for yielding.

I rise today on behalf of the people of Virginia's Fifth District. As I visit with central and southside Virginians across my district, they all echo the same sentiment: The burdens caused by high fuel prices in this stalled economy are negatively impacting their lives.

This issue particularly resonates in the Commonwealth because just last month, the administration announced that its 5-year energy plan will exclude resources off of the coast of Virginia. This announcement comes as a shock to the people that I represent. At a time when the Fifth District is suffering from 3 years of high unemployment, now the administration has said it will put thousands more Virginia jobs on hold. It also shocks us because it shows just how out of touch Washington is when it comes to the devastation that high fuel prices are causing at home.

Energy prices may have subsided for now, but now is the time to act. I am proud to support this legislation which replaces the administration's unreasonable and irresponsible energy policy. I believe that this legislation will bring jobs to Virginia, help keep fuel prices low, and move our country forward to spur economic growth in central and southside Virginia.

□ 1740

Mr. MARKEY. Mr. Chairman, I yield myself the balance of my time.

This is a very simple debate to understand. The Republicans want to authorize drilling for oil and gas off of the coastlines of southern California, Maine and New Hampshire, Massachusetts and Rhode Island, New York, Maryland, and New Jersey. Those States do not want that. They long ago decided the risks were too great for their beaches and for their fishing industries. They do not want it.

But it also is in the context of this Republican aversion, this Republican opposition to wind and solar and other renewables receiving the same attention as oil and natural gas does. And the important thing about wind and solar is that they would be domestically produced 100 percent. The same is

true, by the way, you would think, for natural gas. Let's just say they find some off the coast of Massachusetts or off the coast of New Jersey; that would be great. But what the Republicans refuse to agree to is that that natural gas, after we've drilled off of our beaches, cannot be exported to other countries. And the reason that's important is we could use that natural gas and substitute it for the oil that we import from the Persian Gulf, but they won't agree to do that.

So the one thing that definitely has to be produced here is wind and solar because it has to be domestic. Natural gas, though, you can put it in a ship and you can send it around the world. You can freeze it like liquefied natural gas. And they won't agree not to do that as part of this package of running the risk of fouling the beaches of the east coast and the west coast.

There is just something fundamentally wrong with this; nothing for wind and solar, everything for the oil industry, including their discretion to then take the oil and gas that's discovered off our beaches and selling it overseas.

So this is just wrong on so many levels in terms of what we should be doing to protect our own country, and I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Chairman, how much time do I have remaining?

The Acting CHAIR. The gentleman has 9¼ minutes remaining.

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

Mr. Chairman, I just want to say why we are here today. We are here today because the President submitted his plan. It was late. His 5-year plan is supposed to go through a 60-day review here in the Congress. We are here to offer an alternative to that plan because that plan locks up 85 percent of the potential resources in this country. We offer this plan because we have heard loud and clear from the American people that it is in our best interest to be less dependent on foreign energy. And in the process of creating American energy, we obviously create American jobs. That, to me, is a win/win situation.

Now, let me respond to some of the arguments that have been made on the other side, and I want to point out specifically the bills.

The charge was made that the Republican-led House has not taken up any bills dealing with renewable energy. In fact, the observation was that there were no bills. In fact, there have been several bills, and there are three bills that have passed the House. Now, some of my friends on the other side of the aisle may not like it, but the fact is that they've passed.

The first one is H.R. 4402. It passed on a bipartisan basis in July. H.R. 3408, it too passed on a bipartisan basis in February. And H.R. 4480, it too passed on a bipartisan basis in June. So Republicans have repeatedly said that we are

in favor of an all-of-the-above energy plan, and this, of course, confirms that belief.

Now, I want to make an observation to part of the debate here that we are giving away something. I'm trying to think of an analogy on how to describe that, and the best I can come up with is if one has an asset, the Federal Government has an asset of having control over the Outer Continental Shelf, and somebody wants to use that asset where there may be some opportunity to grow the economy or create jobs, or what have you, that seems to me to be a positive step rather than a giveaway.

In fact, I think about the private landowners in North Dakota or maybe the State of North Dakota, because the same people, Big Oil, that are being beat up here on the floor here in debate went to North Dakota. They talked to the State and they talked to the private landowners. They said, You may have some assets that we would like to see if maybe there is some energy development available, very similar to what's available on the Outer Continental Shelf. So they made an agreement, I'll pay you, the landowner, some money if you let me look. And if there is something there, I'll pay you with what comes out of the ground.

Now, this is exactly the same process we're going through here, except we're dealing with the Outer Continental Shelf. Now, who is the beneficiary of that? Well, the beneficiary, in part, obviously, is the Federal Government because they get money for the leases and they'll get royalty payments. And I might point out, by the way, Mr. Chairman, the second largest source of income to the Federal Government after the income tax comes from leases and royalties. So there clearly is a benefit to the American people in that regard.

So when this is characterized as a giveaway when supposedly what is being given away is paid for, it does not, in my mind, pass the straight-face test.

Lastly, we hear the arguments, specifically from my good friend from Virginia (Mr. MORAN) saying this bill is going nowhere in the other body. Well, I would remind my good friend that the two Senators from his home State of Virginia are Democrats, and they are in support of drilling off the coast of Virginia, which, of course, this bill embodies. So if maybe they could whisper into the majority leader's ear and get some action on it, then this bill, indeed, could move through the Senate, as I suspect it will move through the House, on a bipartisan basis in the same light.

So with that, Mr. Chairman, I think this bill is a very good bill. I urge its adoption, and I yield back the balance of my time.

The Acting CHAIR. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

In lieu of the amendment in the nature of a substitute recommended by the Committee on Natural Resources, printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the 5-minute rule an amendment in the nature of a substitute consisting of the text of Rules Committee Print 112–29. That amendment in the nature of a substitute shall be considered as read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 6082

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 “Congressional Replacement of President Obama’s Energy-Restricting and Job-Limiting Offshore Drilling Plan”.

**SEC. 2. DEFINITIONS.**

In this Act:

(1) OCS PLANNING AREA.—Any reference to an “OCS Planning Area” means such Outer Continental Shelf Planning Area as specified by the Department of the Interior as of January 1, 2012.

(2) PROPOSED OIL AND GAS LEASING PROGRAM (2012–2017).—The term “Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012–2017)” means such plan as transmitted to the Speaker of the House and President of the Senate on June 28, 2012.

**SEC. 3. REQUIREMENT TO IMPLEMENT PROPOSED OIL AND GAS LEASING PROGRAM (2012–2017).**

(a) IN GENERAL.—Except as otherwise provided in this Act, the Secretary of the Interior shall implement the Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012–2017) in accordance with the schedule for conducting oil and gas lease sales set forth in such proposed program, the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), and otherwise applicable law.

(b) MODIFIED AND ADDITIONAL LEASE SALES.—Notwithstanding the schedule of lease sales in the Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012–2017), the Secretary shall conduct under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) oil and gas lease sales in OCS Planning Areas as specified in the following table, in the year specified in the table for each lease sale:

Lease Sale No.	OCS Planning Area	Year
229	Western Gulf of Mexico	2012
230	Mid-Atlantic	2013
225	Eastern Gulf of Mexico	2013
227	Central Gulf of Mexico	2013
249	Southern California (existing infrastructure sale)	2013
233	Western Gulf of Mexico	2013
244	Cook Inlet	2013
212	Chukchi Sea	2013
228	Southern California	2014
230	Mid-Atlantic	2014
231	Central Gulf of Mexico	2014
238	Western Gulf of Mexico	2014
242	Beaufort Sea	2014
221	Chukchi Sea	2014
245	Mid-Atlantic	2015
232	North Atlantic	2015
234	Eastern Gulf of Mexico	2015
235	Central Gulf of Mexico	2015
246	Western Gulf of Mexico	2015
237	Chukchi Sea	2016
239	North Aleutian Basin	2016
248	Western Gulf of Mexico	2016
241	Central Gulf of Mexico	2016
226	Eastern Gulf of Mexico	2016
217	Beaufort Sea	2016
243	Southern California	2017
250	Mid-Atlantic	2017
247	Central Gulf of Mexico	2017
255	South Atlantic-South Carolina	2015

(c) LEASE SALES DESCRIBED.—For purposes of subsection (b)—

(1) lease sale numbers 229, 227, 233, 244, 225, 231, 238, 235, 242, 246, 226, 241, 237, 248, and 247 are such sales proposed in, and shall be conducted in accordance with, the Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012–2017), except each such lease sale shall be conducted in the year specified for such sale in the table in subsection (b);

(2) lease sale numbers 220, 212, 228, 230, 221, 245, 232, 234, 239, 217, and 243 are such sales proposed in, and shall be conducted in accordance with, the Draft Proposed Outer Continental Shelf (OCS) Oil and Gas Leasing Program for 2010–2015 as published in Federal Register on January 21, 2009 (74 Fed. Reg. 12), except each such lease sale shall be conducted in the year specified for such sale in the table in subsection (b); and

(3) lease sale numbers 249 and 250 shall be conducted—

(A) for lease tracts in the Southern California OCS Planning Area and Mid-Atlantic OCS Planning Area, respectively, as determined by and at the discretion of the Secretary, subject to subparagraph (C);

(B) in the year specified for each such lease sale in the table in subsection (b); and

(C) in accordance with the other provisions of this Act.

**SEC. 4. SOUTHERN CALIFORNIA EXISTING INFRASTRUCTURE LEASE SALE.**

(a) IN GENERAL.—In lease sale 249 under section 3, the Secretary shall offer for sale leases of tracts in the Santa Maria and Santa Barbara/Ventura Basins of the Southern California OCS Planning Area as soon as practicable, but not later than December 31, 2013.

(b) USE OF EXISTING STRUCTURES OR ONSHORE-BASED DRILLING.—The Secretary of the Interior shall include in leases offered for sale under lease sale 249 such terms and conditions as are necessary to require that development and production may occur only from offshore infrastructure in existence on the date of the enactment of this Act or from onshore-based drilling.

**SEC. 5. NATIONAL DEFENSE.**

(a) NATIONAL DEFENSE AREAS.—This Act shall in no way affect the existing authority of the Secretary of Defense, with the approval of the President, to designate national defense areas on the outer Continental Shelf pursuant to section 12(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(d)).

(b) PROHIBITION ON CONFLICTS WITH MILITARY OPERATIONS.—No person may engage in any exploration, development, or production of oil or natural gas on the Outer Continental Shelf under a lease issued under this Act that would conflict with any military operation, as determined in accordance with the Memorandum of Agreement between the Department of Defense and the Department of the Interior on Mutual Concerns on the Outer Continental Shelf signed July 20, 1983, and any revision or replacement for that agreement that is agreed to by the Secretary of Defense and the Secretary of the Interior after that date but before the date of issuance of the lease under which such exploration, development, or production is conducted.

**SEC. 6. ENVIRONMENTAL IMPACT STATEMENT REQUIREMENT.**

(a) IN GENERAL.—For the purposes of this Act and in order to conduct lease sales in accordance with the lease sale schedule established by this Act, the Secretary of the Interior shall prepare a multisale environmental impact statement under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) for all lease sales required under this Act that are not included in the Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012–2017).

(b) ACTIONS TO BE CONSIDERED.—Notwithstanding section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332), in such statement—

(1) the Secretary is not required to identify nonleasing alternative courses of action or to analyze the environmental effects of such alternative courses of action; and

(2) the Secretary shall only—

(A) identify a preferred action for leasing and not more than one alternative leasing proposal; and

(B) analyze the environmental effects and potential mitigation measures for such preferred action and such alternative leasing proposal.

**SEC. 7. EASTERN GULF OF MEXICO NOT INCLUDED.**

Nothing in this Act affects restrictions on oil and gas leasing under the Gulf of Mexico Energy Security Act of 2006 (title I of division C of Public Law 109–432; 43 U.S.C. 1331 note).

**SEC. 8. LEASE SALE OFF THE COAST OF SOUTH CAROLINA.**

In determining the areas off the coast of South Carolina to be made available for leasing under this Act, the Secretary of the Interior shall—

(1) consult with the Governor and legislature of the State of South Carolina; and

(2) focus on areas considered to have the most geologically promising energy resources.

The Acting CHAIR. No amendment to that amendment in the nature of a substitute shall be in order except those printed in part C of House Report 112–616. Each such amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. HASTINGS OF WASHINGTON

The Acting CHAIR. It is now in order to consider amendment No. 1 printed in part C of House Report 112–616.

Mr. HASTINGS of Washington. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 1, beginning at line 11, strike “PROPOSED OIL AND GAS LEASING PROGRAM (2012–2017)” and insert “PROPOSED FINAL OUTER CONTINENTAL SHELF OIL & GAS LEASING PROGRAM (2012–2017)”.

Page 1, line 14, strike “plan” and insert “program”.

The Acting CHAIR. Pursuant to House Resolution 738, the gentleman from Washington (Mr. HASTINGS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Washington.

Mr. HASTINGS of Washington. Mr. Chairman, I yield myself such time as I may consume, and I will just take a few seconds here.

This amendment is very simple. It makes two small technical corrections to the way the plan is referred to in the bill, and I urge my colleagues to support this amendment.

I yield to the gentleman from Massachusetts.

Mr. MARKEY. I thank the gentleman.

The minority has no objection to the amendment by the gentleman, and we urge support of it.

Mr. HASTINGS of Washington. Mr. Chairman, I urge adoption of the amendment, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Washington (Mr. HASTINGS).

The amendment was agreed to.

□ 1750

AMENDMENT NO. 2 OFFERED BY MR. HOLT

The Acting CHAIR. It is now in order to consider amendment No. 2 printed in part C of House Report 112-616.

Mr. HOLT. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Beginning at page 5, line 22, strike section 6.

The Acting CHAIR. Pursuant to House Resolution 738, the gentleman from New Jersey (Mr. HOLT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. HOLT. Mr. Chairman, the amendment is simple:

“On page 5, line 22, strike section 6.”

This amendment strikes language from the bill that requires the Interior Department to conduct a single multisale environmental impact statement for all of the new areas that would be opened under this bill.

Now, it's not going to happen. We are not going to see this into law. I'm sure this bill is not going anywhere. But if it were, it would be an environmental disaster.

The notion that one environmental analysis would be sufficient for lease sales in the Atlantic, in the Pacific, and Bristol Bay in Alaska is simply absurd. These are very different environments. The steps that would be taken to prepare for drilling would be different in each one. The steps that would be taken during drilling would be different in each one. The steps that would be taken to prepare against an accident would be different in each one, and the steps for a cleanup would be different in each one. In fact, it would be hard to imagine three environments that could be more different. Even along the Atlantic coast from South Carolina to Massachusetts there are differences.

Congress has a responsibility to the American people to ensure that offshore drilling for gas and oil is occurring in a safe and environmentally responsible manner. It's been over 2 years since the worst environmental oil disaster in American history, the BP oil spill, and Congress has yet to enact a single legislative reform.

This committee, instead of doing a bill that—seems to be motivated to try to embarrass the President, I guess, based on a false premise that the President is interfering with the oil industry. They should actually be trying to put in place corrections that have been pointed out that are needed following the knowledge we've learned from the BP oil spill. The independent BP Spill Commission gave Congress a grade of “D” for a legislative response.

Now, the Republican majority has said they wanted to wait until all the facts were in before taking action to respond to the gulf spill. Well, the time has come. We've heard from the independent BP Spill Commission, Mr. Chairman; we've heard from the government's joint investigative team, Mr. Chairman; and those reports reached similar conclusions: The BP disaster was preventable, not inevitable. Those reports concluded that corners were cut, bad decisions were made, and stronger safety standards could have helped, in fact, could have prevented the disaster.

In fact, just today, the United States Chemical Safety Board issued its first report on the BP oil spill disaster and found that, when BP looked at offshore operations, it “focused on financial risks, not process safety risks.”

So that's what we should be doing here today. We should be strengthening the safety, the public health, and the environmental protections instead of saying we're going to drill everywhere and water down the environmental protections.

Here we are considering the 11th drilling bill over the last 18 months. The Republican majority is, once again, seeking to open up vast, vast swaths of America's coastlines to drilling without proper environmental review.

Mandating a single environmental impact analysis for the variety of lease sales included under this legislation is simply insufficient. Truncating environmental review will make drilling less safe, not more safe.

Let me be clear: The authors of H.R. 6082 apparently believe that the Atlantic, the Pacific, and Bristol Bay are similar enough to warrant a single environmental assessment.

An oil spill off the east coast would endanger 200,000 jobs and \$12 billion associated with just New Jersey's fishing and tourism industries—and that's not counting the indirect effects as this money flows through our local economies.

Bristol Bay and the North Aleutian Basin form the heart of one of the most productive salmon fisheries on the planet, contributing more than \$5 billion every year to our economy, yet the underlying bill opens up these areas to drilling under a truncated environmental review.

My amendment simply strikes the language from the bill that requires a single multisale environmental impact statement and would go a long way toward protecting the environment.

I urge adoption of the amendment.

I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Chairman, I rise to claim time in opposition.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. HASTINGS of Washington. Mr. Chairman, I yield myself as much time as I may consume.

The amendment prioritizes bureaucracy over responsibly increasing energy production and job creation. This amendment would strike the section of the bill requiring that an environmental impact statement be conducted prior to any leasing in lease sale areas.

The gentleman takes issue with the manner in which the environmental impact statement is required to be conducted. However, what he fails to mention is that the administration is required to do yet another environmental review prior to each lease sale and additional reviews on each lease block as a part of the leasing process, and then each exploration plan has additional environmental work. So, in effect, all of the areas in the underlying bill will be studied and then restudied for the effect that any activity will have on the environment.

Not only that, Mr. Chairman, but all of these lease sales will still be subject to the many different laws that still impact the offshore leasing process, such as the Coastal Zone Management Act, the Marine Mammal Protection Act, the Endangered Species Act, and the National Fishing Enhancement Act, to name a few.

The truth of the matter is that this bill doesn't harm the environment. It goes an extra mile in requiring a multiple-sale EIS on all of the lease areas, while also ensuring that leasing does occur, although that leasing is still subject to all the environmental protection laws that are on the books.

Support for offshore energy development does not mean that you cannot also respect the range of different environmental needs based on lease area.

Mr. Chairman, I don't think anybody in the country does not want to drill safely and responsibly. I know I certainly don't, and I know Members on my side of the aisle don't. So I encourage my colleagues to oppose this amendment.

Mr. Chairman, I understand the gentleman has yielded back his time. I will yield back my time and urge a “no” vote.

The Acting CHAIR. The question is on the amendment offered by the gentleman from New Jersey (Mr. HOLT).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. HASTINGS of Washington. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New Jersey will be postponed.

AMENDMENT NO. 3 OFFERED BY MS. RICHARDSON

The Acting CHAIR. It is now in order to consider amendment No. 3 printed in part C of House Report 112-616.

Ms. RICHARDSON. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Page 7, strike line 3 and insert the following:

**SEC. 8. LEASE SALES OFF THE COASTS OF SOUTH CAROLINA AND CALIFORNIA.**

Page 7, line 5, after "lina" insert "and the coast of California".

Page 7, line 8, strike "the State of South Carolina" and insert "each such State".

The Acting CHAIR. Pursuant to House Resolution 738, the gentlewoman from California (Ms. RICHARDSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. RICHARDSON. Mr. Chairman, my staff and I have had the opportunity earlier today to discuss this amendment with Chairman HASTINGS, Ranking Member MARKEY and their staffs, so I'll be brief.

□ 1800

The Richardson amendment improves the bill by amending section 8 to explicitly require the Secretary of the Interior to consult the California Governor and the State legislature before leasing any areas off the coast of California. My amendment codifies in the bill existing law, practice, and custom.

In short, the Richardson amendment extends to California the same consideration that the bill's drafters afforded the State of South Carolina. The State of California has within its borders more than two-thirds of the Nation's Pacific coastline, a far greater percentage than South Carolina has with respect to the Atlantic coastline.

California's coastline is an international treasure, and our State's residents should have input on drilling off our shores. Offshore drilling along the California coastline should thoroughly consider impacts to tourism, fisheries, coastal recreation, and of course the economy and its benefits. That is why it's reasonable and necessary that the people of California, through their chief elected officials, be consulted by the Secretary of the Interior on the subject of offshore drilling off the California coast.

Mr. Chairman, I'd like to acknowledge the leadership and expertise and willingness of Chairman HASTINGS and Ranking Member MARKEY for working with me on the Richardson amendment, and I urge my colleagues to support the amendment.

Mr. HASTINGS of Washington. Will the gentlelady yield?

Ms. RICHARDSON. I yield to the gentleman.

Mr. HASTINGS of Washington. I thank the gentlelady for yielding. And I want to congratulate her on her

amendment because I think this is a responsible approach that we are trying to take.

One of the reasons why California is so important, I think as the gentlelady knows, is that there are geologists that say that there are over 1.5 million potential barrels of oil off the shore. That should be important to Californians because not too long ago you were producing 50 percent of your oil production, now it's down to 38 percent. What we say, obviously, in this legislation is that it should be done from platforms on land.

So I thank the gentlelady for her amendment. I think it's a responsible approach, and I think it adds to this legislation. And I urge my colleagues to support the amendment.

Ms. RICHARDSON. Mr. Chairman, again, I just want to conclude with saying that I both acknowledge and appreciate the leadership by both Chairman HASTINGS and Ranking Member MARKEY; look forward to working with them on this and many other issues; and I'm grateful for their willingness to consider the rightfulness of this amendment.

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

The Acting CHAIR. The question is on the amendment offered by the gentlewoman from California (Ms. RICHARDSON).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. MARKEY

The Acting CHAIR. It is now in order to consider amendment No. 4 printed in part C of House Report 112-616.

Mr. MARKEY. Mr. Chairman, I have an amendment made in order under the rule.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end the following:

**SEC. \_\_\_\_ . REQUIREMENT TO OFFER GAS FOR SALE ONLY IN THE UNITED STATES.**

The Secretary of the Interior shall require that all gas produced under a lease issued under this Act shall be offered for sale only in the United States.

The Acting CHAIR. Pursuant to House Resolution 738, the gentleman from Massachusetts (Mr. MARKEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is very, very simple. It ensures that the natural gas produced under the leases issued under this legislation is sold in America. We're talking about the public lands of the United States, the taxpayer-owned lands of the United States. These are the American people's lands off of Massachusetts, off of New York, off of New Jersey, off of California that are being leased under this bill. The very least we should be able to tell the American people is that they are actually going to see a benefit

from any oil or gas produced from these lands.

We should be able to tell Americans that we are keeping the natural gas produced on their public lands here in America to keep prices low for Americans here in the United States, and we're going to find ways of putting that natural gas into trucks, into buses, into cars so that we can stop importing oil from dangerous parts of the world.

We should be able to tell Americans that we're keeping the natural gas here so that we can create more American jobs in manufacturing plastics, fertilizer, chemicals, and steel; and that we tell those countries in the Middle East we don't need your oil any more than we need your sand because we have natural gas here in America. That's all that my amendment would do, send a strong signal to the OPEC nations.

Current law does not allow for the exportation of our crude oil, and it shouldn't allow for the exportation of our natural gas either. My amendment would ensure that no waivers can be granted, no permits can be issued to export natural gas produced from the public land of the United States to other countries when we're still importing oil from OPEC. How much sense does that make that we find natural gas and start to sell it to other countries, even as OPEC continues to tip us upside down and shake money out of our pockets at the pump?

So I'm going to reserve the balance of my time at this point and continue my argument in a few minutes.

Mr. HASTINGS of Washington. Mr. Chairman, I rise to claim time in opposition to the amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. HASTINGS of Washington. I yield myself such time as I may consume.

Mr. Chairman, I'm very happy to see that the gentleman understands that America needs oil and natural gas. That was a very good statement on his part. We would prefer to see more domestic production of this necessary commodity rather than importing it from foreign countries. I think we're making progress in that regard, Mr. Chairman.

The good news is this is already law, what the gentleman is trying to address. Title 43, chapter 29, section 1534 of the U.S. Code specifically prevents the export of both oil or gas produced from the Outer Continental Shelf unless the President finds that it is, one, in the national interest; two, will not increase our reliance on natural gas; and, three, that it is in accordance with the Export Administration Act, which puts further regulations on exports.

Now, the House has said repeatedly that increased energy production on Federal lands is in the national interest. So I suppose the gentleman could say there is some wiggle room there.

But, nevertheless, this amendment had failed in committee last week, it has failed on the House floor on many occasions because of this protection that's already in law. So I urge my colleagues to reject this amendment, and I reserve the balance of my time.

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

The Department of Energy right now has applications from 15 companies to export 28 percent of our current natural gas consumption in the United States.

Let me be very clear: exporting our natural gas will increase American energy prices. No economist or energy analyst disagrees. Why would we find natural gas here and then start selling it around the world? It would increase the price here. In fact, exporting far less than what is currently being proposed could send domestic natural gas prices skyrocketing by 54 percent.

Let me just let everyone out there know right now, we are the Saudi Arabia of natural gas. We are, right now, the lowest natural gas price in the world. In the United States, it's only \$2.40, \$2.50 in Mcf. In Japan, in Korea, in China, it's seven times higher. In Europe, it's four times higher. So if you're a manufacturer, if you're a company thinking about moving your trucking or your bus fleet to natural gas as opposed to oil and you're in these other countries, it's difficult for you to do it.

It's time for the United States to figure out how to do this. We have this incredible bonanza. Now they're proposing to drill off the coastline of Massachusetts, off New York, off southern California to find more natural gas. And what are they saying? Let's export it. Well, you're going to export the cheapest natural gas in the world.

Do you know what T. Boone Pickens says about this? "If we do it, if we export natural gas, we're truly going to go down as America's dumbest generation. It's bad public policy to export natural gas."

□ 1810

This is T. Boone Pickens. This is ED MARKEY. This is a coalition that spans the entire spectrum of political thought, but we do agree on this one thing. Why would we take our most precious natural resource and sell it to other countries, when it gives us a massive competitive advantage?

So I'm going to reserve the balance of my time to conclude debate, but this is a nonsensical policy.

Mr. HASTINGS of Washington. Mr. Chairman, I have no more requests for time, and I understand I have the right to close, so I will reserve my time.

Mr. MARKEY. How much time is remaining on either side, Mr. Chairman?

The Acting CHAIR. The gentleman has 15 seconds.

Mr. MARKEY. Fifteen seconds.

We drill for natural gas off of our beaches, our pristine beaches and we find it, we take the risk, those States

take their risk, that natural gas should stay here in America. ExxonMobil shouldn't be able to pack it up and sell it to China, sell it to South America. That natural gas should stay here in America if it's found off of our beaches. That's what the Markey amendment calls for.

I yield back the balance of my time.

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

Mr. Chairman, I just want to say that this law has been on the books since 1940. Now, in 1940, there was a whole lot of unrest in the world just prior to the Second World War, and in the wisdom, apparently, of the Congress of that time, they said that energy production from the Outer Continental Shelf, which I might add, was probably not as robust as it is today, there are only certain conditions that you would export what comes off. And as I listed those things before, I think they're important.

That law was a good law then. It's a good law now. This amendment adds absolutely nothing to that whatsoever.

So, Mr. Chairman, I would urge my colleagues to vote "no" on this amendment.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Massachusetts (Mr. MARKEY).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. MARKEY. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Massachusetts will be postponed.

AMENDMENT NO. 5 OFFERED BY MR. MARKEY

The Acting CHAIR. It is now in order to consider amendment No. 5 printed in part C of House Report 112-616.

Mr. MARKEY. Mr. Chairman, I have an amendment made in order under the rule.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end the following:

**SEC. . SAFETY REQUIREMENTS.**

The Secretary of the Interior shall require that drilling operations conducted under each lease issued under this Act meet requirements for—

(1) third-party certification of safety systems related to well control, such as blowout preventers;

(2) performance of blowout preventers, including quantitative risk assessment standards, subsea testing, and secondary activation methods;

(3) independent third-party certification of well casing and cementing programs and procedures;

(4) mandatory safety and environmental management systems by operators on the outer Continental Shelf (as that term is used in the Outer Continental Shelf Lands Act); and

(5) procedures and technologies to be used during drilling operations to minimize the

risk of ignition and explosion of hydrocarbons.

The Acting CHAIR. Pursuant to House Resolution 738, the gentleman from Massachusetts (Mr. MARKEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, the independent blue ribbon BP Spill Commission—and this is their comprehensive compendium of what went wrong and what needs to be done in order to correct what went wrong in the Gulf of Mexico, the worst environmental disaster in the history of our country—concluded that there were systemic problems that occurred in the entire industry.

The Commission recommended sweeping reforms to improve the safety of offshore drilling. Yet, this Congress has still not enacted a single legislative reform and, as a result, the BP Spill Commission recently gave Congress a D, this Republican Congress, on its legislative response, and only refrained from handing out an F because it said it didn't want to insult the institution.

My amendment would simply ensure that we put into the statute specific minimal safety requirements for blow-out preventers, cementing, and the casing of offshore wells. My amendment would ensure that if we are going to expand drilling off of States like Massachusetts and New York and New Jersey and Maryland and California, that we put additional safety requirements on the books to ensure that a Romney administration or any other future administration cannot simply roll back the Interior Department reforms.

We don't want a Louisiana mess off of the coast of Massachusetts, off of the coast of southern California. We want the safety reforms that the BP Spill Commission recommended be put in place so there is no recurrence.

The Republicans are saying they want to drill off of the coast of these States that don't want the drilling. The least that they should do is build in the safety reforms.

And just today, the Chemical Safety Board released its report on the disaster. The Chemical Safety Board reached many of the same conclusions as the BP Spill Commission. The government's joint investigative team and the National Academy of Engineering said that this disaster was not inevitable, that it was preventable.

This majority has said they wanted to wait until all the facts were in before taking action on safety legislation. Well, the time has now come. We now have two blue ribbon reports, each reaching the same conclusions. It is long past time for the Congress to take the lessons of the BP spill and turn them into laws, so that we never have a disaster like this again.

I'm afraid of what the majority is contemplating here, which is authorizing the drilling off the coasts of the

East and the West in our country without building in the safety reforms. If ever there is a recipe for disaster, ruining the fishing, ruining the tourism business for these States that don't want the drilling in the first place because their economies are not based upon the same premise as the Louisiana and Texas economy, then this is that recipe. This is what we're voting on here today.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Chairman, I rise to claim time in opposition to the amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. HASTINGS of Washington. I yield myself as much time as I may consume.

Mr. Chairman, let's be very frank about this. This amendment won't increase safety, but it will add red tape to the leasing process and open new avenues for lawsuits to interfere with the process of creating American energy and creating American jobs.

The types of safety measures identified in the amendment are already in place, and they are already enforceable. On multiple occasions, the Obama administration has testified that offshore drilling operations are being conducted safely.

With this amendment, the minority continues to try to divert attention away from the real issue of increasing energy production, American energy production, creating jobs, American jobs, lowering energy costs, and improving our national security, all doing that because, potentially, we lessen our dependence on foreign oil.

So it seems that my friends on the other side of the aisle simply do not want to face the fact that this bill says we can move forward with a robust and responsible program of oil and gas development, while, at the same time, ensuring that increased safety measures are undertaken. These are not, nor should they be mutually exclusive goals.

Right now, we have two choices before us. Tomorrow, when we vote on this, and the suspension that will be before us, we can choose to endorse the President's energy plan to hold 15 sales in five areas in the OCS, or we can support this bill before us, which will have nearly double, 29 sales, in over double the areas, 11 areas.

Both options will ensure that the drilling is done safely. Both options will ensure that our environment is protected. But only one option follows through on the promise made to the American people when the moratoria was lifted.

The American people clearly want our Nation to harness our energy resources. But the President's energy plan takes 85 percent of the Outer Continental Shelf and makes it off-limits.

This amendment, I should add, has failed when it was offered on this floor last February, and it also failed when it was offered in committee last week.

So I urge my colleagues to vote "no" on the amendment.

I reserve the balance of my time.

□ 1820

Mr. MARKEY. May I ask the Chair to recapitulate the exact time that the majority and minority still have remaining for this debate?

The Acting CHAIR. There are 1½ minutes for the gentleman from Massachusetts, and there are 2½ minutes for the gentleman from Washington.

Mr. MARKEY. Does the gentleman have any other speakers?

Mr. HASTINGS of Washington. If the gentleman is prepared to yield back, I will do the same.

Mr. MARKEY. I am prepared to give my convincing concluding presentation to the House floor.

Mr. HASTINGS of Washington. I am the last speaker on my side, so you do what you have to do, and I will respond accordingly.

Mr. MARKEY. I thank the gentleman very much.

I yield myself my remaining time.

Again, just for the record, Republicans can say this as much as they want, but I have to repeat:

(1) When President Obama was sworn in, 57 percent of our oil was imported. Today, only 45 percent of our oil is imported—congratulations, President Obama—no matter how many times the Republicans want to cover that over.

(2) Seventy-five percent of all of the oil and gas reserves offshore have been made available by the Obama administration for drilling.

(3) We in the United States are at an 18-year high in drilling.

Now, the Republicans have a problem with this because the 18-year high in drilling, the reduction from 57 percent of imports down to 45 percent of imports and the fact that 75 percent of all areas off the shores of our country are open for drilling run totally contrary to everything that they believe—to everything that they want America to believe, it is better to be said—because if the American people actually believed the truth, which is that Obama has reduced our imported oil from 57 percent down to 45 percent, reduced our dependence upon imported oil and increased our drilling to the highest point in 18 years, then their whole narrative just goes right down the drain. They have to keep getting up as though Bush were the right guy, but he did nothing.

All we're saying is, if you are so desperate to actually license all of this new drilling off of the beaches of our States, at least build in the safety precautions, which is what the Markey amendment calls for, which will prevent another mess like the BP Horizon catastrophe in the Gulf of Mexico.

I yield back the balance of my time.

Mr. HASTINGS of Washington. I yield myself the balance of the time.

Okay. Let's say it again: The gentleman's remarks would imply that, be-

cause there is increased oil production in this country, it's due to the actions of this administration.

Nothing, Mr. Chairman, could be further from the truth, because it takes a while to go through the process of leasing and developing potential resources before you drill, and even then you don't know until you drill.

All of that process started prior to this administration's taking office. It happened in the Bush administration, and as a matter of fact, it happened in the Clinton administration. That's where the increased production, in large part, came from. Even that isn't entirely true, because the increased production of American oil is really coming from State and private lands, not from Federal lands. In fact, over the last 2 years, Federal lands production has been down under this administration. It is principally because of North Dakota and West Texas that we are finding more production of American energy.

By the way, Mr. Chairman, I think that's good—but why should we ignore the potential resources that we have on Federal lands and not allow that to produce our American energy?

This amendment really does not help that process. All it does is add red tape to the process, so I urge a "no" vote on the amendment.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Massachusetts (Mr. MARKEY).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. MARKEY. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Massachusetts will be postponed.

AMENDMENT NO. 6 OFFERED BY MR. HOLT

The Acting CHAIR. It is now in order to consider amendment No. 6 printed in part C of House Report 112-616.

Mr. HOLT. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end the following:

**SEC. \_\_\_\_ . ELIGIBILITY FOR LEASES.**

(a) LIMITATION ON ELIGIBILITY.—

(1) IN GENERAL.—Beginning 1 year after the date of enactment of this Act, the Secretary of the Interior shall not offer any lease pursuant to this Act to a person described in paragraph (2) unless the person has renegotiated each covered lease with respect to which the person is a lessee, to modify the payment responsibilities of the person to require the payment of royalties if the price of oil and natural gas is greater than or equal to the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

(2) PERSONS DESCRIBED.—A person referred to in paragraph (1) is a person that—

(A) is a lessee that—

(i) holds a covered lease on the date on which the Secretary considers the issuance of the lease under this Act; or

(ii) was issued a covered lease before the date of enactment of this Act, but transferred the covered lease to another person or entity (including a subsidiary or affiliate of the lessee) after the date of enactment of this Act; or

(B) any other person that has any direct or indirect interest in, or that derives any benefit from, a covered lease.

(b) DEFINITIONS.—In this section:

(1) COVERED LEASE.—The term “covered lease” means a lease for oil or gas production in the Gulf of Mexico that is—

(A) in existence on the date of enactment of this Act;

(B) issued by the Department of the Interior under section 304 of the Outer Continental Shelf Deep Water Royalty Relief Act (43 U.S.C. 1337 note; Public Law 104-58); and

(C) not subject to limitations on royalty relief based on market price that are equal to or less than the price thresholds described in clauses (v) through (vii) of section 8(a)(3)(C) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

(2) LESSEE.—The term “lessee” includes any person or other entity that controls, is controlled by, or is in or under common control with, a lessee.

The Acting CHAIR. Pursuant to House Resolution 738, the gentleman from New Jersey (Mr. HOLT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. HOLT. If the majority Republicans continue to push their “oil above all” agenda, then we House Democrats will persist in our attempts to make offshore drilling safe—safe for the workers and safe for the environment—and to make sure that the American taxpayers are getting their fair share of return on the use of their natural resources.

The Big Five oil companies made a record profit of \$137 billion last year. In the first quarter of this year, they continued to capitalize on the pain that Americans feel at the pump, raking in \$368 million in profits per day. But did the Americans see increased profits from selling their oil as it was pumped from public lands offshore? No. As a result of a legal quirk in the 1995 law, oil companies are not paying any royalties to the American people on leases issued between 1996 and 2000—none, zero.

In recent years, the amount of free oil these companies have been pumping has gone through the roof as more of these faulty leases have gone into production. In fact, right now, more than 25 percent of all oil produced offshore on Federal lands is produced royalty-free, and these oil companies are getting a complete windfall on 25 percent of all the oil produced offshore in the United States. They don't pay the American people one penny for their drilling regardless of their huge profits. It's just unjust.

According to the Interior Department, American taxpayers stand to lose about \$9.5 billion over the next 10 years from this big giveaway to oil

companies. Yes, it's a giveaway. The Government Accountability Office projects that all this free drilling will cost us as much as \$53 billion over the life of the leases. My amendment would recover these revenues that rightly belong to the American people.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Chairman, I rise to claim time in opposition to this amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. HASTINGS of Washington. I yield myself such time as I may consume.

Mr. Chairman, this is yet another attempt to legislate a decision that was made during the Clinton administration. The constant attempt to renegotiate contracts that were signed, sealed, and delivered under the Clinton administration is in violation of contract law. That should be very, very basic, it would seem to me, if, indeed, we are a Nation of laws.

The U.S. Supreme Court found that the Interior Department did not have the authority to go back and insert price thresholds on these leases. The Department lost this issue in district court, in the appellate court, and they lost it in the Supreme Court. If this amendment were to pass, the issue would most certainly be challenged in court where, undoubtedly, the Department would again lose after having spent taxpayer dollars to defend the indefensible.

Ultimately, this amendment seeks to force U.S. companies to break a contract negotiated under government law. Now, some would say it's a bad contract. Maybe it was. I'm not going to second-guess what the Clinton administration did—but, in fact, they signed that contract law. This amendment has repeatedly failed on the House floor, and I hope it fails again. I urge its opposition.

I reserve the balance of my time.

Mr. HOLT. My amendment would offer oil companies a choice. They could choose either to continue to produce royalty-free oil in the gulf and not get new leases or they could pay their fair share and proceed with this willy-nilly drilling that would be allowed under this law, under this legislation. My amendment does not break contracts. It simply would not force companies to give up their leases. It would impose a condition on future leases. As the Congressional Research Service has stated:

As a general matter, the United States has broad discretion in setting the qualifications of those with whom it contracts.

These oil companies are the most profitable companies in the history of the world, yet they receive more than \$4 billion a year in taxpayer subsidies. On top of that, they get to drill for free on all of these public lands. Because of a quirk in the 1995 law, which came about because that Republican Congress was not eager to make oil compa-

nies pay, we shouldn't continue to give them a free ride.

If my colleagues on the other side are serious about paying down the deficit and realistically financing necessary investments in this Nation, then there is no excuse for not supporting this amendment to recover about \$1 billion a year—actually, somewhat more than that probably—that is rightfully owed to the American people.

□ 1830

It's time to end this taxpayer rip-off once and for all.

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

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

If the intent of this amendment, as the gentleman says, is just to say that companies aren't forced to, but could renegotiate their contracts, I would say they could do that right now. Anybody that enters into a contract is free—if both parties want to—to renegotiate a contract. Nothing prevents them from doing so. But to have the heavy hand of government say in the future that “if you don't do this,” I think that is really the wrong way to go. That's the last thing that we need, is saying a condition of leasing or doing business with the government is that you have to retroactively go back and change a contract. That would have a chilling effect, Mr. Chairman.

Again, I don't know why the Clinton administration signed these contracts. Who knows? But to add this, where do you stop then? Where do you stop with all of the Federal contracts that could be not only in energy production, but anything else? This is a very bad amendment. It's a very bad precedent, and I urge my colleagues to reject it.

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

The Acting CHAIR. The question is on the amendment offered by the gentleman from New Jersey (Mr. HOLT).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. HOLT. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New Jersey will be postponed.

AMENDMENT NO. 7 OFFERED BY MR. HASTINGS OF FLORIDA

The Acting CHAIR. It is now in order to consider amendment No. 7 printed in part C of House Report 112-616.

Mr. HASTINGS of Florida. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end the following:

**SEC. \_\_\_\_ LEASES MUST REQUIRE ESTIMATIONS OF PRODUCTION AND EFFECT ON PRICES.**

The Secretary of the Interior shall require under each lease issued under this Act that

each application for a permit to drill a well includes detailed estimations of—

(1) the amount of oil and gas that is expected—

(A) to be found in the area where the well is drilled, in the case of an exploration well; or

(B) to be produced by the well, in the case of a production well; and

(2) the amount by which crude oil prices and consumer prices would be reduced as a result of oil and gas found or produced by the well, and by when the reductions would occur.

The Acting CHAIR. Pursuant to House Resolution 738, the gentleman from Florida (Mr. HASTINGS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. HASTINGS of Florida. Mr. Chairman, Republicans justify these irresponsible bills by claiming that more drilling will help reduce the cost of gasoline and fuel for the average American. Yet opening up even more of our country's shores to drilling will do little to help Americans at the gas pump. In reality, the United States is already producing more oil per day than it ever has. There are more drilling rigs in the United States than the rest of the world combined.

The drilling plan issued by President Obama that this bill amends already makes three-quarters of our offshore oil and gas resources open to drilling. Yet 70 percent of the offshore areas that are leased are currently not even active. That's 55 million acres under lease not active.

The price of oil and gas is set on a global level, primarily by the Organization of Petroleum Exporting Countries, OPEC. At maximum output, the United States holds only 2 percent of the world's oil reserves, not nearly enough to significantly impact the price per barrel, which is set on a global scale. According to the Energy Information Agency, even tripling our current offshore drilling capabilities by the year 2030 would lower gasoline prices only 5 cents per gallon more than if we continued at our current levels.

Gas prices are set on the world market on the basis of many geopolitical factors. For example, when the world thought Israel might attack Iran in February, gas prices went up 10 percent in 2 months to reach a 9-month high over fear that fuel supply lines would be disrupted. Though production in our country has actually increased every year since 2005, crude oil hit a record \$147 per barrel over the same time period, demonstrating that there is little correlation between drilling levels in the United States and the price of oil.

What drives the price of oil more than any other factor is the large non-stop worldwide demand for oil. The only way we can reduce gasoline prices is to reduce our country's disproportionate demand for fossil fuels by increasing our energy efficiency, improving the fuel mileage of our cars, and developing renewable energy resources.

Federal policies should focus on these kinds of demand-reducing improvements, not on increasing the land available for drilling. I make it very clear over and over again that I'll be the last person standing off the shores of Florida if we continue down the path of wanting to drill in that area.

Mr. Chairman, with all this in mind, my amendment requires applicants for drilling or exploration to explain in detail to what extent and by when any oil is found on the leased property will that decrease the price of oil for the American consumer.

More drilling will put our businesses, as well as our environment and our health, at an increased risk. Since we know that there's no correlation between gas prices and U.S. drilling, this bill is really nothing more than a giveaway, and I know my good friend from Washington will say that it is not. He perceives it as not a giveaway. I do. I think that it's nothing more than a giveaway to the oil and gas companies. My goodness, gracious, have we not given them enough?

With that, I reserve the balance of my time.

#### ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR. The Chair will remind all persons in the gallery that they are here as guests of the House and any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the House rules.

Mr. HASTINGS of Washington. Mr. Chairman, I rise to claim time in opposition to the amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. HASTINGS of Washington. In deference to my good friend from Florida, I really believe that this is a political amendment that would simply require companies seeking to drill offshore to estimate the impact that increased oil and gas production would have on gasoline prices. This bill is about increasing American domestic energy production. It's about reducing our dependence on foreign oil. It's about creating American jobs and creating American energy.

Simply put, requiring producers to estimate the impact that each and every well has on global markets is nothing more than a bureaucratic paperwork nightmare that would be put on those that would want to go and drill offshore and a delaying tactic by those that are opposed to offshore development. I don't think this is a good amendment. As I said in deference to my good friend from Florida, I really believe that this is a political amendment.

With that, I urge rejection of the amendment, and I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Chair, do I have any time remaining?

The Acting CHAIR. The gentleman from Florida has 30 seconds remaining.

Mr. HASTINGS of Florida. Mr. Chair, I am going to use my 30 seconds as I

hope to yield to my good friend from Washington for a question. Perhaps I can get it in.

Do you dispute, Representative HASTINGS, that we now have 55 million acres under lease, 70 percent of it is not being utilized and, in the final analysis, that all of what we wanted to drill, that it would amount to more than 2 percent of the world's output?

Mr. HASTINGS of Washington. Will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Washington.

Mr. HASTINGS of Washington. I thank the gentleman for yielding and say that if you run out of time, I will claim the time.

First, I do not deny that, except the figures that you're using aren't quite accurate; I will say that in the sense that the 2 percent you're talking about is known reserves.

The Acting CHAIR. The time of the gentleman from Florida has expired.

□ 1840

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

The 2 percent figure that you are using is the known reserves. The potential resources that we have are much, much greater than that. And really, when you are looking at potential future energy production in this country, you look at the potential resources, not the known reserves. There's a big, big difference. Two percent is reserve.

So I will acknowledge that while we have 2 percent right now, our potential resources are much, much larger.

And I will yield to the gentleman.

Mr. HASTINGS of Florida. I thank the gentleman. But in the Gulf of Mexico, which holds the largest volume of undiscovered technically recoverable resources, 32 million acres are under lease. However, only approximately 10 million acres have approved exploration or development plans, and only 6.4 million of these acres are in production. Leased areas in the Gulf of Mexico that are not producing or are not subject to pending or approved exploration and development plan are estimated to contain 17.9 billion barrels of UTRR oil and 49.7 trillion cubic feet.

So I will make the argument again to my dear friend that if we're talking about doing everything that you called for—and I know it's most sincerely—if we do that, we are not talking about reducing the price of gas but by a nickel. So show me the plan to get us to energy independence by drilling.

Mr. HASTINGS of Washington. Reclaiming my time, what the gentleman is talking about is lease sales. Somebody has made an investment. They do not know if that area has any oil or natural gas. They don't know. They will go through all the studies. They'll spend millions, and sometimes billions, of dollars finding out if there is something there. Then, if they think there is, they will drill, costing that much more.

Now, I might add, with these lease sales, there is a set time. The Federal

Government gets money from these lease sales. Why would somebody give the money to the Federal Government if they didn't think there was something there? And, by the way, many times these leases come up empty and the company walks away and the only revenue goes to the Federal Government.

But let me speak to one other area of the amendment, because what the gentleman is really saying with this amendment is he is asking somebody that produces a crude product to estimate the price of a finished product. That's like telling an apple grower in my part of the country that, if he or she is to sell apples overseas, what's the price of applesauce going to be down the line? Now, it doesn't make any sense to do that. Now, whether the gentleman purposely did that or not, I don't know. But in any case, I don't believe that the amendment ought to be adopted for other reasons, but certainly for that one.

With that, Mr. Chairman, I urge a "no" vote on the amendment, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Florida (Mr. HASTINGS).

The question was taken; and the Acting Chair announced that the noes appeared to have it.

Mr. HASTINGS of Florida. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Florida will be postponed.

AMENDMENT NO. 8 OFFERED BY MR. HASTINGS  
OF FLORIDA

The Acting CHAIR. It is now in order to consider amendment No. 8 printed in part C of House Report 112-616.

Mr. HASTINGS of Florida. Mr. Chairman, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Add at the end the following:

SEC. \_\_\_\_ . LEASES MUST REQUIRE ESTIMATIONS  
OF PRODUCTION AND RESULTING  
CLIMATE CHANGE.

(a) IN GENERAL.—The Secretary of the Interior shall require under each lease issued under this Act that each application for a permit to drill a well includes detailed estimations of—

(1) the amount of oil and gas that is expected—

(A) to be found in the area where the well is drilled, in the case of an exploration well; or

(B) to be produced by the well, in the case of a production well; and

(2) climate change that will result from consumption of oil and gas found pursuant to the lease.

(b) CLIMATE CHANGE DEFINED.—In this section the term "climate change" means change of climate that is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and that is in addition to natural climate variability observed over comparable time periods.

The Acting CHAIR. Pursuant to House Resolution 738, the gentleman

from Florida (Mr. HASTINGS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Florida.

Mr. HASTINGS of Florida. I yield myself such time as I may consume.

Mr. Chairman, I do want to say, in the last exchange that I had with my good friend, that I deeply appreciate his yielding some of his time to me, and I'm glad that he didn't compare apples to oranges. I thought that's what he was going to do, but he went down the applesauce route.

Mr. Chairman, my Republican colleagues continue, in my opinion, to cling to an antiquated 19th century energy policy while the rest of the world has moved into the 21st century. Just because the majority Members of Congress refuse to acknowledge that human activity contributes to climate change does not make it true. Climate change is not an abstract or difficult scientific principle to grasp. The effects are all around us. Our country is currently experiencing its worst drought since the Dust Bowl in the year of my birth, 1936.

Just last week, sudden violent storms rocked the east coast—they were referred to as microbursts—knocking out power for thousands and killing a number of people. Furthermore, record heat waves are having serious repercussions on crop yields.

We must pursue responsible, sustainable energy policies both for the legacy that we will leave our children and also to make certain the United States is at the forefront of an emerging green economy.

My amendment will not let oil companies shield themselves in ignorance any longer. It requires in each permit application an analysis and estimate of the impact on global climate change of the consumption of the fossil fuels discovered.

While the oil and gas found under each individual lease may not have a huge impact, there is no question that the aggregate fossil fuel consumption contributes to global climate change.

I urge my colleagues to support this amendment in order to force my friends, the House Republicans, and big oil companies to acknowledge the reality that the international community is preparing for.

Interestingly, Mr. Chairman, when I was president of the Organization for Security and Cooperation in Europe's Parliamentary Assembly—its headquarters is in Denmark—I went to Denmark during that 2-year period of time, close to 30 times over the course of the years that I've been here. When I fly into Denmark, just coming from the side of Sweden, I see the windmills tilting that have been tilting for 16 years. And Denmark's city, Copenhagen, is the beneficiary of much of that production. They're headed toward the future. We're living in the past.

I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Chairman, I rise to claim time in opposition to the amendment.

The Acting CHAIR. The gentleman is recognized for 5 minutes.

Mr. HASTINGS of Washington. Mr. Chairman, I yield myself such time as I may consume.

In many respects, Mr. Chairman, we just had this debate. And again, with deference to my good friend from Florida, I think this is another political amendment because what it will do is require companies seeking to drill offshore to estimate the potential impact produced by oil and natural gas production, what impact that would have on climate change. Not only that, you would have to do it on a well-by-well basis.

Mr. Chairman, in all honesty, some sort of requirement like that would simply dry up anybody wanting to drill offshore or utilize our resources offshore. Now, if that's what the gentleman wants, then okay, that's a good concession; but, if not, it simply does not make any sense.

But from a practical standpoint—and I think this is very important, Mr. Chairman—if the issue—and there is some debate about this, no question. But if the issue of producing oil and natural gas will affect the climate, and we, as a country, probably have the most stringent environmental laws on our air quality and water quality, why would we put this extra burden on us when it wouldn't happen in other parts of the world?

But the net effect of this, if it were to become law, would be to drive everybody from America.

So the net effect, if the issue—now, if the issue is really to protect the environment and protect the air, why would you drive it to areas that have less stringent environmental laws? Yet that would be the practical effect if this amendment were to become law.

Like I said, we've been over this before. It puts extraordinary burdens on individual wells and individual producers. And as I mentioned, in deference to my friend, I think it is a political amendment.

I urge rejection, and I reserve the balance of my time.

□ 1850

Mr. HASTINGS of Florida. Mr. Chairman, in the words of the celebrated movie that these words came from, I'm shocked, just shocked that this is a political amendment. And I'm equally shocked that this bill is political. This is the 143rd time that we're talking about oil drilling. And somewhere along the line, I'm lost. I thought politics was what we do. That's what I do. That's what people sent me here to do. That's what you do, my good friend, is politics. That's what it's about.

The difference is where we separate ourselves is whether we're talking about the politics of the future, where there are opportunities for us to do the things to bring us to energy independence, or whether or not we are going to cling to fossil fuels until we just can't find any place else to drill.

My major opposition to oil drilling offshore has been demonstrably shown when the Deep Horizon accident occurred. There have been other accidents. You want to drill in the tundra; there have been accidents where oil was spilled in that area. And daily in Ft. Lauderdale, I see ships sitting offshore, and I find that occasionally tar and things that come from them wind up on the beaches.

We make \$60 billion a year in Florida on those resources. I heard you earlier, my colleague, argue about North Dakota. I don't want to be in North Dakota in the wintertime, and I'm glad if they are about their business doing what they want to do; but I know a lot of North Dakota people, when they finish with the drilling up there, are going to come to Florida for our beaches, and that's what I'm about trying to preserve.

I yield back the balance of my time.

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

Well, I, too, am shocked; but I'm glad we got that out of the way. Mr. Chairman, as I mentioned, this bill is a bill that addresses American energy and American jobs and, therefore, has a positive effect—potential positive effect—on our economy.

This amendment adds nothing to that. As a matter of fact, I think it's an impediment to this bill becoming law if it were to be adopted. And if I could think of some sorts of things to say regarding oranges, I would say it; but I'm totally at a loss. So I will simply say that this amendment does not deserve support, I urge its rejection, and I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Florida (Mr. HASTINGS).

The question was taken; and the Acting Chair announced that the yeas appeared to have it.

Mr. HASTINGS of Florida. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Florida will be postponed.

Mr. HASTINGS of Washington. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HANNA) having assumed the chair, Mr. MARCHANT, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 6082) to officially replace, within the 60-day Congressional review period under the Outer Continental Shelf Lands Act, President Obama's Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012–2017) with a congressional plan that will conduct additional oil and natural gas lease sales to promote offshore en-

ergy development, job creation, and increased domestic energy production to ensure a more secure energy future in the United States, and for other purposes, had come to no resolution thereon.

#### HOUSE PLANS VOTE ON PRESIDENT'S ENERGY PLAN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Washington (Mr. HASTINGS) is recognized for 60 minutes as the designee of the majority leader.

Mr. HASTINGS of Washington. Mr. Speaker, we have had an extensive debate today on the floor centered around American energy and American jobs. It is interesting in how this discussion has unfolded over time. Many times we on this side of the aisle are accused of repeating over and over and over different issues, and I suppose to a certain extent that is true. But one of the reasons why this effort is done on a regular basis is because the genius of our Founding Fathers was such that they created a government where there was a division of powers, and we all know that, the three branches of government. But the genius of our Founding Fathers was even greater than that in the fact that they created the legislative branch, and they divided that power. They divided that power between the House and the Senate.

What that simply means, Mr. Speaker, is that before any legislation can pass, any law that's put on anybody in this country has to pass both Houses of the Congress. Now, I recognize I'm a Member of the people's House. There has been no Member of this House in the history of our country that was not elected to this House.

On the other hand, the Senate is a different body, as we well know. The Senate is made up of only two Members from each of the States regardless of population. Because we come from different constituencies, one a smaller constituency within a State, another from a whole State like the Senate is, you are bound to have different ideas as you approach legislation. But again, the genius of our Founding Fathers was to say, okay, before anything can become law, both Houses have to act on that legislation, and it has to pass both the House and the Senate without a comma being different. Therein, of course, lies the challenge.

So we have been accused here many times of passing the same type of legislation, at least on the same issue, and passing it over to the other body. But what we have found, unfortunately, in this Congress is that the other body has simply not acted on a lot of pieces of legislation. Now, I'm not saying they should pick up, although it would be nice if they took everything that we passed and say it is a wonderful idea, pass it over there, and send it to the President. Well, they don't do that.

But one of the functions that they could do and they haven't done is pass

legislation, albeit different than what we have. And then, of course, we have a mechanism to work out the difference. But in many respects, Mr. Speaker, not even that has happened. In other words, they haven't passed legislation where they may have a disagreement with us that we can work out the differences. So that leads to a lot of frustration, obviously, on our side of the rotunda; but we feel it is important as the Republican majority to continue to make the case in what we believe in.

I might mention also that the House is controlled in the majority by the Republicans; and, of course, the Democrats control the Senate. So there is a difference. So that's why we continue to send legislation over to the Senate, and we hold out hope that maybe one time they will take up legislation, maybe on the same issue, and we can go to conference and work out whatever differences. So that's why we continue to bring this legislation to the floor. I look forward to a time when the Senate will, in fact, act.

Now, let me talk then about this piece of legislation that we had on the floor today and why it was brought to the floor and how the process is going to unfold tomorrow. As I mentioned in my opening remarks on debate, the President, any President, by the way, is required to submit a 5-year energy plan on the Outer Continental Shelf, the OCS, and submit it for a 60-day review by Congress.

□ 1900

That clock started ticking in June last. So we felt it was important because I, for one, and a number of my colleagues on the House Natural Resources Committee, in fact, throughout this Congress, felt that the President's plan was inadequate and that there ought to be an alternative to that plan. Thus, we had a markup several weeks ago on the plan that we had before us today. We are debating it tonight now. We've gone through the debate, we've had the amendment process, and we will vote on this bill tomorrow.

But what is missing in all of this equation was simply that there is no effort to defend the President's plan. As a matter of fact, in the debate that I had heard from the other side, rarely did I hear anybody say that the President's energy plan was a good plan. So, tomorrow, there will be on suspension legislation that I reluctantly will offer that is essentially the President's energy plan. We'll have a vote, and tomorrow the House will have an opportunity to say "yes" to this job-creating bill that we had on the floor today or the President's plan. There will be a distinct choice that Members of this body will have an opportunity to vote on.

I certainly hope that they'll support this job-creating plan, American-energy-creating plan that we debated today, and I hope that they will reject President Obama's plan.

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

#### GOP DOCTORS CAUCUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Louisiana (Mr. CASSIDY) is recognized for 55 minutes as the designee of the majority leader.

Mr. CASSIDY. Mr. Speaker, an issue tonight that is much more important to the American people than many realize is Medicaid. Now, for folks who don't understand this, and you really had no need to until this health care debate began, but, if you will, there are three types of coverage for folks who have insurance. One is Medicare. Medicare is the program for folks who are typically 65 and above. It is the program that all of us pay into, having a certain amount deducted from our paycheck, and it goes into this account. The second is private insurance. Ninety percent of Americans have their private insurance policy through their employer. And then the last group is Medicaid.

Now Medicaid is a program designed to support those of lower income as well as those who are elderly and, again, of lower income and long-term care—think nursing homes. And lastly, it supports the blind and disabled. The financing in Medicaid comes from your tax dollars, but it can be your tax dollars either funneled through the Federal Government paying a portion to the State, which is matched by what is called the State match, which is from the State itself.

So Medicaid is a program for lower income which receives about, on average, 57 percent of the money that goes towards it from the Federal Government and 43 percent on average from the State government. The State administers the program to take care of, again, low income for acute medical services, long-term care, think nursing homes for the elderly, and then the blind and disabled. Tonight's discussion will be about Medicaid.

Now, the importance of Medicaid is that 16 percent of the health care dollar in the United States goes towards Medicaid. So almost a little bit over one-eighth of the money our country spends is on this combined Federal-State program that provides health insurance, if you will, for the poor.

Additionally, Medicaid is important because right now Medicaid is consuming an ever larger portion of both the Federal Government's budget as well as the State government's budget. One example of this: the Simpson-Bowles bipartisan debt commission, which President Obama appointed to help give guidance as to how our country could get out of our indebtedness, pinpointed Medicaid as one of the drivers of our national debt. So first, we know that on a national level, Medicaid has been pinpointed as a driver of our national debt. On a State level,

Medicaid is consuming an ever larger portion of State budgets.

Now, there are many examples of the importance of this, but as Medicaid is costing more and more, State dollars for other programs are less and less. Senator Lamar Alexandria from Tennessee said that the reason that tuition is increasing at universities in Tennessee is because there is less public support. More tax dollars are going to Medicaid, and so therefore, to make up the budget for the universities in Tennessee, they have to increase tuition.

One example of this, as well, for K-12 is that for the first time beginning around 2009, States spent more of their income upon Medicaid than on education. And so this is a chart from the National Association of State Budget Officers, and it shows how total State spending on Medicaid now surpasses K-12 education, and K-12 is kindergarten to 12th grade. So this is primary and secondary education. In this blue line you see funding for education, and you can see the percent of total State expenditures devoted to, in this case, education.

So in 2008 it peaked at around 22 percent, and now in 2011, it has decreased down to roughly 20 percent. Here you can see that in 2008, Medicaid expenditures were about 20.7 percent of the State budget, and they are rapidly rising. They are now up to almost 24 percent.

We are now spending more money providing Medicaid services for those who are eligible than we are educating our children. Now, it isn't as if this is something that is temporary, related to the recession; this is actually expected to continue to worsen. So Medicaid, again the program that both the Federal and State Governments—which means both taxpayers paying to the State and taxpayers paying to the Federal Government—finance, is growing so rapidly that it is cannibalizing the rest of the State budget.

An example of this is that expenditures for primary and secondary education now for the first time in history are lower than those expenditures for Medicaid. And this is expected to worsen.

So if you will, we have this program which is important. It's a safety net program. But under its current construction, it's costing more and more.

Now I'm joined by a couple of my colleagues, and I will first go to Dr. NAN HAYWORTH, who is an ophthalmologist—she held up a note earlier that my eyes are not good enough to read—an ophthalmologist from New York, and she can discuss how President Obama's health care plan expands Medicaid, a program which is rapidly expanding in cost but nonetheless will be further expanded in terms of those who benefit.

Ms. HAYWORTH. I thank our colleague, Dr. CASSIDY, and I understand that your time may be slightly limited this evening, Doctor, so Dr. HARRIS and I will be more than happy to lead this

discussion as we go along, and I thank you for all the work you do on this very important subject.

The American public has much to be concerned about with regard to the massive 2010 health law, and this was, of course, passed on a party line basis, unfortunately. I and Dr. HARRIS are two of the representatives who were elected in part in response to the public's grave concerns about this act. And if I can direct everyone's attention to the chart that Dr. CASSIDY has revealed next to him, you can see what is projected to happen in terms of Medicaid spending alone as the years go by and, of course, under the terms of the Affordable Care Act, it is like putting gasoline on a fire, unfortunately.

□ 1910

Mr. CASSIDY. Will the gentlelady yield?

Ms. HAYWORTH. Yes, absolutely.

Mr. CASSIDY. Federal and State Medicaid spending in billions of 2010 dollars by 2009. It's down here, the year. So 1993, 2009, going out to 2081. And so here is about \$400 billion. This is combined Federal and State spending. By 2017, this rises to \$750 billion. By 2025—obviously within our lifetime—that will rise close to \$1 trillion. And projections are by 2081, it will be over \$4.5 trillion.

Ms. HAYWORTH. I'm going to imagine, Dr. CASSIDY, that this chart does not take into account—because it could be, indeed, very difficult to do so, but it has to enter the public mind when we think about these things. The enormous cost on the American public of the well-intentioned, but poorly designed, 2010 health law will make our economy weaker. So it's fair to anticipate that there will be a further impetus to acceleration of Medicaid spending merely because of the imposition of that \$2 trillion or more of Washington-generated cost due to the terms of the Affordable Care Act.

So this is an issue that concerns every one of us, not only people who are truly in need and unable to sustain a job or their health care—and we've all met these fellow citizens. I have in my own district, the Hudson Valley of New York. These are people like the folks I met at Park, which is a center that provides for people who are severely disabled by developmental disabilities, such as autism, but not only autism. These are good people who, no matter how robust the economy is, will not be able to afford the kind of care that they need. And those are the people in particular who Medicaid was initially intended to help.

Mr. CASSIDY. Will the gentlelady yield?

Ms. HAYWORTH. Yes, sir, absolutely.

Mr. CASSIDY. So just to emphasize, Medicaid is an important safety net program for those folks without means. It was traditionally designed to take care of the blind and the disabled, the elderly and long-term care, and then

oftentimes focused upon pregnant women and upon children. So the importance of making sure the program is sound is that we continue to care for these people.

Ms. HAYWORTH. Precisely. So we need to be able to provide for the people who are most in need. That is a reasonable role for government in a great Nation. But what we don't want to do, what we want to avoid is creating economic hardship that will push more Americans into this category. We see that phenomenon happening across our economy as we speak, and it's one of the reasons why so many States have said, we cannot possibly afford to expand our Medicaid programs.

Indeed, Dr. CASSIDY, you, being the good teacher that you are, provided me with an example from the State of Connecticut, with their recent experience in opening up their Medicaid program and opening up the enrollment because they had such a dramatic increase—I think it was something like 70 percent increase in the number of enrollees—that the State actually couldn't handle that increase in any way readily. So their services to all of their Medicaid recipients, unfortunately, of necessity, were compromised.

Mr. CASSIDY. If the gentlelady will yield, I'd like to bring in Dr. HARRIS, who is an anesthesiologist from Maryland, the Eastern Shore.

You just mentioned how Medicaid, as it attempts to expand and be all things to all people, becomes stressed and in that stress becomes less capable of being anything to anybody.

Ms. HAYWORTH. Exactly.

Mr. CASSIDY. So the concern regarding a program which becomes, again, too stretched, too unfocused is that it becomes ineffective at its original mission.

Dr. HARRIS, I can leave this one or go to the next one.

Mr. HARRIS. If the gentleman from Louisiana will just leave that one up so the American public that is watching just understands because a picture says a thousand words.

That picture is the growth of Medicaid for the next generation. My son is 12 now. When he reaches age 65, he'll be at the right-hand side of that graph. And although none of us like to think of it, we all remember when we were 12, we never thought we would retire, but here we are nearing retirement age. So it's not that far off in the future.

If I read that graph correctly, our current entire budget, in 2010 dollars, is \$3.5 trillion—our entire Federal budget, paying for everything. That graph indicates that by the time my child reaches retirement age, every penny of that budget would be taken up by Medicaid, every penny—not a single penny for Medicare; not a single penny left over for Social Security; not a single penny left over for interest on a debt that is now \$16 trillion and growing; not a single penny left for defense; not a single penny left for Pell Grants; not a single penny left for anything.

Mr. CASSIDY. I think the point being made is that not only will the safety net become tattered in and of itself, but, rather, even though tattered, it will destroy our ability to finance these other governmental functions.

Mr. HARRIS. The gentleman is correct. Every single program that we have, whether it's the elderly with health care, the elderly with Social Security, whether it's food stamps, whether it's unemployment insurance, whether it's to do the things this government has to do, like pay the interest on an ever-growing debt, whether it's Pell Grants, whether it's K-12 education, which your last slide showed, every single program that we have is threatened by this one single program, a program that the President's Affordable Care Act ballooned out of control.

Mr. CASSIDY. Reclaiming my time, if you could elaborate. We know that under the President's health care proposal, Medicaid—a program which right now is driving Federal indebtedness and which is threatening to bankrupt States, despite that was greatly expanded under the President's health care proposal to include people up to 133 percent of Federal poverty level. So I'll yield back to the gentleman if he will just comment if this is what he is referring to regarding expansion, and if so, any further thoughts he has.

Mr. HARRIS. The gentleman is absolutely right. What we have done is we have once again made promises to people we know we can't keep. We know because that graph—and I'll yield to the gentleman to answer the question—that's from the Congressional Budget Office. That's a non-partisan group that objectively looks at the effect of Federal laws and policies and projects the anticipated costs. Is that correct?

Mr. CASSIDY. That is correct.

Mr. HARRIS. So what we have here is we have a third party looking at what's going on and saying the emperor has no clothes; that, in fact, if we continue the current policy with Medicaid—which, as the gentleman well knows, roughly doubles the number of people eligible for the safety net program under the Affordable Care Act—we will not only bankrupt the Medicaid program, future generations will no longer have the ability to be confident that Social Security will be there when they retire, that Medicare will be there when they retire.

The ratings agencies, whether it's Moody's, Standard and Poor's, all the various rating agencies will look at us and say: you don't have the ability to pay the interest back on your debt.

We know when that bill was passed, we know what happened. We know the cornhusker kickback. We know what went on—the buying and selling of votes at the expense of future generations and the ability of the Federal Government to keep their promises to future generations—the promises of Medicare, Medicaid, again, Pell Grants, K-12 education.

The gentleman showed a slide that showed a 3 percent increase in the cost—an average of 3 percent in the States' budgets—the cost of Medicaid over the past only 3 years before the President's health care bill kicks in. Well, as the President may know, 3 percent doesn't sound like much, but in Maryland that's a \$1 billion increase. That's an increase we can't afford. That's an increase that means that property or income taxes would have to go up, further strangling our economy.

As the gentleman fully recognizes, this is why the President's policy with regard to Medicare and the Affordable Care Act is poorly thought out, is going to bankrupt the Nation, and really ought to be repealed and rethought.

□ 1920

Mr. CASSIDY. Now, if the gentleman will yield, I'll go to Dr. DESJARLAIS who joined us, who although he has a French last name and you would think he is from Louisiana is actually from Tennessee.

Now, Dr. DESJARLAIS, obviously, to you and me, but perhaps not to those who are listening, Tennessee experimented with using Medicaid as a safety net program back in the nineties and, if you will, extended it to many others. If I can yield to you, please, could you please comment as to the results of that.

Mr. DESJARLAIS. I thank the gentleman for yielding.

And you're absolutely right. I moved to start my practice in Tennessee in the fall of '93, and our program, TennCare, was implemented somewhat as an experiment in '94, January '94. So I witnessed it from its inception through what I would call its continuous failure.

The program continued to grow and expand, continued, as I think you referenced earlier, as substantiated by Senator LAMAR ALEXANDER, has drained our State's educational resources. And it got so bad that, in 2007, Governor Bredesen actually had to remove about 270,000 people from the program just to keep the State from going bankrupt.

So clearly, it was an example of how the program and the system does not work and did not work. And that's maybe a glimpse of what we can expect to see moving forward with the President's health care law. So it failed to accomplish its objectives, and just as we would have suspected, the costs grew exponentially. And so we have a great example in Tennessee of how the system does not work. So clearly, we need alternative reforms.

I would be happy to yield to the gentleman from Georgia, Dr. BROUN.

Mr. BROUN of Georgia. Thank you, Dr. DESJARLAIS. I appreciate your yielding.

In fact, Medicaid is going to destroy the Federal budget and create a total economic collapse of America if we don't change it from the present system. That's before ObamaCare even

takes place and markedly expands the States having to cover many more people, as my good friend from Maryland, Dr. HARRIS, was just explaining.

But there are alternatives. Hopefully, we can repeal ObamaCare and replace it with something that makes sense. But there is a solution today. And, in fact, the Republican Study Committee, several us in the Republican Study Committee—JIM JORDAN, our chairman, TODD ROKITA, TIM HUELSKAMP, and I—introduced the State Health Flexibility Act, which would freeze Medicaid spending at the current level and will block grant those funds to the States with no strings attached. Not only for Medicaid, but also for the State Child Health Insurance Program. And what the States would do is utilize those funds in any manner that they want to. If they want to do drug testing on Medicaid or SCHIP recipients, they can. They can organize the program any way they want to, which is going to be the solution because it freezes spending at current levels.

Mr. CASSIDY. If the gentleman will yield.

Mr. BROUN of Georgia. Absolutely.

Mr. CASSIDY. I'll say, just out of pride of authorship, there's another alternative, a Republican Medicaid proposal, one that I and others are sponsoring, and it does, if you will, similar to the block grant, it readjusts as your population changes.

I'm from Louisiana. When Hurricane Katrina hit, we had lots of folks who moved to Atlanta and moved to Houston. If you will, the dollar would follow the patient. It wouldn't just stay in Louisiana. I love my State, and it would be nice to have the extra money. But it is more important that, where the patient is, have the money. It's a variation on the theme. But also part of it is that the State has flexibility, freeing them from the money-consuming regulations that the Federal Government puts on how those monies are applied.

Mr. BROUN of Georgia. Absolutely. In fact, the State Health Flexibility Act does that same thing, and the only growth is due to population in any State, so it does account for that change in the population of any given State.

But we have solutions. We have economically viable solutions that Republicans are submitting and, hopefully, we can get passed into law. But of course we've got to have a Senate that will even take up those kinds of bills, because the House has passed bill after bill after bill to create a stronger economy, to create jobs here in America, to lower the cost of gasoline, to develop all our energy resources.

We've got these bills that will solve the problems for Medicaid. Even my Patient Option Act is across-the-board health care reform. It repeals ObamaCare and replaces it with policy that makes health care cheaper for everyone, provides coverage for all Americans, and will save Medicare from

going broke. And you add that, with the State Health Flexibility Act, it covers everybody.

We have solutions, but HARRY REID is an obstructionist. He's acting as a puppet for this President, and they throw in the trash can every bill we send over there.

We've got to create jobs. We've got to create a stronger economy. We have solutions to the health care problem.

All of us are physicians. All of us are physicians out here that are talking tonight. We've just been joined by one nonphysician, but she's been a strong supporter of the Doctors Caucus, and we've seen her here many times, Mrs. LUMMIS from Wyoming.

But we have solutions. The American people need to understand, Republicans have solutions, and we need to have the ability to pass those solutions into law so that we can have policy that's not going to break the bank. We're going into an economic collapse of America if we don't stop this inanity.

Mr. CASSIDY. I thank the gentleman.

One thing I am struck by—and I'd like to bring Mrs. LUMMIS in—often-times it is, when folks say, Wait a second, it's Medicaid and the government will pay for it, or the State should enroll because the Federal Government is going to pay so much more, and there's a sense that it is the government that is paying for it but not the taxpayer. Now, what we know is the government is nothing but an aggregator of our pocketbooks, and it will take that money and bequeath it.

I asked Mrs. LUMMIS to come tonight because she is a former State treasurer in Wyoming and will discuss the impact this program is having upon State budgets and, therefore, other State services.

Mr. BROUN of Georgia. Before you go to Mrs. LUMMIS, I'd like to reclaim my time and just say this: Our State of Georgia is struggling. We have a balanced budget amendment to our State constitution. We're having a difficult time dealing with the extra cost, not only of Medicaid, but all these government mandates that are foisted upon our State from the Federal Government.

It has to stop. And the only way we're going to stop it is for we, the people, across this country to demand a different kind of governance from their Senators and Congressmen, and particularly from the President of the United States.

Mr. CASSIDY. Thank you, Dr. BROUN.

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

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Maryland (Mr. HARRIS) is recognized for 28 minutes as the designee of the majority leader.

Mr. HARRIS. Thank you very much, Mr. Speaker, and I will yield to the gentlelady from Wyoming.

Mrs. LUMMIS. I thank the gentleman for inviting me to participate, although a non-physician, the only non-physician here.

I thank Dr. HARRIS, and I want to thank Dr. CASSIDY. I have seen Dr. CASSIDY in the cloakroom talking on the phone, pro bono, to patients that he used to serve in Louisiana, and I have seen other members of our Doctors Caucus do the same thing.

These are people who care about their patients. And even though they're here, working for the people of the United States and their district, and not compensated financially, they are still here caring about their patients, working without compensation, pro bono, to help people that they used to serve, to make sure their lives are better and their health care is better.

□ 1930

So I want to compliment the physicians in this conference who have made such a difference to my life and to other people's health care lives, and I want to thank them for serving in Congress. They make a huge difference in the dialogue, the debate, the nurturing, the care, the tenderness, and in what we all experience because of their training and because of their love of the people of this country and the manner in which they serve their patients.

Mr. Speaker, I was the State treasurer of my State. I have seen Medicaid and other programs soak up the compensation that taxpayers in every State provide through taxes to their States, preventing States from being able to allocate more money to education and other State-based functions, and Medicaid is definitely one of them. In addition, States care for their working poor. States want to see their low-income, Medicaid-eligible people have access to high-quality health care and support the Medicaid program but to not support it in a way that requires these rigid handcuffs on States in a one-size-fits-all program that prevents States from innovating and from providing quality care to their people.

Case in point: My State of Wyoming has the smallest population in the Nation. As a consequence, we have the opportunity to study things that other States cannot study because their populations are so large. My State of Wyoming, through its own health care commission, studied every single Medicaid-eligible child under the age of 18. It determined that it would be over 2½ times cheaper to buy each one of those children a standard Blue Cross-Blue Shield policy than it would be to provide health care through Medicaid.

These are the kinds of things that States are studying, that they are learning, that they are innovating. Furthermore, there are places in the country that are dealing with different health care problems than other places in the country.

Case in point: The Rocky Mountain West has a much higher incidence of multiple sclerosis than has other parts

of the United States. No one knows why, but it's a fact. So Wyoming and other Rocky Mountain States should be able to concentrate on MS. Other States, perhaps Southern States, may have more problems with diabetes.

I recently was in Saudi Arabia. There is a tremendous diabetes problem there. They are spending tremendous amounts of money at their brand new higher education university, at which they partner with businesses, in order to study diabetes in a way that will help the great number and growing number of people who are affected by diabetes.

These should be things that regions of our country are allowed to work together on and to create programs for in order to innovate and to be the great incubators of innovation that States are. So that's why I do want to compliment the U.S. Supreme Court in the portion of the decision on ObamaCare that provided that States do not have to be held hostage under the ObamaCare law, that they do not have to expand beyond the original intent of the Medicaid-eligible population to accommodate its expansion under the ObamaCare law. They can still concentrate, if they choose, on the Medicaid-eligible population as it exists today and can continue to provide quality Medicaid to low-income, eligible constituents within their States.

That doesn't mean they should be under the same constraints they are under now to provide Medicaid to their populations—because of the variance and the kinds of diseases that are cropping up in different parts of the country and because of the different innovations that States are able to use if they are not constrained by the shackles of the Federal one size fits all.

I want to thank the physicians in our conference for continuing to raise these issues, to discuss these issues. You discuss them to the benefit of those of us who are not physicians who serve with you in Congress. You discuss these issues to the benefit of the people to whom you provide health care in this Nation, and you do it as a service to the people of this country. I thank all of the physicians who are here tonight to discuss this issue.

Mr. HARRIS. Thank you very much to the gentlelady from Wyoming for bringing up that point about what Medicaid does to State governments and about what the potential is to State governments and all the other programs that they have to fund.

I will tell you that, with regard to what happens, what we know is that access under the Medicaid program is already suffering, the access of patients. Again, passing the Affordable Care Act puts an insurance card—a Medicaid card—in the hands of probably 10 to 12 million Americans, but that doesn't guarantee access to health care.

As a physician, I've taken care of Medicaid patients for almost 30 years, but increasingly what I'm finding is

my colleagues who are facing decreased payment reimbursements by the governments that are under financial hardship now. Even under current conditions, as this chart will show, there are very few States in the Union that actually have extra money around to fund that Medicaid increase. This chart shows various specialties and how Medicaid patients have access to them.

Under the current reimbursement, which of course will get nothing but worse for specialists under the new Affordable Care Act, among all specialists, 89 percent of patients with private insurance have access to all specialists and only 34 percent of medical assistance patients, or Medicaid patients. That's true whether it's orthopedics, psychiatry, asthma, neurology, endocrinology, ear, nose and throat, or dermatology. In all cases, access to a physician is restricted because, when a government controls the health care budget, the way it contains costs is by decreasing reimbursements to providers.

Those are the facts. That's what happens. That's what's going to happen under Medicaid. We know, with the Independent Payment Advisory Board, that that's what's going to happen under Medicare.

I yield to the physician from Tennessee.

Mr. DESJARLAIS. Thank you for yielding.

I just want to expound on your comments and on, actually, what the gentlelady from Wyoming talked about in terms of the efficiency in her study, where they could actually buy a policy for those cheaper than what the Federal Government has implemented.

We were promised better access to care at a lower cost with the Affordable Care Act, and the TennCare program in Tennessee really was an experiment of nationalized health care confined to one State. What we found was that more and more physicians, as you stated, were dropping out of the TennCare program because of reimbursement issues and also because of the bureaucracy and the frustration with trying to find specialists.

I had a primary care practice, and I actually had to hire an extra staff member, which drove up my costs, to sit after hours to try to find specialists to take care of these patients. It was very frustrating for us. It was very frustrating for them. Yet the reimbursement, compared to a privately paid patient versus a Medicare patient versus a TennCare patient, continually was less money.

Mr. HARRIS. So what you're saying is that you had patients under TennCare who had insurance cards. You just couldn't find anyone to take care of them.

Mr. DESJARLAIS. Right, which is exactly what we're going to see under the President's plan. You're going to see people who allegedly now have access to care, but they really don't because the reimbursement rates are so low

that physicians really aren't even able to keep their doors open. The reimbursement rate for a TennCare patient in Tennessee was almost half of that from a private patient. It's not that physicians don't want to help and take care of these people. They do. It's just financially unfeasible, especially in solo practices, which are common in rural areas.

Mr. HARRIS. You may or may not be aware of the study done early last year that showed that, actually, whether patients have private insurance or no insurance or Medicare or Medicaid, when you compare the outcomes, Medicaid patients have the worst outcomes. In fact, they are 93 percent more likely to die of their illnesses than patients with private insurance. They were more likely to die than even patients who had no insurance. I don't know. Is the gentleman aware of that finding?

Mr. DESJARLAIS. I have heard of that study as well. Again, I think it is an access to care issue, and that's certainly a problem that has not been addressed.

The ObamaCare law does nothing to address access to care, and it does nothing to address the cost of health care. Frankly, we all know that the cost of health care is driving our national debt, so we need to look at solutions that have been offered by the Republican caucus and the Doctors Caucus that will make real reforms to health care: that will make it more affordable and involve a greater attempt to get government out of the way. Just like in small businesses, the number one complaint is that government bureaucracy is driving down the profitability. It remains the same in health care as well, and we need to look at more free market options in health care if we're going to actually reduce costs.

□ 1940

Mr. HARRIS. I thank the gentleman. I would love to bring the gentleman from Texas into the discussion, because women actually are specifically affected by the shortfalls in Medicaid because the reimbursement rates for women's health care is frequently so low that it's actually hard to find an obstetrician to take care of those patients. I know in Maryland this is a problem we had.

In the First Congressional District on the eastern shore of Maryland for a while, before we did Medicaid payment reform, women who were pregnant in that part of the State had to drive 3 hours to find an obstetrician to take care of them because the reimbursements were so low. And we know the Affordable Care Act does nothing for medical liability.

We also know, for instance, that we have a cesarean section rate that is 35 percent now, the result of medical liability. We have obstetricians who have left the practice later in their careers of obstetrics and gravitate toward just doing gynecology where they

join frequently large group practices. So we've left the practice of obstetrics to be an impersonal practice with people who generally don't have as much experience as those who have left the practice. And because of the lack of liability reform, we have a cesarean section rate that has roughly doubled over my career in dealing with obstetrics and obstetric anesthesiology.

I would like to hear the gentleman's comments on medical assistance and what it's doing for this country and for the women's health care in this Nation.

Mr. BURGESS. I thank the gentleman for yielding.

Of course the doctor from Maryland makes an excellent point about having an insurance card—in this case, a Medicare card—that it does not necessarily guarantee access to care. I would see it literally every month in my practice. Being an obstetrician, if I'm called by the emergency room doctor to attend to a patient who is pregnant, under EMTALA laws I have got 30 minutes to show up or I get fined \$50,000, so I would always show up.

The difficulty is that, although she was pregnant, sometimes the problem that brought her to the emergency room was something unrelated to pregnancy, such as a heart murmur, tonsillitis, you name it. I may not be the best person to take care of that particular condition, but, just as the doctor from Tennessee pointed out, it was almost impossible to find someone in a specialty practice who would agree to see that patient. Oftentimes, you would find yourself admitting a patient who might otherwise not require admission but simply so that you could get them the specialist care that they needed. It's a very inefficient and very expensive way to go about getting that care.

Mr. HARRIS. If the gentleman would just yield for a very brief question.

Do you think that's the kind of health care that the women of America deserve?

Mr. BURGESS. Look, it doesn't have to be this way. That's what's so disappointing about every aspect of the Affordable Care Act.

I don't want to get too far into it, but we know now that this law was written by special interest groups, secret deals down closeted in the White House, Senate-constructed deals on Christmas Eve before a snowstorm to get out of town. This was constructed under the worst of possible circumstances. Should it be any surprise to us that the darn thing, regardless of how you feel about everything else, it's just not going to work? And yes, as the gentleman pointed out, the difficulties in obstetric care is just one aspect of that.

If I could, I would like to bring up the point that I was in the Supreme Court the day the oral argument was heard on the individual mandate. I heard the Solicitor General make his argument that the cost of health care is going up because we have people showing up in the emergency room

without insurance and everybody needs to be compelled to buy insurance and, by golly, that will fix our problem.

Wait a minute. That ain't going to fix your problem because we know, in the State of Texas, only 31 percent of doctors will see a Medicaid patient. As a consequence, if you expand your numbers of Medicaid patients and you don't have the doctors there to see them, what are they to do? They've got this card in their hand, and they go to the emergency room to get the most expensive care.

I wanted to bring this up because in the Austin American-Statesman this weekend, Dr. Tom Suehs, the executive director of the State Department of Health—or the Executive Commissioner of the Texas Health and Human Services had an op-ed in the Austin American-Statesman. I just want to read the first two paragraphs of his piece:

Do you know how much a Medicaid client pays for an emergency room visit? How about if the visit isn't an emergency? The answer to both questions is the same: nothing. Not one dime.

The Texas Medicaid program paid \$467 million for almost 2.5 million emergency visits in 2009, and half of those visits weren't even for emergencies. Yet Federal law makes it virtually impossible for States to charge even small copays to discourage unnecessary emergency room utilization by Medicaid clients.

I think Dr. Suehs has hit the nail on the head here. We have to provide the flexibility back to our States.

But it also belies the question: Who thought of taking a safety net program for blind and disabled nursing home residents, pregnant women, and children and then expanding that to cover 15 million more Americans? That wasn't the way to go about this. There were better ideas out there. For whatever reason, the Obama administration chose not to listen, not to solicit those ideas, and now we have the situation as it exists today.

With that, I thank the gentleman for yielding. I thank him for allowing me to participate in this hour. This is an important subject, one that is not going to go away, and we're going to be talking about it a lot for the next several months and the next several years.

Mr. HARRIS. I thank the gentleman from Texas.

Again, we have on the floor with us now two obstetricians and an obstetric anesthesiologist. If women are ready for childbirth, we're ready on the floor of the House tonight.

The gentleman makes a great point that in the end, having an insurance card doesn't guarantee access and having an insurance card doesn't guarantee affordable care. As we know, what the Affordable Care Act did is to again pretend that, really, economics don't exist, to pretend that the laws of mathematics don't count; that we can expand this program, as the gentleman pointed out, a program that was meant to be a safety net for the poor elderly, for women, for children, and we ex-

panded it well beyond that to the point where, as we brought up earlier in the hour, if gone unchecked, it will bankrupt everything else in government.

The time has come, as the gentleman has pointed out, for us to reconsider whether that Affordable Care Act was the right approach.

We know that just today the Congressional Budget Office has rescored the President's Affordable Care Act and has said that, as a result of the Supreme Court decision—because one of the goals was to insure as many Americans as possible—that an additional 3 to 4 million individuals will not be insured as a result of the Supreme Court, because the States will make a rational decision that they can't afford to let their budgets go bankrupt through this Federal Government-mandated expansion that does nothing to control costs. It does nothing, really, to increase access, other than putting a card in someone's hand.

And as the graph shows, that card doesn't help all the people who are in these pink bars. They're the ones with the Medicaid card currently, and their chance of seeing a specialist is somewhere between 17 percent and 57 percent because the government payment is so low and because these programs are so expensive and never adequately budgeted for, just as in the case of the Affordable Care Act.

Now, we're joined this evening by my colleague from Georgia (Mr. GINGREY), who is also an obstetrician, who has spent years taking care of patients and understands what it will take to fix the health care system in the United States. I'm very interested to hear your perspective, Dr. GINGREY, on the topic we're discussing tonight, Medicaid and its expansion under the Affordable Care Act.

Mr. GINGREY of Georgia. Mr. Speaker, I thank the gentleman from Maryland, my physician colleague, for yielding.

I missed some of the hour. I regret that, and hopefully I'm not repeating some remarks that have already been made. Even if I am, I think it's important for people to understand that Medicaid expansion is threatening each and every one of our 50 States and the territories.

The provision in the Affordable Care Act, ObamaCare, that's titled, "Maintenance of Effort"—actually, this maintenance of effort provision, Mr. Speaker, began even before the passage of ObamaCare. ObamaCare passed March 23, 2010, a little more than 2 years ago. It just extended this.

But what happened with the stimulus package back in 2008 is that States were told that they would not be allowed to purge their rolls of people that were, at that point in time, under Medicaid to see if, per chance, they were in this country illegally and not eligible or their income level had risen to the point that they were doing just fine, thank you, maybe making \$50,000 a year and could afford their own

health insurance premiums not to be paid for by we, the taxpayer and the citizens of the State of Georgia, my great State. And then it was extended with the passage of ObamaCare to say that, through the year 2013, these States could not do that.

□ 1950

Well, what's happened is, I've got some statistics. And just to quote from the National Governors' Association report, "States are facing a collective \$175 billion budget shortfall through 2013" in large part because of this maintenance of effort requirement under Medicaid, that they're not allowed to make sure that the people on the Medicaid program are the ones that need to be there, the most needy that can't afford—their children can't afford health care. And now these rolls are sort of set in stone until the year 2013. And in many cases, Mr. Speaker, they include childless adults, childless adults who maybe were eligible to get on the program at a point where their income was very low or maybe they were out of work. But now, shouldn't the Governors be allowed—at least on an annual basis, if not every 6 months—to look at those rolls and make sure that the dollars for health care are going to the folks that really need it and their children? That's what the Medicaid program was all about when it was started as an amendment to the Social Security Act back in 1965.

So I wanted to mention that. It may have already been talked about earlier. My colleagues in the Doctors Caucus of the House know of what they speak with regard to health care. There are a lot of other issues in Medicaid. But I thought, in particular, I would want to discuss that.

But in conclusion, on this point, if allowing a State to improve its enrollment and its verification system saves enough money to keep our children's education program intact and the safety of its citizens, with regard to police and fire protection, intact, then why wouldn't we support this change? Why wouldn't we repeal this maintenance of effort?

If giving Governors the ability to manage their own Medicaid programs prevents drastic cuts to education or job creation programs, why in the world would we not support that? The only reason I can think of would be to force, under ObamaCare, more and more people into the Medicaid program, where the States have to eventually do that FMAP and that sharing of the cost because, otherwise, they would be in the exchanges, and the subsidies, as we know, go up to 400 percent of the Federal poverty level. It's all part of this grand scheme to eventually have national health insurance, Medicare for all, if you will, and it's got to stop.

Mr. HARRIS. I thank my colleague, the obstetrician from Georgia, who points out that on the graph, as the gentleman from Louisiana showed before, Medicaid expenditures now exceed

K-12 education. And as the other chart we've seen shows, we're over at the left-hand side. It will only get worse over time.

I yield to the obstetrician from Texas.

Mr. BURGESS. I thank the gentleman for yielding.

I wanted to make one point on this new Congressional Budget Office score that was provided today. And I know some people are looking at that and saying the cost for the program, for the Affordable Care Act over the next 10 years, was only scored I think at \$1.16 trillion—if I can use the words "only" and "trillion" together in a sentence.

But what many people overlook is that the Congressional Budget Office must score under existing law. And one of the things that existing law does is it cuts physician reimbursement in Medicare by 35 percent on December 31 of this year. So add another \$300 billion to \$400 billion to that cost just for the so-called sustainable growth rate formula, which has not yet been repealed.

Now we will fix that before the end of the year for at least 1 more year. But the Congressional Budget Office has no way of scoring that. They must go with existing law.

And, of course, with the Independent Payment Advisory Board, the same thing applies. They have to think that those cuts that the Independent Payment Advisory Board is programmed to produce, that they are going to continue occur.

The other thing the Congressional Budget Office cannot easily estimate is the number of people who will be moved off employer-sponsored insurance onto the State exchanges or the Federal exchange. And that is a difficult number to know. The MacKenzie Corporation said it was going to be 30 percent. The Deloitte corporation has said 10 percent. We don't know what that number is. CBO is scoring that at a very low 1 to 2 percent because historically, that is the average of the erosion of employer-sponsored insurance.

Those points are important to remember in looking at these figures.

Mr. HARRIS. I thank my colleagues for their participation, and I yield back the balance of my time.

#### AMERICAN JOBS AND HEALTH CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes as the designee of the minority leader.

Mr. GARAMENDI. Mr. Speaker, thank you for the privilege. And thank you, to my colleagues in the Republican Doctors Caucus, for a most interesting but factually incorrect 45 minutes of debate here.

We really were going to spend this evening talking about jobs and about the American Jobs Act and one of the

great "woulda, coulda, shoulda's" of our time. But we're going to hold that for just a few moments, though, because there are a few things that really need to be discussed from the last half-hour.

First of all, most of the discussion was about Medicaid. That's a national program in which the Federal Government pays about 50 percent—it varies State to State, but roughly 50 percent of the cost of providing medical services to the poor, women, and children in the States.

Now the debate was most interesting in that the argument was that there would be a lack of access and simultaneously an argument that there were no cost controls. Yet if you were listening to our esteemed colleagues, you would have heard them say, The doctors are not paid enough.

I think if they're not paid enough, and the doctors want to get paid more in order to provide services, then the costs are going to go up. So the cost control argument here doesn't make a whole lot of sense. If you want to keep the costs down, you need to improve the effectiveness and efficiency of the system.

Certainly certain services within the Medicaid and Medi-Cal, as we call it in California, are not paid sufficiently. Some other services are paid more than enough. So you need to balance that up over time. And all of these programs are run by the States. It's really the State that decides what the reimbursement rate is going to be. The Federal Government then matches the State's contribution.

So the argument really didn't make a whole lot of sense. And even more so, in the Ryan Republican budget, which has passed this House twice now, there is a significant reduction in the educational services for doctors so that the money that we, all Americans, spend to educate doctors—particularly in that part of the program, both the basic education and then in the residency programs—the Ryan Republican budget significantly reduces the amount of money available for residency programs for family care practices, for the very basic programs that we all want to access.

□ 2000

For family care, for basic care, that money is reduced. You go, wait a minute, that doesn't make any sense. If you are down here on the floor arguing that there is an insufficient number of doctors and they are not paid enough, then don't argue at the same time that it is too expensive and there are not enough cost controls; and please don't argue that there are not enough doctors because, in fact, the Affordable Care Act expanded the number of residencies for very basic care, for the family practice programs. I'm not quite sure I understand what they are arguing.

In addition to that, access across this Nation for millions and millions of people is provided in clinics. These are the

community clinics that a large population attend for their basic services, and most of those are the Medi-Cal or Medicaid population and the very poor that are not yet enrolled in what will be the expanded ObamaCares—the ObamaCares program.

So what do the Republicans offer us?

The Ryan Republican budget would cut by more than a third the support for the clinics, closing thousands of clinics across the Nation and in my State where people get access. So please do not come down here on the floor and argue for an hour or half an hour that access is being delayed when on the one hand you are cutting the money for access. That's what the Ryan Republican budget does. It cuts the money for access by reducing the residencies and reducing access to clinics by cutting by more than a third the money that is there to build up the clinics, the community clinics where people get care.

I'm going to take a deep breath here because I don't want to get wound up too tight about this issue, and I want to ask my colleague from New York, Mr. PAUL TONKO, to talk about the Medicare aspects of this.

Mr. TONKO. Absolutely. We didn't hear too much about what would be lost in their cuts or repeal of the Affordable Care Act. Representative GARAMENDI, you are absolutely right, there is much that has been gained by the American population, health consumers across this Nation, with the efforts of the Affordable Care Act, to close the doughnut hole, to make prescription drugs more affordable for our pharmaceutical consumers out there, for seniors who require this medication, their prescription drugs to stay well or to stay alive. Far too many were balancing their household budget by reducing their intake of prescriptions advised by their medical community. That is immoral. It's unnecessary and has been addressed by the Affordable Care Act. So 5.3 million seniors today are drawing \$3.7 billion in benefits. That is something that could be taken away if the Republican majority in the House of Representatives had its way.

Now, this is a wellness aspect. This is part of a formula that allows people to be cured, to be healed, to be allowed to live with a quality of life that then addresses their very needs. And so I think it's necessary to point out what would be taken away from the benefits already offered, and there are more to come. But as we know, they're staged. They are rolled into the operations of reform over the next several years. But suffice it to say, the screenings, the annual checkup, flu shots that are made available without cost, no copayment, no coinsurance, no deductible is required here. These are huge benefits to every age demographic that are offered through the Affordable Care Act.

And so we heard about adding to the cost curve of health care. We have heard about repealing the Affordable

Care Act. We have heard about taking away the benefits that have just recently arrived at the door steps of health consumers across this great Nation. And why would you want to play politics with the very fabric of quality of life of the people that we represent collectively by undoing progress? This is a recurring theme. They want to undo Social Security that has a 76-year-old history. They want to voucher out Medicare that came to us in the mid-1960s that addressed the economic stability, the predictability of senior households and the quality of life in those households. Why would you want to take that progress away?

It is heart wrenching to listen to some of this insensitive, callous dialogue on the House floor that really renders the public that we are here to serve without benefits that have just recently arrived through the success of the Affordable Care Act.

Representative GARAMENDI, it is something that I think needs to be echoed out there from this House floor and shared with the constituents of this great Nation in a way that allows them to better understand what is part and parcel of the Affordable Care Act, a monumental piece of success. Is it perfect? No. We aimed for perfection, we struck with progress. But there is many, many a benefit that is part of the Affordable Care Act, and we are witnessing an all-out attempt by the Republican majority to turn that success into failure.

Mr. GARAMENDI. Let me pick up on that, Mr. TONKO. You are quite correct, it is not just an attempt. There have been 33 votes on this floor by the Republican majority to either terminate completely or to eviscerate in part the Affordable Health Care Act. Now, what would be eviscerated?

First of all, the Ryan Republican budget would terminate Medicare as we know it and give to every American who is not yet 65 years of age a coupon that basically says this coupon is worth 70 percent of the cost of insurance. Go get your insurance when you become 65 from a private insurance company. No longer would Medicare be available to all of those people who will eventually be 65. And for those people who are 55 to 65, it makes it impossible for Medicare to go forward on a financial basis because it takes away the younger people.

I heard something on the floor which I just said—wait a minute—some statistic that was tossed out here just a few moments ago that more people die on Medicare than die on regular insurance. Yes, Medicare is for the elderly. Medicare is for the elderly. Yes, they do get medical care but eventually they get old; and I will, too, be on Medicare, and I will die on Medicare. And I am so grateful to have Medicare available to me when I become 65 because I know that I have a solid insurance program. I know that I'll be covered, and I know that my younger brother and sister will be covered when

they become 65. They will have quality care. And guess what, they will die on Medicare. Yup, that happens. You're on Medicare for the rest of your life. It may be for a year. It may be for 30 years. But for whatever, you've got a guaranteed benefit that is available to you.

And what do you lose if the Ryan Republican budget and the effort to repeal Medicare is lost? Well, let's see. Nearly 13 million Americans will benefit from \$1.1 billion in rebates from their private insurance companies that are presently overcharging them. Hmm. And 86 million Americans, including 54 million Americans on private policies and 32 million Americans that are on Medicare, will lose their free preventive services.

Now, you want to reduce the cost of health care, then you've got to make sure that people stay healthy as long as possible. And how do you do that? Blood pressure. You want to deal with blood pressure, okay, it is very cheap, if you get your medicine. But you have to find out about it, so you need that free checkup. Diabetes, stroke, all of those things can be delayed and often prevented if you know it's coming. So what are we talking, 32 million seniors will no longer have a free checkup, preventive services.

In August, just a week from now, women will begin receiving free coverage for comprehensive women's preventive services—pap smears, breast cancer checkups. You want to repeal that? That's what the Republicans have voted 33 times to do—repeal the free checkups for women in America.

105 million Americans will have a lifetime limit once again. Today, they do not have a limit.

□ 2010

So if you're 30 years old, you have a private insurance policy and you get cancer, you'll hit that lifetime limit immediately. Not under the ObamaCares program. In that program, there are no lifetime limits, and you will continue to receive the medical benefits.

Mr. TONKO. Thank you, Representative GARAMENDI.

One of the things you talked about with the influence or the focus on women's health care reminds me of the preexisting conditions that are precluded now as a rationale for denying insurance. And "preexisting" might mean, in youth, asthma; in our senior population, emphysema or cancer recovery or cancer struggle.

But it can also mean in a gender-related bias—being a woman. That is used as a preexisting condition. Being a woman is a preexisting condition. So the benefits to women, as you outlined in the direct services, the screenings, the mammograms and the like, are a portion. The other portion is just being born a woman can deny you insurance.

So, when you talk about the 30 cents on the dollar that the voucher would carry for the Medicare recipient, and

they're asked to go shop, this is saying that compared to today's standards, it's the senior digging much deeper into her pocket. It's the senior digging into another pocket to be able to afford his Medicare voucher portion. And that's unacceptable. That is playing to a special interest.

That's what I believe the espoused virtue of this deny, this repeal, is about. It's about playing to special interests that don't want to be told that there's a transition here, that there's a new day in America for health care consumers, and that the heart has been poured into this to be more sensitive, to address a moral compass that this Nation has always uniquely embraced, that we are a compassionate society, that we are going to make a difference out there, and that we are solutions bound.

That's what the Affordable Care Act was about: presenting a new approach to health care, providing more freedom and opportunity to our seniors and to our children.

If you're 26 and under, you can stay on your parents' policy. These are the formulae for success that allow us to go forward with much more dignity, much more success, cost containment, affordability, and accessibility. These are the dynamics of reform.

Why would you repeal something here other than to respond to special interests?

Mr. GARAMENDI. Well, exactly so. For 8 years in the early nineties and then in 2000, I was the insurance commissioner in California. I wish I had this law because I could have held the insurance companies responsible.

Now, my attitude about them is they always put profit before people. However, the Affordable Care Act has what we call the Patient's Bill of Rights, and this is the insurance discrimination that is eliminated by this law. And you spoke of a couple of these issues.

Discrimination against a woman simply because they're a woman. They have an existing condition. They're a woman. They could get pregnant. So the insurance companies would not cover or they would charge more. Those days are over.

Also, a young child, there are about 17 million children in America with preexisting conditions that can no longer be discriminated against by the insurance company. They have to be able to get insurance from an insurance company, 17 million children, one of whom is the son of my chief of staff, born with kidney failure. He had insurance the day he was born. He immediately lost insurance because he had kidney failure, and today, as soon as he leaves his parents' policy, which he's able to get now under the law because they cannot discriminate against children, he will be able to continue to get insurance. Under the old law, repeal the ObamaCares law and he will be denied insurance because there is an end to the Patient's Bill of Rights.

The Patient's Bill of Rights guarantees that insurance discrimination is over.

So what do they want here? What do the Republicans want from Americans? A big question.

Apparently, they want more money for the doctors, and that's certainly necessary in some cases.

Apparently, they say they want government out of health care. Does that mean end Medicare? Apparently, yes, because the Republicans have voted twice on this floor to end Medicare as we know it. You'll get a voucher. You will not have guaranteed coverage, and you will have to go out and shop for it yourself.

Apparently, they don't want community clinics because they've already voted on this floor to cut about one-third of the community clinics in this Nation.

Apparently, they talk about access, but at the same time they refuse to fund the residencies for family care, for the basic health care providers that we need in our hospitals and in our communities.

And apparently, they want to eliminate the Patient's Bill of Rights.

This is not a formula for America's health care.

Now, we also heard on this floor a few minutes ago, a half hour, 45 minutes ago, that the nonpartisan Congressional Budget Office said that because the Supreme Court eliminated the mandate that States have to provide more Medicaid coverage there would be fewer insured. True. That's true. Texas has refused to increase its Medicaid program. Well, that is Texas' decision, and I'm sure the Governor and legislature will have to address that.

But the fact here is that the Medicaid coverage actually provides the opportunity for some 17 million Americans to get insurance that do not now have insurance. If we provide the clinics, if we provide the residencies for the doctors who would be able to care for them, they will have access.

I can assure you that if we also do the preventative services, we will see a decline in the number of severe cases. People will not get so sick that they have to go to the emergency room. They'll get care early. And with the drugs that are necessary, they'll be able to avoid the very expensive illnesses. That's to all of our benefit. You mentioned vaccinations. These are all ways of reducing costs.

So here we are, once again, debating something that is now the law, that is proven, proven to provide services to Americans, whether they are seniors or whether they are young, whether they are children. It works, and it's working for America today.

Mr. TONKO. Well, if I might ask the gentleman from California if he would yield.

I believe there's a whole lot of political posturing going on with the Medicaid decision by States. We are hearing a lot of talk about, well, we are not

going to pay for that portion because, while it may be 100 percent in the near future, it may go to 90 percent into the long-distance future, and they don't want to pay anything for the new installments of the Medicaid plan.

Well, today we are paying. It's not like it's against an absolute that costs nothing. If you have the poor uninsured, underinsured in any given State, there's indigent care. There is bad debt and charity that is addressed in ratepayer dollars for insurance coverage's sake because that is going to be incorporated into the overall actuarial plan, or you're paying it through taxpayer dollars and for a much more inefficient system.

To have the poor, uninsured, and underinsured go to emergency rooms visiting a different doctor team every time they visit that emergency room, or perhaps a different emergency room, to not provide the stable, standardized care, acceptable notions of how to provide a predictable outcome, you're going to pay needlessly and wastefully. This is about networking people to a system that provides a stability, a standard that will enable them to have a clinic, have a contract that will cover them and make certain that all of us are strengthened by it.

And guess what. The business community, we talk about competitiveness. We talk about a sharp competitive edge for America's business communities as they enter into the international sweepstakes on winning contracts. That translates into providing jobs and profitability for our business community. Well, part of their cost of doing business is to have health care for their workers. Many want the health care coverage for their workers but simply cannot afford it.

So the exchange opportunities that are part of the package of the Affordable Care Act enables them to cut their cost. It's taking their experience, their actuarial experience of 10, 15, 20 workers in that small business and putting them in a pool of millions of workers.

□ 2020

That enables them to shave the peaks and enables them to take those catastrophic situations. One person in their plan of 10 impacted by catastrophic situations can cause their premiums as a company and the copayments of their workers to skyrocket. But if they're enabled to join this pooled effort, it provides for a better outcome for everybody.

So there is wisdom and thoughtfulness poured into the reform elements of the Affordable Care Act. And it's done again with that American heart, that spirit, that sense of compassion for the worker, the sensitivity toward the employer, and putting together a package that has everyone responded to in a way that speaks to a long-overdue bit of success. The last industrialized nation, Representative GARAMENDI, to go toward a guaranteed health plan.

So, long overdue. And now to taste success and have it pulled away from the American health care consumers of this great Nation is a very troubling notion.

Mr. GARAMENDI. Well, Mr. TONKO, thank you very much.

Next Monday, did you know, next Monday is the annual birthday of Medicare? Next Monday. It went into effect in 1965, and ever since, as you said earlier, Republicans have been trying to terminate it. They tried again this year, but the American public knows better. They know that they want to live long enough to get to Medicare because in Medicare they have a guaranteed benefit. They know that wherever you are in the United States, whether you are in Vermont or in California, you have the same quality policy that will cover most of what you need. If you want more, you can go out and buy that, that's called the Advantage program. And you get to choose your program.

It's not a government takeover at all. In fact, it is a financing mechanism so that every senior in America can choose their own provider. They get to choose their provider. They can go wherever they want to go to get their medical services. And if they don't like their doctor, they can change.

So the government is not saying where you can go. In fact, the government is financing the system so you can choose whatever provider you want to choose. It is a common policy across the Nation. It is efficient and it is effective, and the Republicans are trying to destroy it. We won't let that happen. Bottom line, we will not let that happen. And there are serious cost containments in the current Medicare program and in the Affordable Care Act.

I'm just going to end with this, and then we really need to get to what we wanted to talk about, which were the job programs.

The Congressional Budget Office today estimated that the Affordable Care Act, over the next 10 years, will reduce the deficit by \$109 billion. In the 20 years going out, because of the cost containment in this system, the Affordable Care Act will reduce the deficit by over \$1 trillion. Now, that's worth engaging. That's worth us doing. And simultaneously provide far better health care to Americans and far better access to health care wherever they may need it across this Nation. It's a good thing.

When they want to stand up here and say ObamaCare, I'm going, you're right, Obama cares—cares deeply about the very health of every single American. That's why the Affordable Care Act is in place today, was found to be constitutional, does reduce the deficit, and does provide quality health care and choice of where you want to get your medical care.

Mr. TONKO. My colleague from California just indicated that there would be a favorable deficit outcome because of the Affordable Care Act.

Mr. GARAMENDI. Exactly.

Mr. TONKO. Well, what else reduces the deficit? Putting people to work. Putting people to work, the American Jobs Act. Plain and simple: It's about addressing the deficit and providing for the dignity of work and the enhancement of services that strengthens the fabric of our communities, our States, our Nation. So, the American Jobs Act, according to experts, is a phenomenal plan.

We've heard the Republicans say we have some 30 bills that are about growing the economy and producing jobs when, in fact, when put under the test, when reviewed by some very sound organizations out there and professional economists and analysts, they said it would do precious nothing. That it was not the formula. It's not what the doctor called for, if we can stay on that health-care related theme. But the American Jobs Act, well, listen to some of the experts.

The chief economist at Moody's Analytics—who, by the way, Mark Zandi, was the former economic advisor for Senator JOHN MCCAIN—what does he theorize? That anywhere from 1.9 million to 2 million jobs would be the outcome of the American Jobs Act, something that not only produces the jobs, but would reduce the unemployment rate by at least 1 percentage point. That's a major significant factor.

What also happens is that, when you produce those 2 million jobs, you're addressing the GDP by at least 2 percentage points. Growth in the GDP, reduction in the unemployment, reducing the deficit, putting people to work, strengthening the economy, providing purchasing power at a time when businesses are saying the best thing you can do: Get us customers. A healthy economy, putting people into the work mode creates customers. It creates purchasing power. It creates a strength in the economy. Two million jobs.

How can we walk away from a proposal? Oh, I know why: Because there were those who spoke before cameras reaching all of America saying anything this President offers, we won't do; our goal is to make him a one-term President. My friends, that is putting partisan politics—petty, partisan politics ahead of the interests, the better interests of the American public.

Where is that American spirit? Where is that sense of patriotism? Where is that sense of responsibility, of leadership in this House and in the U.S. Senate that needs to get forward with the American Jobs Act?

Representative GARAMENDI, I know we've been joined by another colleague. It is just great to share this hour with you to talk about the progress we can taste that would lift every community in this great Nation.

Mr. GARAMENDI. I was reading one of the Hill magazines—often called the Hill rags—and they said that the Speaker of this House starts off his weekly press conference by asking: Where are the jobs? Well, the jobs, Mr.

Speaker, were proposed last September by President Obama—the American Jobs Act. Two million jobs minimum could have been created. This is one of the great woulda, coulda, shoulda's of our time. We could have had people back to work today, and in doing so reducing the deficit.

There are so many different pieces of this. Mr. Speaker, the American Jobs Act are where the jobs are. You talked about a piece of it. I'm going to just pick up one more. This is one that speaks to the American homes, what's going on in the house where we live. Many of those homes are run down, they have problems with insulation, or they don't have any insulation at all. They leak energy. Well, the President proposed, as a piece of the American Jobs Act, that we could provide construction jobs, really, low-skilled construction jobs, in rehabilitating the American homes. This is not a new concept. This has been going on for some time. It's been used repeatedly to upgrade homes in the United States and simultaneously save energy and save dollars for the American public. One piece of it, construction jobs, could have been put in place.

I'm going to pick up another one, and then I'm going to turn it back to you, Mr. TONKO. My daughter is a teacher, my son-in-law is a teacher. They've seen their class size just grow from 20, 22 to some 32 people in the class. Now, this is a serious problem for the teacher, making it more difficult to provide the quality teaching that's necessary. My daughter is a great teacher, my son-in-law is too, but it's much more difficult. The class size has increased by a third.

The American Jobs Act would have put 280,000 teachers back into the classroom. Now, if you happen to be a second-grader and you're not getting what you need to learn, then that's going to carry on through the remaining years of your schooling. And so 280,000 teachers could have been brought back into the classroom had the American Jobs Act passed.

□ 2030

Mr. TONKO.

Mr. TONKO. Yes, they are both significant bits of legislation, so it's good to interlace the American Jobs Act and the Affordable Care Act.

To the 280,000 teachers, I think it's very easy to state that the human infrastructure in our school systems across this Nation are a critical component to quality education, that personal relationship of students to teacher, the exercise of self-discovery—who am I, what are my gifts, what are my talents, what are my passions. That is exercised in the classroom. That is a spirit that prevails. It's a magic that happens in the classroom and that sense of self-discovery.

Part of our goal here is not only to enable these students to understand who they are, to draw forth the soul of the individual; it's to provide the opportunity for our workforce of the future.

That fourth-grader, hypothetically, that was impacted by class size or the lack of a teacher for certain subject areas, that's something that child will never gain again. What you lose in that given year is lost throughout the development. And it is important for us to make certain that every bit of opportunity, every bit of learning experience is granted our children so that they understand where they can best contribute to society, where their gifts can be utilized.

And it's part of that development of the workforce of the future, the workforce of the present, training, retraining dollars, that are part of the American Jobs Act, absolutely a critical piece of the infrastructure.

And the tens of thousands—this chart will say retain thousands of police officers and firefighters. We know it's tens of thousands across this Nation. An element of public safety, a quality-of-life component, making certain that our core communities have the given workforce of firefighters, of police officers that will enable us to respond to public safety measures.

These are a core bit of principle, along with veterans that would be hired with benefits that are significant. That element was done under pressure, under scrutiny, under growing public sentiment. But think of what could happen if we did all of these and did even additional services with our veterans who are returning home and are in need of employment.

These are the factors, these are the dynamics that are introduced through AJA, the American Jobs Act, that would allow for the deficit to be addressed and at the same time to have services responded to, essential services.

We've talked about the belt-tightening, addressing waste and inefficiency and outmoded programs and fraud. And after we capture those savings from that exercise, it's important, I believe, to slide that into an investment zone so that the result is cut where you can, so as to invest where we must.

The investment, absolutely critical. The investment in jobs, the investment in teachers, firefighters, public safety elements, our police officers, our veterans community, and items like an infrastructure bank bill, an infrastructure that we'll talk about in the remaining minutes of this Special Order.

Mr. GARAMENDI. Well, let me just pick up a little more on the education. The most important investment any society will ever make is the education of their children and the re-education of their workforce.

In the American Jobs Act there are the 280,000 teachers that would have been in the classroom this entire year. They're not there today because there's been no movement on this floor to even debate in committee, let alone take up a vote on this floor, the American Jobs Act.

Also, many of the schools across America are run down. Their labora-

tories, their classrooms are antiquated. They don't have air conditioning, many, many other problems. The American Jobs Act provided money for 35,000 schools across the United States to be upgraded, to be rehabilitated so that 250,000 jobs would have been created right there.

Before we go any further, I know you're all worried, oh, it's going to increase the deficit. The American Jobs Act would increase the deficit. No, it would not.

Mr. TONKO, you spoke earlier about when people go to work, the economy gets going, money is circulated, taxes are paid.

The other part of it is, the American Jobs Act was fully paid for by ending unnecessary tax subsidies to companies that don't need it, specifically the oil industry. The wealthiest industry in the world would lose its tax breaks that amount to over \$16 billion, and that money would come back to pay for Americans going back to work.

There are other things. The top end tax, at the very top end, the wealthiest 2 percent would see their taxes go back to where they were during the Clinton period. This is how the American Jobs Act was going to be paid for.

Mr. TONKO.

Mr. TONKO. I think it's interesting too because we're talking about the jobs created that impact the unemployment rate, that impact the reduction of the deficit.

In contrast, the Ryan budget, which we've talked about many times, the Republican plan for this House, that's been adopted by Republicans that are in leadership and running for President, would, in contrast, according to the Economic Policy Institute, the cuts in services would result in a reduction of 1.3 million jobs in the first year and 2.8 million jobs in the second year.

Mr. GARAMENDI. Excuse me, 4.1 million jobs total.

Mr. TONKO. So when you contrast that, that cut in jobs, the cuts that would be part of the Republican budget plan, adopted by this House, would grow the deficit because if we're arguing that employment reduces the deficit, unemployment, in contrast to the American Jobs Act, would drive up the deficit. It's going back to the failed policies of the past.

We've fought two wars that were never put on budget. We offered trillions in tax cuts that we couldn't afford, and we avoided talking about paying for the war. Did we think there wasn't going to be a crash?

Did we think that that behavior wouldn't come with a price?

Of course it had to extract a price from the American society, and it was the loss of 8.2 million jobs; it was the loss of as many as 800,000 jobs a month. It was about bringing America's economy to its knees and draining trillions of dollars from households that trusted that their investment with the private sector, with the financial industry was

going to return them lucrative dividends.

We saw the failure of those policies. Why would we go back down that road, which seems to be what the Republican plan, the Republican budget, is all about?

Mr. GARAMENDI. Excuse me for interrupting, but if you look at the Ryan Republican budget, it would cut education and other services by 33 percent. So instead of investing in our children, investing in re-educating and helping our workforce learn new skills, they would cut it by 33 percent.

In transportation, the Ryan Republican budget would cut transportation funding by 25 percent, even when we know that our infrastructure gets a D because of potholes, because the bridges are failing. So why would you cut the transportation budget by 25 percent?

If you want to put Americans back to work, you don't do it that way.

And you did talk about Moody Analytics already. It doesn't work.

Now, I'm going to just pick up one more thing. I'm on the House Armed Services Committee, and we heard testimony last week from the CEO of Lockheed Martin, and the CEO of EADS, and also from two other witnesses. And they said this: you cut the budget for defense, and you're going to lay off 2 million people. That's part of the sequestration.

So here you have the top CEOs of America's big huge companies saying don't cut the budget because you are going to lay Americans off. You're going to lose up to 2 million jobs.

And yet for the last 2 years, our Republican friends have been trying to cut the budget. Not in defense, but in everything else, arguing that that will somehow create jobs.

□ 2040

However, testimony received last week from the CEOs of three large American corporations and one smaller corporation said categorically, If you cut the budget, we'll lay people off—creating unemployment.

The American Jobs Act puts people back to work, and it is fully paid for.

Mr. TONKO. Earlier, I think you had made mention of modernizing our schools and that part of the American Jobs Act includes the investment in the revitalizing of our schools, some 35,000 schools across this Nation. The statistics are there. People document, historically, what investments in refurbishing our schools have meant. For every \$1 billion of investment, we can grow some 9,000 to 10,000 jobs. That's the start of the story. So what we have here, the modernization of schools, would create some 250,000 jobs. As I said, that's just the start of the story.

What happens after that?

Maintenance costs and operating costs are reduced because you might have energy efficiency embraced in that restructuring. You'll have better, more efficient weather-type situations,

more comfortable situations for students in which to learn, which is important.

Mr. GARAMENDI. Mr. TONKO, you might actually have bathrooms that work. You might actually have a place where kids would want to be. You'll have a school that has a decent paint job, air conditioning. Kids would want to be in that school. Yet we have schools across this Nation where you wouldn't want to be and I wouldn't want to be, and I certainly wouldn't want my kids in that classroom.

Mr. TONKO. They're typical danger zones with ceilings falling and poorly upheld infrastructure.

The jobs—the absolute jobs of a 250,000 count—would benefit, again, the economy. These operating costs are reduced, and they theorize that it could be in the neighborhood of \$100,000 a year. Now, think of what you can do locally with that. That might mean two teachers, or it might mean 200 more computers, or it might mean 5,000 textbooks. It's a way to invest by balancing those savings with the investment in children—in our future and our present—because our children represent our future and our present. It is a respect toward our children.

These are, I think, in keeping with the old American spirit—the pioneer spirit—to enable us to dream bold dreams and to encourage our youngsters to pursue these career paths and to develop, again, the workforce of the new millennium, in which we are going to be asked to compete in a global marketplace where there are investments going on around the world. Now is not the time to cut our commitment to our children and to our society and our competitiveness as a business community. So it all comes together in a very structured sense, in a very comprehensive plan.

Mr. GARAMENDI. Mr. TONKO, there is one additional piece to this puzzle, and that is that the Democrats have been putting forth for the last 2 years a project which we call Make It in America. This is the rebuilding of the American manufacturing sector. Twenty-five years ago, there were just under 20 million Americans employed in manufacturing. These were the middle class jobs. Now there are just over 11 million. We've seen the hollowing out—we've seen the outsourcing—of American manufacturing jobs.

There were actually policies in place before the Democrats in 2010 took control of this and ended tax breaks for American corporations that outsourced jobs. They actually were able to reduce their taxes by sending jobs overseas. We ended about \$12 billion of those crazy, unnecessary, destructive tax breaks. Now the President has suggested that we put in place the remaining \$4 billion. End those tax breaks, which is ending the rewarding of companies for outsourcing jobs. Turn it around and reward companies for insourcing, for bringing those jobs back home.

I have a piece of legislation that we've been working on, and it's actually getting some legs and moving along. It's part of Make It in America. Our tax dollars have been used in the past to buy foreign-made solar systems, wind turbines, trains, buses, light rail vehicles. My legislation says, if it's our tax money, then, by golly, it's going to be spent on American-made equipment, bringing our tax dollars home so that we buy American, so that we Make It in America once again. When we Make It in America, America will make it.

Mr. TONKO, I know that you are also into this with some pieces of legislation that you have, and maybe you'll want to talk about those. We can rebuild the American middle class by rebuilding America's manufacturing base. That's where you create wealth. Maybe it's in the food services. Maybe it's in the manufacturing of wine or in the manufacturing of food or automobiles or light rails or solar systems. We can do it, but we need to have in place smart government policies.

I beg my Republican colleagues to take a look at this. Don't just assume it's a Democratic idea. Make this an American idea, a Democrat and Republican idea, to change our policies so that we can rebuild the American middle class by making things in America once again.

Mr. TONKO. A couple of things come to mind legislatively.

What about investing, as the AJA does, in community colleges—the campus of choice across this Nation? The associate degree is a very important, valuable bit of material to have in one's hand. We are going to rely heavily on those associate degrees, and community colleges need our assistance. They are also there as the operational center of training and retraining programs.

What about investments in technology? investments in research? investments in alternative energy supplies that give us an opportunity to grow independent?

Mr. GARAMENDI. Excuse me for interrupting.

Before you came to the House of Representatives, that was your work in New York, wasn't it?

Mr. TONKO. Absolutely.

I was energy chair at the State assembly for the last 15 of my 25 years in the legislature, but then went over as president and CEO with NYSERDA, the New York State Energy Research and Development Authority. We made it our goal to advance research, to make certain that we would incubate these ideas—these innovations, the cutting-edge technology—that translate into jobs. Research equals jobs.

I have advanced legislation that would slide subsidies that are given to the historically profit-rich in the tenure of capitalism—our goal here is to not feed the profit margin of our oil companies—over to cutting-edge technology, renewables, providing for con-

sumer behavioral transitioning that enables us to grow American independence in the energy generation business.

Why are we sending tens and hundreds of billions of dollars over to unfriendly nations to the United States for our dependency on fossil-based fuels when, in fact, we can encourage renewables here and energy efficiency, utilizing that as our fuel of choice to make certain that we reduce demand that then reduces bills that then allows the competitiveness of our businesses to be all the sharper? Those are the sorts of things in which we want to invest, and it's the going forward from that point.

How about our infrastructure bank bill that would leverage public and private monies and that would stretch our opportunities to respond to that deficient infrastructure of which you spoke? These are important measures. This is the sort of cutting-edge opportunity—the investment, the pioneer spirit again.

We can learn from our American story. There have been those golden moments when we have hit bottom. There were those golden moments when we were tremendously challenged and when we rose to the occasion in tough times, primarily tough times, by responding with a tough agenda that said, look, true grit here will get us to the finish line—and it happened. It happened with Medicare. It happened with the Erie Canal, of which we often speak.

Mr. GARAMENDI. Social Security.

Mr. TONKO. Again, Social Security. You're absolutely right.

The President lifted this Nation, and he made certain that all families would have at least a foundation upon which they could grow, upon which they could live in this society. It addressed the dignity factor, which has made us unique as an American society: caring about our fellow man, caring about the men and women of this great Nation in a way that created an American society, a sense of community—we the people—talking of us in a community sense, a neighborliness, neighborhoods and societies speaking in a compassionate way, caring about one another. That's when we're at our best.

Mr. GARAMENDI. If we're going to really be caring about the American worker going back to work, we also need to be very cognizant of international competition.

You spoke earlier about the need for our workforce to be competitive, which is the education process—K-12, vocational education, community colleges. They're exceedingly important. Also important is that there be fairness in the international trade situation, that we look not just for free trade but fair trade.

One of the things that we really must address is the threat of China's unfair trade practices. The Chinese currency is undervalued; and as a result of that, they have a 20 to 25 percent advantage.

□ 2050

You eliminate that, and the American worker will be competitive.

We have one of the pieces of legislation in the Make It In America package that the Democrats are putting forward which is forcing China to end its currency manipulation. When it ends its currency manipulation and allows the value of its currency to rise to appropriate parity, we will be able to be competitive. You can bet why the Chinese don't want to do it. They want that unfair trade advantage. That's one of the pieces of legislation that we put forward.

When the Democrats controlled Congress a year and a half ago, we pushed a bill out of here that would force sanctions on China if they continued their currency manipulation. Since the Republicans have taken control of the House of Representatives, that legislation has died, has never even come up for a vote on the floor. It ought to come up for a vote. We need fair trade practices.

We need to use our tax money to buy American-made equipment and supplies. We need to educate our workforces. These are investments in the American middle class. This is how we can restore the middle class of America. Health care is part of it also.

You talked earlier about health care and the availability of health care for working men and women. We also need to make sure that those jobs are there.

The American automobile industry is instructive on this count. It is instructive in that the U.S. Government and the leadership of President Obama actually allowed the American automotive industry to continue to even survive. Using the stimulus program, the President stepped forward and said, I will not allow the American automotive industry to die, and he put our tax money behind General Motors and Chrysler. Those companies are now thriving. And it's not just those companies. It is the thousands upon thousands of manufacturers across this Nation and others who supply all of the parts and all of the services. Think where we would be today if Congress had not given the President the power and if this President did not have the courage to take up saving the American automobile industry.

Presidential politics come here. Mr. Romney says he would not have done it. Okay. President Obama did it, and the American automobile industry is strong and vibrant today, and the American middle class is back to work.

Mr. TONKO, we must be about out of time.

Mr. TONKO. Yes, we're down to our last 4 minutes.

I always find these discussions to be interesting because there's all this rhetoric out there about 30 bills that have been advanced by the majority in the House and that it's the salvation that's going to produce jobs and get America working again.

Major analysts have reviewed that legislative agenda and said it doesn't

do what they contend it will do. It doesn't produce the results. We would love that to be the case, but it doesn't produce the result. They said that we are really in need of legislation that will advance jobs.

Tonight, this discussion about providing the tools, putting additional tools into the kit that makes American industry competitive, speaks to our humble beginnings. So many people travel to these shores. Their journey was about the dream, a noble dream, an American Dream that they were going to make it here. That was our humble beginning, and we enabled people to experience the rags-to-riches scenario. We allowed for generations to continue to grow and prosper and build upon the success that preceded them.

Today, sadly, our middle class is weakening household income-wise. The next generation may be the first to go backward. The President is trying to move us forward, with great resistance in this House to reject progressive policies.

We say: Let's build upon the success of the past. Let's reach to those shining moments when we were challenged as a nation and produce the best outcomes. That can happen again here if we open up to what's best for America and not resort to petty partisan politics that want to deny a Presidency, that want to deny opposition that comes forward with constructive qualities to do it in a better way, to build the consensus.

We need to move forward on behalf of the nobleness of the American Dream. With heart and soul poured into the efforts here in this House, we can achieve and grow that middle class, purchasing power enhanced for the middle class, opportunities for our middle class. A strong middle class means a strong America. Let's go forward.

Representative GARAMENDI, thank you for leading us in this hour.

Mr. GARAMENDI. Mr. TONKO, thank you very much for your passion on this issue, and thank you for your compassion for the American people. We can make it. We can make it in America. We need good and wise policies to do that. You can't do it by cutting, cutting, and cutting. You have to do it by investing, investing, investing.

The American public understands. They really do understand that we're a great Nation. There is no greater nation in the world. We need the kind of policies that will put Americans back to work and keep them healthy.

I want to thank those of you that are listening to this hour of discussion on health care and on jobs in America.

Mr. TONKO, thank you very much, and, Mr. Speaker, I yield back the balance of our time.

#### REFORM

The SPEAKER pro tempore (Mr. HARRIS). Under the Speaker's announced policy of January 5, 2011, the Chair recognizes the gentleman from

Oregon (Mr. BLUMENAUER) for 30 minutes.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the opportunity to be here this evening following my good friends and their interesting discussion.

I wanted to spend a couple of moments this evening talking about reform.

Reform has been a major focus of my public service career beginning as a citizen volunteer, working as a State legislator, a local official. I was pleased to be part of innovation in my native State of Oregon in areas of tax reform, transportation innovation, environmental protection, land use, and government structure.

I am pleased to have been able to take some of the lessons that I learned in Oregon here to our Nation's Capital, working in Congress in areas of energy, bicycles, flood insurance, health care reform. For me, that's exciting and energizing. That's what makes me a little disappointed, to say at the very least, with what's happening in this session of Congress.

It's sad to see that today in the House the focus is not taking the Affordable Care Act where the questions of its constitutionality have been settled by the Supreme Court and moving forward to accelerate its implementation. Instead, the efforts are to slow it down, to repeal, to put sand in the gears. Not without a constructive alternative mind you, but just to be against the reform that's on the books.

It's depressing to see repeated attacks on environmental protections, something that Americans care deeply about that makes a difference to the quality of life of our communities, the strength of our economy, the health of our families.

It has been unfortunate that we were given by this Congress earlier this year what has been described, I think appropriately, as the most partisan transportation bill in history, and certainly the worst, undoing 20 years of transportation reform. Luckily, it collapsed under its own weight, but we were left with a pale 2-year extension, and we're soon going to be right back where we started.

We're watching, more recently, efforts that deal with agriculture in terms of the reauthorization of the farm bill, an opportunity to reform, to be able to save money, to improve the health of our citizens and the economic viability of America's farmers and ranchers. Instead, the bill that has passed out of the committee in the House would concentrate even more subsidy in the hands of fewer wealthy farmers and short-circuit the needs of Americans who eat, people who care about animal welfare, about the environment, and, most importantly, about the welfare of the vast majority of American farmers who, sadly, would have been shut off.

□ 2100

It looks now that the bill is so precarious that it may not even come to

the floor of the House, backtracking on efforts to rein in and reform military spending, when just last year there was a bipartisan agreement to deal with reducing the deficit that was balanced between spending for military and non-military accounts. And now we see people retreating from that goal in the military appropriations bill that passed, despite aggressive bipartisan efforts to rein it in, and it is moving forward as a lost opportunity.

Well, it's in that context, Mr. Speaker, that I wanted to discuss the issues that surround the postal service. It's not by any stretch of the imagination that I'm not interested in changing how we do business. I think that's important across the board. I have demonstrated that with my past work, and by word and deed and what I do politically.

I often find myself in agreement with some of the editorial positions from *The Washington Post* and *The New York Times*. They're moving forward with an urgent effort to move legislation that would dramatically scale down the postal service, to cut a large number of facilities and suspend 6-day service, assuming that those are the only alternatives available for us going forward.

Well, as I say, I will be the last person to argue that we should not do business differently, but it seems to me that it's past time for us to take a step back and take a hard look at this so-called postal crisis and at potential solutions and their implications.

Mr. Speaker, it is important to note, from the outset, that the postal service has played a vital role in the development of the United States. It dates back to the beginning of our country. The first Postmaster General was Benjamin Franklin. The service was established 236 years ago. And the postal service actually has been involved, when we let it, with a variety of innovations.

There are those who are concerned that today, with the advent of email, that it has somehow made it impossible for the postal service to move forward in this climate. Well, it's interesting. The postal service has been able to survive the telegraph, the fax machine. It has, in fact, been part of the innovation. Airmail service was part of what the postal service did to help launch the aviation industry in this country. And we have, today, a pattern of development of the transcontinental railroad service and the nature of the postal service, itself, tying together American communities.

Part of what I think is important for us to focus on is the role that the postal service plays in rural and small town America. It's an important part of rural and small town America in Oregon and around the Nation, and these communities are facing times of economic stress and isolation.

The post office plays an outside role. Many people revel in the quality of life. It's very desirable in many rural

and small town areas, with great traditions. But it's no secret that for many communities and the people who live there, it's a struggle. They have high unemployment, as young people leave and the population ages. There are real challenges in terms of connectivity, access to broadband for over 26.2 million Americans, three-quarters of them living in rural America.

Now, I think it is important moving forward, dealing with the changes to the postal service, to think about the implications for this part of America that often gets lots of rhetoric but not the attention that it deserves.

The postal service in rural and small town America provides services in terms of people being able to get access to not just mail services and a sense of community, tying people together, a sense of identity, but it is a source of good-paying, family wage jobs that play an outside role in this part of the United States.

It is important in terms of being able to access immigration forms, passport services. These are items that are, in some instances, difficult for people in rural and small town America.

And also, as we are watching the explosion of online shopping, which is playing a larger and larger role in the American economy, it's even more significant in rural and small town America. The postal service often provides that last mile for transactions that take place via the Internet—increasingly for senior citizens who rely on mail order pharmacy services to be able to get their prescriptions through the mail.

Looking at the wide range of activities that make a difference for rural and small town America, I think it's important for us to consider what the implications are going to be for them.

Now, there are those that say, well, wait a minute. They'll just have to pay the price because we are facing a funding crisis in the post office. It's bumping up against a \$15 billion debt limit. Bills are coming due. And we have no alternative but to move forward with dramatic reductions in service, including Saturday service and closing facilities.

Well, it's important to reflect on what is the nature of the current funding crisis that faces the post office. Sadly, it is largely a manufactured crisis. The impending funding deadline is simply a result of the legislation in 2006, which was a compromise—a reluctant compromise, but it included a provision that would require the postal service to prefund its health insurance costs for retirees who haven't yet been hired—75 years in the future—and required that funding to be made over the course of 10 years.

Well, thinking about that for a moment, Mr. Speaker, this is actually a device that is not necessary. No other business or government agency is required to do it 75 years into the future. And, in fact, part of the charm for the people who devised this a few years ago

was it actually artificially reduces the Federal Government deficit because these payments are credited to Federal accounts. Even though the post office has been an independent agency since 1971, operating without subsidy, these moneys are credited to the Federal Treasury and are used to try to disguise the true size of our deficit. There is no reason to accelerate the prefunding of this obligation of 75 years to make it occur here in the course of this 10-year window.

Mr. Speaker, I think it's important to point out, after putting it in this context, that this is an artificial crisis. The post office, if it weren't for this extraordinary, unnecessary, and unprecedented prefunding requirement, would actually not be hemorrhaging red ink. In fact, it's very close to being self-sufficient, and it does so despite the constraints that Congress has placed on the postal service. Because, bear in mind, even though it doesn't get support, the Congress has kept a very short leash on what the postal service can do. It doesn't have the flexibility to run like a business, to adjust its pricing, to be able to adjust its product mix, to take advantage of the fact that there is a skilled workforce of over 500,000 people and has more facilities around the country than McDonald's, Walmart, and Starbucks combined.

□ 2110

We don't give them the freedom and the flexibility to move forward to take advantage of that platform.

Now, you don't have to be very creative to think of ways that we might be able to work together to be able to slightly modify the services that are provided, and give them more flexibility on the implementation of their service. It is important, I think, to be able to think about what this connectivity means for the American public. If we somehow eliminated the postal service, turned it over to the private sector, cut down more dramatically in terms of what the offerings are, does anybody think we would be able to send a first-class letter from the Florida Keys to Nome, Alaska for 44 cents? The post office moves about 40 percent of the mail in the entire world.

Now there are those that say look at Germany, it has been privatized. Well, look at Germany. Germany is a country that is smaller than Montana, bigger than Wyoming, just to put it in the context of size. It is very densely populated, and it still charges more than 10 percent higher than we do in the United States, and they are competitive internationally, globally. The German postal service is doing business in the United States, competing with Fed Ex, our postal service, and UPS. It is an extraordinary resource that I think is worthy of consideration of what we've got and how we do it.

Mr. Speaker, as I stated from the outset, I happen to believe in reform. I believe that we need to do business differently, whether it is how we deal

with our farm policy, our military policy, tax reform, health care. I would hope that in Congress we can return to the days where we actually had regular order and we discussed things like this in committee, that every bill wasn't a partisan vehicle, and when there was give and take and challenging one another in terms of ways it could be done better, and listening to a wide variety of opinions. And I say by all means allow a wide variety of opinions to come forward to talk about the future of the postal service. I think that's healthy. I welcome it. I've spent a lot of time talking to people on the Postal Rate Commission. I've talked to leadership in the management of the postal service, postal employees, people who are customers, and competitors of the postal service. I want to explore these issues.

I'm absolutely convinced that the interests that are involved with the postal service, broadly defined, including its unions and employees, understand that there is going to be more change taking place in the future. That there are some adjustments where there is probably more capacity than we need, there will be changes going forward. We want to be careful and selective about what we do. But I go back to my point about the impact it will have on rural and small town America. I want to be sure that the changes that we undertake don't make great difficulty for people who don't have the access that some of us who live in metropolitan areas have, people who are connected to the Internet and people who have ready access to other resources.

I think it is important that when people are talking about reducing the sixth day of service, that they think about the implications for individuals who depend on that. For many people who work and get packages that are important to them, being able to have them delivered on Saturday is important, and particularly when you look at holidays that go over weekends, the difficulty of delivery of things like medicine is not a trivial question. And the fact that the postal service is in a sense a partner with some of its private sector competitors, cutting back on that service, what it does with those competitor-partners and what it does with people who are marketing through the Internet, through the mail, this needs careful consideration.

It is interesting as people dive into the numbers behind the elimination of Saturday service. You're eliminating 17 percent of the postal capacity and it would only save 2, maybe 3 percent, and there would be costs associated with that. It is kind of interesting. I would like us to think about what it does to the business model, if you're going to eliminate 17 percent of the service and you save a couple percent in operation; particularly, as I mentioned, that we constrain what they charge and we have an artificial financial barrier with the 75-year pre-funding of health care.

I think it is important for us to respect what we've got, think about the alternatives, and have a discussion where the interests—whether they are direct mail, they are marketing, they are online shopping, they are people in terms of the pharmaceutical industry, senior citizens, rural and small town America—let's get in and talk about this, find out not by declaring war against postal employees, but working with them in a cooperative fashion to find out suggestions that they have in terms of moving forward, and looking at what this tremendous resource that we have, what the value is.

I'm in the State of Oregon, where now all of our ballots are done by direct mail. It is a way to improve efficiency and lower cost for local governments. Broader application of mail-in ballots would improve the security, the efficiency, and cost savings. We have barely scratched the surface of that.

There have been deep concerns, and I note that we had a somber observance today about the death of a couple of our employees, guards who were gunned down on this day in 1998. We've lived through eras where there were concerns about anthrax, about opportunities that some may be involved with bioterrorism. And there have been scares about pandemics. Well, it may well be in our future that there would be great value to having a network that reaches 150 million addresses six times a week with a skilled workforce that can turn that around in a matter of hours.

You don't have to stretch your imagination very far to think of acts of disease or terror where that network may well make a difference. We're finding oftentimes in communities that it's the postal worker who is alert to problems within a family or somebody that is missing and not showing up. They are eyes and ears that do not just volunteer projects but connect people. Let's think about the value of that network before we start to unravel it.

Mr. Speaker, I will conclude where I began. I think everybody whose is privileged to serve in this Chamber needs to think about how we do business differently. I think we need to be open to arguments, questions, evidence, to be able to squeeze more value out of the public dollar, to use the resources to protect the vitality and livability of our communities, and to build partnerships and relationships. And I welcome the discussion that we're having with the postal service in the media and here in Congress. But I would hope, Mr. Speaker, we could do it in a way that is thoughtful and broad-based. I would hope that we would be able to look at what the postal service has provided for 236 years. I would hope that we would think about the value of the workforce. It's not just over a half-million family wage jobs that makes a big difference, particularly in small town and rural America, but these are people who have a skill set and a distribution across the country which has other val-

ues, some of which I have just mentioned, and others we have not explored.

And last but not least, before we make changes, I think we ought to be sure that we know that they are going to get what is advertised because, despite all of the rhetoric, we have the lowest cost, most efficient postal service in the world, moving 40 percent of the traffic, doing it very cost effectively, despite the fact that Congress, in its wisdom, has tied the hands of the postal service, dictated rates, told them what they could close or not close, and changes course repeatedly.

□ 2120

I would hope we could do a better job working with our partners there and the people who depend on it to make this part of an area where we figure out how to do business differently, because I think there are opportunities not only to save money but to take advantage of this resource. I think it ought to be done thoughtfully, I think it ought to be done soon, and I appreciate the opportunity to discuss it here this evening.

I yield back the balance of my time.

#### THE MUSLIM BROTHERHOOD INQUIRY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the Chair recognizes the gentleman from Texas (Mr. GOHMERT) for 30 minutes.

Mr. GOHMERT. Mr. Speaker, there's been a great deal of wailing and gnashing of teeth, it seems lately, in response to a letter that five of us signed to five different inspectors general, five different departments of the U.S. Government. Despite the effort to distract, despite the wild accusations that have come about five separate letters that were quite factual, set out things that were footnoted, documented as true, we were simply asking inspectors general of the different departments if they would investigate about potential Muslim Brotherhood effects within those departments.

I have been amazed. Out of five letters to five different departments, each one of them different, each one of them dealing with facts that were in each particular department, we have been met with this frenzy from some quarters, including some of the mainstream media, to demonize people that are just simply asking questions. Actually, we used to have a mainstream media that would ask questions.

Also, when you look at the fact that in 1995, the defendants charged with involvement in the 1993 first World Trade Center bombing were tried, and as the prosecutor, the Federal prosecutor in that case, a brilliant guy named Andrew McCarthy has set out in one of his articles, we proved, we introduced evidence and proved beyond a reasonable doubt that the intention of these people, these radical Islamist groups, was to bring down this country.

As Andy has properly asked, since we proved beyond a reasonable doubt to a great group of jurors in New York about the effort of these radical Islamists, Islamic jihadists, to bring down America, what's happened since 1995 that all of a sudden this administration says, oh, no, forget what was proved beyond a reasonable doubt to New Yorkers in 1995 and been upheld, you can't believe that? Don't look at the factual evidence behind the curtain, for heaven's sake; just look at what we're telling you, and we're telling you there is no Muslim Brotherhood involvement in America, and there's no Muslim Brotherhood effect or influence in this administration.

But that is deeply troubling because we know from the Holy Land Foundation trial in Dallas, that was well tried in 2008, and convictions on over 100 different charges, and they established, they named defendants, proved beyond a reasonable doubt about the charges of their support for terrorism, and they also named numerous parties as co-conspirators in support of terrorism, and the Justice Department was involved in that, the Attorney General's Office was involved, and they proved beyond a reasonable doubt that there were Muslim Brotherhood groups who were supporting terrorism in America. At least they proved beyond a reasonable doubt the defendants were involved in supporting terrorism, and then basically—it might be deemed or called a preponderance of the evidence—that others who were not indicted, but were named, such as CAIR and ISNA, the Islamic Society of North America, in that case, the evidence was produced to establish that the Islamic Society of North America is the largest Muslim Brotherhood front group in America.

And some of us who simply signed a letter asking questions? Look, how about doing an investigation to see what the influence of the Muslim Brotherhood is in this administration? Because previously, including through the prosecution in November of 2008 of the largest terrorism support allegations in American history, it was established the Muslim Brotherhood is alive and well and having influence in America.

Yet, the Islamic Society of North America's President, Imam Magid, has been a guest at the White House, and, in fact, if someone, I guess because they regularly don't do their homework, were to check, as I have in the past, I don't know if it's still there, there were a couple of times I checked in the past couple of years, but if you were to check with the White House Web site, you would find that the number two person in the National Security Administration, the Deputy National Security Adviser, Denis McDonough, was giving a speech to a group called ADAMS—I'm sure John Adams appreciated the reference—but ADAMS, the All Dulles Area Muslim Society, and there is the transcript of

his speech. I don't know if it's still up. Like I said, it's on the White House Web site. And Denis McDonough, the number two guy, the deputy national security adviser, thanks President Imam Magid, the president of ISNA, the named co-conspirator for supporting terrorism, for the wonderful prayers he gave at the Iftar celebration in the White House the August before, Iftar being the celebration that concludes Ramadan.

So we know the President of the largest, according to evidence in the Holy Land Foundation, the largest Muslim Brotherhood front trial, the president gets invited to the White House to do prayers for their Iftar celebration. And we also know Denis McDonough thanked Iman Magid for the wonderful introduction there at the All Dulles Area Muslim Society.

So it's a little troubling not only that this influence is there, but then when five Members of Congress raise a question, how about an investigation to see what this influence is? Because we know minds are changing, although the evidence has not changed that was introduced in 1995 and 2008.

Our good friend down the Hall, Senator MCCAIN, chastised us. Yet, if you believe quotes, and sometimes you can't, but he was quoted as saying at the beginning of the trouble in Egypt that he was, and he used the word, according to the article, unalterably opposed to any support for the Muslim Brotherhood.

□ 2130

Well, if that was the word then, the word now is altered unalterability because it appears that he sees no problem with what's going forward. If he does, then my apologies if he now objects to any assistance to the Muslim Brotherhood. But it's my impression that he didn't have a problem with this administration's help to Egypt now.

So when we see the things that have gone on—the things that have been introduced and proven in court and the Fifth Circuit saying, no, you cannot strike those names from the pleading because there's sufficient evidence to establish that they were supporting terrorism, so, no, you can't strike those named co-conspirators from the pleadings—and somehow five Members of Congress are the bad guys for saying let's investigate.

What influence has this group had—and I know from back in my questioning of the Secretary of Homeland Security last October, when I was asking if it was true that there were some members of the Muslim Brotherhood who were part of her Countering Violent Extremism Working Group that advises Homeland Security on how to deal with what some of us would call "radical Islamic jihad," but which Homeland Security now calls "violent extremism"—apparently not wanting to offend people who are wanting to commit radical Islamic jihad on our country. But I asked her in that hear-

ing in October last year about that, and she points out that actually she has another individual in charge of the Countering Violent Extremism Working Group, so she doesn't really know if they have Muslim Brotherhood members as a part of that.

I asked her this question: All right. Are you aware that the president of ISNA, Imam Magid, is a member of that working group. Correct?

Secretary Napolitano: I can't answer that that is an accurate statement.

So she doesn't know whether the president of what's been established in court as the largest Muslim Brotherhood front group in America is part of her advisory group at Homeland Security.

Of course it was interesting in our hearing last week, she also indicated that there had not been a terrorist that had been allowed into the White House with the Egyptian recent group, when we had been reading in the paper that there had—of course, that may not be a good source because they were mainstream papers—but we had been reading that there was a member of a known terrorist group that was allowed into the White House and that he used that platform to lobby for the release of the blind sheik who had assisted in planning the 1993 World Trade Center bombing.

So I thought it might be helpful, Mr. Speaker, tonight to just touch base regarding the timeline that Investors Business Daily sponsored. It was an editorial. It was dated July 19, 2012, posted at 6:46 p.m. eastern time. And it can be found at investors.com, Mr. Speaker. But it's entitled, "How Obama Engineered Mideast Radicalization." And then it goes through, and after preliminary paragraphs, it just sets out a timeline for things that have happened.

I hope my friends, who have been so quick to condemn and ridicule, and even people who are on committees who should know about these things and should know about the evidence in the Holy Land Foundation trial where Muslim Brotherhood ties were established, and they should know about the proof in 1995 at the World Trade Center first trial of the defendants that did that. I would think they would be welcoming, since there are many people who are not aware of what the evidence was in those. They would welcome input from someone as well versed as the prosecutor from the 1995 World Trade Center trial.

So this is from Investors Business Daily, an editorial. It says:

The Obama record: After angry Egyptians pelted her motorcade with shoes chanting "Leave!," Secretary of State Clinton insisted the U.S. wasn't there to take sides. Too late.

"I want to be clear that the United States is not in the business, in Egypt, of choosing winners and losers, even if we could, which of course we cannot," Hillary Clinton intoned earlier this week.

Of course, the administration could, and it did, picking and even colluding with the Muslim Brotherhood. And one of its

hardliners, Mohammed Morsif, now sits in the presidential palace, where he refused to shake unveiled Clinton's hand.

This administration favored Islamists over secularists and helped them overthrow Hosni Mubarak, the reliable U.S. ally who had outlawed the terrorist Brotherhood and honored the peace pact with Israel for three decades. The Brotherhood, in contrast, has backed Hamas and called for the destruction of Israel.

Now the administration is dealing with the consequences of its misguided king-making. Officials fear the new regime could invite al Qaeda, now run by an Egyptian exile, back into Egypt and open up a front with Israel along the Sinai. Result: more terrorists and higher gas prices.

In fact, it was Hillary's own Department that helped train Brotherhood leaders for the Egyptian elections. Behind the scenes, she and the White House made a calculated decision and took step-by-step actions to effectively sell out Israel and U.S. interests in the Mideast to the Islamists.

The untold story of the "Arab Spring" is that the Obama administration secretly helped bring Islamofascists to power. Consider this timeline:

2009: The Brotherhood's spiritual leader—Sheik Yusuf Qaradawi—writes an open letter to Obama arguing terrorism is a direct response to U.S. foreign policy.

2009: Obama travels to Cairo to deliver apologetic speech to Muslims and infuriates the Mubarak regime by inviting banned Brotherhood leaders to attend. Obama deliberately snubs Mubarak, who was neither present nor mentioned. He also snubs Israel during Mideast trip.

2009: Obama appoints a Brotherhood-tied Islamist—Rashad Hussain—as U.S. envoy to the Organization of the Islamic Conference, which supports the Brotherhood.

The Organization of Islamic Conference, by the way, the OIC, it isn't in the article, but it is composed of 57 states. Fifty-seven Muslim states make up the OIC, and that's what is being referred to there.

2010: State Department lifts visa ban on Tariq Ramadan, suspected terrorist and Egyptian-born grandson of Brotherhood founder Hassan al-Banna.

2010: Hussein meets with Ramadan at American-sponsored conference attended by U.S. and Brotherhood officials.

2010: Hussein meets with the Brotherhood's grand mufti in Egypt.

2010: Obama meets one-on-one with Egypt's foreign minister, Ahmed Aboul Gheit, who later remarks on Nile TV: "The American President told me in confidence that he is a Muslim."

2010: The Brotherhood's supreme guide calls for jihad against the U.S.

2011: Qaradawi calls for "days of rage" against Mubarak and other pro-Western regimes throughout Mideast.

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2011: Riots erupt in Cairo's Tahrir Square. Crowds organized by the Brotherhood demand Mubarak's ouster, storm buildings.

2011: The White House fails to back long-time ally Mubarak, who flees Cairo.

2011: White House sends intelligence czar, James Clapper, to Capitol Hill to whitewash the Brotherhood's extremism. Clapper testifies the group is moderate, "largely secular."

2011: Qaradawi, exiled from Egypt for 30 years, is given a hero's welcome in Tahrir Square, where he raises the banner of jihad.

2011: Through his State Department office, William Taylor—Clinton's special coordinator for Middle East transitions and a long-

time associate of Brotherhood apologists—gives Brotherhood and other Egyptian Islamists special training to prepare for the post-Mubarak elections.

2011: The Brotherhood wins control of Egyptian Parliament, vows to tear up Egypt's 30-year peace treaty with Israel and reestablishes ties with Hamas, Hezbollah.

2011: Obama gives Mideast speech demanding Israel relinquish land to Palestinians, while still refusing to visit Israel.

And parenthetically, we know that the administration has now said if we'll just give him another term, then the next 4 years he will go see Israel.

Back to the article:

2011: Justice Department pulls plug on further prosecution of U.S.-based Brotherhood front groups identified as collaborators in conspiracy to funnel millions to Hamas.

2011: In a shocking first, the State Department formalizes ties with Egypt's Brotherhood, letting diplomats deal directly with Brotherhood party officials in Cairo.

April 2012: The administration quietly releases \$1.5 billion in foreign aid to the new Egyptian regime.

June 2012: Morsi wins presidency amid widespread reports of electoral fraud and voter intimidation by gun-toting Brotherhood thugs, including blockades of entire streets to prevent Christians from going to the polls. The Obama administration turns a blind eye, recognizes Morsi as victor.

June 2012: In a victory speech, Morsi vows to instate shari'ah law, turning Egypt into an Islamic theocracy, and also promises to free jailed terrorists. He also demands Obama free World Trade Center terrorist and Brotherhood leader, Omar Abdel-Rahman, aka the Blind Sheik, from U.S. prison.

June 2012: State grants visa to banned Egyptian terrorists who joins a delegation of Brotherhood officials from Egypt. They're all invited to the White House to meet with Obama's deputy national security adviser, who listens to their demands for the release of the blind sheik.

By the way, in the hearing last week, when I asked our Secretary of Homeland Security about that incident, widely reported, even the mainstream media was reporting it, that a member of a known terrorist organization was given access to the White House, she indicated that it just wasn't true, apparently, not knowing the news that was happening just across town from her Department.

In any event, back to the article:

July 2012: Obama invites Morsi to visit the White House this September.

The Muslim Brotherhood's sudden ascendancy in the Mideast didn't happen organically. It was helped along by a U.S. President sympathetic to its interests over those of Israel and his own country.

Now, that's the Investor's Business Daily editorial from July 19 of 2012.

I was shocked to previously find out that it was not until 2009 that our FBI sent a letter saying they were suspending their relationship, one place it referred, I believe the word "partner" with CAIR, CAIR being a named co-defendant related to Muslim Brotherhood activity and related to support for terrorism abroad.

It referred to the convictions in the 2008 Holy Land Foundation trial and the evidence that was introduced at the trial, but what shocked me is that

they waited till after a conviction, when the Justice Department was the one that was gathering this evidence. They'd been gathering it for years.

And I was amazed that they seemed surprised—or whether or not they were surprised, they didn't do anything to sever ties with CAIR, which seems to be, with the ACLU, the most influential in getting this administration to purge its training documents for the people that are supposed to protect us, of anything that might be considered offensive to someone who was a Muslim Brotherhood member or Islamist.

Now, I've visited with Muslims abroad. A man named Massoud, whose brother was assassinated just within 36 hours of 9/11, I consider him a friend. He knows about sacrifice.

The State Department said they simply could not spare the security to get me and anyone else to a meeting with our Muslim friends who have fought with Americans, buried their loved ones like Americans have from fighting in Afghanistan, these are our friends. And I told our State Department, that's fine; I talked to Massoud, and he's sending a security vehicle, and I am certainly willing to put my life in his hands because I trust him. He's a Muslim friend.

I told them I was going, after we finished meeting with our troops. And after we met with our troops, I was advised, we've arranged for an American security vehicle to take you, and we have contacted Mr. Massoud to let him know we would get you to the meeting.

We should never be afraid of Muslims, but we should be afraid of Muslim extremists that want to take over our country and destroy our way of life. It is critical that our intelligence, our Justice Department, those who are supposed to be protecting us, even in the White House, that they know the difference between our Muslim friends and those who want to subvert the democracy in America.

I make no apologies for that. I can't. I took an oath to defend this Constitution. I can't apologize for loving America enough that I will recognize those who are Muslim friends and those who are not.

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

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. JACKSON LEE of Texas (at the request of Ms. PELOSI) for today between 1 and 5 p.m. on account of attending a memorial service for her former chief of staff.

Mr. REYES (at the request of Ms. PELOSI) for today on account of medical reasons.

#### ENROLLED BILL SIGNED

Karen L. Haas, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2527. An act to require the Secretary of the Treasury to mint coins in recognition and celebration of the National Baseball Hall of Fame.

#### ADJOURNMENT

Mr. GOHMERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 49 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, July 25, 2012, at 10 a.m. for morning-hour debate.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

7031. A letter from the Under Secretary Rural Housing Service, Department of Agriculture, transmitting the Department's final rule — Single Family Housing Guaranteed Loan Program (RIN: 0575-AC90) received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7032. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Tart Cherries Grown in the States of Michigan, et al.; Increasing the Primary Reserve Capacity and Revising Exemption Requirements [Doc. No.: AMS-FV-11-0092; FV12-930-1 FR] received July 12, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7033. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule — Avocados Grown in South Florida; Decreased Assessment Rate [Doc. No.: AMS-FV-11-0094; FV12-915-1 IR] received July 12, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

7034. A letter from the Secretary, Department of Defense, transmitting a letter on the approved retirement of General Ann E. Dunwoody, United States Army, and her advancement to the grade of general on the retired list; to the Committee on Armed Services.

7035. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the System's final rule — Supervised Securities Holding Company Registration (RIN: 7100-AD81) received July 5, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

7036. A letter from the Acting Director, Office of Legislative Affairs, Federal Deposit Insurance Corporation, transmitting the Corporation's final rule — Calculation of Maximum Obligation Limitation (RIN: 1505-AC36) received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

7037. A letter from the Counsel for Regulatory and External Affairs, Federal Labor Relations Authority, transmitting the Authority's final rule — Representation Proceedings, Unfair Labor Practice Proceedings, and Miscellaneous and General Requirements received July 5, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

7038. A letter from the Director, Directorate of Standards and Guidance, Occupational Safety and Health Administration, transmitting the Administration's final rule — Updating OSHA Standards Based on National Consensus Standards; Head Protection

[Docket No.: OSHA-2011-0184] (RIN: 1218-AC65) received July 12, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

7039. A letter from the Deputy Director for Policy, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule — Benefits Payable in Terminated Single-Employer Plans; Interest Assumptions for Paying Benefits received June 21, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

7040. A letter from the Secretary, Department of Energy, transmitting A report on the Voluntary Commitments to Reduce Industrial Energy Intensity, pursuant to 42 U.S.C. 15811 Public Law 109-58, section 106(f); to the Committee on Energy and Commerce.

7041. A letter from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's final rule — Effective Date of Requirement for Premarket Approval for an Implantable Pacemaker Pulse Generator [Docket No.: FDA-2011-N-0522] received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7042. A letter from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's final rule — Effective Date of Requirement for Premarket Approval for a Pacemaker Programmer [Docket No.: FDA-2011-N-0526] received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7043. A letter from the Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule — Amendment of the Commission's Rules to Provide Spectrum for the Operation of Medical Body Area Networks [ET Docket No.: 08-59] received July 10, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7044. A letter from the General Counsel, Federal Energy Regulatory Commission, transmitting the Commission's final rule — Integration of Variable Energy Resources [Docket No.: RM10-11-000; Order No. 764] received July 11, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7045. A letter from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting report prepared by the Department of State concerning international agreements other than treaties entered into by the United States to be transmitted to the Congress within the sixty-day period specified in the Case-Zablocki Act; to the Committee on Foreign Affairs.

7046. A letter from the Senior Vice President and Chief Financial Officer, Federal Home Loan Bank of New York, transmitting the 2011 management report of the Federal Home Loan Bank of New York, pursuant to 31 U.S.C. 9106; to the Committee on Oversight and Government Reform.

7047. A letter from the Senior Vice President and Chief Financial Officer, Federal Home Loan Bank of San Francisco, transmitting the 2011 management report and statements on system of internal controls of the Federal Home Loan Bank of San Francisco, pursuant to 31 U.S.C. 9106; to the Committee on Oversight and Government Reform.

7048. A letter from the President and Chief Executive Officer, Federal Home Loan Bank of Seattle, transmitting the 2011 management report and statements on the system of internal controls of the Federal Home Loan Bank of Seattle, pursuant to 31 U.S.C. 9106; to the Committee on Oversight and Government Reform.

7049. A letter from the Deputy Archivist of the United States, National Archives and

Records Administration, transmitting the Administration's final rule — The Interagency Security Classification Appeals Panel (ISCAP) Bylaws, Rules, and Appeal Procedures [NARA-12-0003] (RIN: 3095-AB76) received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

7050. A letter from the Acting Assistant Secretary, Department of the Interior, transmitting the Department's final rule — Vehicles and Traffic Safety — Bicycles [NPS-WASO-REGS-9886; 2465-SYM] (RIN: 1024-AD97) received July 3, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

7051. A letter from the Secretary, Department of the Interior, transmitting the Department's report entitled "Proposed Final Outer Continental Shelf (OCS) Oil and Gas Leasing Program (PRP) for 2012-2017"; to the Committee on Natural Resources.

7052. A letter from the Director, Administrative Office of the United States Courts, transmitting the Office's report on applications for orders authorizing or approving the interception of wire, oral, or electronic communications and the number of orders and extensions granted or denied during calendar year 2011, pursuant to 18 U.S.C. 2519(3); to the Committee on the Judiciary.

7053. A letter from the Federal Liaison Officer, Department of Commerce, transmitting the Department's final rule — Changes to Implement Miscellaneous Post Patent Provisions of the Leahy-Smith America Invents Act [Docket No.: PTO-P-2011-0072] (RIN: 0651-AC66) received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

7054. A letter from the Federal Liaison Officer, Department of Commerce, transmitting the Department's final rule — Changes to Implement the Preissuance Submissions by Third Parties Provision of the Leahy-Smith America Invents Act [Docket No.: PTO-P-2011-0073] (RIN: 0651-AC67) received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

7055. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's determination on a petition on behalf of workers from the Feed Materials Production Center (FMPC) in Fernald, Ohio be added to the Special Exposure Cohort (SEC), pursuant to the Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA); to the Committee on the Judiciary.

7056. A letter from the Attorney General, Department of Justice, transmitting notification that the Department has determined not to file a petition for a writ of certiorari in Red Earth LLC et al. v. United States of America et al., Nos. 10-3165-CV(L), 10-3191-CV(XAP), 10-3213-CV(XAP), 657 F.3d 138 (2d Cir. Sept. 20, 2011); to the Committee on the Judiciary.

7057. A letter from the Deputy Director, Office of State, Local & Tribal Affairs, Office of National Drug Control Policy, transmitting High Intensity Drug Trafficking Areas (HIDTA) Program Report to Congress, pursuant to Public Law 109-469; to the Committee on the Judiciary.

7058. A letter from the Secretary, Department of Transportation, transmitting the Department's eighth report on the breakdown of the disability-related complaints that U.S. and foreign passenger air carriers operating to and from the U.S. received during 2011; to the Committee on Transportation and Infrastructure.

7059. A letter from the Director of Regulation Policy and Management, Office of the General Counsel, Department of Veterans Affairs, transmitting the Department's final rule — Dependency and Indemnity Compensation Payable to a Surviving Spouse

with One or More Children Under Age 18 (RIN: 2900-AO38) received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

7060. A letter from the Director of Regulation Policy and Management, Office of the General Counsel, Department of Veterans Affairs, transmitting the Department's final rule — Dependency and Indemnity Compensation (DIC) Benefits for Survivors of Former Prisoners of War Rated Totally Disabled at Time of Death (RIN: 2900-AO22) received July 9, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

7061. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's Annual Report On Child Welfare Outcomes 2007-2010, pursuant to Public Law 105-89, section 203(a) (111 Stat. 2127); to the Committee on Ways and Means.

7062. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Treatment of Income from Certain Government Bonds for Purposes of the Passive Foreign Investment Company Rules [Notice 2012-45] received July 3, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7063. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Applicable Federal Rates — February 2012 (Rev. Rul. 2012-7) received July 3, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7064. A letter from the Director, Office of Regulations, Social Security Administration, transmitting the Administration's final rule — Extension of Expiration Dates for Several Body System Listings [Docket No.: SSA-2012-0024] (RIN: 0960-AH49) received July 5, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7065. A letter from the Acting Under Secretary and Deputy Secretary, Departments of Defense and Veterans Affairs, transmitting Veterans Affairs and Department of Defense Joint Executive Council Fiscal Year 2011 Annual Report, pursuant to 38 U.S.C. 8111(f); jointly to the Committees on Armed Services and Veterans' Affairs.

7066. A letter from the Inspector General, Department of Health and Human Services, transmitting a report entitled, "Part D Plans Generally Include Drugs Commonly Used by Dual Eligibles: 2012"; jointly to the Committees on Energy and Commerce and Ways and Means.

7067. A letter from the Acting Secretary of Commerce, Department of Commerce, transmitting the annual report on the activities of the Economic Development Administration for Fiscal Year 2011, pursuant to 42 U.S.C. 3217; jointly to the Committees on Transportation and Infrastructure and Financial Services.

7068. A letter from the Assistant Secretary, Department of Defense, transmitting a legislative proposal that the Department requests be enacted during the second session of the 112th Congress; jointly to the Committees on Armed Services, Foreign Affairs, Energy and Commerce, and Intelligence (Permanent Select).

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 1857. A bill for the relief of

Bartosz Kumor (Rept. 112-617). Referred to the Private Calendar.

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 824. A bill for the relief of Daniel Wachira (Rept. 112-618). Referred to the Private Calendar.

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 823. A bill for the relief of Maria Carmen Castro Ramirez and J. Refugio Carreno Rojas (Rept. 112-619). Referred to the Private Calendar.

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 794. A bill for the relief of Allan Bolor Kelley (Rept. 112-620). Referred to the Private Calendar.

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 357. A bill for the relief of Corina de Chalup Turcinovic (Rept. 112-621). Referred to the Private Calendar.

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 316. A bill for the relief of Esther Karinge (Rept. 112-622). Referred to the Private Calendar.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. CAMP (for himself, Mr. HERGER, Mr. SAM JOHNSON of Texas, Mr. BRADY of Texas, Mr. RYAN of Wisconsin, Mr. DAVIS of Kentucky, Mr. REICHERT, Mr. BOUSTANY, Mr. ROSKAM, Mr. GERLACH, Mr. PRICE of Georgia, Mr. BUCHANAN, Mr. SCHOCK, Ms. JENKINS, Mr. BERG, Mrs. BLACK, Mr. REED, Mr. TIBERI, Mr. NUNES, Mr. SMITH of Nebraska, Mr. PAULSEN, Mr. MARCHANT, and Mr. DOLD):

H.R. 8. A bill to extend certain tax relief provisions enacted in 2001 and 2003, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HASTINGS of Washington:

H.R. 6168. A bill to direct the Secretary of the Interior to implement the Proposed Final Outer Continental Shelf Oil & Gas Leasing Program (2012-2017) in accordance with the Outer Continental Shelf Lands Act and other applicable law; to the Committee on Natural Resources.

By Mr. DREIER (for himself, Mr. CAMP, Mr. SESSIONS, Mr. BISHOP of Utah, Mr. WOODALL, Mr. NUGENT, Mr. SCOTT of South Carolina, Mr. WEBSTER, Mr. ROSKAM, Mr. BRADY of Texas, Mr. BERG, Mr. REED, Mr. SMITH of Nebraska, Mr. SCHOCK, Mr. DAVIS of Kentucky, Ms. JENKINS, Mrs. BLACK, Mr. HERGER, Mr. GERLACH, Mr. SAM JOHNSON of Texas, Mr. BOUSTANY, Mr. TIBERI, and Mr. MARCHANT):

H.R. 6169. A bill to provide for expedited consideration of a bill providing for comprehensive tax reform; to the Committee on Rules.

By Mr. CUMMINGS (for himself, Mr. LANDRY, Mr. RAHALL, Mr. LARSEN of Washington, Mr. THOMPSON of Mississippi, Ms. HANABUSA, Mr. RICHMOND, Mr. GRIMM, Mr. BISHOP of New York, and Mrs. MILLER of Michigan):

H.R. 6170. A bill to amend title 46, United States Code, to reinstate provisions requiring that a percentage of aid provided by the Secretary of Agriculture or the Commodity Credit Corporation in the form of certain agricultural commodities or their products must be transported on commercial vessels

of the United States, and for other purposes; to the Committee on Armed Services, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ROONEY (for himself, Mr. BILLRAKIS, Mr. SCHRADER, and Mr. BARBER):

H.R. 6171. A bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to consider the resources of individuals applying for pension that were recently disposed of by the individuals for less than fair market value when determining the eligibility of such individuals for such pension, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MCKINLEY (for himself, Mr. RAHALL, Mr. GRIFFITH of Virginia, Mr. HOLDEN, Mrs. LUMMIS, Mrs. CAPITO, Mr. JOHNSON of Ohio, Mr. ALTMIRE, Mr. COSTELLO, and Mr. CARDOZA):

H.R. 6172. A bill to prohibit the Administrator of the Environmental Protection Agency from finalizing any rule imposing any standard of performance for carbon dioxide emissions from any existing or new source that is a fossil fuel-fired electric utility generating unit unless and until carbon capture and storage is found to be technologically and economically feasible; to the Committee on Energy and Commerce.

By Mr. NEUGEBAUER (for himself, Mr. SMITH of New Jersey, Mr. AKIN, Mr. LATTA, Mr. HARRIS, Mr. NUNNELEE, Mr. HUELSKAMP, Mr. PEARCE, Mr. LANDRY, Mr. GRIFFIN of Arkansas, Mr. POMPEO, Mr. LAMBORN, Mrs. SCHMIDT, Mr. MARCHANT, Mr. HULTGREN, Mr. LANKFORD, Mr. RENACCI, Mr. HUIZENGA of Michigan, Mr. BROUN of Georgia, Mr. SCALISE, Mr. MICA, Mr. SAM JOHNSON of Texas, Mr. PAUL, Mrs. HARTZLER, Mr. GOHMERT, Mr. FLORES, Mr. BURTON of Indiana, Mr. JONES, Mrs. BLACK, Mr. MILLER of Florida, Mr. BRADY of Texas, Mr. FLEMING, Mr. OLSON, Mrs. ROBY, Mr. CANSECO, and Mr. POE of Texas):

H.R. 6173. A bill to amend the General Education Provisions Act to prohibit Federal education funding for elementary schools and secondary schools that provide on-campus access to abortion providers; to the Committee on Education and the Workforce.

By Mr. CARTER (for himself, Mr. ROSS of Arkansas, Mrs. MCMORRIS RODGERS, Mr. BARROW, Mr. RIBBLE, Mr. SMITH of Washington, Mr. CUELLAR, Mr. CALVERT, Mr. SENSENBRENNER, Mr. LONG, Mr. HINOJOSA, Mr. CHABOT, Mr. BARTON of Texas, Mr. BISHOP of Utah, Mr. LUETKEMEYER, Mr. WALBERG, Mr. SCOTT of South Carolina, Mr. LATTA, Mr. DIAZ-BALART, and Mr. HUIZENGA of Michigan):

H.R. 6174. A bill to amend section 403 of the Federal Food, Drug, and Cosmetic Act to improve and clarify certain disclosure requirements for restaurants, similar retail food establishments, and vending machines; to the Committee on Energy and Commerce.

By Mr. KILDEE (for himself, Mr. GRIMALVA, Mr. HINCHEY, Mr. SABLAN, Mr. TONKO, Ms. BORDALLO, Ms. RICHARDSON, Mr. CONYERS, Mr. DAVID SCOTT of Georgia, Ms. NORTON, Mr. LUJAN, Ms. EDWARDS, Mrs. MCCARTHY of New York, Mr. KIND, Ms. HIRONO, and Mr. MARKEY):

H.R. 6175. A bill to authorize studies of certain areas for possible inclusion in the National Park System, and for other purposes; to the Committee on Natural Resources.

By Mr. BOUSTANY (for himself and Mr. PRICE of Georgia):

H.R. 6176. A bill to amend the Social Security Act to permit hospitals to make incentive payments to physicians to promote quality and efficiency; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BRALEY of Iowa:

H.R. 6177. A bill to amend the Internal Revenue Code of 1986 to increase the deduction for start-up expenditures for business for 2012 and 2013; to the Committee on Ways and Means.

By Mr. CHABOT (for himself, Mr. CARNAHAN, Mr. WILSON of South Carolina, Mr. CONNOLLY of Virginia, Mr. POE of Texas, Mr. SMITH of Washington, Mr. MCCAUL, and Mr. CRENSHAW):

H.R. 6178. A bill to direct the President to establish an interagency mechanism to coordinate United States development programs and private sector investment activities, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DOGGETT (for himself, Mr. LEVIN, Mr. RANGEL, Mr. STARK, Mr. MCDERMOTT, Mr. LEWIS of Georgia, Mr. NEAL, Mr. BECERRA, Mr. LARSON of Connecticut, Mr. BLUMENAUER, Mr. PASCRELL, Ms. BERKLEY, Mr. CROWLEY, Mr. AL GREEN of Texas, Mr. HINOJOSA, Ms. JACKSON LEE of Texas, Mr. GONZALEZ, Mr. CUELLAR, Mr. GENE GREEN of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. VAN HOLLEN, Mr. GARAMENDI, and Mr. KIND):

H.R. 6179. A bill to amend the Internal Revenue Code of 1986 to extend for 1 year the American Opportunity Tax Credit and the disregard of tax refunds for purposes of Federal, and federally-assisted, programs; to the Committee on Ways and Means.

By Mr. NEAL (for himself and Mr. GERLACH):

H.R. 6180. A bill to amend the Internal Revenue Code of 1986 to prevent the alternative minimum tax from effectively repealing the Federal tax exemption for interest on State and local private activity bonds; to the Committee on Ways and Means.

By Mr. NEAL (for himself, Mr. LEVIN, Mr. RANGEL, Mr. STARK, Mr. MCDERMOTT, Mr. LEWIS of Georgia, Mr. BECERRA, Mr. DOGGETT, Mr. LARSON of Connecticut, Mr. BLUMENAUER, Mr. PASCRELL, Ms. BERKLEY, and Mr. CROWLEY):

H.R. 6181. A bill to amend the Internal Revenue Code of 1986 to extend certain improvements in the child tax credit and the earned income tax credit, and for other purposes; to the Committee on Ways and Means.

By Mr. LARSON of Connecticut (for himself and Mr. CLAY):

H.J. Res. 115. A joint resolution supporting the establishment of a Presidential Youth Council; to the Committee on Education and the Workforce.

By Mr. PERLMUTTER (for himself, Mr. COFFMAN of Colorado, Ms. DEGETTE, Mr. LAMBORN, Mr. POLIS, Mr. TIPTON, and Mr. GARDNER):

H. Con. Res. 134. Concurrent resolution condemning, in the strongest possible terms, the heinous atrocities that occurred in Aurora, Colorado; to the Committee on Oversight and Government Reform.

By Mr. BRALEY of Iowa:

H. Res. 739. A resolution providing for consideration of the bill (H.R. 6083) to provide for the reform and continuation of agricul-

tural and other programs of the Department of Agriculture through fiscal year 2017, and for other purposes; to the Committee on Rules.

## MEMORIALS

Under clause 4 of rule XXII,

256. The SPEAKER presented a memorial of the Senate of the State of Colorado, relative to Senate Joint Resolution No. 12-003 memorializing the Congress to amend 26 U.S.C. sec. 6033; to the Committee on Ways and Means.

## CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 7 of rule XII of the Rules of the House of Representatives, the following statements are submitted regarding the specific powers granted to Congress in the Constitution to enact the accompanying bill or joint resolution.

By Mr. CAMP:

H.R. 8.

Congress has the power to enact this legislation pursuant to the following:

Clause 1 of Section 8 of Article I of the United States Constitution and Amendment XVI of the United States Constitution.

By Mr. HASTINGS of Washington:

H.R. 6168.

Congress has the power to enact this legislation pursuant to the following:

Article IV, section 3, clause 2

By Mr. DREIER:

H.R. 6169.

Congress has the power to enact this legislation pursuant to the following:

Congress has the power to enact this legislation pursuant to Article I, section 5, clause 2 (relating to the power of each House of Congress to determine the rules of its proceedings).

By Mr. CUMMINGS:

H.R. 6170.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1: "The Congress shall have Power to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States."

And Article I, Section 8, Clause 14: "To make Rules for the Government and Regulation of the land and naval Forces."

By Mr. ROONEY:

H.R. 6171.

Congress has the power to enact this legislation pursuant to the following:

Article 1, section 8. The Congress shall have the power to lay and collect taxes, duties, imposts, and excises, to pay debts and provide for the common defence and general welfare of the United States.

By Mr. MCKINLEY:

H.R. 6172.

Congress has the power to enact this legislation pursuant to the following:

According to Article I, Section 8, Clause 18 of the Constitution: The Congress shall have power to enact this legislation to make all laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

By Mr. NEUGEBAUER:

H.R. 6173.

Congress has the power to enact this legislation pursuant to the following:

Article 1, Section 8: The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States;

By Mr. CARTER:

H.R. 6174.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3 of the Constitution

The Congress shall have Power \*\*\* To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes.

By Mr. KILDEE:

H.R. 6175.

Congress has the power to enact this legislation pursuant to the following:

Under Article I, Section 8, Clause 3 and Article IV, Section 3, Clause 2 of the Constitution.

By Mr. BOUSTANY:

H.R. 6176.

Congress has the power to enact this legislation pursuant to the following:

Clause 3 of Section 8 of Article 1 of the Constitution.

Clause 1 of Section 8 of Article 1 of the Constitution.

Clause 18 of Section 8 of Article 1 of the Constitution.

By Mr. BRALEY of Iowa:

H.R. 6177.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to the power granted to Congress under Article I, Section 8, Clause 18 of the United States Constitution.

By Mr. CHABOT:

H.R. 6178.

Congress has the power to enact this legislation pursuant to the following:

Article 4, Section 3 of the United States Constitution.

By Mr. DOGGETT:

H.R. 6179.

Congress has the power to enact this legislation pursuant to the following:

Article One, Section 8 and the 16th Amendment of the Constitution.

By Mr. NEAL:

H.R. 6180.

Congress has the power to enact this legislation pursuant to the following:

Congress has the power to enact this legislation pursuant to Clause 1 of Section 8 of Article I and the 16th Amendment to the U.S. Constitution.

By Mr. NEAL:

H.R. 6181.

Congress has the power to enact this legislation pursuant to the following:

Congress has the power to enact this legislation pursuant to Clause 1 of Section 8 of Article I and the 16th Amendment to the U.S. Constitution.

By Mr. LARSON of Connecticut:

H.J. Res. 115.

Congress has the power to enact this legislation pursuant to the following:

To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 127: Mr. CHABOT and Mr. MCCAUL.

H.R. 303: Mr. HINOJOSA.

- H.R. 308: Mr. TIERNEY and Mr. PERLMUTTER.
- H.R. 458: Mr. BRADY of Pennsylvania, Mr. BUTTERFIELD, and Mr. DOYLE.
- H.R. 591: Mr. TIERNEY, Mr. SHERMAN, and Mr. LEWIS of Georgia.
- H.R. 733: Mr. RICHMOND.
- H.R. 831: Mr. HONDA.
- H.R. 860: Mrs. BACHMANN and Mrs. BIGGERT.
- H.R. 905: Mr. THORNBERRY and Ms. LINDA T. SANCHEZ of California.
- H.R. 1032: Mr. GOHMERT, Mrs. SCHMIDT, and Mr. GRAVES of Georgia.
- H.R. 1206: Mr. MACK.
- H.R. 1259: Mr. LANCE.
- H.R. 1265: Mr. SMITH of New Jersey and Mr. LIPINSKI.
- H.R. 1283: Mr. FINCHER.
- H.R. 1284: Mr. SCHIFF.
- H.R. 1344: Mr. THOMPSON of California.
- H.R. 1370: Mr. CRENSHAW.
- H.R. 1426: Ms. BERKLEY.
- H.R. 1543: Mr. CICILLINE.
- H.R. 1546: Mr. DAVID SCOTT of Georgia, Mr. BOUSTANY, and Mr. REYES.
- H.R. 1621: Mr. KINZINGER of Illinois, Mr. CRAWFORD, Mr. PAULSEN, Mr. MARCHANT, and Mr. SABLAN.
- H.R. 1639: Mr. LOESACK.
- H.R. 1653: Mr. BACHUS and Mr. FLEMING.
- H.R. 1700: Mr. HECK.
- H.R. 1802: Mr. POSEY.
- H.R. 1860: Mr. BOUSTANY and Mr. FILNER.
- H.R. 1955: Mr. HOLT.
- H.R. 1980: Mr. HINCHEY.
- H.R. 2077: Mr. DAVIS of Kentucky, Mr. CANSECO, Mr. RIGELL, and Mr. THOMPSON of Pennsylvania.
- H.R. 2104: Mr. NUNNELEE.
- H.R. 2139: Mr. CLEAVER, Mr. PALLONE, Mr. BARLETTA, and Ms. BONAMICI.
- H.R. 2342: Mr. CLAY.
- H.R. 2364: Ms. SPEIER.
- H.R. 2479: Mr. GERLACH and Mr. DOYLE.
- H.R. 2524: Mr. ANDREWS and Mr. HOLT.
- H.R. 2600: Mr. SCOTT of South Carolina, Ms. HANABUSA, Mr. BISHOP of New York, Ms. HIRONO, and Mr. GOWDY.
- H.R. 2649: Ms. CASTOR of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. NAPOLITANO, and Mr. PLATTS.
- H.R. 2655: Mr. HANNA and Mr. KIND.
- H.R. 2721: Mr. PIERLUISI.
- H.R. 2772: Mr. BISHOP of New York.
- H.R. 2773: Mr. HONDA.
- H.R. 2798: Mr. LYNCH.
- H.R. 2800: Mr. LYNCH.
- H.R. 2954: Mr. GENE GREEN of Texas.
- H.R. 2997: Mrs. MYRICK and Mr. BACHUS.
- H.R. 3000: Mr. CRAWFORD.
- H.R. 3057: Mr. SCHILLING.
- H.R. 3087: Mr. LOESACK.
- H.R. 3158: Mr. HULTGREN, Mr. PETERSON, and Mr. FARENTHOLD.
- H.R. 3179: Mr. BROUN of Georgia.
- H.R. 3252: Mr. BISHOP of New York.
- H.R. 3307: Mr. BILBRAY.
- H.R. 3324: Ms. PINGREE of Maine.
- H.R. 3356: Mr. DENHAM and Mr. REED.
- H.R. 3395: Mr. OLSON.
- H.R. 3409: Mr. MURPHY of Pennsylvania.
- H.R. 3423: Mr. GIBSON and Mr. GRAVES of Missouri.
- H.R. 3496: Mr. ELLISON.
- H.R. 3497: Mr. RUPPERSBERGER, Mr. RANGEL, and Mr. BILBRAY.
- H.R. 3612: Mr. LARSON of Connecticut and Mr. PALAZZO.
- H.R. 3658: Mr. REHBERG.
- H.R. 3661: Ms. SCHAKOWSKY, Ms. HIRONO, Mr. CARNAHAN, and Mr. HIMES.
- H.R. 3666: Mr. GARAMENDI and Mr. GIBSON.
- H.R. 3704: Mr. LIPINSKI.
- H.R. 3729: Mr. KIND.
- H.R. 3798: Mr. LIPINSKI.
- H.R. 3805: Mr. FINCHER.
- H.R. 3849: Mr. GRAVES of Georgia.
- H.R. 4066: Mr. NUNNELEE.
- H.R. 4070: Mr. MURPHY of Connecticut.
- H.R. 4124: Mr. BRALEY of Iowa.
- H.R. 4157: Mrs. LUMMIS.
- H.R. 4158: Mr. CRAVAACK.
- H.R. 4202: Ms. LEE of California.
- H.R. 4342: Mr. ROGERS of Alabama and Mrs. BIGGERT.
- H.R. 4345: Mr. NUNNELEE.
- H.R. 4373: Mr. CRAWFORD.
- H.R. 4405: Mr. MORAN, Mrs. SCHMIDT, and Mr. NUNES.
- H.R. 4467: Ms. RICHARDSON and Mrs. NAPOLITANO.
- H.R. 4965: Mr. DAVIS of Kentucky and Mr. ROSS of Florida.
- H.R. 5542: Mr. LIPINSKI, Ms. SCHAKOWSKY, and Ms. EDWARDS.
- H.R. 5707: Mr. HINOJOSA.
- H.R. 5729: Ms. HIRONO.
- H.R. 5741: Mr. LUETKEMEYER.
- H.R. 5746: Mr. DOGGETT, Mr. DAVIS of Kentucky, and Mr. PRICE of Georgia.
- H.R. 5796: Mr. HULTGREN.
- H.R. 5817: Mr. GOSAR, Mr. JONES, Mr. HARRIS, Mr. BARLETTA, Mr. SHERMAN, and Mr. MEEKS.
- H.R. 5864: Ms. KAPTUR and Mr. CLARKE of Michigan.
- H.R. 5905: Mr. HOLT, Mr. SCHIFF, Mr. ELLISON, Ms. PINGREE of Maine, Mr. VAN HOLLEN, and Mr. COHEN.
- H.R. 5909: Mr. HASTINGS of Florida, Mr. THOMPSON of Mississippi, Ms. RICHARDSON, and Mr. TOWNS.
- H.R. 5925: Mr. GRAVES of Georgia.
- H.R. 5942: Ms. HAYWORTH.
- H.R. 5969: Mr. FLAKE.
- H.R. 5970: Mr. FLAKE.
- H.R. 6000: Mr. LANKFORD.
- H.R. 6009: Mr. PENCE.
- H.R. 6012: Mr. LIPINSKI.
- H.R. 6025: Mr. CANSECO and Mr. WESTMORELAND.
- H.R. 6033: Ms. PINGREE of Maine.
- H.R. 6046: Mr. HONDA, Mr. MCDERMOTT, and Mr. ACKERMAN.
- H.R. 6087: Mr. MCDERMOTT.
- H.R. 6088: Mr. WESTMORELAND.
- H.R. 6097: Mr. PALAZZO, Ms. JENKINS, and Mr. JOHNSON of Ohio.
- H.R. 6101: Mr. LARSEN of Washington.
- H.R. 6112: Mr. GRAVES of Georgia.
- H.R. 6128: Ms. CHU, Mr. GRIJALVA, Mr. JOHNSON of Georgia, Mrs. NAPOLITANO, Mr. HONDA, Mr. HINOJOSA, and Mr. BACA.
- H.R. 6131: Mr. BASS of New Hampshire and Mr. DINGELL.
- H.R. 6134: Mr. FILNER.
- H.R. 6138: Mr. SIREN, Mr. BLUMENAUER, and Mrs. MALONEY.
- H.R. 6139: Mr. RENACCI.
- H.R. 6140: Mr. ISSA, Mr. MULVANEY, Mr. SMITH of Nebraska, Mr. GINGREY of Georgia, Mr. BUCHANAN, Mr. CHABOT, Mr. KING of Iowa, Mr. BACHUS, Mrs. SCHMIDT, Mr. MURPHY of Pennsylvania, and Mr. BROUN of Georgia.
- H.R. 6148: Mr. GARDNER.
- H.R. 6167: Mr. DONNELLY of Indiana.
- H. Con. Res. 129: Mr. WELCH and Mr. LIPINSKI.
- H. Con. Res. 131: Mr. WAXMAN, Mrs. LOWEY, and Mrs. CHRISTENSEN.
- H. Res. 298: Mr. BUTTERFIELD.
- H. Res. 484: Mr. BERMAN.
- H. Res. 613: Mr. CARNAHAN.
- H. Res. 618: Mr. MILLER of North Carolina.
- H. Res. 652: Mrs. MYRICK and Mr. GONZALEZ.
- H. Res. 694: Mr. CLAY.
- H. Res. 704: Mr. STARK and Mr. WAXMAN.
- H. Res. 713: Mr. AL GREEN of Texas, Mrs. MALONEY, Mr. MILLER of North Carolina, Ms. WOOLSEY, Ms. MOORE, Mr. WELCH, Mr. FILNER, Mr. DINGELL, Ms. EDDIE BERNICE JOHNSON of Texas, and Ms. CASTOR of Florida.

#### CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, OR LIMITED TARIFF BENEFITS

Under clause 9 of rule XXI, lists or statements on congressional earmarks, limited tax benefits, or limited tariff benefits were submitted as follows:

The amendment to be offered by Representative HASTINGS of Washington, or a designee, to H.R. 6082, the congressional replacement of President Obama's energy-restricting and job-limiting offshore drilling plan, does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI.