



Legislative Bulletin.....January 16, 2008

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Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: Numerous

Total Cost of Discretionary Authorizations: \$696.8 billion

Effect on Revenue: 0

Total Change in Mandatory Spending: \$0

Total New State & Local Government Mandates: Various

Total New Private Sector Mandates: Various

Number of Bills Without Committee Reports: 1

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 1

H.Res. 912—Condemning the assassination of former Pakistani Prime Minister Benazir Bhutto and reaffirming the commitment of the United States to assist the people of Pakistan in combating terrorist activity and promoting a free and democratic Pakistan (*Ackerman, D-NY*)

Order of Business: H.Res. 912 is scheduled to be considered on Wednesday, January 16, 2008, under a motion to suspend the rules and pass the resolution.

Summary: H.Res. 912 would express the sense that the House:

- “condemns in the strongest terms the assassination of former Pakistani Prime Minister Benazir Bhutto and expresses its condolences to her family and the families of all those who were killed or injured in the attack of December 27, 2007;
- “supports efforts by Pakistan to expeditiously bring to justice those who have perpetrated this cruel and cowardly attack;
- “welcomes the provision of assistance by the Government of the United Kingdom of expertise to the Government of Pakistan in the conduct of the investigation of the attack;
- “commends the Government of Pakistan for accepting such assistance and urges that government to allow experts from the United Kingdom to participate in such investigation in the fullest possible manner;
- “urges the people and Government of Pakistan to be relentless in its pursuit of a democratically-elected government, including the holding of free and fair elections at the earliest possible opportunity;
- “expresses its support for the freedom of the media, the ability of political parties to express their views without restriction, and the independence of the judiciary in Pakistan; and
- “reaffirms the commitment of the United States to assist the people of Pakistan in combating terrorist activity and promoting a free and democratic Pakistan.”

The resolution lists a number of findings, including:

- “the attack on Ms. Bhutto also killed some 20 other innocent bystanders and fellow Muslims;
- “Ms. Bhutto had returned to Pakistan in October 2007 after 8 years of self-imposed exile for the stated purpose of bringing democracy and the voice of moderation back to Pakistan;
- “Pakistan has struggled historically in its path toward a secure and stable democracy, having been ruled by unelected leaders for 34 out of 60 years of Pakistan’s history;
- “Pakistan has been plagued by over 40 suicide attacks, claiming over 700 lives in 2007;
- “the Federally Administered Tribal Areas in Pakistan are being used by al Qaeda, the Taliban, and other terrorist and extremist elements to regroup, retrain, and recruit for future attacks in Afghanistan and Pakistan;
- “Pakistan is a nuclear-armed nation, adding another level of complexity to Pakistan’s deteriorating security situation and raising the specter of nuclear arms falling into the hands of extremists in the future;
- “the international community has a vital interest in supporting a free, stable, and secure Pakistan so as to stem the rise of extremism in the region, prevent global

- acts of terrorism originating in Pakistan, and support the movement toward stable political institutions and democratic values and the rule of law;
- “in the past 5 years, the United States has provided over \$5,000,000,000 in assistance to Pakistan and an additional \$5,000,000,000 to reimburse Pakistan for its expenses incurred in combating terrorism;
 - “a significant portion of United States assistance and reimbursements have gone to support Pakistani military operations in the Pakistan-Afghanistan border region, counterterrorism operations in the Federally Administered Tribal Areas in Pakistan and to increase Pakistan’s counterterrorism and military capability;
 - “there is an acute need for additional assistance from the United States and other countries to support and promote Pakistan’s economic, social, and political development; and
 - “the tragic death of Ms. Bhutto creates even greater uncertainty in an unstable region.”

Committee Action: H.Res. 912 was introduced on January 15, 2008, and referred to the Committee on Foreign Affairs, which took no official action.

Cost to Taxpayers: The resolution does not authorize expenditures.

Does the Bill Expand the Size and Scope of the Federal Government? No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates? No.

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**H.Res. ____—Providing for the concurrence by the House in the Senate amendment to H.R. 4253, with an amendment—Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007
(*Velazquez, D-NY*)**

Order of Business: The bill is scheduled to be considered on Wednesday, January 16, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.Res. ____ would concur with a Senate amendment to H.R. 4253. The original version of the bill passed the House on December 5, 2007, by a vote of [407—2](#).

The House-passed version of H.R. 4253 expanded the SBA’s grant and outreach programs for veterans and reservists and indefinitely extended the SBA’s committee on veterans’ affairs.

On December 19, 2007, the Senate incorporated a similar bill, [S. 1784](#), as an amendment to H.R. 4253. S. 1784 omitted sections 201—203 and added a section relating to SBA

disaster loans for veterans. According to the Small Business Committee, the specific provisions of the concurrence between the Senate and House versions of the bill are still being negotiated. A compromise bill would likely remove or lower the authorization levels in Section 203 in order to lower the total cost of the bill. At press time, however, the specific Senate amendments in H.Res.____ were not available.

What follows is a section-by-section summary of the House-passed version of H.R. 4253. As noted above, some of the provisions are certain to change with the incorporation of the Senate amendment.

Sec. 101. Increased Funding for the Office of Veterans Business Development

- Authorizes \$2.1 million in FY 2008 and \$2.3 million in FY 2009 for the SBA's [Office of Veterans Business Development](#). The funds would remain available until expended.

Sec. 102. Interagency Task Force

- Requires the President to establish an interagency task force to coordinate federal efforts to increase capital and business opportunities for small businesses owned and controlled by service veterans, especially service-disabled veterans.

Sec. 103. Permanent Extension of SBA Advisory Committee on Veterans Business Affairs

- Indefinitely extends the SBA's committee on veterans' business affairs.

Sec. 104. Office of Veterans Business Development

- Requires the Office of Veterans Business Development to participate in the Department of Labor's [Transition Assistance Program](#) (TAP). In carrying out this section, the Office of Veterans Business Development is required to provide written materials that give veterans comprehensive information about SBA programs for veterans and reservists. The information would then be included in the TAP manual.
- Requires the Office of Veterans Business Development to establish a Women Veterans Business Training Resource Program to compile and disseminate information regarding business training for women veterans.

Sec. 105. Increasing the Number of Outreach Centers

- Requires the SBA Administrator to create at least two new Veterans Business Outreach Centers annually in 2008 and 2009 and continue to increase the number of outreach centers by an "appropriate" amount thereafter.

Sec. 106. Independent Study on Gaps in Outreach Centers

- Requires the SBA Administrator to sponsor an independent study on any gaps in availability between Veterans Business Outreach Centers across the county. The study will be used to determine funding allocations in the future.

Sec. 201, 202. National Reservist Enterprise Transition and Sustainability Act of 2007

- Creates the Reservist Enterprise Transition and Sustainability Program to utilize various federal agencies and programs to assist and expand access to small businesses opportunities for U.S. Armed Forces Reservists.

Sec 203. National Guard and Reserve Business Assistance

- Requires the SBA Administrator to establish a program to provide business planning assistance to small businesses owned and operated by reservists.
- Authorizes the SBA to make grants of up to \$300,000 available to veterans' business assistance programs that provide technical and capital services to small businesses owned by reservists.
- Authorizes the appropriation of \$5 million in the first year after the enactment of the Act and an additional \$5 million in the following year.

Sec. 204. Veterans Assistance and Services Program

- Allows for Small Business Development Centers (SDBC)s to apply for grants to create marketing programs that advertise the SDBC)s' services for veterans, conduct online entrepreneurship counseling for veterans, and increase coordination between organizations that assist veterans.
- Sets the minimum level for a grant provided under this section at \$75,000.

Sec. 301. Reservist Programs

- Extend the time period that business would be eligible to apply for SBA injury disaster loans due to a military deployment from 90 days to one year.
- Authorizes the Administrator to waive the one year ending date and provide a later ending date "when appropriate."
- Establishes an outreach program to make small business owners aware that injury disaster loans are made available for businesses owners being deployed.

Sec. 302. Reservist Loans

- Increase the maximum loan amount for SBA injury disaster loans due to military deployment from \$1.5 million to \$2 million.

Sec. 303. Noncollateralized Loans

- Authorizes the SBA to make loans of up to \$50,000 to reservists without collateral and allows those taking non-collateral loans to defer payments for one year.

Sec. 304. Loan Priority

- Requires the SBA Administrator to give priority to loan applicants that are reservists.

Sec. 305. Relief from Time Limitations

- Extends the time limits on SBA programs for reservists and service-disabled veterans by the amount of time the veteran served in active duty.

Sec. 306, 307. SBA Veteran and Reservist Program Studies

- Requires the Comptroller General to conduct a study on the types of SBA services needed by service-disabled veterans and any resources that would assist services-disabled veterans to become entrepreneurs.
- Requires the Comptroller General to conduct a study on the options for promoting positive relations between reservist employees and their employers. The study would also assess whether there has been a reduction in the hiring of reservists because of the increased use of reservists since September 11, 2001.

Sec. 308. Increased Veteran Participation Program

- Requires the SBA Administrator to carry out an Increased Veteran Participation Program by eliminating guaranty and annual lender fees for businesses that are majority-owned by veterans. These fees apply to 7(a) loans, which are the SBA's most widely used loans.

Additional Background: The SBA currently provides services such as loan guarantees, business counseling, and technical assistance to veterans that wish to begin a small business. According to the SBA, services offered by the administration serve roughly 72,000 veteran entrepreneurs through current Small Business Development Centers and the Service Corps of Retired Executives. Over the past seven years, the SBA reports that it has guaranteed over 50,000 loans to veterans, totaling \$10 billion, through current SBA programs. H.R. 4253 is the thirteenth expansion of the SBA considered in the 110th Congress.

Committee Action: H.Res. ____, a bill in the House to concur with the Senate amendment is expected to be introduced today, January 16, 2008.

Cost to Taxpayers: A CBO score for H.Res. ____ was not available at press time. The version of H.R. 4253 that was passed in the House bill would have authorized \$7.1 million in FY 2008 and \$14.5 million over the FY 2008 – FY 209 period.

Does the Bill Expand the Size and Scope of the Federal Government? Yes, it creates new federal programs, administered by the SBA, to assist small businesses owned by veterans, reservists, and other military personnel.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates? No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the specific powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.”

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H.R. ____ —**National Defense Authorization Act for Fiscal Year 2008** (*Skelton, D-MO*)

Order of Business: The bill is scheduled to be considered on Wednesday, January 16, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. ____ would authorize \$696.3 billion for Department of Defense programs for FY 2008. The authorization is the same level that passed the House on December 12, 2007, in the [Conference Report to H.R. 1585](#). The provisions in the new NDAA bill would be identical to the original Conference Report with two key exceptions. First, the new authorization would grant the current Iraqi government a waiver protecting it from civil suits while allowing U.S. citizens to make terrorism claims against other nations. Second, the bill would make combat pay raises and signing bonuses for members of the armed forces retroactive as of January 1, 2008.

H.R. ____ was introduced in order to include compromise language to address the objections of the Bush Administration and the Iraqi government that led to the President’s veto of H.R. 1585.

To read the RSC’s detailed Policy Brief on the NDAA veto, [click here](#).

To read the RSC's original Legislative Bulletin for the Conference Report for the NDAA, [click here](#).

Committee Action: H.R. ___ will be introduced Today, January 16, 2008.

Cost to Taxpayers: A CBO score for H.R. ___ was not available at press time. However, the bill would authorize \$506.9 billion to operate the Department of Defense (DoD) and the national security functions of the Department of Energy (DoE) and an additional \$189.4 billion for war operations in Iraq and Afghanistan (\$696.3 billion total).

Does the Bill Expand the Size and Scope of the Federal Government? Yes, the bill creates several new programs.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates? CBO stated that provisions of the House-passed version of H.R. 1585 “contain both intergovernmental and private-sector mandates as defined in UMRA, but CBO estimates that the annual cost of those mandates would not exceed the thresholds established in UMRA (\$66 million for intergovernmental mandates in 2007 and \$131 million for private-sector mandates in 2007, adjusted annually for inflation).”

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits? Yes. The House Armed Services Committee, in House Report [110-146](#) (pages 559-571), listed 680 separate Member earmarks totaling at least \$37.4 billion (with individual earmarks ranging from \$250,000 to 2.42 billion) in the House-passed version of H.R. 1585.e.

Constitutional Authority: The Armed Services Committee, in House Report [110-146](#) finds constitutional authority in Article I, Section 8, but does not cite a specific clause. House Rule XIII, Section d(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” [*emphasis added*]

Article I, Section 8, Clause 1 grants Congress the power to “provide for the common Defence and general welfare of the United States.” Article I, Section 8, Clauses 12 through 16 grant Congress the power “To raise and support Armies, but no Appropriation of Money to that Use shall be for a longer Term than two Years; To provide and maintain a Navy; To make Rules for the Government and Regulation of the land and naval forces; To provide for calling forth the Militia to execute the Laws of the Unions, suppress Insurrections and repel Invasions; To provide for organizing, arming, and disciplining, the Militia and for governing such Part of them as may be employed in the Service of the United States...” In addition, Article I, Section 8, Clause 17 provides that Congress shall have the power “To exercise exclusive Legislation in all Cases whatsoever...over all Places purchased by the Consent of the Legislature of the state in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings.”

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