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House of Representatives

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

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
March 3, 2011.

I hereby appoint the Honorable TED POE to act as Speaker pro tempore on this day.

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

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, so caught up in the problems and responsibilities of human life and the common good of the Nation, Congress takes a moment to turn to You.

Our selective memory recalls only pieces of the past. With limited vision of the future, we glimpse only some of the consequences of our actions or our failure to act today.

But in You is found the beginning and the end of everything. Be present to us in this our day.

As we try to handle as much as we are able, free us by renewed faith in Your guidance and goodness. In this ever-changing world, help us to place our trust in You, Heavenly Father. For You manage all natural events and human affairs to achieve Your holy will for us and all Your children both now and forever.

Amen.

THE JOURNAL

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

Mr. WILSON of South Carolina 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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

GAO STUDY: BILLIONS OF DOLLARS GOING TO WASTE

(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, Damian Paletta of the Wall Street Journal reported on the study by the Government Accountability Office revealing bloated budgets in government programs. The study examined a number of Federal agencies and found duplicative overlaps leading to wasteful spending of the taxpayers' money. The GAO found inefficiencies with 82 Federal programs to improve teacher quality, 56 programs to help people gain a working knowledge of finances, and 47 Federal programs for job training and employment. The study concluded that the effectiveness of many of these programs has not been assessed.

At a time when the President proposes trillion-dollar deficits, the Federal Government cannot afford to be throwing away the people's money on wasteful programs. Efficiency should be at the forefront of all Federal spending to promote small-business job creation. I commend the efforts of Senator TOM COBURN of Oklahoma for being a driving force behind the study to uncover the overlapping of these programs.

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

REPUBLICAN BUDGET

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

Mr. BACA. Mr. Speaker, creating jobs and strengthening the economy must be the number one priority in Congress. Unemployment across the Nation remains far too high. In my district, unemployment still remains near 14 percent. Yet instead of focusing on creating jobs, the Republican budget plan passed last month would cause 700,000 Americans to lose their jobs. They will struggle to put food on the table.

This budget is an assault on middle- and low-income families. Thousands of teachers will be laid off, job training programs across the country will be eliminated, Pell Grants will be slashed for low-income college students, and investment in education will decrease.

And now the Republicans are proposing yet another tax on middle class families to pay for the 1099 reporting fix.

I urge my Republican friends to stand with the American middle class families and break free from the right-wing extremists. Let's work together on a real budget that creates jobs and responsibly lowers the deficit.

FOREIGN CRIMINALS WON'T GO HOME

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

Mr. POE of Texas. Mr. Speaker, there are thousands of foreign criminals in the United States prisons. Up to 19 percent of our jails house criminal aliens. These do not include immigration violations either. They have been convicted of everything from rape, robbery and murder. Then, after they serve their sentence, when we try to deport them, many of their native countries won't take them back.

The number of foreign criminals in this situation is staggering. There are over 140,000 of these outlaws that have been sent home but won't go back. So what do we do? By law they get a get-out-of-jail-free card to live in the United States because we cannot permanently keep these misfits in jail.

The worst offending countries include Cuba, China, India, Jamaica and Pakistan. Maybe we should stop foreign aid altogether or refuse to issue legal visas to these countries that refuse to take back their criminals. There must be unpleasant consequences for countries that refuse to take their convicted nationals back home.

And that's just the way it is.

THE PATIENCE OF AMERICA IS WEARING THIN, AND SO IS MINE

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

Mr. PENCE. Two weeks ago, after 90 hours of debate, House Republicans in this majority passed a long-term funding resolution that found more than $100 billion in savings off the President's budget. It defunded their government takeover of health care. It even denied all Federal funding to Planned Parenthood of America.

But while House Republicans have done the people's business, at this moment, Mr. Speaker, the Senate has virtually done nothing except find a way to fund the government for another 2 weeks, and the White House just appointed a few negotiators yesterday—just 2 short days before government funding would have run out to begin with.

Look, the patience of the American people is wearing thin, and so is mine.

Our Nation is facing a fiscal crisis of epic proportions—$1.65 trillion in deficits this year, $14 trillion national debt. The time to put our fiscal house in order is now. No more delays. No more kicking the cans.

Let's have the debate. Let's hash it out. Let's defund ObamaCare. Let's defund Planned Parenthood, and let's use this moment to have this fight to make a downpayment on restoring fiscal sanity to Washington, D.C.

PORT OF SAVANNAH

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

Mr. BARROW. Mr. Speaker, I rise today in support of America's ports, especially the one in Savannah, Georgia.

After spending last week touring the rural areas of my district, it's hard to overstate the Savannah port's importance, even for areas outside of Savannah.

The Port of Savannah—the fastest growing port in the Nation and the second largest on the east coast—supports more than 295,000 jobs and contributes over $15 billion in income to Georgia's economy. It's also a major economic hub for a 26-State region that stretches deep into the Midwestern part of the country.

Farmers, manufacturers, and miners ship product in and out of the port. And for thousands of small businesses around the country, the Savannah port is their sole access to the rest of the world.

Let's make sure our goods can reach international markets and get America back to work. I urge my colleagues to invest in our ports so that we can compete in today's economy and the economy of the future.

DEFENSE OF MARRIAGE ACT

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

Mr. FARENTHOLD. Mr. Speaker, on February 23, the Justice Department announced it would no longer defend the Defense of Marriage Act. The Defense of Marriage Act was a bipartisan effort to preserve the sanctity of marriage that, among other things, defined marriage as a legal union between a man and a woman.

The Attorney General and President have independently determined that this is unconstitutional. Anyone who's taken a civics class or a government course will tell you that's not the President's or the Justice Department's job. It's the Supreme Court's job. This is an express violation of the separation of powers principle found in the Constitution, and it presents a dangerous precedent for future administrations to follow.

Regardless of where you stand on this issue, whether marriage is a biblically sanctioned union between a man and a woman or otherwise, there could be no doubt that this power grab by the President and the Justice Department is not what our Founding Fathers intended when they created the checks and balances system of our Constitution.

The Obama administration, if it disagrees with a law passed by Congress and signed by a previous President, it should use the legislative process to change that law—not usurp the power of another branch of government.

This is not a gay rights issue. This is a separation of powers issue.

HONORING THE NOGALES APACHES ON WINNING THE ARIZONA STATE HIGH SCHOOL DIVISION 4A–1 BASKETBALL CHAMPIONSHIP

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

Mr. GRIJALVA. Mr. Speaker, I rise today to congratulate the Nogales Apaches on winning the Arizona State High School Division 4A–1 basketball championship.

The Apaches' victory over Scottsdale Saguaro to win the title on Saturday came after their upset victory of the top-ranked Glendale Kellis team on Thursday. This win marked the first time in 28 years that a Nogales school has reached a championship game in any sport. So this is a particularly gratifying victory.

Coach Ricardo De La Riva deserves a great deal of credit for leading his team through the season, through the upset victories, and through the long process of building a successful and cohesive team.

This is a group that truly plays with heart. It represents the best of the community, as shown by the seven busloads of fans who traveled for several hours from Nogales to Glendale for the championship game.

As Coach De La Riva told the Arizona Daily Star after the game: ''This is a true team. We don't have stars. We don't have egos. We just play.'' His team reminds us of what scholastic sport is all about.

I join with everyone else in congratulating the school, the team, and the community of Nogales in Santa Cruz. Congratulations.

WE NEED ENERGY INDEPENDENCE

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

Mr. BURTON of Indiana. Mr. Speaker, we have severe economic problems in this country. I think everybody understands that.

But there is an economic problem staring us in the face that people may not really be aware of yet, and that is the cost of energy. We're not drilling here, we're not drilling in the ANWR, off the coast of the Continental Shelf, not in the Gulf of Mexico. We're not doing anything to become energy independent.

And right now in the northern tier of Africa and in the Middle East, there's all kinds of conflict. And if the Straits of Hormuz, if the Persian Gulf or the Suez Canal are blocked in any way, we could lose 30 percent or more of our energy. The lights in this place, the gasoline that we buy would be maybe double what it is today. And the impact of this economy would be unbelievable,

and yet we're not doing a thing about it.

The President, in my opinion, Mr. Speaker, is being derelict in his responsibility in making sure that we're moving towards energy independence. They talk about windmills and solar and nuclear, and that's all great; but that's going to take a lot of time.

We have a tremendous amount of energy in this country. We can be energy independent within 10 years if we get on with it. We're too dependent on foreign energy. It's dangerous.

REPEALING THE 1099 PROVISION'S NEGATIVE ECONOMIC CONSEQUENCES

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

Mr. RICHMOND. Mr. Speaker, my Republican colleagues came down here yesterday, and will do so again today, like a well-rehearsed choir singing the same song: Repeal the 1099 provision, repeal the 1099 provision. They sang it in perfect harmony.

However, they conveniently left out two verses. One, last year 239 Democrats and only two Republicans voted to repeal it. Second, they will pay for the repeal by reaching into the pockets of working Americans and yanking out $25 billion. That's just wrong.

So, Mr. Speaker, I remind my colleagues that their song has two additional verses. Just because they won't sing about their tax increase doesn't mean the American people won't feel it. I, too, want to repeal the 1099 provision, but this is not the way to pay for it.

Mr. Speaker I yield back because I will not be a co-conspirator to snatching $25 billion out of the bank accounts of hardworking Americans.

REPUBLICANS' ''NO-JOB AGENDA''

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

Mr. ELLISON. Mr. Speaker, we've now entered about the 55th day when the Republican majority has been in control of the House, and they've yet to introduce a single bill to create a single job for anyone anywhere.

The Republican majority has, however, introduced cuts to our national budget that will take away vital programs and cut jobs—cut jobs like cops and nurses and teachers and things like that.

The Republican majority doesn't seem to be interested in jobs, and their no-job agenda will not escape the view of the American people.

The American people sent us all here to make sure that we have a more perfect Union, that we have prosperity in our land. We don't have it because unemployment is just too high, and the Republican majority is not doing a thing about it.

It's time to get on with the business of creating jobs and get rid of the Republican no-job agenda.

□ 1020

NO JOBS BILLS

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

Ms. EDWARDS. Mr. Speaker, well, here we are. It's 8 weeks into the 112th Congress and still not a single Republican proposal to create jobs and strengthen our economy. No jobs proposals and no jobs.

Instead, we have a series of reports stating really clearly that the Republicans' slash-and-burn budgets would eliminate jobs, hundreds of thousands of them, and send our economy spiraling back into recession. Even Goldman Sachs says that the Republican continuing resolution would depress economic growth by 2 percent and raise unemployment by 1 percent. Mark Zandi, the economist, notes that this slash-and-burn idea of spending would cost our country 700,000 jobs.

So here we are again, 8 weeks into the new leadership, and all we get is negative growth and job loss.

So, Mr. Speaker, where are my colleagues? They need to get serious about creating jobs, strengthening our economy, and ensuring long-term growth for our children and grandchildren.

I would urge us to get together, House Democrats, Senate Democrats, and Republicans, in a good-faith effort to pass a funding bill for the remainder of the year that really guarantees our future and creates jobs for our economy. The American people cannot afford to see our economy sliding backwards.

DON'T CUT NIH FUNDING

(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, St. Jude Children's Research Hospital is located in Memphis, Tennessee. It is, according to U.S. News and World Report, the world's greatest children's and catastrophic illness research hospital.

The Republican budget that passed this House talks about a lot of issues, but it cuts $2.5 billion from the President's requests for the National Institute of Health, $2.5 billion less than the President recommends, and a $1.6 billion cut from last year. For the children and the adults and everyone who has cancer and needs a cure, which they are finding with the help of the NIH and St. Jude and other research hospitals, that's a death sentence. People will die.

If there is a place the Republicans should not cut, Mr. Speaker, it's at NIH grants to find cures for cancer, for Alzheimer's, for Parkinson's, for diabetes, for heart disease. I ask you for the living Americans to not cut grants to the National Institute of Health and let us have lives that go further than they otherwise would because of these crippling, catastrophic illnesses.

SMALL BUSINESS PAPERWORK MANDATE ELIMINATION ACT OF 2011

Mr. CAMP. Mr. Speaker, pursuant to House Resolution 129, I call up the bill (H.R. 4) to repeal the expansion of information reporting requirements for payments of $600 or more to corporations, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. JOHNSON of Illinois). Pursuant to House Resolution 129, the amendment in the nature of a substitute consisting of the text of the amendment recommended by the Committee on House Ways and Means, printed in H.R. 705 is adopted and the bill, as amended, is considered read.

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

H.R. 4

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 ''Comprehensive 1099 Taxpayer Protection and Repayment of Exchange Subsidy Overpayments Act of 2011''.

SEC. 2. REPEAL OF EXPANSION OF INFORMATION REPORTING REQUIREMENTS TO PAYMENTS MADE TO CORPORATIONS AND TO PAYMENTS FOR PROPERTY AND OTHER GROSS PROCEEDS.

(a) APPLICATION TO CORPORATIONS.—Section 6041 of the Internal Revenue Code of 1986 is amended by striking subsections (i) and (j).

(b) PAYMENTS FOR PROPERTY AND OTHER GROSS PROCEEDS.—Subsection (a) of section 6041 of such Code is amended—

(1) by striking ''amounts in consideration for property,'', and

(2) by striking ''gross proceeds,'' both places it appears.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made after December 31, 2011.

SEC. 3. REPEAL OF EXPANSION OF INFORMATION REPORTING REQUIREMENTS FOR RENTAL PROPERTY EXPENSE PAYMENTS.

(a) IN GENERAL.—Section 6041 of the Internal Revenue Code of 1986 is amended by striking subsection (h).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2010.

SEC. 4. INCREASE IN AMOUNT OF OVERPAYMENT OF HEALTH CARE CREDIT WHICH IS SUBJECT TO RECAPTURE.

(a) IN GENERAL.—Clause (i) of section 36B(f)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows:

''(i) IN GENERAL.—In the case of a taxpayer whose household income is less than 400 percent of the poverty line for the size of the family involved for the taxable year, the amount of the increase under subparagraph (A) shall in no event exceed the applicable dollar amount determined in accordance with the following table (one-half of such amount in the case of a taxpayer whose tax is determined under section 1(c) for the taxable year):

''If the household income (expressed as a percent of poverty line) is:	*The applicable dollar amount is:*
Less than 200%	*$600*
At least 200% but less than 300%	*$1,500*
At least 300% but less than 400%	*$2,500.''.*

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2013.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. CAMP) and the gentleman from Michigan (Mr. LEVIN) each will control 75 minutes.

The Chair recognizes the gentleman from Michigan (Mr. CAMP).

GENERAL LEAVE

Mr. CAMP. 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 H.R. 4.

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

There was no objection.

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

Today the House considers H.R. 4, legislation repealing one of the job-killing tax increases enacted in the Democrats' health care law last year. This legislation provides a pathway to achieving a goal that is shared by Republicans and Democrats in the House and Senate alike, and by the Obama administration—repealing the form 1099 reporting requirements enacted last year.

Before I get into the details of H.R. 4, I would like to take a moment to recognize and commend my colleague and friend, Congressman DAN LUNGREN of California. He first brought this issue to light, and through his hard work we are here today to vote on a bill that has enjoyed strong bipartisan support.

We have been here talking about 1099s before. Some have even gone so far as to say there seems to have been 1,099 votes to repeal 1099s. While we have attempted in the past to repeal this misguided feature of last year's health overhaul, today we turn a corner and move H.R. 4 from the House to the Senate, so that it will hopefully soon be sent to the President for his signature. Only then will small businesses and families have certainty that they will not be buried under an avalanche of tax paperwork.

In 2010, as one of many ways to finance a trillion dollar health care law, tax information reporting rules were expanded. These new rules require businesses to issue a form 1099 for any payments to corporations rather than just individuals, and for any payments for property rather than just services or investment income that exceeds $600 over the course of a year.

This previously little-known provision quickly became an item of great concern to small business employers across the country. The National Federation of Independent Business, whose 350,000 members support H.R. 4, said this newly enacted reporting requirement would have a direct negative impact on small business.

Also brought forward by Mr. TIBERI of Ohio in September of last year, a form 1099 reporting requirement was expanded again to help pay for the small business lending law. This expansion treats the recipient of rental income from real estate as engaging in the trade or business of renting property. Unless repealed, families and individuals will be forced to fill out paperwork if they do something as basic as replace a refrigerator in an apartment they rent out. The National Association of Realtors, which supports H.R. 4, called this provision not only another paperwork burden but a trap for all small landlords.

Mr. Speaker, neither of these provisions reflects the wishes or needs of the American people. The most important issue on their minds is jobs. Let me say it again: jobs, jobs, and jobs. But despite the call for policies that can create a better climate for job creation, Congress has enacted policies that make this harder.

H.R. 4 will accomplish three goals. First, the legislation repeals the expanded 1099 reporting requirements on small businesses. Second, it repeals the new 1099 reporting requirements for rental property.

□ 1030

Third, it protects taxpayers by recovering overpayments of taxpayer-funded government subsidies.

What that means, and I know we are going to hear a lot about it from the other side today, is that if this bill passes, anyone earning more than 400 percent of poverty, nearly $95,000 for a family of four in 2014, and who is ineligible for the exchange subsidies under the 2010 health care law will be required to pay back all, not just some, of the improper payments. I would like to note that this is the same level Democrats used in the original law enacted last March.

For those earning less than 400 percent of poverty, the level of repayment of those overpayments is also increased. This is similar to the path taken by Democrats in December when they adjusted the repayment amounts as a way to finance the so-called ''doc fix.''

Now, I noticed yesterday that there was a lot of huffing and puffing on the floor about alleged tax increases in H.R. 4. I want to be sure to clear up any confusion on this point.

The Joint Committee on Taxation says in its score that in addition to a $20 billion spending cut, there is a $5 billion increase in revenue to the government from this one provision. But that doesn't mean people are necessarily paying more in taxes. Now, how is that possible? Simple. According to the nonpartisan Joint Committee on Taxation, under the better enforcement rules of H.R. 4, some people won't go into the exchange to accept a taxpayer-funded subsidy because they would be required to pay a larger share or, in some cases, all of the subsidy back under H.R. 4. Paying back money you weren't entitled to is not a tax increase.

For example, under current law, a household making $105,000 might think it's worth understating its income, or at least not updating their income information, in order to receive a $12,000 exchange subsidy because they would only have to pay back $3,000 if caught; but the household is less likely to do so under H.R. 4 because it would have to pay back the entire subsidy given there was no eligibility for the subsidy in the first place.

So let's be clear here. Voluntarily choosing not to enroll in government health care and thus foregoing the associated tax subsidies that one may not be eligible for might result in more government revenue, according to the Joint Committee on Taxation. But that is not a tax increase.

H.R. 4 is endorsed by more than 225 organizations, including the American Farm Bureau, the U.S. Chamber of Commerce, the American Osteopathic Association, and Americans for Tax Reform. Grover Norquist of ATR wrote he was especially pleased about the repeal of the 1099 provisions and the bill is ''a net tax cut.'' That's because despite the claims to the contrary, H.R. 4 reduces Federal spending by nearly $20 billion over the next 10 years. It also reduces the deficit by $166 million over that same time. That's probably why the bill is supported by Americans for Prosperity and the National Taxpayers Union as well.

Mr. Speaker, today we have the opportunity to come together and advance a bill that is a win for small business, a win for families, and a win for taxpayers across America. Cast a ''yes'' vote for H.R. 4 and give them that win.

SUPPORTERS OF 1099 REPEAL (AS OF 3/2/11)

[COMMITTEE ON WAYS AND MEANS]

Aeronautical Repair Station Association; Agricultural Retailers Association; Air Conditioning Contractors of America; Alabama Nursery & Landscape Association; Alliance for Affordable Services; Alliance of Independent Store Owners and Professionals; American Association for Laboratory Accreditation; American Bakers Association; American Bankers Association; American Beekeeping Federation; American Council of Engineering Companies; American Council of Independent Laboratories; American Farm Bureau Federation®; Americans for Prosperity; American Foundry Society; American Hotel & Lodging Association; American Institute of Architects; American Institute of Certified Public Accountants;

American Medical Association; American Mushroom Institute.

American Nursery & Landscape Association; American Osteopathic Association; American Petroleum Institute; American Physical Therapy Association; American Rental Association; American Road & Transportation Builders Association; American Sheep Industry Association; American Society of Association Executives; American Society of Interior Designers; American Soybean Association; American Subcontractors Association, Inc.; American Sugar Alliance; American Supply Association; American Veterinary Distributors Association; American Veterinary Medical Association; Americans for Tax Reform; AMT—The Association For Manufacturing Technology; Arizona Nursery Association; Assisted Living Federation of America; Associated Builders and Contractors.

Associated Equipment Distributors; Associated General Contractors of America; Associated Landscape Contractors of Colorado; Association of Free Community Papers; Association of Ship Brokers & Agents; Association of Small Business Development Centers; Automotive Aftermarket Industry Association; Automotive Recyclers Association; Bowling Proprietors Association of America; California Association of Nurseries and Garden Centers; California Landscape Contractors Association; Commercial Photographers International; Community Papers of Florida; Community Papers of Michigan; Community Papers of Ohio and West Virginia; Computing Technology Industry Association; Connecticut Nursery & Landscape Association; Council of Smaller Enterprises; Direct Selling Association; Door and Hardware Institute.

Electronic Security Association; Electronics Representatives Association (ERA); Farm Credit Council; Financial Services Institute, Inc.; Florida Nursery, Growers & Landscape Association; Free Community Papers of New York; Georgia Green Industry Association; Hampton Roads Technology Council; Healthcare Distribution Management Association; Hearth, Patio & Barbecue Association; Idaho Nursery & Landscape Association; Illinois Green Industry Association; Illinois Landscape Contractors Association (ILCA); Illinois Technology Association (ITA); Independent Community Bankers of America; Independent Electrical Contractors, Inc.; Independent Office Products & Furniture Dealers Association; Indiana Nursery and Landscape Association; Indoor Tanning Association; Industrial Supply Association.

Industry Council for Tangible Assets; International Association of Refrigerated Warehouses; International Foodservice Distributors Association; International Franchise Association; International Housewares Association; International Sleep Products Association; Kentucky Nursery and Landscape Association; Louisiana Nursery and Landscape Association; Maine Landscape and Nursery Association; Manufacturers' Agents Association for the Foodservice Industry; Manufacturers' Agents National Association; Manufacturing Jewelers and Suppliers of America; Maryland Nursery and Landscape Association; Massachusetts Nursery & Landscape Association, Inc.; Michigan Nursery and Landscape Association; Mid-Atlantic Community Papers Association; Midwest Free Community Papers; Minnesota Nursery & Landscape Association; Motor & Equipment Manufacturers Association; NAMM, National Association of Music Merchants.

National Apartment Association; National Association for Printing Leadership; National Association for the Self-Employed; National Association of Federal Credit Unions; National Association of Home Builders; National Association of Manufacturers; National Association of Mortgage Brokers; National Association of Mutual Insurance Companies; National Association of Realtors®; National Association of RV Parks & Campgrounds; National Association of State Departments of Agriculture; National Association of Theatre Owners; National Association of Wheat Growers; National Association of Wholesaler-Distributors; National Barley Growers Association; National Cattlemen's Beef Association; National Chicken Council; National Christmas Tree Association; National Club Association; National Community Pharmacists Association.

National Corn Growers Association; National Cotton Council; National Council of Agricultural Employers; National Council of Farmer Cooperatives; National Electrical Contractors Association; National Electrical Manufacturers Representatives Association; National Federation of Independent Business; National Home Furnishings Association; National Lumber and Building Material Dealers Association; National Milk Producers Federation; National Multi Housing Council; National Newspaper Association; National Office Products Alliance; National Restaurant Association; National Retail Federation; National Roofing Contractors Association; National Small Business Association; National Small Business Network; National Sunflower Association; National Taxpayers Union.

National Tooling and Machining Association; National Utility Contractors Association; Nationwide Insurance Independent Contractors Association; Nebraska Nursery and Landscape Association; New Mexico Family Business Alliance; New Mexico Nursery & Landscape Association; New York State Nursery and Landscape Association; North American Die Casting Association; North Carolina Green Industry Council; North Carolina Nursery and Landscape Association; Northeastern Retail Lumber Association; Northwest Dairy Association; NPES The Association for Suppliers of Printing, Publishing & Converting Technologies; OFA—An Association of Floriculture Professionals; Office Furniture Dealers Alliance; Ohio Nursery and Landscape Association; Oregon Association of Nurseries; Oregon Nursery Association; Outdoor Power Equipment Institute; Pennsylvania Landscape and Nursery Association.

Pet Industry Distributors Association; Petroleum Marketers Association of America; Plumbing-Heating-Cooling Contractors Association; Precision Machined Products Association; Precision Metalforming Association; Printing Industries of America; Professional Golfers Association of America; Professional Landscape Network; Professional Photographers of America; Promotional Products Association International; Public Lands Council; S Corp Association; Safety Equipment Distributors Association; Saturation Mailers Coalition; SBE Council; Secondary Materials and Recycled Textiles Association; Self-Insurance Institute of America (SIIA); Service Station Dealers of America and Allied Trades; SIGMA, the Society for Independent Gasoline Marketers of America; Small Business Council of America.

Small Business Legislative Council; SMC Business Councils; Society of American Florists; Society of Independent Gasoline Marketers of America; Society of Sport & Event Photographers; South Carolina Nursery & Landscape Association; Southeastern Advertising Publishers Association; Southeast Dairy Farmers Association; Southeast Milk, Inc.; Specialty Equipment Market Association; Specialty Tools & Fasteners Distributors Association; SPI: The Plastics Industry Trade Association; Start Over! Coalition; Stock Artists Alliance; TechQuest Pennsylvania; TechServe Alliance; Tennessee Nursery & Landscape Association; Texas Community Newspaper Association; Texas Nursery & Landscape Association; Textile Care Allied Trades Association.

Textile Rental Services Association of America; The National Grange of the Order of Patrons of Husbandry; Tire Industry Association; Toy Industry Association, Inc.; Turfgrass Producers International; U.S. Apple Association; U.S. Canola Association; U.S. Chamber of Commerce; United Egg Producers; United Fresh Produce Association; United Producers, Inc.; United States Dry Bean Council; USA Dry Pea & Lentil Council; USA Rice Federation; Utah Nursery & Landscape Association; Virginia Christmas Tree Growers Association; Virginia Green Industry Council; Virginia Nursery & Landscape Association; Virginia Technology Alliance; Washington State Nursery & Landscape Association; Western Growers Association; Western Peanut Growers Association; Western United Dairymen; Window and Door Manufacturers Association; Wisconsin Community Papers; Wood Machinery Manufacturers of America.

I reserve the balance of my time.

Mr. LEVIN. I yield myself as much time as I shall consume.

Let's be clear what the issue is today. The issue is not repeal of this provision, of 1099. We on this side not only favor repeal, but all of us who were here last session voted for it. We voted to repeal it. It failed because only two people on the minority, then minority side, voted for the bill. They didn't like the pay-for.

Mr. CAMP mentions the NFIB. They supported our effort last year to repeal 1099.

So, again, the issue is not repeal. We have made that clear in the past, while the effort to repeal was blocked on the Republican side last session. The reason they did not vote ''yes,'' they said, was because they did not like the pay-for.

The pay-for closed tax loopholes, closed tax loopholes, and they stood up and said, no, we can't vote for the bill because of that. Ironically, most of the loopholes closed in that effort have now become law. So that effort last year to block repeal essentially was to block the loophole effort that has now become the law of this land. That should be clear. The issue is not repeal. The issue is how you pay for that repeal.

The Senate has now voted to repeal 1099 and apparently the now majority does not like the pay-for in the Senate bill.

What does this bill provide? Well, in very simple terms, in clear terms, in unmistakable terms, the pay-for is an increase on middle-income families. It increases how much they will have to pay to the IRS if their income increases over what was projected when they would have obtained health insurance.

Let me be very clear, the people were playing by the rules once the law became effective. It wasn't that they were ineligible. They were eligible, period. So no one should say they were not eligible, that somehow they misled,

that somehow they misrepresented. Now, these are middle-income families who would have become eligible playing by the rules.

So this is a tax increase, if this bill becomes effective, on middle-income families in future years. Mostly, it will be on families with incomes between $80,000 and $110,000. These are estimates.

It can well be that a small increase in income beyond what was anticipated can lead to an increase by as much as $12,000. That's the amount that could be required in a check from the taxpayer to the IRS, and Joint Tax projects that the average increase will be about $3,000.

Well, it's been said, it was said in our committee and then before the Rules Committee yesterday, that it's not a tax increase. So let me be clear by reading the language that's in the bill:

If the advance payments to a taxpayer exceed the credit allowed by this section, the tax imposed by this chapter for the taxable year shall be increased.

It is in clear simple English. So let no one stand up here and say it's not a tax increase when it is.

Let me also, if I might, read from the Statement of Administration Policy that was issued yesterday.

''Specifically, H.R. 4 would result in tax increases on certain middle class families that incur unexpected tax liabilities, in many cases totaling thousands of dollars, notwithstanding that they followed the rules.''

I want to read it again.

''Specifically, H.R. 4 would result in tax increases on certain middle class families that incur unexpected tax liabilities, in many cases totaling thousands of dollars, notwithstanding that they followed the rules.''

Now, it was said yesterday at the Rules Committee that this is not a tax increase because it would become effective at a later date, 2014, when the subsidies under the health reform bill become effective.

□ 1040

Well, if you use that logic, we could, this year, increase taxes for everybody by, say, 5 percent, and that would not be a tax increase because it would be for a later year.

In a word, if this bill would become law, it would mean a tax increase for hundreds of thousands of middle income taxpayers.

Also, according to Joint Tax, it would have this effect, that about 266,000 people would not be covered with health insurance because of the provisions in this bill.

So, in a few words, what this bill would do would be to saddle middle income taxpayers in future years, pure and simple. What we should do is to go back and find a responsible way to pay for the repeal of 1099.

And I close by the following paragraph from the Statement of Administration Policy, ''The administration looks forward to continuing to work with the Congress on the repeal of the information reporting requirements in the course of the legislative process, including finding an acceptable offset for the cost of the repeal.''

What this bill would do would be to provide an unacceptable offset, one that would burden hundreds of thousands of middle income taxpayers in our country. We should not do that, period.

I reserve the balance of my time.

Mr. CAMP. I yield 2 minutes to the gentlewoman from Washington State (Mrs. MCMORRIS RODGERS).

Mrs. MCMORRIS RODGERS. Thank you, Mr. Chairman.

I rise in strong support of H.R. 4, the Small Business Paperwork Reduction Mandate Elimination Act of 2011. There's not a single issue that I hear more about from Washington State businesses than the 1099 requirement that made its way into last year's health care law. Not only is this provision an administrative nightmare for employers, it has the potential to devastate small businesses. In fact, NFIB estimates that the average business will have to submit at least 95 forms under the new requirement, a costly increase from the current handful that's required today.

Even tax consultants have said this 1099 is more onerous than any tax that the IRS could collect from small businesses. At a time when our economy is struggling, jobs are scarce and unemployment continues to hover near 10 percent, the last thing we should do is make it more difficult on our employers, particularly the small businesses that make up the backbone of our economy and create most of the jobs in America.

The 1099 is just one in a number of policies that have created a climate of fear and uncertainty for the private sector. Businesses don't know what regulatory hurdles they will have to jump through or the increased costs they will incur in the short or long term. We need to give them certainty. We need to have them start expanding and grow their businesses again. And a first good step is the repeal of the 1099 requirement.

I urge support.

Mr. LEVIN. I yield such time as he may consume to someone who has been leading the effort to repeal 1099 in a responsible way for the middle-income families of America, the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. I thank the gentleman from Michigan (Mr. LEVIN) for yielding me this time.

Mr. Speaker, I rise in strong opposition to this bill not because I oppose the repealing of the 1099 reporting requirements. I do. I have a record of supporting 1099 repeal and relieving America's small businesses from onerous paperwork and onerous regulations. What I'm opposed to is paying for this small business tax bill by increasing taxes on working middle class Americans. And that is exactly what this legislation will do.

Let's not kid ourselves. Democrats offered a different path. Last July, we put forward legislation to repeal the 1099 reporting requirements, and we paid for it by eliminating loopholes in the Tax Code that reward those exporting U.S. jobs overseas. And, the Senate has offered an alternative path as well. Last month, they overwhelmingly passed a bipartisan repeal of the 1099 reporting requirement, which did not include a tax increase on middle class workers.

But my Republican colleagues in the majority here in the House, who have continually preached lower taxes, less regulation and fiscal discipline, have refused either of these alternative approaches. Instead, my Republican colleagues are forcing a vote today on H.R. 4, a measure that will impose a $25 billion new tax on middle class families. Yes, you heard that right. It is only 59 days since my Republican colleagues have assumed majority control of the House of Representatives, and they're already breaking their campaign pledge of no new taxes, a pledge that 234 of 241 sitting Republican Members of the House signed.

And, no, Republicans are not taxing the wealthiest 1 percent to pay for this small business relief bill. They are raising taxes on middle class workers, like firefighters, police officers, nurses and teachers, the very American families who work day in and day out to make their financial ends meet, the very American families under attack today in Wisconsin, in Indiana, in Ohio, and across the Midwest.

Now, the Republicans will not admit that embedded in H.R. 4 is a tax increase on the middle class. But the facts are the facts. The Joint Committee on Taxation says the Republican bill is a tax increase, citing how it will raise $25 billion in new revenue. That is congressional-speak for a tax increase. Even Grover Norquist, the author of the ''Taxpayer Protection Pledge,'' has said, ''Americans for Tax Reform has always followed Committee on Joint Taxation methodology.''

Yet, still my Republican friends deny and deny and deny. But, my friends, read my lips—Republicans are raising taxes. Just look at the contents of the bill. Under the Democratic health reform law, an American family of four earning $88,000 a year is obligated to pay no more than 9.5 percent of their income on health care premium costs. In this example, that is $8,360 that comes out of their pocket on a typical family policy valued at $13,000. So the family would pay, out of their pocket, $8,360 in annual premiums for their health care coverage, and the Federal Government would provide a tax credit—not a subsidy, not a subsidy, a tax credit—valued at $4,640 to cover the rest. These are not subsidies, but tax credits to working people. They work exactly like the child tax credit or the tax credit to make college more affordable.

How many of all of our constituents use those tax credits? Do they believe it is welfare, a form of welfare? I don't think so. They understand the difference between a subsidy and a tax credit. These are not subsidies for the middle class. They are tax credits for the middle class. These are tax relief measures for the middle class.

The Affordable Care Act also ensures that the Federal funding going towards a family's health premium is paid directly to the insurance carrier, to the insurance company, not to the family. In short, the family receiving this tax credit will never, ever personally touch that money, not a single dime do they feel. It never transfers through them.

□ 1050

However, under the Republican bill, H.R. 4, if that very same family that earns $88,000, the breadwinner of the family is called into the boss's office and the boss says: You know what, you're on your track to management. You're doing such a great job, we're going to give you a $250 bonus. Take the family out to dinner. It's the holiday season.

And you're overjoyed. You go back to your family and say, I am management material. I got a $250 bonus. I'm taking everybody out to dinner tonight.

Well, here's the rub: you would go from the 398 percentile of the Federal poverty level to the 401 percentile of the poverty level. When that happens, you would then owe the Federal Government for that $250. In April of the next year the Federal Government would say: Not so fast, you owe us $4,640 to make up for your having accessed those tax credits.

That's right, they would have to pay back every single dime that went directly to that health insurer, to that health insurance company when a dime never crossed their fingers. Not a single dime crossed their fingers.

Say it ain't so, Joe—that's what families back home in my district are saying. But I can't; it's true. Republicans are raising taxes.

The 1099 provisions should be repealed. I agree with that, but not on the backs of middle class workers and middle class Americans.

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

I would just like to say that the example the gentleman from New York cited, that if the family or individual honestly reported their income without this change that we are proposing today, they would still have to repay the entire amount of the subsidy to the government.

I submit for the RECORD a letter from Americans for Tax Reform that says this legislation is not a tax increase and is not a violation of the taxpayer protection pledge.

N.B. The following letter applies in full to House consideration of H.R. 4, ''The Small Business Paperwork Mandate Elimination Act of 2011.''—RLE, 03–02–2011

AMERICANS FOR TAX REFORM,
Washington, DC, February 24, 2011.

Hon. DAVE CAMP,
House of Representatives, Committee on Ways and Means, Washington, DC.

DEAR CHAIRMAN CAMP: I write today to reiterate the support of Americans for Tax Reform for H.R. 705, the ''Comprehensive 1099 Taxpayer Protection and Repayment of Exchange Subsidy Overpayments Act of 2011.'' I also wish to clarify that H.R. 705 is a net tax cut, and is therefore not a violation of the Taxpayer Protection Pledge.

Two bills in the last Congress (one of which was Obamacare) greatly increased ''1099–MISC'' information reporting for small employers, and introduced this reporting for the first time to families renting out real property. These requirements are unnecessary, onerous, and would lead to major compliance issues—as the IRS itself admits. H.R. 705 repeals these two provisions, which is a victory for taxpayers.

The official score of H.R. 705 from the Joint Committee on Taxation (JCX–14–11) shows that this bill is a net tax cut. By repealing the 1099–MISC provisions, taxes are cut by a gross amount of $24.7 billion from 2011–2021. By requiring erroneously-obtained Obamacare exchange credit advances to be paid back by more recipients, JCT scores a dual effect from the bill. Gross taxes would increase by $5 billion, and spending (''outlay effects,'' as shown in footnote 2) would be reduced by $19.9 billion.

Thus, the gross tax cut effects of repealing the 1099–MISC reporting requirements are ''paid for'' by a small gross tax increase and a large spending cut. Overall, the bill is a net tax cut of $19.7 billion from 2011–2021.

Because no bill which is a net tax cut can possibly be in violation of the Taxpayer Protection Pledge, the latter simply does not apply in this matter. Americans for Tax Reform has always followed JCT scoring methodology in this area, including when JCT disaggregates between spending and revenue effects of tax legislation. Spending cuts should never be confused with tax increases, and JCT does a good job pointing out when spending policy is present in tax bills. Those trying to call this bill a net tax hike are simply seeking to mislead the public, or cannot accurately read a JCT score.

I encourage all Members of Congress to support this tax cut/spending cut bill when it is considered by the full House.

Sincerely,

GROVER G. NORQUIST.

I yield 2 minutes to the gentleman from California (Mr. HERGER), a member of the Ways and Means Committee.

Mr. HERGER. Mr. Speaker, I rise in strong support of H.R. 4.

Coming from a small business background myself, I know personally the paperwork burden of misguided government regulations imposed on our Nation's entrepreneurs and job creators. If the expanded 1099 reporting requirement in the Democrats' health care law takes effect, it will be one of the most far-reaching and burdensome unfunded mandates ever created. Small businesses will be required to fill out hundreds, or even thousands, of these forms every year. Yet the revenue supposedly raised by this reporting amounts to less than 1 percent of the estimated annual tax gap.

This 1099 rule is devastating to small businesses, and it must be repealed now. H.R. 4 addresses the budgetary costs of repealing the 1099 requirement by cutting wasteful government spending. The Democrats' health law provides subsidies for low-income people to buy health insurance; but if their income goes up and they don't need help any more, they still get to keep a large portion of the subsidy. Getting rid of excess subsidies is not a tax increase. It's simply being responsible with the taxpayers' money.

Mr. Speaker, the American people have told us they want two things: more jobs and less spending. The bill before us advances both of these goals, and it deserves the support of every Member of this House.

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

There has been a reference here to taxpayers who did not honestly report their income. I must say that's an egregious misstatement. The way this works, or will work, is people will report their income honestly, and they do so based on their taxable income of a particular year.

The problem with this bill is if the income often unexpectedly goes up in a subsequent year, how much will the taxpayer be required to pay to the IRS. That's what the issue is. And as Mr. CROWLEY said, there are other programs where people report their income. They report it honestly, and then there is a change and the question is whether they should have to later pay some income tax to the IRS and, if so, how much.

What this bill does in its present form is to recreate a ''cliff'' which we smoothed out in previous legislation, and the cliff is 400 percent of poverty. And if unexpectedly you go over that amount in a subsequent year, essentially what this provision would say is that the middle-income taxpayer would have to pay far, far more in taxes in that subsequent year. And the burden would essentially be on middle-income taxpayers. That's undeniable. It would be on income from people who are honest, who are middle-income taxpayers.

So I hope no one will use the term ''ineligible'' or use the term ''dishonest.'' That's selling short the people of this country, the middle-income taxpayers.

And, indeed, the effort of 1099 was to make sure that smaller businesses and others reported accurately their income. That was its purpose. Now, it is clear that the way it was devised created all kinds of problems in terms of management of the small business, and so we moved to repeal it. But it is ironic that if essentially 1099 is now used by repealing it, when the effort was to have people honestly report their income, it would essentially penalize people, middle-income taxpayers, who honestly reported their income and became eligible for a tax credit.

Let me just in that respect read from Families USA: ''Unfortunately, H.R. 4 proposes paying for the repeal of the 1099 reporting requirement with a provision that would disproportionately harm middle class Americans. The Affordable Care Act protects individuals

and families who run the risk of having income that may bump them up over the eligibility limits for premium credits by capping the tax penalty they will owe if the monthly premium credit received during the year exceeds the amount of credit due based on unexpected changes in income or family status. This legislation would eliminate the safe harbor for middle-income families and would increase the cap for lower-income families by $500.''

And it closes, and again I'm quoting: ''Although we recognize that Congress needs to repeal the 1099 reporting requirement so that it is no longer a distraction from the way the Affordable Care Act benefits millions of small businesses, funds intended to help America's middle class families should not be used as a piggy bank to mend this legislative problem. We urge you to find an alternative and more responsible offset for this legislation that does not increase taxes on America's hardworking middle class families.''

Undeniably, that is what this legislation would do. It is middle class families who honestly reported their income, period.

□ 1100

There is a fraud provision in the act, which is a very stringent one, that covers the case of anybody who is dishonest; but what you're doing is penalizing middle-income families who were honest, honest, honest.

I yield such time as he may consume to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Thank you, Mr. LEVIN.

I am a bit disturbed as well about the description of the individuals we're talking about here, as though everyone is trying to scam the system.

I would just point out, in the bill H.R. 4994, which had bipartisan support last year—with every Republican but one—we passed it to eliminate the cliff and to eliminate the possibility of a massive increase in taxes on the middle class. So we have already addressed this. What your bill today will do is put that back in place.

I would just ask my colleague Mr. CAMP:

What is it about the example I gave that's wrong? What is it about the example of a family of four, earning $88,000 a year? Based on their prior income taxes, they're eligible for the tax credits in the next year, assuming as they do, because they live a pretty dull life, a pretty hard life, trying to maintain their home, get their kids a quality education. Probably, at this point, maybe one of their kids is in college already; and by the way, they're probably accessing the Child Tax Credit, so they're used to taking tax credits.

Now this is one other additional tax credit that they can avail themselves of—to do what? Not to get the $4,460 and take it and go out and buy a car, not to get the $4,460 to go on vacation or to scam somehow—but to buy what? Health care insurance for their families, health care insurance, which is something we all would want to provide for our families.

What is it about this example? When they get the $250 bonus and they get pushed into the 400 percentile of poverty, that they now have to pay back their $4,460, what is it about my statement that's wrong? I haven't heard yet—because it's not wrong, because that family would be exposed to a massive tax increase, one that they cannot afford.

So don't describe these people as dishonest. Don't describe the middle class worker as trying to scam the system. Not everyone tries to do that. By the way, you might find that in the lowest poverty level, and I would dare say the top 1 percent try to scam the system, I would probably think, all the time. So let's not disparage anymore the middle class that we already have by presenting this bill this morning.

Mr. CAMP. I yield 2½ minutes to a distinguished member from the Ways and Means Committee, the gentleman from Kentucky (Mr. DAVIS).

Mr. DAVIS of Kentucky. Mr. Speaker, I would just like to point out the louder one yells and the more one says it, as I told my children when they were little, doesn't make it true or correct.

I think that we need to get down to the facts in this matter. Saying that paying back an overpayment is a tax increase is dissembling at best. It is the return of money that was not entitled by a particular individual.

Democrats were for this before they were against it. To say it's a tax increase is simply wrong. Democrats created this mess. Democrats made the IRS, of all organizations, the arbiter of health care. I mean I think we need to get down to the truth here and not make the mistake of—since we're incurring issues of values and honor and faith here, Isaiah the prophet made the comment that beware of those who call good ''evil'' and evil ''good'' or sweet ''sour'' or sour ''sweet.'' There is a consequence that comes with that, and the American people are entitled to the truth.

Democrats increase taxes. Democrats increase costs. Democrats increase complexity of government. My friends on the other side of the aisle, frankly, misrepresented the facts of this bill at best or are completely ignorant of the process they set in motion unilaterally. Indeed, to call this a tax increase reminds me of the health care debate last year when we were told we just had to read the bill to find out what was in it.

I don't think you read the bill under any circumstances.

Mr. Speaker, I rise today in support of this Comprehensive 1099 Taxpayer Protection and Repayment of Exchange Subsidy Overpayments Act of 2011. I want to read some correspondence from the middle class families in my district who think this is the right thing to do, who believe that people aren't entitled to something that they earned under law and that people who get paid something don't believe it should be paid back.

My citizens and my constituents:

Greg from Independence, Kentucky, wrote: ''We don't need this new 1099 requirement for small business. Get out of the way so we can prosper.'' That means creating taxpayers, not raising taxes.

Eric from Cynthiana told me: ''Small businesses are already being crushed by overreaching government mandates and undue burdens. I'm personally sick of this foolishness.''

Joann from DeMossville wrote in to tell me how she would personally be affected. She stated: ''My husband is a sole proprietorship, and I currently complete and submit 1099s for his subcontractors. So, if we spend $600 at Home Depot, I now need to send them a 1099? Sounds like a good use of my time and IRS resources.''

Tom in Burlington may have summed up the requirement the best when he simply called it ''a nightmare for business.''

Mr. Speaker, we need small businesses to focus on what they do best—to innovate, grow and hire. This reporting requirement needs to be removed now. It's burdensome, and it's going to drive up costs and cost us jobs. If allowed to go into effect, it will slow job growth and will lead to higher prices for consumers. Let our job creators create jobs and focus on that.

I urge support for H.R. 4.

Mr. LEVIN. I yield such time as he may consume to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. I thank the gentleman for yielding to me.

I wonder if my friend from Kentucky heard from his middle class taxpayers. I know he's heard from the small business owners. We've all heard from them. But has he heard from the middle class? When they get imposed this tax upon them, have they said, ''Don't put this tax on me''? No, because, quite frankly, they don't know what's happening. They wouldn't dream that you would do this to them. They wouldn't dream that somehow you might possibly inflict and impose upon them a $4,460 tax.

If your constituents earning $88,000 go over by one penny—one cent—over the 400 percentile of poverty—one penny—they have to pay back $4,460, which they never ever physically touched, which they never received. It went to the insurance company. The insurance companies get taken care of. They get their money. They're fine. By one penny over the Federal poverty level, your middle class families have to pay back $4,460. Does that sound fair to you?

Now, maybe for one penny over, they have to give a little something back. Maybe for every dollar over, they'll have to give a little something back. But to pay back $4,460 so they can provide their families with health care? I'd

say to the boss, Do me a favor, don't give me the penny bonus. Don't give me the $250 bonus. Don't reward hard work. Don't reward me for doing good work because if you give me the bonus I'm going to have to pay $4,460.

Does that make any sense to you?

What about making pay work? What about asking Americans to do their jobs, to do them well; and if you do it well, you'll get a bonus, and you'll get ahead, and your families will be taken care of?

Under this bill, this is a nightmare for the middle class families—a nightmare—because they're not going to be able to pay that. It totally subverts the intention of what we tried to do in the first place, and that is to provide health care to the middle class.

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

I appreciate that language: to get back to what they tried to do in the first place. Let's look at what they did in the first place.

Their bill, their original bill, said anyone who earned more than 400 percent of poverty—that's $93,800 for a family of four—would be required to repay the entire amount of the exchange subsidy. That is exactly what this bill does. This bill does what the original health care legislation did. Then they raised it, and said, well, if you made up to $117,000 for a family of four, you had to repay the entire subsidy. They had a cliff in their bill, and there is a cliff now. What we are saying is we need to see that the American taxpayer is protected.

With that, I yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Texas (Mr. BRADY).

□ 1110

Mr. BRADY of Texas. Mr. Speaker, I want to follow on with what Chairman CAMP made such an important point of here. This new national takeover of health care is just a mess in so many ways. Two of them we highlight today. One, our Democratic friends heaped a huge new pay-for burden on our small businesses that none of them frankly can comply with. And then they create a loophole where some people in America can get taxpayer subsidies even if they don't qualify for them.

So let's be clear. Today we are fixing two huge Democratic messes that they made, and we're going to fix them because our small businesses can't take more of this burden. Many of them are barely hanging on as it is today. Secondly, with these huge deficits, we can't afford more fraud and abuse in our government system. So we apply a pretty simple principle: if you get Federal money you don't qualify for, you're going to have to repay it. Not everyone. If you're moderate income or below, we understand you don't have that money. But if you're making higher than the national average, if you're making $70,000, $80,000, $90,000 a year and you got a subsidy from some other family that you don't deserve, you're going to have to give it back.

That's what this bill does. It takes a huge burden off our small businesses they never should have had but our Democrat friends put on them, and then we're going to ask people to repay money they should never have got that our Democrat friends allowed them to get. This actually is a bipartisan bill. At the end of the day, watch the vote. You'll see so many people in this Congress saying it's time to fix this. We're going to fix this mess today.

Mr. LEVIN. Mr. Speaker, before I yield to the gentleman from Wisconsin, I just want to say three quick things.

It is such a misstatement for someone to come here and say ''even if they did not qualify.'' That is not correct. They qualified. So don't come here and say they didn't qualify. Essentially what you're saying is middle income taxpayers came and defrauded when the truth is they told the truth. And indeed there's a provision relating to fraud if someone were guilty of that. It allows for full repayment in cases of fraud, and there's a provision that imposes a civil penalty up to $25,000.

The last thing before I yield, I want to make clear, last December, we fixed, Mr. CAMP, the cliff. You voted for it. It was 409–2. I don't think you were one of the ''2.'' This resurrects the cliff, purely and simply, and catches hundreds of thousands of taxpayers in the future, middle income taxpayers.

I now yield 5 minutes to the distinguished gentleman from Wisconsin (Mr. KIND), an active member of our committee.

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

Mr. KIND. I thank the gentleman for yielding.

Mr. Speaker, I'm sure my good friend and colleague, the previous speaker from Texas, also realizes that this money that they will owe on this hidden tax is something they never see to begin with. This is a tax credit that goes directly to the private health insurance companies. And this bill would be better titled the Republican Tax Trap of 2014, 2015, 2016, and on and on and on, because that's exactly what's going to happen. There's this hidden tax trap that's going to affect hundreds of thousands of working class, middle class families through no fault of their own.

I think my colleague and friend from New York explained very succinctly what would happen here with the cliff. If you're at 400 percent poverty level, a family of four at roughly $88,000 a year, and you receive a little bit of extra income, you receive a little bit of a bonus that might put you just over the edge, you're going to be hit with a $4,600 tax liability at the end of the year. Now they're not going to be in a position to deal with that. So either they're going to have to find a way to come up with the money to pay the Republican tax that they didn't expect, or it's going to discourage work and they're not going to try to earn as much income because they don't want to go over that 400 percent level, or they're not going to participate in a health insurance exchange to begin with. We've got a score on that as well: that over 266,000 families will choose not to participate in a health insurance exchange for fear of this hidden Republican tax trap that we have before us today.

And what's ironic about this is this insurance exchange that's part of the Affordable Care Act is a bill that I and others have worked on for years in a bipartisan fashion, called the SHOP Act. Republicans were in favor of creating these health insurance exchanges, coupled with tax credits, so that small businesses, family farmers, individuals, finally had a place where they could go and shop for affordable health care coverage with competing private health plans finally competing for their business for a change, so that they had the same type of leverage that large corporations do. This has been proven in models and pilot projects throughout the Nation that have shown how effective these health insurance exchanges work.

What they're doing now with this legislation, with the offset that they're proposing, hitting the middle class, is doing things to undermine, once again, the health insurance exchanges and the ability for small businesses and individuals to go out and obtain affordable coverage. That's unfortunate, but it's consistent with the zeal on the other side of doing everything they can to undermine the Affordable Care Act, regardless of who it hurts, regardless of the additional tax burden.

As my friend from Michigan indicated, we fixed this problem last December in a bipartisan fashion, so instead of creating a cliff, which was a mistake in the original bill, there would be a gradual phaseout of these tax credits; so it wouldn't be a hidden tax trap as my Republican colleagues are calling for today.

But at some point we're going to have to come to grips that a lot of what's in the Affordable Care Act is necessary and long overdue, not least of which, and I think this is going to be the key to health care reform and its final verdict, is the ability for us to change the way we pay for health care in this country, changing the fee for service that exists in Medicare today to a fee for value or a quality-based reimbursement system. We can start by doing that with Medicare, and the tools are in place under health care reform to do that. This will extend then to the private health insurance industry.

This, too, is a bipartisan issue. Newt Gingrich has been talking about it; Dr. Bill Frist; Tommy Thompson, my former Governor and former Secretary of HHS, has been talking about changing the reimbursement system in health care so we reward value and quality and outcome of care as opposed to the volume-based payments which is

literally bankrupting our Nation today. Health care costs are the largest and fastest growing expense that we have at all levels, Federal, State and local level, and for businesses and families alike. It's one of the reasons why I've got folks in Wisconsin at each other's throats right now talking about public employee benefits, and the biggest cost driver in State budgets today are rising health care costs.

So why not embrace the reforms that we have in health care reform that will lead us to a value-based reimbursement system, which many people on a bipartisan basis have been talking about for years. We were finally able to get those tools in place under the Affordable Care Act. We just can't do it overnight. You don't change the way you pay for one-fifth of the entire U.S. economy overnight.

We've got accountable care organizations, medical homes, bundling programs to incent value-based payments. But we also have the National Academy of Sciences, the Institute of Medicine, doing a 2-year study right now to change the fee for service under Medicare to a fee for value system and they will present an actionable plan to the administration to implement it, which gives us, I think, the best hope of changing the outdated and perverse incentive system that we have in the delivery of health care today. It's leading to overutilization in health care. And studies have shown that close to one out of every three health care dollars, or about $800 billion a year, are going to tests and procedures that don't work.

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

Mr. LEVIN. I yield the gentleman 2 additional minutes.

Mr. KIND. One out of every three health care dollars, or $800 billion we're spending a year that we're not getting a good bang for the buck. It's going to tests and procedures that don't work. And because of the overutilization and the overtreatment that some patients are receiving, they're being left worse off, rather than better off.

That's going to be the game-changer when it comes to true fiscal responsibility in this place. It's something that everyone's been ducking. For the last couple of weeks we've been talking about this continuing resolution that only deals with 12 percent of the Federal pie. Unfortunately it goes after the most vulnerable people in our society, especially our kids' education. Yet we all know where the big money lies. It's in the health care programs, Medicare and Medicaid. It's in defense spending. If we don't get serious in turning the cost curve around when it comes to health care, then we're just fooling ourselves with everything else that we're doing with the budget.

We've addressed that in the Affordable Care Act with programs that are set up now and payment reform that is moving forward to change how we pay for health care so we can improve the quality of care for all Americans but at a much better bang for the buck for the American taxpayer. That's what we should be coming together on, rather than discouraging people from participating in an exchange which will create true competition with these private insurance companies, which again is long overdue, and instead of offering this legislation today that sets up this Republican tax trap for middle class working families who will be surprised at the end of the year because they put in a little bit more time and they earned a little bit more income or they got that last-minute bonus from their employees, and then suddenly they realize, oh, my God, we're going to owe $4,600 because of what they're doing here today.

□ 1120

It's outrageous. It's unfair. There are better offsets.

And here's an idea. The retired CEO of Chevron just this past week said: Hey, when oil is above 70 bucks a barrel, let's stop the subsidies, let's stop the tax breaks.

This is a retired CEO of a major oil-producing company that's saying that this is nonsense that we're still wasting so much money, around 50 billion dollars per year by subsidizing Big Oil when oil is above 70 bucks a barrel. Today, it's over $100 a barrel. That would be a more appropriate offset.

I'm going to hand off to my friend from Oregon to pick it up at that point.

Mr. CAMP. Mr. Speaker, I yield 4 minutes to the distinguished chairman of the House Administration Committee, the gentleman from California (Mr. DANIEL E. LUNGREN).

Mr. DANIEL E. LUNGREN of California. I thank the gentleman for yielding the time.

My name happens to appear on this bill as the original author of this bill, H.R. 4. I remember when I introduced this last April, Members on that side of the aisle were told by their leadership don't dare go on this bill to repeal this necessary provision of the Affordable Care Act.

By the way, if it is truly an affordable care act, why has Secretary Sebelius granted over 700 waivers to companies and unions? Because it's not affordable. Why has virtually every member of my constituency who has health insurance had an increase in their premiums as a direct result of the ''Affordable Care Act''? Just a passing question because I'm asked that all the time by my constituents.

Why did I introduce this? Because provision 9006 of the bill has nothing to do with affordable care and has everything to do with the capacity of our friends on the other side to find ingenious ways of impacting business because I guess business is considered bad. Well, I've got an answer for you today to the question of who creates jobs. This is who creates jobs: small business. And this particular section of your so-called Affordable Care Act kills business, kills small business. What does it do? It is based on the assumption that everybody cheats. Why? Because the 1099 form is usually utilized for the purpose of making sure you carry out your obligation to pay payroll tax.

But what did we do in the so-called Affordable Care Act? We increased the reach of 1099s so that when you have no obligation to pay anything, you have to report on the person on the other side of the business transaction; so that they, supposedly, are cheating, and therefore we have what's known as the universal snitch act.

The idea that it's going to gain $19 billion, in my judgment, is created out of whole cloth. You have to assume that almost everybody cheats to get your $19 billion.

And here's the game here in Washington, D.C.: We create a new obligation on business that's never existed before. We then secretly put it in a bill—virtually no one on this floor knew it was in the bill—and then we score it for gaining $19 billion to the Treasury. And if I dare come to this floor to repeal it, I'm obligated to come up with $19 billion in new taxes or some sort of a spending cut?

The American people ought to understand the game that's played. In secret, we pass something like this, which has an unbelievably pernicious effect on business. Now, how does it have such an effect? It requires every single person involved in business or trade to go into accounting to make sure that every time they reach that threshold of $600 or more with anybody they purchase something from they have to file a 1099.

Here's what someone in my district just emailed me, a small business person, a woman:

''I have 15 employees. As owner, I am the HR department, the bookkeeping department, the administration department, and still serve my customers while surviving this economic climate. It will be a tremendous burden, both in time and dollars, to send out 1099s to all my vendors—appliance manufacturers, parts distributors, other suppliers, utility companies.''

It is a job-killer provision. We brought this H.R. 4 to the floor to get rid of a job-killer provision.

The other reason why it is a double-edged sword on small business is, if you want to minimize the number of 1099s that you file, you will not go to your local hardware store. You will not go to your local restaurant. You will go to the big box store. You will go to the chain restaurant. And we are killing small business on this floor.

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

Mr. CAMP. I yield the gentleman an additional 30 seconds.

Mr. DANIEL E. LUNGREN of California. So I understand the sincerity of the other side of the aisle, of those who are concerned about the middle class.

Who do you think small business is? This is the middle class in my district and virtually every district across the country. These are the people who create jobs. You will put a dagger in their side. And now you come up and argue against passing this legislation because you are concerned about the middle class.

You are killing the middle class with the provision in the health care reform bill, so-called. What we are trying to do is to get rid of that. We are trying help the middle class. We are trying to help the job creators. We are trying to help the people in our districts who don't have jobs.

Don't distract the debate on this job-killer piece of legislation. Give us some relief, which is being called for all around the country.

Mr. LEVIN. Mr. Speaker, before I yield to Mr. BLUMENAUER, I yield 30 seconds to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. I appreciate the comments of my friend from California, and I don't question his motivation. But I would suggest that if the assumption is that we believe everyone cheats, I think that's wrong.

What I hear from the other side—not from the gentleman from California, but generally from the other side—is that the belief is the middle class cheats; the middle class cheats, and that's why we have to impose this upon them. And I would use an example of a middle class business man or woman. That business man or woman who files an individual fax tax form as a small business person no longer will have to file the 1099 forms, but if they make $88,000 a year and they are 397 percentile of Federal poverty and they have an unexpected increase in income, they will be subject to the $4,460 middle class tax hike.

Mr. LEVIN. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon (Mr. BLUMENAUER), a member of the Ways and Means Committee.

Mr. BLUMENAUER. Thank you, Mr. LEVIN, I appreciate that.

It's a little interesting when we hear our friends come to the floor with the same talking points. My good friend from California talks about the government takeover of health care—which of course PolitiFact called the 2010 political lie of the year.

Allowing 33 million additional Americans to have access to——

POINT OF ORDER

Mr. DANIEL E. LUNGREN of California. Point of order, Mr. Speaker.

The SPEAKER pro tempore. State your point.

Mr. DANIEL E. LUNGREN of California. The gentleman made a personal reference to me, stating that I made a statement on the floor, and then called that the biggest lie of the year. Is that, in fact, an appropriate comment to be made on the floor during debate?

The SPEAKER pro tempore. The gentleman from California has not stated a point of order.

Would the gentleman proceed to state the point.

Mr. DANIEL E. LUNGREN of California. I would make a point of order that the gentleman has made a personal reference to me and then followed that up by saying that what I said was a lie.

The SPEAKER pro tempore. Is the gentleman demanding that words be taken down?

Mr. DANIEL E. LUNGREN of California. Not at this time, Mr. Speaker. But I would ask that the Speaker admonish Members not to question the motivation of other Members in reference to any debate that is taking place.

The SPEAKER pro tempore. The gentleman from Oregon may proceed.

Mr. BLUMENAUER. . . .

Mr. DANIEL E. LUNGREN of California. Mr. Speaker, I ask that the gentleman's words be taken down.

The SPEAKER pro tempore. The gentleman will suspend. The gentleman from Oregon will take a seat.

The Clerk will report the words.

Mr. BLUMENAUER. I ask unanimous consent, Mr. Speaker, to withdraw the previous statement.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Oregon may proceed.

Mr. BLUMENAUER. I appreciate the opportunity, because I want to be very clear about what I intended, what I thought I said and I think a review of the tape would reveal. I am not calling anybody a liar.

What I intended to say, and I will ask unanimous consent to put in the RECORD, is that as we have repeated talking points about a government takeover of health care, this has been judged by an independent journalistic undertaking as the political lie of the year.

Mr. DANIEL E. LUNGREN of California. Will the gentleman yield?

Mr. BLUMENAUER. I yield to the gentleman from California.

Mr. DANIEL E. LUNGREN of California. All I just want to make clear in the RECORD, I never made a reference to the government takeover of health care in my speech, and the gentleman was errant in making a personal reference to what I had just said.

Mr. BLUMENAUER. I apologize if the person who said ''government takeover of health care'' was not you. It is repeated so often by my Republican friends, including the Speaker of the House, time and time again, that sometimes I get confused because it is a litany that is used. It is in fact, and I would ask unanimous consent, Mr. Speaker, to put in the RECORD the PolitiFact article.

The SPEAKER pro tempore. Without objection, it is so ordered.

Mr. BLUMENAUER. Because those words are still echoing in the Chamber. It has been said by somebody on the other side of the aisle earlier:

''PolitiFact editors and reporters have chosen 'government takeover of health care' as the 2010 Lie of the Year. They chose it as the year's most significant falsehood by an overwhelming margin. The label 'government takeover' has no basis in reality, but instead reflects a political dynamic where conservatives label any increase in government authority in health care as a 'takeover.' ''

They point out: ''The law that Congress passed, parts of which have already gone into effect, rely largely on the free market. Employers will continue to provide health insurance to the majority of Americans through private insurance companies. Contrary to the claim, more people will get private health insurance. The government will not seize control of hospitals or nationalize doctors. The law does not include a public option. It gives tax credits to people who have difficulty affording insurance, so they can buy their coverage from private providers. It relies on a free market with regulations, not socialized medicine. We have concluded it is inaccurate to call the plan a government takeover because it relies largely on the existing health system of coverage provided by employers.''

Mr. Speaker, part of what we're seeing here, though, is this drama that is pulled out where talking points are repeated in an effort to obscure the facts going forward. The majority knows that the Democrats have attempted to adjust the 1099. We don't want it in there. We voted for fixes. It will be fixed between the House and the Senate.

What's killing small business is the crushing burden of health care, where they are trying to provide for their employees. What is killing small business is that they can't compete with big business. They have a system that has provided a downward spiral. What's providing the driving force for the government deficit is increasing costs of providing health care, for example, through Medicare. This used to be an area of bipartisan cooperation.

The Health Care Reform Act includes every significant area of reducing health care costs as either a pilot or a demonstration. It points a path towards saving hundreds of billions of dollars. Those used to be bipartisan.

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

Mr. LEVIN. I yield the gentleman 2 additional minutes.

Mr. BLUMENAUER. Those used to be bipartisan; but instead of working with us to refine and accelerate the provisions, people are trying to put sand in the gears. And as my friends from Michigan and from New York have pointed out, there are going to be some—we hope they are unintended victims—but there are going to be innocent victims, people in the middle class and the near middle class who don't have the control of billionaire hedge funds to control their income.

There are things that can happen that will adjust it up or down. There

will be a significant penalty. We have worked to fix that cliff. We've approved it. We don't need to reinstate the cliff, the tax on honest mistakes. As has been pointed out, there are provisions to deal with fraud.

This is part of the drip, drip, drip to try and undermine health care reform, not accelerate it. It's a part of misrepresentation politically that the American public frankly doesn't deserve. It's a lost opportunity for us to reduce the deficit, improve health care, and lower costs.

□ 1150

This is very personal to people like me. I come from an area of the country that provides high-quality health care at a low cost. My people are penalized. Health care reform is moving to try to help people like that as we overall improve health care around the country and protect the deficit.

I am sorry for any ambiguity or misunderstanding from my comments, but I am frustrated when I hear the Republican side of the aisle continue to repeat this political lie of the year. It doesn't help the debate, it doesn't help us move forward, and we are going to have to move forward to solve the problems of this country.

[From PolitiFact, Dec. 16, 2010]

POLITIFACT'S LIE OF THE YEAR: 'A GOVERNMENT TAKEOVER OF HEALTH CARE'

(By Bill Adair, Angie Drobnic Holan)

In the spring of 2009, a Republican strategist settled on a brilliant and powerful attack line for President Barack Obama's ambitious plan to overhaul America's health insurance system. Frank Luntz, a consultant famous for his phraseology, urged GOP leaders to call it a ''government takeover.''

''Takeovers are like coups,'' Luntz wrote in a 28-page memo. ''They both lead to dictators and a loss of freedom.''

The line stuck. By the time the health care bill was headed toward passage in early 2010, Obama and congressional Democrats had sanded down their program, dropping the ''public option'' concept that was derided as too much government intrusion. The law passed in March, with new regulations, but no government-run plan.

But as Republicans smelled serious opportunity in the midterm elections, they didn't let facts get in the way of a great punchline. And few in the press challenged their frequent assertion that under Obama, the government was going to take over the health care industry.

PolitiFact editors and reporters have chosen ''government takeover of health care'' as the 2010 Lie of the Year. Uttered by dozens of politicians and pundits, it played an important role in shaping public opinion about the health care plan and was a significant factor in the Democrats' shellacking in the November elections.

Readers of PolitiFact, the St. Petersburg Times' independent fact-checking website, also chose it as the year's most significant falsehood by an overwhelming margin. (Their second-place choice was Rep. Michele Bachmann's claim that Obama was going to spend $200 million a day on a trip to India, a falsity that still sprouts.)

By selecting ''government takeover'' as Lie of the Year, PolitiFact is not making a judgment on whether the health care law is good policy.

The phrase is simply not true.

Said Jonathan Oberlander, a professor of health policy at the University of North Carolina-Chapel Hill: ''The label 'government takeover' has no basis in reality, but instead reflects a political dynamic where conservatives label any increase in government authority in health care as a 'takeover.'''

AN INACCURATE CLAIM

''Government takeover'' conjures a European approach where the government owns the hospitals and the doctors are public employees. But the law Congress passed, parts of which have already gone into effect, relies largely on the free market:

Employers will continue to provide health insurance to the majority of Americans through private insurance companies.

Contrary to the claim, more people will get private health coverage. The law sets up ''exchanges'' where private insurers will compete to provide coverage to people who don't have it.

The government will not seize control of hospitals or nationalize doctors.

The law does not include the public option. a government-run insurance plan that would have competed with private insurers.

The law gives tax credits to people who have difficulty affording insurance, so they can buy their coverage from private providers on the exchange. But here too, the approach relies on a free market with regulations, not socialized medicine.

PolitiFact reporters have studied the 906-page bill and interviewed independent health care experts. We have concluded it is inaccurate to call the plan a government takeover because it relies largely on the existing system of health coverage provided by employers.

It's true that the law does significantly increase government regulation of health insurers. But it is, at its heart, a system that relies on private companies and the free market.

Republicans who maintain the Democratic plan is a government takeover say that characterization is justified because the plan increases federal regulation and will require Americans to buy health insurance.

But while those provisions are real, the majority of Americans will continue to get coverage from private insurers. And it will bring new business for the insurance industry: People who don't currently have coverage will get it, for the most part, from private insurance companies.

Consider some analogies about strict government regulation. The Federal Aviation Administration imposes detailed rules on airlines. State laws require drivers to have car insurance. Regulators tell electric utilities what they can charge. Yet that heavy regulation is not described as a government takeover.

This year, PolitiFact analyzed five claims of a ''government takeover of health care.'' Three were rated Pants on Fire, two were rated False.

CAN'T DO IT IN FOUR WORDS

Other news organizations have also said the claim is false.

Slate said ''the proposed health care reform does not take over the system in any sense.'' In a New York Times economics blog, Princeton University professor Uwe Reinhardt, an expert in health care economics, said, ''Yes, there would be a substantial government-mandated reorganization of this relatively small corner of the private health insurance market (that serves people who have been buying individual policies). But that hardly constitutes a government takeover of American health care.''

FactCheck.org, an independent fact-checking group run by the University of Pennsylvania, has debunked it several times, calling it one of the ''whoppers'' about health care and saying the reform plan is neither ''government-run'' nor a ''government takeover.''

We asked incoming House Speaker John Boehner's office why Republican leaders repeat the phrase when it has repeatedly been shown to be incorrect. Michael Steel, Boehner's spokesman, replied, ''We believe that the job-killing ObamaCare law will result in a government takeover of health care. That's why we have pledged to repeal it, and replace it with common-sense reforms that actually lower costs.''

Analysts say health care reform is such a complicated topic that it often cannot be summarized in snappy talking points.

''If you're going to tell the truth about something as complicated as health care and health care reform, you probably need at least four sentences,'' said Maggie Mahar, author of Money-Driven Medicine: The Real Reason Health Care Costs So Much. ''You can't do it in four words.''

Mahar said the GOP simplification distorted the truth about the plan. ''Doctors will not be working for the government. Hospitals will not be owned by the government,'' she said. ''That's what a government takeover of health care would mean, and that's not at all what we're doing.''

HOW THE LINE WAS USED

If you followed the health care debate or the midterm election—even casually—it's likely you heard ''government takeover'' many times.

PolitiFact sought to count how often the phrase was used in 2010 but found an accurate tally was unfeasible because it had been repeated so frequently in so many places. It was used hundreds of times during the debate over the bill and then revived during the fall campaign. A few numbers:

The phrase appears more than 90 times on Boehner's website, GOPLeader.gov.

It was mentioned eight times in the 48-page Republican campaign platform ''A Pledge to America'' as part of their plan to ''repeal and replace the government takeover of health care.''

The Republican National Committee's website mentions a government takeover of health care more than 200 times.

Conservative groups and tea party organizations joined the chorus. It was used by FreedomWorks, the Heritage Foundation and the Cato Institute.

The phrase proliferated in the media even after Democrats dropped the public option. In 2010 alone, ''government takeover'' was mentioned 28 times in the Washington Post, 77 times in Politico and 79 times on CNN. A review of TV transcripts showed ''government takeover'' was primarily used as a catchy sound bite, not for discussions of policy details.

In most transcripts we examined, Republican leaders used the phrase without being challenged by interviewers. For example, during Boehner's Jan. 31 appearance on Meet the Press, Boehner said it five times. But not once was he challenged about it.

In rare cases when the point was questioned, the GOP leader would recite various regulations found in the bill and insist that they constituted a takeover. But such followups were rare.

AN EFFECTIVE PHRASE

Politicians and officials in the health care industry have been warning about a ''government takeover'' for decades.

The phrase became widely used in the early 1990s when President Bill Clinton was trying to pass health care legislation. Then, as today, Democrats tried to debunk the popular Republican refrain.

When Obama proposed his health plan in the spring of 2009, Luntz, a Republican strategist famous for his research on effective

phrases, met with focus groups to determine which messages would work best for the Republicans. He did not respond to calls and e-mails from PolitiFact asking him to discuss the phrase.

The 28-page memo he wrote after those sessions, ''The Language of Healthcare 2009,'' provides a rare glimpse into the art of finding words and phrases that strike a responsive chord with voters.

The memo begins with ''The 10 Rules for Stopping the 'Washington Takeover' of Healthcare.'' Rule No. 4 says people ''are deathly afraid that a government takeover will lower their quality of care—so they are extremely receptive to the anti-Washington approach. It's not an economic issue. It's a bureaucratic issue.''

The memo is about salesmanship, not substance. It doesn't address whether the lines are accurate. It just says they are effective and that Republicans should use them. Indeed, facing a Democratic plan that actually relied on the free market to try to bring down costs, Luntz recommended sidestepping that inconvenient fact:

''The arguments against the Democrats'' healthcare plan must center around politicians, bureaucrats and Washington . . . not the free market, tax incentives or competition.''

Democrats tried to combat the barrage of charges about a government takeover. The White House and House Speaker Nancy Pelosi repeatedly put out statements, but they were drowned out by a disciplined GOP that used the phrase over and over.

Democrats could never agree on their own phrases and were all over the map in their responses, said Howard Dean, former head of the Democratic National Committee.

''It was uncoordinated. Everyone had their own idea,'' Dean said in an interview with PolitiFact.

The Democrats are atrocious at messaging,'' he said. ''They've gotten worse since I left, not better. It's just appalling. First of all, you don't play defense when you're doing messaging, you play offense. The Republicans have learned this well.''

Dean grudgingly admires the Republican wordsmith. ''Frank Luntz has it right, he just works for the wrong side. You give very simple catch phrases that encapsulate the philosophy of the bill.''

A RESPONSIVE CHORD

By March of this year, when Obama signed the bill into law, 53 percent of respondents in a Bloomberg Poll said they agreed that ''the current proposal to overhaul health care amounts to a government takeover.''

Exit polls showed the economy was the top issue for voters in the November election, but analysts said the drumbeat about the ''government takeover'' during the campaign helped cement the advantage for the Republicans.

Rep. Earl Blumenauer, an Oregon Democrat whose provision for Medicare end-of-life care was distorted into the charge of ''death panels'' (last year's Lie of the Year), said the Republicans'' success with the phrase was a matter of repetition.

''There was a uniformity of Republican messaging that was disconnected from facts,'' Blumenauer said. ''The sheer discipline . . . was breathtaking.''

Mr. CAMP. Mr. Speaker, I yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Louisiana, Dr. BOUSTANY.

Mr. BOUSTANY. Mr. Speaker, the time to act on this provision is now. Why? It's very, very simple. It's about jobs. It's about removing an onerous provision, a burdensome provision on small businesses that create jobs. If we wonder why we have a high unemployment rate, it is because of provisions like this.

This 1099 provision was bad legislation from day one. The American people have made it clear they want this law repealed.

The President thinks it's bad, Democrats think it's bad, Republicans think it's bad, even the Senate thinks it's bad. It has taken long enough to move on this. Let's do it. Let's get it done. Further delay is unacceptable.

Look, if we don't repeal this now, businesses are going to assume more expenses. If we repeal it later, we continue to delay this.

They will incur expenses that, once it is repealed, they wouldn't have had to incur from the beginning. I am already hearing from many, many Louisiana businesses right now that want to grow, want to hire; and they are worried about this. They are already spending money to prepare for this.

That's why we need to take care of it now. We want to create jobs, repeal this provision now and let's move forward. The American people want to see action on this from this Congress, and they want to see it now. It's important now to do it.

Americans are growing impatient. Small business owners are growing impatient. I ask that we repeal this provision today. Repeal it now.

Mr. LEVIN. I yield myself 15 seconds.

The gentleman who just spoke voted ''no'' on repeal last July, as did the gentleman from California who spoke before him. You both had a chance to vote ''no,'' and you failed to do so. You didn't like a pay-for that closed a tax loophole.

I yield 5 minutes to the gentleman from Massachusetts (Mr. NEAL), a distinguished member of the Ways and Means Committee.

Mr. NEAL. I thank Mr. LEVIN for yielding the time.

Mr. Speaker, this provision came over from the Senate. As Mr. LEVIN has correctly noted, Members on this side of the aisle have already cast a vote to repeal this measure. The difficulty that's in front of us today is the manner in which this has been presented to all of us.

Now, we are going to hear a lot of conflicting opinions today about the new taxes in this bill. Like everybody else here in this Chamber, I am opposed to raising taxes on the middle class. Hardly is that a leap of faith into unchartered waters. We all share that common belief.

But the problem with the provision that's offered today is the disguised nature of raising taxes on the middle class. Let's get to the heart of this bill. It repeals a new reporting requirement on small businesses.

This provision expanded a type of reporting that already goes on where businesses report to the Internal Revenue Service on large payments sent to contractors. This type of third-party reporting is meant to ensure those contractors report honestly to the IRS on the income they earn.

A reminder, it is estimated that there is up to $300 billion a year of unreported income in the United States. And before we get to some of the cuts that have been proposed in this institution, we ought to be focusing our attention on how we might collect that unreported and underreported income that is such an important part of the underground economy in the United States.

You would think that that opportunity would avail itself based upon the mindless process that took place here a couple of weeks ago where we began with a series of 2-minute votes over 2 days to cut very important initiatives that the American people have come to rely on. And I would suggest to my friends on the other side of the aisle that they take note of that Wall Street Journal poll this morning as to what these cuts mean and how they are going down with the American people.

In our committee markup, there was a great deal of discussion about the burden on small businesses that this new reporting requirement imposes, and I think that for the most part we are all in agreement that the burden here may well outweigh the benefit.

But let's not ignore what we have found out about tax evasion at our markup. I asked Tom Barthold from the Joint Committee on Taxation about his estimate that the reporting requirement would raise $22 billion in revenue. Now, Tom Barthold is not a Democrat; he is not a Republican. He is an economist who likes to give unjaded information to those of us who then implement policy.

I asked him how much of this was tax evasion, contractors underreporting income and how much was the penalties on those innocent third parties who got tripped up on the rules. He told us that almost all of it was due to tax avoidance, tax evasion.

So without any hearings or debate about how to best capture that $22 billion, we eliminated this reporting requirement and would raise taxes on middle-income families.

I want to urge my friends on the other side, before we travel down this path of cutting very important initiatives for the American family—and I can't wait till we have the first vote in this institution up or down on Social Security to see if the rhetoric really matches the reality. Then I am hopeful that if we move to the discussion and debate on Medicare, we will see if the rhetoric matches the reality.

But I would hope that before we move on this mindless trail of these proposed cuts that have taken place over the last 3 weeks, that we might consider what to do about the whole notion of tax evasion. I hope that those on the other side of the aisle would join me in my efforts to ferret out tax abuse.

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

Mr. LEVIN. I yield 1 additional minute to the gentleman.

Mr. NEAL. I have been on this issue for a career of what to do about American companies that change their address so that they become a citizen of Bermuda to avoid American income taxes, while there are hundreds of thousands of American soldiers overseas, why our VA hospitals are going to be necessary for the 31,000 that have been wounded in honorable service to this country, and why, before we propose the cuts that we have proposed, we are not after tax evasion the way that we should be. That ought to be something that men and women of good will in this institution all ought to be able to agree upon.

Mr. CAMP. Mr. Speaker, I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Nebraska (Mr. SMITH).

Mr. SMITH of Nebraska. Mr. Speaker, I truly believe that the best thing that this Congress can do is focus on jobs, making sure that someone might have access to health care through a job. But increasing the cost of doing business certainly does not contribute to our effort to help create jobs.

I rise in support of H.R. 4. Repealing the 1099 mandate would only help, and certainly in my district, family farmers, ranchers, small businesses.

Let me tell you briefly about a restaurant owner, a small operation.

□ 1200

He will go from four 1099s to over 200 1099s, and that's after spending $7,000 in new software, Mr. Speaker. That certainly provides opportunities for a misplaced digit in an identification number that will lead to the wrong person being audited, Mr. Speaker.

And when we look at all the information given here, certainly it makes sense to recapture an overpayment of a subsidy so that we can return to the people the opportunity to go out, create jobs and, in the end, ultimately provide more health care for the American people.

Mr. LEVIN. I reserve the balance of my time.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentlewoman from Kansas (Ms. JENKINS).

Ms. JENKINS. I thank the gentleman for yielding.

According to the President's health care law, starting next year any business that purchases more than $600 worth of goods or services from another business is required to submit a 1099 tax form to the Internal Revenue Service. I'm a strong supporter of job creation. However, I do not think building more bureaucratic barriers for small business and creating additional positions at the IRS is the kind of job growth this country needs. As Alan Meyers, an electrician in my district, stated in a letter to my office: ''This is absurd. The small business men of this country have more paperwork than they can get done now.''

While we have disagreed about the full repeal of the health overhaul law, the administration and many of my colleagues on the other side of the aisle have recently decided they strongly agree with Republican Members in Congress that the 1099 reporting provisions should be repealed. However, a few weeks ago, we received the President's budget which would only repeal the 1099 requirement for goods but keep it for services—a glaring contradiction to the President's stated strong support for the full repeal of this harmful provision.

So I'm pleased that the House has chosen to move forward with the full repeal of this unprecedented burden on small business. Furthermore, if my colleagues on the other side of the aisle are truly serious about reducing waste, fraud, and abuse in our health care system, then they, too, can support this measure with full voice, since it is paid for by reducing overpayments of exchange subsidies.

In this economic environment, Congress needs to be working to remove the barriers to job creation and finding ways to rein in the cost of health care, not imposing new government mandates to squeeze every dollar out of small businesses.

While we await action from the Senate on H.R. 2, the full repeal of this health care overhaul, I urge my colleagues to vote in support of H.R. 4 today to fix one of the many flaws in the President's health care law.

Mr. LEVIN. I yield 2 minutes to the gentleman from California (Mr. WAXMAN), the ranking member of the Energy and Commerce Committee.

Mr. WAXMAN. Madam Speaker, there is widespread bipartisan agreement that the 1099 reporting rules need revision. In fact, the agreement is so widespread that I'm mystified why we're having this debate. The Senate passed a repeal of this policy earlier this year on a bipartisan basis. The House, last year, failed to pass a repeal of the provision only because of Republican opposition. But now we all agree, let's repeal it.

What's the hang-up? The hang-up is the Republicans want to pay for this business tax cut on the backs of lower- and middle-income families. This bill would increase taxes by $25 billion in total on families earning less than $110,000. Families with incomes around $90,000 per year could see increases in taxes of $3,000, according to the Joint Committee on Taxation.

This is a remarkable piece of legislation because it unwinds a near-unanimous agreement that we had last year. This policy wouldn't just increase taxes. It would discourage enrollment in health plans in health exchanges.

Under the Republican proposal, people who are eligible for tax credits would have to think very hard as to whether they were estimating their income accurately. They are estimating this income in the beginning of the year, but later in the year, they may get a raise, they may get a promotion. They may even get a job. And then they could be hit with a huge repayment penalty for a simple mistake: a promotion or a new job.

The Joint Committee on Taxation estimates that this deterrent effect would increase the number of uninsured by 266,000 people. Let's withdraw this pay-for and let's get something more reasonable. And under these circumstances, I cannot support the bill in its present form today, although I certainly support the changes in the 1099 reporting rules.

Mr. CAMP. I yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Minnesota (Mr. PAULSEN).

Mr. PAULSEN. I thank the chairman.

Madam Speaker, I also rise in strong support of the legislation here today that would repeal this burdensome 1099 tax requirement contained in the new health care law. Failure to eliminate this provision would result in vast amounts of new paperwork and additional accounting burdens for 30 million businesses that are still struggling in a very downbeat economy.

Now, while having gone virtually unnoticed in the context of the entire health care debate, this provision has created quite a bit of concern for companies who are already facing increased regulatory compliance costs as they get ready for this new provision to take effect.

Madam Speaker, almost every week I get a chance to visit with a small business back in Minnesota in my district; and nearly every one of them has asked me in bewilderment and in complete disbelief why they would be required to have to do this because of the amount of time and the amount of energy it will take to comply with this new requirement. So now, if there's a small business owner and they want to go into a Target store and they purchase $600 worth of office supplies annually, they are now going to be required to file a new 1099 form—not only with the IRS, but with the Target Corporation. It's a waste of time, and time is money.

We need to be thinking about how we can help our Nation's small businesses get back on track by growing jobs and helping our economy move forward. It's not the way to do it by increasing more burdensome paperwork and bureaucratic paperwork. We need to let them be productive, to unleash their productivity, rather than filling out unnecessary forms.

Madam Speaker, I know, with the elimination of this onerous reporting requirement, small businesses are now going to be able to focus where they should focus their resources: on growing jobs and creating a better economy instead of processing additional paperwork and navigating bureaucratic red tape.

Mr. CAMP. Madam Speaker, I yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Nevada (Mr. HELLER).

Mr. HELLER. I thank the chairman for yielding time.

I'm an original cosponsor of H.R. 4 and proudly voted for this measure in the House Ways and Means Committee last month.

Madam Speaker, today's debate marks the second time, over the course of 3 months, that the House has taken the opportunity to discuss the disastrous consequences the health care bill has and will continue to have on our economy.

The House passed H.R. 2, which repealed the health care bill, with bipartisan support in January. Today we consider one of the many provisions of the bill that suppress economic recovery and job creation. The 1099 reporting mandate will impose substantial paperwork and reporting burdens on an estimated 40 million entities, including governments, nonprofits, and small businesses. Instead of fostering job creation in the private sector—which is what our economy needs—the previous Congress has passed a provision that would direct precious time and resources to collecting volumes of information and filling out mounds of new paperwork for businesses all throughout this country.

Once the economic engine of this Nation, small businesses are now buckling under the weight of onerous mandates and high taxes from a Federal Government that spends too much, taxes too much, and borrows too much. As a result, unemployment in Nevada has reached record highs that currently stand at nearly 15 percent.

Efforts to repeal the 1099 provision enjoy bipartisan, bicameral support.

I am pleased the House will pass H.R. 4 as part of our commitment to alleviate the burden the previous Congress placed on small businesses and American taxpayers. I remain committed to overturn the health care bill in its entirety. I support targeted legislation such as H.R. 4 to provide economic relief as soon as possible.

□ 1210

Mr. LEVIN. It is now my pleasure to yield 3 minutes to the distinguished gentleman from New York (Mr. RANGEL).

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

Mr. RANGEL. Madam Speaker, I would have hoped that today we would have taken advantage of the fact that all of us want to get rid of a part of the President's affordable health bill that we believe has not reached the objective that we wanted. Everybody, including the President of the United States, believes that 1099 in the present form should not be there. Republicans and Democrats have voted to make certain that it not be there. The last time we attempted to correct it, we felt that because of the billions of dollars that would be lost by trying to get rid of it, we passed a law and it was rejected because the majority party didn't like what we call the pay-for. Since that time, the pay-for has been passed into law, it has been accepted, and now we are trying to find a new one.

I don't know why in God's heavens as to why we couldn't have sat down to find one, as long as we certainly wanted to avoid fraud on the taxpayer, and work out something that is fair. I can't believe that the majority doesn't believe that what we are trying to do is to avoid having an unintended tax on hardworking people.

And so if this is going to hold it up and cause us now to throw the baby out with the bath water, to have us rejecting what we want to do, and that is to get rid of 1099 in its present form, I think it is unfortunate.

Now, I do recognize, Mr. Chairman and members of our distinguished committee, that political promises were made before the election. The question now has to be that even though there have been commitments by certain parties in the majority, that they have to provide savings through cutting, those two things should be somehow related. Every cut that we have in the budget, whether it is the continuing resolution or the budget of 2011 or 2010, doesn't mean that there is a savings.

So telling the voters and our constituents that we have slashed something out of the budget, it really goes beyond politics because never in the discussions that I have had in the Ways and Means Committee with the majority or with the Democratic Caucus have we ever said: Are those people who are going to be helped or hurt Democrats? Are those people Republicans? Or did we not say that we were sincerely trying to help all Americans to make certain they have affordable health care.

For the majority not to want to correct whatever they think is wrong, but to make a campaign commitment they are going to eliminate the bill, eliminate the President, and just make certain they have $100 billion in cuts, I think is really unfair to present these political problems to the American people.

So I do hope that after we reject this, not because the goal is not one that is bipartisan and with the support of the administration, but because how it is paid for is detrimental to the taxpayer, whether he or she be Republican or Democrat.

Mr. CAMP. At this time I yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentlewoman from Tennessee (Mrs. BLACK).

Mrs. BLACK. Madam Speaker, I rise today enthusiastically supporting H.R. 4, the 1099 repeal bill. This piece of legislation is a victory for common sense. It is proof that the House is dedicated to getting the government off of the backs of American small businesses and working for the people again.

This bill does three things: it reduces the deficit; it protects our taxpayers from waste; and it eases the burdens on small businesses who too often have to deal with government breathing down their necks and stifling their growth. If this provision were left untouched in the President's health care law, small businesses across the country would be buried in paperwork. Instead of growing their businesses, advertising their services and selling their products and hiring workers and growing our economy, business owners would be stuck behind a desk filling out IRS forms.

Just this morning in the Wall Street Journal, it was reported by a survey that the small business owners are finding it more and more difficult to file their tax forms because of the onerous paperwork. It is unconscionable that the Democrat Congress paid for their massive spending on their health care bill on the backs of American small businesses; but today we're going to fix that.

As a member of Ways and Means, I am extremely proud to have seen this repeal bill take shape in our committee. I am proud that we pay for this bill by protecting taxpayers instead of demanding more money of them. By reducing waste, fraud, and abuse in the Democrats' health care law, we pay for this 1099 repeal, which reduces the deficit by $166 million in the first 10 years, and by billions of dollars over the long run, while reducing the Federal spending by nearly $200 billion over 10 years.

This is a huge victory, but it marks the beginning of a new way that we are doing business here in Washington. This new House majority will continue to enact commonsense policy that does not add to the debt or hide their true costs with accounting gimmicks.

The SPEAKER pro tempore (Mrs. EMERSON). The time of the gentlewoman has expired.

Mr. CAMP. I yield the gentlewoman an additional 30 seconds.

Mrs. BLACK. We can get government working for the American people today, and this is a good start.

Mr. LEVIN. I yield 3 minutes to the gentleman from New Jersey (Mr. PASCRELL), an active member of our committee.

Mr. PASCRELL. Madam Speaker, you know, there is an old western song: ''I'm looking for love in all the wrong places.'' Remember that song? It's not too old. Not too old.

We're looking for revenue in all the wrong places; not only in reference to what we did in cutting indiscriminately $60 billion which mostly affects the middle class, and I think very dangerously. So this provision was in the health care bill which deals with bureaucracy at its worst, I would agree. But in July of 2010, we voted with I think only, correct me if I'm wrong, two Republicans. We had a shot at this in the very beginning of mankind, right, last summer, to vote against it. I believe every Democrat voted against this provision, and two Republicans

joined us, the gentleman from Louisiana on the opposition side—the honorable opposition side—who is no longer with us, and I don't know if he lost because he voted with us, and another gentleman from North Carolina who voted with us. We had a shot at this. We could have taken care of this last year, and you chose not to. So let's set the record straight.

So here we are with this 1099 form. It's going to take some time to fill it out. We don't like that bureaucracy. The thing comes down to, as Mr. WAXMAN said, as Mr. NEAL said, how do you pay for it?

Now beware, the distinguished chairman for the Ways and Means Committee, a Wall Street poll today, not the New York Times, not the Village Voice, not fill in the blanks, that poll shows that over 74 percent, I think, of the American people, that's us, believe that we should eliminate tax credits for big oil and gas companies.

So I'm sure now that the loyal opposition sees that poll in that newspaper, that you will join us in putting to rest forever those folks who least need any help from the government getting help from the government.

This is going to cost us $22 billion. Both sides agree that one of the great benefits of this country is economic mobility.

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

Mr. LEVIN. I yield the gentleman an additional 2 minutes.

□ 1220

Mr. PASCRELL. I thank the gentleman from Michigan.

This bill punishes those who get ahead by raising the tax liabilities on families who have worked hard and who may have gotten raises or promotions.

For a family of four in my district, the Eighth District of New Jersey—please visit us. We would love to have you, Mr. Chairman—who makes $80,000 a year, it will mean the family will get a 50 percent reduction on their premiums if they purchase health insurance in the marketplace—from the private sector, I might add. There is no government operation here. If they get a raise, however, and move above the threshold, they pay back a reasonable amount now; but in this legislation, under this bill, if they work a little harder and receive a financial benefit, the family will be punished. They'll be forced to repay the tax credit.

There is no answer to that question. It's a fact of life.

This means that the family which I'm talking about now will be hit with a surprise—get this, Madam Speaker—of an $11,200 tax bill. It's a $20,000 premium. They make $80,000. It's quite a hefty fee, I might add. Everything is wonderful with health care in the United States right now, but you're going to have added on—because you made a few bucks more—$11,200. Unintended consequences. Looking for love in all the wrong places. So let us be perfectly clear to the Members voting on this legislation:

It's not a subsidy. There is not only a definitional difference but a substantial difference between a subsidy and a tax credit. When you take away that tax credit from a middle class American who uses it when purchasing insurance, plain and simple, his taxes go up.

Mr. CAMP. I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from Ohio (Mr. TIBERI).

Mr. TIBERI. Thank you, Mr. Chairman.

Madam Speaker, I rise in support of the underlying bill today, which goes a long way toward job creation.

Jobs, jobs, jobs. We heard about that in the November election. We heard about the fact that small business owners, in particular, were going to be hampered by a provision, by actually two provisions: one provision in the health care bill that appears that everyone now seems to be opposed to but that the majority voted for; and then another provision that appeared in a bill in September of 2010 that even went further than the underlying provision in the health care bill, which applied to folks who own rental property or to someone who has a vacation home or to somebody who has retail property that he's leasing out or to somebody who is leasing out a room in his home. Suddenly, now we're going to require them to 1099 folks as well.

What an amazing provision that passed in September of 2010. The bill corrects that. The bill corrects both aspects.

I heard this over and over during my campaign. Think about this: Bob Roach, an independent insurance agent, goes out to Staples and buys paper. He's going to have to 1099 Staples. He goes to a hardware store to fix something in his office. He's going to have to 1099 the hardware store. It goes on and on and on. When a law-abiding small business owner—maybe a sole proprietor—now is being made the person who has to go out and be an extension of the IRS, it is truly amazing.

Then the pay-for is requiring people who get more than they're entitled to to pay it back—what a novel concept—with no penalties, no interest. Just pay back something that they're not entitled to.

Now, I was talking to my immigrant dad and immigrant mom about this. My dad has a sixth grade education, and my mom has an eighth grade education. They were, first of all, quite surprised by the fact that a family of four, making $88,000 a year, would get a subsidy. My mom and dad dreamed of making $88,000. They never came close to it—but they're middle class, and they're not looking for a subsidy, and they certainly would pay it back if they got more than they were entitled to.

Madam Speaker, this is about fairness. This is about jobs. This is about equity. This is about moving our economy forward. This is about law-abiding citizens not becoming extensions of the IRS. You're either for them or against them. I urge support of the bill.

Mr. LEVIN. I yield myself 15 seconds.

The gentleman from Ohio mentioned jobs, jobs, jobs. In a colloquial sense, this bill would do a ''job'' on middle-income taxpayers.

I now yield 3 minutes to a member of our committee, the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. I thank the gentleman.

I voted previously to repeal these 1099 reporting requirements. But for broad Republican opposition, these requirements would have been repealed a long time ago.

I was a little amused to hear one of our Republican colleagues actually say this morning that he is bewildered as to why there are all these requirements on small businesses around the country as a result of this provision. I can cure your bewilderment: Get a mirror out and look at the mirror. You will see the Republicans who voted against repealing this provision last year.

No, this is not about repealing 1099. It is about shifting the burden onto working families while at the same time protecting insurance monopolies.

Despite the vigorous, determined efforts of these Republicans to undermine every aspect of health insurance reform, under current law, working families will receive an opportunity to access health insurance. Each year, the government will match some of what workers pay for their health insurance. The precise amount of the match is determined by how low a worker's salary is. A minimum-wage worker would get a little more assistance than someone who is at a little higher level. This bill ensures that the health insurance companies will get to keep all of that Federal match, but it treats the working families considerably differently.

If you have an employee who really shows ability and who may have a fairly menial or mundane job but who does it and does it with pride and does it well and if that employee excels and if the employer rewards him with a bonus and recognizes that that employee is really trying hard and then decides we're going to give you a little promotion and that you'll get a little more pay or, perhaps, as with so many families around this country, that employee decides ''I'll never make it for my family on this. I'm going to moonlight. I'm going to take an extra job,'' then under any of these developments for the enterprising worker, the Republicans today propose a penalty, a tax on success.

At the end of that year, after those law-abiding employees have properly estimated their income from those 12 months earlier, if their pay has gone up a dollar over the level, they'll get a steep penalty. They may have to pay literally thousands of dollars back even though they only got a bonus of a few

hundred dollars. They would owe the value, perhaps, of the entire credit to the IRS.

What type of people are we talking about?

If the law had been fully effective, as I wish it had been this year, and if workers who were earning $43,560 got a bonus that took them up to $43,600, they would have owed the full amount of the credit at the end of the year. $1,000 or perhaps $3,000 or $4,000 to a family as a penalty—as a tax on success—is a big amount to that family.

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

Mr. LEVIN. I yield the gentleman an additional 2 minutes.

Mr. DOGGETT. Understand the dimensions of how big the burden is that they want to shift to working families: According to their own report on this bill, the total is almost $25 billion over the next decade. We're not talking about a small amount of money. We're talking about a significant amount of money in this Republican penalty on success.

Why haven't they been out here responding to this penalty on success? They want to refer to these people as ''cheats.''

These people aren't cheats. They're people who are the best of America, who are striving and working to get ahead, who then get penalized for their success.

□ 1230

They have no answer because there is no answer. We should have passed this bill last year and passed it by paying for it by closing international corporate tax loopholes. Naturally they resist that just as they resist any attempt to control insurance monopolies.

Vote ''no'' on this penalty for success that would be imposed on our working families. Vote against this piece of legislation.

Mr. CAMP. I yield 2 minutes to a distinguished member of the Ways and Means Committee, the gentleman from North Dakota (Mr. BERG).

Mr. BERG. Madam Speaker, I rise today in firm support of eliminating the 1099 requirement that burdens so many of our small businesses and costs jobs.

Madam Speaker, if Congress is serious about getting Americans back to work and our economy back on track, the choice is clear. We need to repeal this mandate. This law forces American businesses deeper and deeper into the bureaucratic Washington nightmare for small business. And it takes away from their core mission, which is to grow their business and create jobs.

Small business is the core of North Dakota's economy. Farmers, ranchers and small businessmen, they're all burdened by this mandate. And another regulation is another expense that makes it even more difficult for them to do business.

This is commonsense legislation. With national unemployment still hovering around 9 percent, the decision to repeal this mandate should be easy. We desperately need economic renewal, we need private sector job growth, and we need to eliminate the small business paperwork that's in this mandate. It's time to eliminate this onerous mandate and allow business to get back to doing what they do best, and that's create American jobs.

Mr. LEVIN. Madam Speaker, it is now my pleasure to yield 3 minutes to the gentleman from Louisiana (Mr. RICHMOND).

Mr. RICHMOND. Thank you, Ranking Member LEVIN.

Madam Speaker, I agree with the Republican chorus that we've been hearing now for 2 days, which is let's repeal this onerous provision of the 1099 requirement.

However, even as a freshman member of the Democratic Party, let me say, welcome to the party. The Democratic Party started this July 30 of last year to try to repeal this onerous provision and only 2 Republicans voted for it. Two hundred thirty-nine Democrats said, let's do away with this. You're right. It's putting a massive burden on our small businesses.

But not only did you get to the party 7 months late, you got it wrong. You decided to dance with Big Oil and corporations that you didn't want to close the tax loophole. So what's the pay-for? Well, the pay-for is to reach in the pockets of working class Americans and take $25 billion. Right now, there are people that are at work, and we're here in D.C. and we're going to take $25 billion out of their pocket. We should be ashamed of ourselves.

I join with my colleagues and my good friend from New York (Mr. CROWLEY) who on yesterday tried to have a discourse about is there a better way to pay for it. No one would yield. No one would take amendments. So I would just say as a new Member, what the American people want, when we agree on an idea, let's repeal the 1099 provision, they want us to get together and figure out how to do it. They want us to see if we can't find some amendments, find some common ground, so that we don't have to penalize working families.

And I would say what they don't want is for us to reach in their pocket, penalize them for success and take $25 billion, when there are other ways to do it. But what we should do is get together and figure out a way to do it so that we can start moving this country forward.

Mr. CAMP. I yield 1 minute to the gentlewoman from New York (Ms. BUERKLE).

Ms. BUERKLE. Thank you, Mr. Chairman.

Madam Speaker, I rise in support of H.R. 4, the Small Business Paperwork Elimination Act. Too often, Congress and the Federal Government pass and institute regulations without counting the cost to America's businesses, the lifeblood of our economic success.

The Patient Protection and Affordable Care Act's 1099 reporting requirement for small businesses will be, in the words of Nathan Andrews, vice president of Morse Manufacturing, an 88-year-old company in East Syracuse, ''a paperwork nightmare.'' He further adds that the requirement will hamper the ability of his company ''to function, grow, and create jobs.''

This mandate is really indicative of a larger problem—the stranglehold that regulations have on our country. And while regulations are sometimes necessary and often well-intentioned, they have been increasingly becoming an obstacle to our success as a Nation. By success, I mean creating an environment where businesses can flourish, providing jobs so that the American people can obtain health insurance while still benefiting from the best health care system in the world.

Mr. LEVIN. Madam Speaker, how much time is there on each side?

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) has 10 minutes remaining. The gentleman from Michigan (Mr. CAMP) has 37 minutes remaining.

Mr. LEVIN. I reserve the balance of my time.

Mr. CAMP. At this time I yield 1 minute to the gentleman from Mississippi (Mr. NUNNELEE).

Mr. NUNNELEE. Thank you, Mr. Chairman.

Madam Speaker, in a day when America has been suffering for nearly 2 years from significant unemployment, when nearly one in 10 of our neighbors is unemployed, it is our duty to do everything we can to allow these employers to focus on job creation.

Today, we will vote to repeal the burdensome 1099 provision included in ObamaCare. As pledged to the American people, we will work to get this unpopular job-destroying law off the books. We voted to repeal it outright, we voted to defund it, and today we begin the process of repealing it piece by piece.

In order to comply with this 1099 mandate, businesses would have to spend countless hours generating and receiving needless amounts of paperwork. Now I started a small business, and I know the rewards and challenges of entrepreneurship. And I can tell you those challenges don't need to involve filing needless paperwork.

Last summer, when I visited Trisha's Day Spa in Grenada, Mississippi, and I explained to Trisha Shankle the 1099 requirements in ObamaCare, she said that such a requirement would be devastating to her business. That's been the conclusion reached in small businesses around America.

Today, a huge burden will be lifted from the shoulders of small businesses, and for that I am grateful. That's why I'm proud to cosponsor this legislation and why I will vote to repeal it.

Mr. LEVIN. I continue to reserve the balance of my time.

Mr. CAMP. I yield 1 minute to the gentleman from Colorado (Mr. GARDNER).

Mr. GARDNER. Madam Speaker, I rise today in support of H.R. 4, which would eliminate the 1099 mandate instituted by the President's health care bill. I've spoken with countless constituents around the Fourth Congressional District of Colorado, not as Republicans, not as Democrats, but as business owners, as people who have worked to build up their companies from scratch into successful opportunities for themselves and their families. They oppose the 1099 provisions of the health care bill, not because they're Republicans, not because they're Democrats, but because they know it would cause grave impact on their businesses and their ability to continue to thrive and grow and hire new people.

Madam Speaker, they are speaking as the voice of this country's businesses, the backbone of our economy. If we are going to create jobs in this country to move our country forward, then we have got to do it starting by the repealing of the 1099 provisions.

A bill passed last Congress in the 111th Congress, it doesn't matter the day or the time, but what passed was a bill where people said, ''We need to pass the bill to know what's in the bill.'' People read the bill. They know what's in the bill.

In Weld County a businessman is going to spend 40 hours a month to comply with these provisions.

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

Mr. CAMP. I yield the gentleman an additional 30 seconds.

Mr. GARDNER. In Larimer County, a manufacturing company is going to have to hire new people to comply with the provisions of this act. Is that the kind of job creation this body is looking for?

□ 1240

Let's create penalties on business and hope that it drives the economy? That's not right.

Madam Speaker, today I urge the passage of H.R. 4, with both Republicans and Democrats standing up to fight for businesses in this country to get our economy moving forward again.

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

Mr. CAMP. Madam Speaker, I yield 2 minutes to the gentleman from Florida (Mr. WEST).

Mr. WEST. Madam Speaker, I stand here to support H.R. 4 for the repeal of the 1099 bill.

At a time when business owners are trying to survive in a sea of economic turmoil, our government has thrown them an anchor instead of a life preserver. Democrats have borrowed and spent $1 trillion of their stimulus program, and the unemployment rate has remained stuck at or above 9 percent for nearly 2 years. Our focus must be on measures that will actually help American workers and allow employers to focus on job creation. H.R. 4 will protect small businesses, their workers, and American taxpayers.

H.R. 4 repeals the onerous tax reporting provisions Democrats enacted last year to help pay for both their health care law and the TARP 3 legislation. It also protects taxpayers by reducing waste, fraud and abuse in the Democrats' health care law.

Finally, this bill will reduce the deficit by $166 million in the first 10 years and by billions of dollars over the long run, while reducing Federal spending by nearly $20 billion over the next 10 years.

During a time when the unemployment rate is at or above 9 percent, additional government mandates on small businesses is, from the standpoint of economic policy, nothing short of idiotic. We should be looking for ways to free small businesses and companies from unnecessary burdens. We should be looking for ways to encourage entrepreneurship. Instead, we have mandates that impose new obstacles for companies. We should be seeking ways to restart the engine of job growth.

Let me be clear that I accept the proposition that every person and every business entity has both a moral and legal obligation to fully report their taxable income. The fundamental problem with the new 1099 reporting requirement is that they are imposed on a broad universe of small business taxpayers that annually conduct more than $600 of transactions with other vendors.

The new filing requirements are both burdensome as well as overinclusive.

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

Mr. CAMP. I yield the gentleman an additional 30 seconds.

Mr. WEST. Madam Speaker, let us remember that even during the State of the Union Address, the President gave his support to repeal this onerous, burdensome, and misguided mandate.

Mr. LEVIN. Madam Speaker, I continue to reserve my time.

Mr. CAMP. Madam Speaker, I yield 2 minutes to the gentlewoman from Washington (Ms. HERRERA BEUTLER).

Ms. HERRERA BEUTLER. Madam Speaker, today I come to the floor in support of this legislation because business owners in southwest Washington sent me here to clear the runway for them to start growing and hiring more people.

In my district, I know a restaurant owner in Vancouver and a doctor who runs a small practice in Tumwater who simply don't have the resources to comply with the expanded 1099 mandate. I would rather have them focusing on opening a new franchise or offering services to patients—basically being successful entrepreneurs—than spending time reacting to the mountains of new paperwork they're going to owe the IRS.

My entire region in southwest Washington has been suffering under double-digit unemployment for multiple years. In my district's largest county, Clark County, the jobless rate hovers between 13 and 14 percent—and that's reported, there are a lot of people who have stopped reporting. I know we're not unique. The entire country is depending on Congress to make job creation a serious priority. And by passing this bill today, we're showing the people of southwest Washington and across America that we're taking them very seriously.

As I meet with small business owners in my district, they express two major sentiments to me over and over again: Fear and uncertainty. They're afraid and uncertain about what this government is going to do to them next. What I would like to do today is eliminate the uncertainty around this 1099 mandate. Small businesses from across my district continue to ask me for more predictability from their government when it comes to regulations and taxes. Instead of fear, increased bureaucracy or higher costs, I'm committed to providing them with that predictability.

By voting to repeal the 1099 paperwork mandate today we do two things: First, we take an immediate step that will provide regulatory relief to the clinic in Tumwater and the restaurant in Vancouver. Second, we send a signal to America that Congress is changing the way it views small businesses. They aren't piggybanks, allowed to exist only to foot the bill on terribly ill-conceived and unaffordable government programs.

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

Mr. CAMP. I yield the gentlewoman 1 additional minute.

Ms. HERRERA BEUTLER. Today this new Congress lets small businesses know that we see them as the heart and soul of what makes this country great, as entrepreneurs that can grow and thrive and succeed as far as their hard work can take them. That's the job creation plan that has worked for this country for the last two centuries, and I'm confident it's the plan that will put folks in southwest Washington and across our country back to work.

Mr. LEVIN. Madam Speaker, I yield myself 1 minute.

One of the speakers on the majority side said that this was an effort to repeal health care piece by piece. That is clearly their misguided motivation. Here what they're trying to do is on the backs of the middle class of America. They don't defend the pay-for except by misrepresentation.

A tax increase is a tax increase is a tax increase on the middle class, on the middle class, on the middle class.

I now yield the balance of my time to the gentleman from New York (Mr. CROWLEY).

The SPEAKER pro tempore. The gentleman from New York is recognized for up to 9 minutes.

Mr. CROWLEY. I thank the gentleman from Michigan for his yielding me the balance of the time.

I want to thank all my colleagues for coming to the floor today to defend the

middle class of this country. We all believe—and I think both Democrats and Republicans, it's been evident here today, all believe—that the 1099 provisions need to be repealed. We recognize that.

We, too, want to help small business. We recognize that small business is the backbone of employment opportunity in our country. And that effort has been bipartisan, it has been bipartisan in the Senate, but not here. It's because we don't like the pay-for provision that my Republican colleagues are proposing and putting forward in this legislation because we believe that they switch the burden from the small business man and woman and they place it on the backs of the working class in this country.

We want to work in a bipartisan way. We believe we can work together and come up with a solution. Now I have to be honest, no one on the other side has asked me for a compromise solution, it hasn't happened. We passed this bill out of committee about 1½ weeks ago, almost 2 weeks ago, and still no one has said JOE, do you have an idea? We have a couple of good ideas over here I'd be willing to share with my colleagues on the other side, but that hasn't happened as of yet. I'm sorry this hasn't happened because I thought with this new Congress we would have more bipartisanship, and unfortunately that hasn't developed as of yet, at least as it pertains to this bill.

I'd also like to note that we're going on our third month here in the House of Representatives, and quite frankly I can't see much of what we've done. I can't say we've done much of anything, quite frankly. I can say that if you add up the total, we've imposed upon the American people an additional $80 billion in taxes in different various ways, the latest of which will be this $25 billion that we're going to impose upon the middle class if this bill passes today and somehow becomes law. This bill, if enacted, will be a massive increase of tax on the middle class.

I gave an example earlier today—it must have been about 2 hours ago—of a family of four earning $88,000, approximately 397 percent of the Federal poverty level.

□ 1250

And I mentioned if the breadwinner of the family, if the husband or his wife or either of the spouses is the breadwinner in that family, and they get a bonus of $250, I said before that they've done great work. They're management material. It's kind of laughable. ''Here's $250. Go out and buy the family a steak dinner.''

That $250 would bump them up to $88,250 which would place them at 401 percentile of the Federal poverty level, and it would expose that middle class family because of their $250 bonus to $4,460.

Not one, not a single Member of the majority—and we've had over 19 Members of the majority testify or give remarks on the floor this morning and this afternoon—not a single one has refuted or in any way questioned the example I've given. You have not refuted that example, which can only bring one to conclude that the example I have given is indeed correct. I don't want it to be correct, but indeed it is correct. And if it is correct, it means a tax, a tax on the middle class—one that they cannot afford, especially during these difficult times. We don't know when these tough times—when they will ever end for the middle class.

And I think it's shameful the way in which the middle class has been characterized on the floor, That somehow they are the folks that cheat the system, that they're the ones that can't be trusted. We're not talking about the rich. We can trust the rich. We know that.

And I don't like class warfare, but you know what? The truth is we've let the people at the highest percent get off with no shared sacrifice whatsoever. No sacrifice. Go on living your lives. We'll have two wars, you know, we'll increase the deficit. But don't worry. You all go on living your lives in mansions and don't worry about the rest of the country because it really won't affect you in the end. You'll always survive. You can always hire a police force to protect you. If you need health care, you can buy a doctor. If you need the garbage picked up, well, you know, sanitation won't pick it up anymore, but you can pay someone and they will cart it away. They're living in a glass house.

But the middle class, who are struggling so much, who are looking for some breaks, looking for an opportunity to afford health care for themselves and for their families—health care. They just want to be on an even plane somewhat of everyone else if they can afford health care.

And the Federal Government is not giving a handout. This is not a subsidy. This is not welfare. These are tax credits, like the college tax credit that many of our constituents afford themselves of. Like the child tax credit that many of our constituents afford themselves of. It's a tax credit to help them afford health insurance for their families. And they never touch the money.

It would be one thing if you said to me they got $5,000 in vouchers and they took the money and they went off and they bought plane tickets to Hawaii for the family for that year, or they took the money and they bought a new car, or they took the money and they bought furniture for their house. You know, that's scamming the system. That is wrong. That we don't promote.

But they never touch the money. The money goes to the insurance company. You know, the insurance companies who desperately need that money, they get the money. They're covered. They're fine. We don't ask them to be the watchdogs. We don't ask them to make sure the families are in compliance, make sure they're not going to go over their income levels. They get the money. They walk away. Wipe their hands of it. They're taken care of.

But it's the poor family that inadvertently, unbeknownst to themselves, goes over the limit, and they go over the cliff. And when they go over the cliff, it's at the tune of nearly $5,000 that they would have to repay.

Instead of rewarding success—which I hear from my Republican colleagues all the time, ''We need to reward success''—we're not doing it in this instance. What we are doing is we are taxing success, as my friend from Wisconsin pointed out. We are taxing success.

Often I hear about from my friends on the other side we need to encourage people to work hard, work harder, don't worry about the clock. Don't worry about the clock. Work harder, get ahead. And we should not be stopping that.

But here is a perfect example—and it's not coming from this side of the aisle; it's coming from that side of the aisle—of we're saying, you know what? Maybe you shouldn't work so hard. Maybe you should pay attention to the clock. Maybe you should make sure that when you file you're not tripping yourself up and unfortunately discouraging that family from getting health insurance because they're afraid they'll owe a new tax of nearly $5,000.

And I agree with my friend from Wisconsin again, this is nothing more than a Republican tax trap. It is a trap to the middle class. It's a trap to them. It's disparaging. And it's unfortunate that my colleagues have placed it in this light that somehow we're reducing or eliminating the burden for one group of workers and placing them on the backs of the middle class worker.

I don't begrudge the small businessmen and women. I was one myself before I came to Congress. I know the burdens. I understand the bills. I understand what comes in. But please don't remove the burden from the small businessman and woman and place that on the backs of middle class taxpayers. That's what you're doing.

If you vote for this bill, you will vote to increase taxes on the middle class. Don't kid yourselves. A tax on the middle class.

Mr. CAMP. Madam Speaker, I yield myself the balance of my time. I can assure the Speaker that I will not be using all of the balance of my time.

There has been a lot of rhetoric today, and as this debate winds down and as we prepare to vote on this legislation, I urge my colleagues to look at the facts.

I think many of the arguments we've heard from the other side ignore reality. It ignores the reality of their own legislation—legislation that they've passed. It ignores the reality of their own votes.

Under the health care bill, you put cliffs in the bill, if we want to talk about cliffs. There are levels where people need to pay back the entire

amount of the subsidy they receive. In the original bill, that was at 400 percent of poverty. That is the level that is no legislation we see today. Later in December, when you wanted to address the doctor fix, you just moved that level up to 500 percent of poverty. There is still a cliff in the bill. There was a cliff in the original bill. There is a cliff now.

Also, this idea that repaying a subsidy to which one is not entitled is somehow a new concept was in the original health care legislation. It still is in the original health care legislation. We just believe we need to take further steps to protect the taxpayers.

And I would also say that if you look at the legislation, there is on page 123 a subpart (b) eligibility determination where applicants apply for the subsidy, and they're required to report certain things. But they're also required under this section to report changes in circumstances. That obligation is on the taxpayer, on the person seeking the subsidy. And that is in their legislation, and we think that's an important concept to protect.

Let's stick with the facts. The fact is the increased tax reporting requirements enacted last year will hurt our ability to create jobs. The 1099 provision hurts our ability to create jobs in this country.

Fact, the unemployment rate has been stuck at or above 9 percent for nearly 2 years, and this Congress owes it to the American people to do everything it can to help small businesses, job creators, and workers get back on their feet.

Fact, repealing the 1099 provision is a top priority of small businesses, and that's why we have over 225 organizations supporting this legislation, including the Nation's largest small business organization, the NFIB.

And, fact, this bill is a tax cut and a spending cut, and that's why it has the support of groups like the Americans for Tax Reform, the National Taxpayer Union and Americans for Prosperity.

Madam Speaker, I urge my colleagues to vote for this bill so small business can get back to what they do best: creating jobs.

I yield back the balance of my time.

Mr. HOLT. Madam Speaker, I rise in opposition to H.R. 4, the Small Business Paperwork Mandate Elimination Act of 2011.

I regret that the authors of this legislation have taken such a thoughtless approach. We could have had before us today a bill that would repeal any unnecessary and burdensome paperwork that is at issue here and we could have done it without putting burden on ordinary families.

This bill would repeal a reporting requirement that would require business owners to provide an IRS form 1099 to all vendors with whom they pay $600 or more annually for their services.

I agree that this reporting requirement should be repealed. In fact, I voted to repeal this requirement last year. Unfortunately, the bill attracted only two Republican votes and failed to pass the House on July 30, 2010. This Congress, I am a cosponsor of the Small Business Tax Relief Act of 2011, which would repeal the 1099 reporting requirement.

H.R. 4 would change the subsidies and repayment obligations of the tax credits available for people with incomes below 400 percent of poverty to assist with the cost of obtaining affordable health insurance. This would be a massive tax increase on the middle class.

These tax credits will help low and middle income individuals and families pay insurance premiums. The credits are available for those individuals and families—up to 400 percent of the poverty line and cap the family's share of health insurance premiums at 9.5 percent of adjusted gross income.

This bill would force people to pay back billions of dollars in tax credits they received to obtain affordable health insurance. Since the tax credits go directly to the health insurance company, individuals and families who had small fluctuations in their income would have to pay back money that they never received. For example, under this legislation a family of four earning $88,000 a year would have to pay $4,640 that they never received if the family got an unexpected $250 year-end bonus.

In a time where we want to create jobs, this bill would penalize individuals who found a new job or got promoted. This bill harms average working Americans who cannot obtain insurance through their employers—the exact people we should be helping.

I agree that this reporting requirement should be repealed. That is why I am a cosponsor of the Small Business Tax Relief Act of 2011. That bill would repeal the 1099 reporting requirement, but does not increase taxes on the middle class.

Today, we have a chance to vote against increasing taxes for hard working Americans. I urge my colleagues to vote no on this piece of legislation.

Mr. SENSENBRENNER. Madam Speaker, I rise today in support of the Small Business Paperwork Mandate Elimination Act, as I believe it serves as a critical step in the ongoing process of preventing last year's health care law from destroying American jobs. We cannot ignore the cries from businesses around the country that the 1099 reporting requirement is an unnecessary burden that will cost jobs.

In a time when our economy is struggling to emerge from one of the worst recessions in generations, we must work to free small businesses from onerous regulatory burdens. We cannot afford to promote policies that use needless paperwork as a means to strangle growth and prosperity. The 1099 reporting requirement on transactions greater than $600 was included in the health care overhaul without consideration of the individuals, families, and small businesses that would suffer as a result. By devoting more resources to comply with this new requirement, we are preventing businesses from doing what is essential: creating jobs.

But the disregard for small businesses did not stop there. Last fall, the 1099 reporting requirement was expanded to include rental property expense payments. Instead of recognizing the disastrous effect of this new requirement, there were those in the last Congress who decided it was a good idea to expand it. Now we are left with even more taxpayers who will suffer the consequences of an already misguided regulation.

Today we have the opportunity to correct the mistakes of the past. H.R. 4 allows this Congress to stand up for small businesses and hard-working taxpayers by eliminating what is obviously a job destroying regulation. By removing the 1099 reporting requirement, we will free businesses from time-consuming paperwork so that they may grow and help our economy recover. We all hear from our constituents, ''Where are the jobs?'' By supporting this legislation, we can show the American people that we are serious about creating a business environment that promotes job growth and prosperity.

I applaud the gentleman from California for recognizing early on the negative impact this regulation will have on small businesses. I encourage my colleagues in the Senate to consider this legislation quickly so we can bring certainty to American businesses and avoid the obvious complications that the 1099 reporting requirement presents.

Mr. VAN HOLLEN. Madam Speaker, as I have done before, I rise today in strong support of eliminating the 1099 paperwork requirement on small businesses. In fact, I would remind my colleagues on the other side of the aisle that the only reason we are here today—the main reason this is still an issue at all—is because House Republicans opposed eliminating this provision when the Small Business Tax Relief Act of 2010 was brought to the floor of the House in July of last year.

So this issue isn't new, and it really isn't a question of whether there is bipartisan agreement to repeal this onerous requirement. There is. The question is how you pay for it. And that's where today's bill goes astray. We can and should repeal the 1099 reporting requirement. But we should not do it on the backs of middle class Americans buying health insurance for their families who are playing by the rules and complying with the law. And I would point out that the law they're complying with received a near unanimous vote of 409–2 this past December.

I stand ready and willing to work with my colleagues on both sides of the aisle to find an acceptable way to pay for this repeal before the requirement takes effect in 2012. But I strongly believe that effort should focus on ending any of the myriad loopholes and unjustified subsidies in current law before imposing an effective tax increase on the middle class.

Ms. HAYWORTH. Madam Speaker, yesterday morning I received a letter from a constituent, Seth Arluck of New Hampton, NY.

Seth's three-generation family business was hit hard by the housing market crash. The 1099 rule in the Affordable Care Act, Seth says, ''would place a disproportionate burden on my very small lumber yard. . .I do not need an additional and unnecessary expense that serves no apparent purpose.''

He adds that the penalty for 1099 non-compliance, to fund small-business lending, adds insult to injury: ''How clever, fine the heck out of me, and loan me the money to pay fines.''

Madam Speaker, this is no way to treat the engine of growth for America. Instead of investing in adapting to his clients' needs in changing times, Seth Arluck will now have to spend precious time and money on paperwork.

The bill we must pass today is an important step toward curing the ill effects of the Affordable Care Act. The Senate has already acted

and I call on President Obama not to delay helping Seth, and so many other of our Nation's job creators put Americans back to work.

MARCH 2, 2011.

Hon. NAN HAYWORTH,
LHOB,
Washington, DC.

DEAR DR. HAYWORTH: I am very concerned about the 1099 reporting provision in the healthcare bill passed in the 111th Congress. This requirement, to issue a 1099 for each business to business expenditure over $600, would place a disproportionate burden on my very small business. I am the third generation of my family to operate this retail lumber yard in Orange County. Our sales and revenues, so dependent on the housing and home improvement sectors, have seriously declined since 2008. We have gone from seven to four employees including myself and my brother; our part time bookkeeper was one of the staff reductions.

Last year we wrote 600 checks for purchases other than payroll. We have about 150 vendors in our accounts payable. Although many of our purchases are with recurring vendors, there are many one time purchases which exceed $600: repairs to vehicles and equipment, replacement of computer and office equipment, one time advertising expenses, dues to business organizations, annual insurance premiums, and sundry expenses. How many 1099's would I have to produce? 50, 75, 100? I know that it would exceed the three that are done now for interest and rent. I am now the bookkeeper; do I attempt this challenge or pay my accountant or another outsource. I have forgone many paychecks in the last two years, I do not need an additional and unnecessary expense that serves no apparent purpose.

Another aspect of this requirement is the need to obtain each vendor's Federal I.D. or Social Security number in order to legally comply with 1099 reporting. That means that if a business has any chance of cumulatively exceeding the $600 threshold, the SSN or EIN has to be asked for in advance. In these times of rampant identity theft, there will be many refusals to furnish these ID numbers. Failure to correctly report a 1099 results in fines. As if that was not daunting enough, the previous Congress passed HR 5297 last September, The Small Business Jobs Act, which increased the penalty for 1099 non-compliance from $50 to $250 per violation. The increase in fines was to help fund small business lending. How clever, fine the heck out of me, and loan me the money to pay fines. Thank you 111th Congress.

And what justifies this new layer of regulation? The apparent belief that business is inherently untrustworthy and cheating the U.S. Government of it's rightful tax revenues? Is it the need to find any alleged revenue source, no matter how unsavory, to fund Obamacare? No thank you.

Please repeal the 1099 provision now.

Sincerely,

SETH N. ARLUCK,
President,
New Hampton Lumber Co. Inc.,
New Hampton, NY.

Ms. SCHAKOWSKY. Madam Speaker, I rise in opposition to H.R. 4, the Small Business Paperwork Mandate Elimination Act of 2011.

We all agree that the 1099 reporting requirements added by the Senate to the Affordable Care Act need to go. That is not in question. None of us wants to burden small business men and women with unreasonable reporting burdens. All of us are committed to eliminating this requirement.

In fact, we could have and should have solved this problem last year, when the House voted on H.R. 5982, the Small Business Tax Relief Act. Unfortunately, all but two Republicans voted against that bill. That bill, like today's bill, would eliminate the 1099 provision. Unlike today's bill, however, it paid for the $24.9 billion cost of repeal in a very, very different manner.

H.R. 5982, the Democratic approach, would have paid for reform by eliminating tax loopholes that allow corporations to ship jobs overseas. It would have solved the problem while also eliminating incentives to locate operations overseas. Creating American jobs should be our number one priority, and H.R. 5982 would have helped us do that.

H.R. 4, the Republican approach, doesn't close corporate offshoring loopholes. Instead, it puts the $24.9 billion cost of repealing the 1099 reporting requirements squarely on the backs of middle-class families. It undermines the entire approach of the Affordable Care Act—to help individuals and families obtain affordable, quality health care—by imposing taxes on those who receive assistance to help pay premiums and cost-sharing requirements.

Under the Republican bill, individuals and families who are eligible to get assistance at the beginning of the year are subject to taxation if they are fortunate enough to get a raise or a better job by the end of the year. Even if they are a few dollars over the eligibility limit, the Joint Committee on Taxation estimates that they could be subject to taxes up to $6,000 under H.R. 4. The assistance, by the way, is given directly to the insurance company but the tax penalty would come directly out of the pockets of families.

The Republican bill not only would impose harsh penalties on middle-class families, it would also undermine the second principle of the Affordable Care Act: to expand coverage. Again according to the Joint Committee on Taxation, it would take away coverage from 266,000 Americans who would no longer take insurance because of concerns that they could potentially be required to pay substantial taxes the following year.

I wish I could vote today to repeal the 1099 reporting requirements, just as I voted to repeal them last year. I cannot, however, solve the burden on small businesses by imposing a burden on middle-class families, particularly when we have so many better choices to pay for repeal.

Mr. REED. Madam Speaker, I rise today to support H.R. 4, the Small Business Paperwork Mandate Elimination Act of 2011. The expanded reporting requirements to the Internal Revenue Service are mandated by the health care reform act of 2010 on any purchase made $600 or more. This provision would directly impede economic growth in the 29th District of New York. At a time of great uncertainty, the economic recovery in the 29th District continues to lag behind the rest of the nation. This burdensome mandate must be eliminated and I proudly support the repeal for the sake of our small businesses and farmers.

Further, we must act to ensure that ''red-tape'' measures and over-reaching regulations do not continue. If we are going to reduce government spending, it starts with repealing unnecessary requirements, such as the 1099 requirement. This provision of the health care reform law contributes to the bloating of the Federal Government and must be repealed. As we move forward towards returning fiscal prosperity to our nation, I will remain committed to the interests of small businesses and farmers, protecting them from burdens which restrict their growth. I urge all of my colleagues to vote in favor of repealing the expanded 1099 requirement.

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, I voted against the H.R. 4, the ''Small Business Paperwork Mandate Elimination Act of 2011'' commonly known as ''the 1099 provision''. I would like to submit a statement for the RECORD to clarify my position on this issue.

Forms 1099 have been used by the IRS for decades to better track income. The rules would have required businesses to file Form 1099 with the IRS to report payments made to corporations for goods and certain services to help the IRS collect taxes that are legally owed, and in turn, keep taxes lower for all taxpayers.

Although I support the measure in principle, I do believe this type of reporting keeps track of what businesses owe the federal government in taxes and close any loopholes for any misreporting. In fact, during the 111th Congress, a repeal bill was approved by the Democratic House that would close tax loopholes for companies that ship jobs overseas and protected people from any tax increases with incomes below 400 percent of the federal poverty level (approximately $88,000 for a family of four) from having to pay back the IRS their tax credit if they saw a change in income.

The Republican 1099 repeal removes this protection. So, if a family earning $88,000 a year gets a $250 Christmas bonus, and because of it, are bumped up to 401 percent of the federal poverty level, this family would be required to refund to the IRS the entire tax credit of $4,640—out of their own pockets.

As a Senior Member of Congress who proudly represents a vibrant small business sector, I know firsthand the value of small businesses in north Texas. I remain committed to improving tax administration and enhancing voluntary tax compliance without making the middle class pay.

I look forward to working collaboratively with the small business community to improve the ability of small businesses to meet their tax obligations.

Mr. STARK. Madam Speaker, the debate we're having today has nothing to do with repealing the 1099 provision. Like every Democrat here who was in Congress last year, I've already voted to do that.

We brought forth a bill last year to repeal the 1099 provision and paid for it by closing tax loopholes that encourage businesses to move jobs overseas and other loopholes that promote tax avoidance. Even though that bill was endorsed by NFIB, all but two of our Republican colleagues voted no because they preferred to protect big business over small businesses.

Because of Republican opposition last year, we're here again considering legislation to repeal the 1099 provision. Unfortunately, our Republican colleagues have taken an area of agreement and rejected bipartisanship by choosing to tax middle class families. That's right, this Republican bill is a $25 billion middle class tax increase.

The Affordable Care Act provides tax credits to make health coverage affordable to those with lower and middle incomes. These tax credits are provided in advance and then are

reconciled at the end of the year. In this bill today, Republicans are trying to raise $25 billion by putting middle class families on the hook for massive tax increases when they reconcile those payments. The Joint Committee on Taxation estimates that this Republican bill will raise taxes on middle class families in this income category by an average of $3,000. Many families would be liable for much higher tax increases.

The President has announced his strong opposition to this financing mechanism. Consumer Advocates have also spoken out in opposition. These groups include Families USA, Community Catalyst, SEIU and the Center on Budget and Policy Priorities.

All of us want to resolve this 1099 problem. But to do so on the backs of middle income working Americans is flat out wrong. I urge my colleagues to join me in voting no on this bill today so that we can come together and find a way to finance 1099 repeal that doesn't gouge the middle class.

Mr. CANTOR. Madam Speaker, last November, Americans sent a clear message of defiance to the status quo. They saw that government was spending taxpayer money recklessly and making it harder for our job creators to put Americans back to work—and they voted for something better.

House Republicans have responded by doing everything in our power to foster an environment where businesses can expand, investors can invest, and hard work can be rewarded. That means cutting excessive spending and burdensome regulations and growing private-sector jobs and the economy.

Today we are cleaning up the mess resulting from oppressive new 1099 requirements.

Tucked into Obamacare and a so-called small business bill last year, these regulations threaten to wreak havoc upon small businesses. They have become a symbol of the unanticipated pitfalls of big government and partisan legislative procedure.

In this challenging climate, businesses should be able to focus on staying profitable and looking for opportunities to grow. Instead they are being asked to divert precious time and resources to satisfy yet another layer of red tape from Washington.

By repealing these ill-conceived requirements, we take a big step toward putting America back on a growth footing. We reaffirm that this Congress will no longer finance the expansion of government on the backs of our small businesses, America's economic engine.

The United States is the creative capital of the world. We have the most innovative entrepreneurs and the most determined and resilient workforce.

Our businesses and our people have proven that they can out-innovate and out-compete any country in the world. But they can't do it if Washington keeps making it harder for them. And they can't do it if they are plagued by fears of excessive regulation, higher taxes and inflation.

Our job as legislators is to create opportunity—to restore the principle that everyone in America has a fair shot.

That's why it is imperative that we cut needless regulation and bring spending down to sustainable levels. And that's why it is incumbent upon us to support this legislation to make sure small businesses aren't bogged down in needless paperwork so that they can grow and create jobs. I urge my colleagues to support H.R. 4.

Mr. GRAVES of Missouri. Madam Speaker, our nation's small businesses create 7 of every ten 10 new jobs. They represent 99.7 percent of all employer firms, and employ 97.5 percent of all identifiable exporters. They are the entrepreneurs that can lead us out of the economic downturn. We are depending on them to reinvigorate our economy. But the fact is, Washington has not provided them with an environment in which they can thrive.

At House Small Business Committee hearings, owners of small firms have told us week after week that they want Washington to get out of the way so they can do what they do best: create jobs and help move our economy forward. But Washington keeps piling on mandates that hold them back. The expanded 1099 information reporting requirement is a perfect example.

At one of our recent hearings, a small manufacturer from North Carolina said, ''The expanded 1099 reporting requirement included in the healthcare law is a good example of the kind of misguided policy that works against the interest of small businesses. Tax filing is never a task small business owners look forward to, but making filing more burdensome only drains resources from already struggling companies.'' Few industries have been as affected by the economic downturn as home builders. A small home builder from Kentucky said, ''. . . [T]here will be significant costs involved to track, aggregate and report required transactions.''

Madam Speaker, at a time when we should be making it easier to create jobs and promote economic growth, small businesses don't need another costly and burdensome mandate. I thank Chairman CAMP for his work in advancing this important legislation to the House Floor, and recognize Chairman LUNGREN for his leadership on this issue. I ask my colleagues to support H.R. 4.

Mr. DINGELL. Madam Speaker, I rise in opposition to H.R. 4, the Small Business Paperwork Mandate Elimination Act. I want to say on record, however, that I support repeal of the Affordable Care Act's 1099 mandate. This onerous paperwork requirement was included in the act at the insistence of our colleagues in the other body, and not by us in the House.

The 1099 mandate should be repealed, but it must be done in a fiscally responsible manner than does not harm working families, who struggle every day to cope with the effects of the current recession. The bill we are presently considering passes the cost of the 1099 repeal on to middle class Americans by ensuring that more of them will be subject to increased taxes. Moreover, H.R. 4 will reduce the number of Americans with health coverage by over a quarter-million, according to the Joint Committee on Taxation.

Madam Speaker, H.R. 4 is a poor compromise, reminiscent of the legislative travesty foisted on the American people last December when Senate Republicans insisted unemployment benefits come at the price of tax cuts for the rich. I call on my colleagues to oppose this bill and instead work to find more responsible ways to pay for the repeal of the 1099 mandate, such as closing foreign tax loopholes and eliminating tax breaks for oil companies.

Ms. JACKSON LEE of Texas. Madam Speaker, I rise today in opposition to H.R. 4, the Small Business Paperwork Elimination Act of 2011. The stated purpose of this is to amend the Internal Revenue Code to repeal a provision added by the Patient Protection and Affordable Care Act that extends to corporations that are not tax-exempt, the requirement to report payments of $600 or more.

However, I must say that while I strongly support providing relief to America's small businesses and I absolutely support the landmark Patient Protection and Affordable Care Act, I deeply regret that yet again we have had a closed rule regarding the full consideration and making of useful, meaningful amendments to H.R. 4. When the Republican majority came into this Congress they promised an open and transparent process. This is not open and transparent. It does not provide the assistance to America's small businesses that my colleagues on the other side of the aisle would like us to believe and in fact, further burdens small businesses.

If we had a truly open process, we could have all worked together in a bi-partisan manner to provide real relief to America's middle class and small businesses instead of the tax increase we are being asked to heap onto their backs today.

The simple fact is that H.R. 4 Would Increase Taxes on Middle Class and Raises the Number of Uninsured.

It is not good for the people of the 18th congressional district of Texas, it is not good for the State of Texas, and it is not good for the United States of America.

H.R. 4 Increases Taxes on the Middle Class. H.R. 4 would force many middle-income Americans to pay higher taxes. Simply by accepting a better job, picking up extra shifts or receiving a holiday bonus, these families would have to pay the IRS the value of their health premium tax credits, jeopardizing their financial security.

H.R. 4 Creates a Steep Cliff that will Penalize the Middle Class. It would eliminate protections for families with income between 400 and 500 percent of poverty ($88,000 to $110,000 for a family of four). That means if a family's actual annual income was even one dollar above 400 percent of poverty, they could have to pay the IRS the entire value of their health insurance premium tax credits. According to the Joint Committee on Taxation, the average payment for a family between 400 and 450 percent of poverty will go up by $3,000 due to the Republican policy, for a total of $6,000 or more in payments to the IRS.

H.R. 4 Undoes the Bipartisan Agreement on Health Care. While there has been contentious disagreement about health reform, the structure of the repayment caps is one of the few health reform issues with strong bipartisan agreement. The House fixed the problem of a steep cliff if one's income increased to 400 percent of poverty by a bipartisan vote of 409–2 last December—and it was signed into law. H.R. 4 undoes that bipartisan agreement so that Republicans can increase taxes on the middle class—those between 400 and 500 percent of poverty—by $25 billion.

H.R. 4 Leads to an Increase in the Number of Uninsured. According to the Joint Committee on Taxation, the Republican proposal will cause an increase in the uninsured of 266,000. Over a quarter of a million individuals will no longer receive health insurance out of fear that they will be forced to pay substantial amounts to the IRS at tax time.

H.R. 4 Disproportionately Hurts Families Living in High Premium Areas. Families who

have to pay the IRS the value of their health premium tax credits will have to pay even more if they live in parts of the country that have higher premiums due to circumstances in the local market.

So, I urge my colleagues to join me in opposing this bill and supporting true bipartisan relief for America's middle class and small businesses.

Mr. MARINO. Madam Speaker, I rise today in strong support of H.R. 4, the Small Business Paperwork Mandate Elimination Act of 2011. This legislation would repeal one of many burdensome requirements being imposed on Americans, especially the job creators, by the health care law passed last year. This 1099 mandate highlights the problem with ignoring the voice of the American people and passing a ''bill so you can find out what is in it.''

Small business owners from Northeastern Pennsylvania have found out what was in the health care bill and they are not happy:

Small business owner, Arthur Borden of Lewisburg, states, ''It's hard to believe that elected representatives of our people could be so irresponsible to allow such a ridiculous provision as the 1099 mandate included in the recently passed health care law. As the owner of a small business which is already overburdened by rules, regulations, and rolls of red tape, I am appalled and frightened by the prospects of what such an ill conceived law will do.''

Small business owner, Bruce Brown of Clarks Summit, states, ''Businesses are already overburdened with tax paperwork and reporting requirements, so the additional requirements included in the PPACA will only increase the cost and complexity of complying with the tax code.''

Small business owner, Thomas Musser of Mifflinburg, simply states, ''I do not support the 1099 tax reporting requirement.''

The Pennsylvania based business networking organization, SMC Business Councils, released a survey of its member businesses which found that their members file roughly 10 forms per year; under the new requirement from the health care law, the members estimated that would jump to more than 200 a year. The new costs associated with complying with this mandate would cripple small businesses across my district and the Commonwealth.

I join with my constituents and all small business owners throughout the nation in support of repealing the onerous 1099 reporting requirement. Furthermore, this debate is yet another reminder as to why we need to repeal the jobs-destroying health care bill and begin the process of methodically and thoughtfully reforming the health care system in an open and transparent manner, taking into account viewpoints from both sides of the aisle. Most importantly though, we must take into account the voice of the American people. This was omitted from the process a year ago, and today we begin process of cleaning up the mess that occurs when this omission happens.

□ 1300

The SPEAKER pro tempore. Pursuant to House Resolution 129, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT

Mr. MCNERNEY. Madam Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MCNERNEY. I am opposed in its current form.

Mr. CAMP. Madam Speaker, I reserve a point of order.

The SPEAKER pro tempore. A point of order is reserved.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. McNerney moves to recommit the bill H.R. 4 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Add at the end of the bill the following new sections:

SEC. 5. NONREFUNDABLE PERSONAL CREDIT FOR TAXPAYERS SUBJECT TO A TAX INCREASE UNDER THE SMALL BUSINESS PAPERWORK MANDATE ELIMINATION ACT OF 2011.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 25D the following new section:

''SEC. 25E. CREDIT FOR TAXPAYERS SUBJECT TO A TAX INCREASE UNDER THE SMALL BUSINESS PAPERWORK MANDATE ELIMINATION ACT OF 2011.

''(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the excess (if any) of—

''(1) the regular tax liability of the taxpayer for the taxable year, over

''(2) the regular tax liability of the taxpayer for the taxable year, determined by applying section 36B(f)(2) (as in effect on the day before the date of the enactment of this section) in lieu of section 36B(f)(2) (as in effect on the day after the date of the enactment of this section).

''(b) CARRYFORWARD OF UNUSED CREDIT.—

''(1) RULE FOR YEARS IN WHICH ALL PERSONAL CREDITS ALLOWED AGAINST REGULAR AND ALTERNATIVE MINIMUM TAX.—In the case of a taxable year to which section 26(a)(2) applies, if the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a)(2) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

''(2) RULE FOR OTHER YEARS.—In the case of a taxable year to which section 26(a)(2) does not apply, if the credit allowable under subsection (a) exceeds the limitation imposed by section 26(a)(1) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section), such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B) of such Code is amended by inserting ''25E,'' after ''25D,''.

(2) Section 25(e)(1)(C) of such Code is amended by inserting ''25E,'' after ''25D,'' both places it appears.

(3) Section 25A(i)(5)(B) of such Code is amended by inserting ''25E,'' after ''25D,''.

(4) Section 25B(g)(2) of such Code is amended by inserting ''25E,'' after ''25D,''.

(5) Sections 25D(c)(1)(B) and 25D(c)(2)(A) of such Code are both amended by inserting ''and section 25E'' after ''this section''.

(6) Section 26(a)(1) of such Code is amended by inserting ''25E,'' after ''25D,''.

(7) Section 30(c)(2)(B)(ii) of such Code is amended by inserting ''25E,'' after ''25D,''.

(8) Section 30B(g)(2)(B)(ii) of such Code is amended by inserting ''25E,'' after ''25D,''.

(9) Section 30D(c)(2)(B)(ii) of such Code is amended by striking ''sections 23 and 25D'' and inserting ''sections 23, 25D, and 25E''.

(10) Section 1400C(d) of such Code is amended by inserting ''25E,'' after ''25D,'' both places it appears.

(c) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25D the following new item:

''Sec. 25E. Credit for taxpayers subject to a tax increase under the Small Business Paperwork Mandate Elimination Act of 2011.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

SEC. 6. INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES.

(a) IN GENERAL.—Subparagraph (B) of section 199(c)(4) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by inserting after clause (iii) the following new clause:

''(iv) in the case of a major integrated oil company (as defined in section 167(h)(5)), the production, refining, processing, transportation, or distribution of oil, gas, or any primary product thereof.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2014.

SEC. 7. MAJOR INTEGRATED OIL COMPANIES INELIGIBLE FOR LAST-IN, FIRST-OUT METHOD OF INVENTORY.

(a) IN GENERAL.—Section 471 of the Internal Revenue Code of 1986 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

''(c) MAJOR INTEGRATED OIL COMPANIES INELIGIBLE FOR LAST-IN, FIRST-OUT METHOD.—In the case of a major integrated oil company (as defined in section 167(h)(5)(B))—

''(1) the last-in, first-out method of determining inventories shall in no event be treated as clearly reflecting income, and

''(2) sections 472 and 473 shall not apply.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2014.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year beginning after December 31, 2014—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) if the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 is positive, such amount shall be taken into account over a period of 8 years beginning with such first taxable year.

Mr. MCNERNEY (during the reading). Madam Speaker, I ask unanimous consent to dispense with the reading.

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

Mr. CAMP. I object.

The SPEAKER pro tempore. Objection is heard.

The Clerk will continue to read.

Mr. MCNERNEY (during the reading). Madam Speaker, once again I ask unanimous consent to dispense with the reading.

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

Mr. CAMP. I object.

The SPEAKER pro tempore. Objection is heard.

The Clerk will continue to read.

POINT OF ORDER

Mr. CAMP. Madam Speaker, I insist on my point of order.

I make a point of order against the motion because it violates clause 10 of rule XXI, as it has the net effect of increasing mandatory spending within the time period set forth in the rule.

I ask for a ruling of the Chair.

The SPEAKER pro tempore. Does any Member wish to be heard on the point of order?

The Chair recognizes the gentleman from California.

Mr. MCNERNEY. Madam Speaker, everyone knows that times are tough and that individuals, families, and small businesses are having a difficult time making ends meet. That's why it's so important that we provide small businesses, which are the backbone of our economy, with the tools to succeed.

The SPEAKER pro tempore. Does the gentleman wish to address the point of order?

Mr. MCNERNEY. Yes, the gentleman wishes to address the point of order.

The SPEAKER pro tempore. The Chair will hear the gentleman.

Mr. MCNERNEY. With rising prices of gasoline, and unemployment that remains far too high, helping small businesses is more important than ever.

Mr. CAMP. Madam Speaker, the gentleman is not addressing the point of order.

□ 1310

The SPEAKER pro tempore. Does the gentleman from California wish to address the specific point of order?

Does any other Member wish to address the point of order?

The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. Madam Speaker, the gentleman from California was addressing the point of order. I think he should be allowed to do so.

The SPEAKER pro tempore. The gentleman from California may be heard only on the point of order and may continue if he is speaking directly to the point of order.

Mr. MCNERNEY. Madam Speaker, this directly addresses the tax provision in the Republican bill.

The SPEAKER pro tempore. The gentleman from California may proceed.

Mr. MCNERNEY. This motion to recommit addresses the pay-for in the bill.

The SPEAKER pro tempore. The gentleman from California may proceed.

Mr. MCNERNEY. Madam Speaker, I am a former small business owner, and while I strongly supported our efforts to reform the health care——

Mr. CAMP. Madam Speaker, regular order. The gentleman is not addressing the point of order.

The SPEAKER pro tempore. The Chair will hear the gentleman from California.

Mr. LEVIN. I urge the gentleman from Michigan to let him——

Mr. CAMP. Regular order, Madam Speaker.

The SPEAKER pro tempore. Members will suspend.

The Chair recognizes the gentleman from California.

Mr. MCNERNEY. We have a paid-for tax cut that's germane and included in the motion to recommit.

The SPEAKER pro tempore. The gentleman may proceed, but the Chair will hear argument from all Members on the point of order only.

The gentleman from California continues to be recognized.

Mr. MCNERNEY. While I strongly supported our efforts to reform the health care system, I also supported repealing the 1099 reporting requirement. This requirement will negatively affect small businesses' ability to operate smoothly and efficiently. There is a broad bipartisan consensus on this point, and I have received many emails, phone calls and letters from constituents in my district who oppose the 1099 reporting requirement.

I support repealing the 1099 provision——

The SPEAKER pro tempore. The gentleman will suspend.

Remarks must be confined to the procedural issue at hand.

Mr. MCNERNEY. We have a paid for tax cut that is in order.

The SPEAKER pro tempore. Does any other Member wish to be heard on the point of order?

The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. The gentleman wishes to proceed. The gentleman from California wishes to proceed.

The SPEAKER pro tempore. The gentleman must speak to the specific procedural question.

Mr. LEVIN. And he says he is doing so. He is saying he is doing so.

The SPEAKER pro tempore. There seems to be some question of that.

The gentleman from California may proceed.

Mr. MCNERNEY. I stand here to offer a better alternative. It's paid for. Instead of simply agreeing to the majority's bill, the motion to recommit would repeal the 1099 requirement and provide a new tax cut to the middle-class paid for by closing tax loopholes exploited by large oil companies. It's paid for and it's germane.

Oil companies have earned record profits over the last few years, and it's just unacceptable for them to take advantage of the special loopholes when the middle class is struggling.

Mr. CAMP. Madam Speaker, the gentleman is not addressing the point of order.

The SPEAKER pro tempore. The gentleman from California has not spoken directly to the procedural question of order. The Chair will now recognize other Members.

The Chair recognizes the gentleman from New York.

Mr. CROWLEY. Thank you for allowing me to address the point of order.

Madam Speaker, the rules of the House give a modicum of support to the minority to offer motions to address a different point of view on legislation, albeit in the form of a motion to recommit. The rules of the House, Madam Speaker, allow for the minority to express that point through the motion.

In this motion to recommit, as has been placed forward by the gentleman from California, it is a simple choice between the oil companies and the middle class: Side with the oil companies or side with the middle class.

The SPEAKER pro tempore. The gentleman will suspend. The gentleman is not addressing the procedural issues raised by the point of order.

Mr. CROWLEY. Madam Speaker, if I can, I am addressing the rules of the House that allow for the minority to have an opportunity to make a motion to recommit. It may not be in agreeance with the majority. We understand that. They may not like the motion to recommit. We understand that. They may not like the motion to recommit under the rule because it touches onto an area that they are not comfortable with, that is, taxing oil companies.

The SPEAKER pro tempore. The gentleman is not addressing the procedural issue.

Mr. CROWLEY. I am addressing the rules of the House, Madam Speaker.

The SPEAKER pro tempore. The gentleman is not sticking to the precise procedural question at hand, which is clause 10 of rule XXI.

Mr. CAMP. I would ask the Chair to rule, Madam Speaker.

Mr. LEVIN. Madam Speaker, I wish to be heard.

The SPEAKER pro tempore. Does any Member in the body wish to be heard on the point of order under clause 10 of rule XXI specifically?

Mr. LEVIN. Yes, I do.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. Madam Speaker, the rules of the House, as crafted by the majority, do make it difficult for us to craft motions to recommit that are germane.

I submit this is, and I think you should listen to us before you make a ruling. You are the Speaker of the House, acting in that capacity.

This motion would cut taxes, would end oil subsidies, and ensure more Americans have health insurance. It is germane. The Republicans should not try to gag us.

I urge that the Speaker rule this in order.

Mr. CAMP. Madam Speaker, I would ask the Chair to rule.

The SPEAKER pro tempore. The Chair has heard enough and is prepared to rule at this time.

Mr. WEINER. Madam Chair, point of order.

The SPEAKER pro tempore. Does the gentleman from York have a point of order?

Mr. WEINER. Madam Speaker, Members should have an opportunity to be heard on the point of order. Just because one person you might feel didn't address it doesn't mean all of us should be prejudiced in our opportunity to speak.

The SPEAKER pro tempore. Argument is at the discretion of the Chair, to edify her judgment.

The Chair finds that it is time to now rule on the point of order.

The gentleman from Michigan makes a point of order that the motion offered by the gentleman from California violates clause 10 of rule XXI by proposing an increase in mandatory spending over a relevant period of time.

Pursuant to clause 10 of rule XXI and clause 4 of rule XXIX, the Chair is authoritatively guided by estimates from the chair of the Committee on the Budget that the net effect of the provisions in the amendment would increase mandatory spending over a relevant period as compared to the bill.

Accordingly, the point of order is sustained and the motion is not in order.

Mr. LEVIN. Madam Speaker, I appeal the ruling of the Chair.

The SPEAKER pro tempore. The question is, Shall the decision of the Chair stand as the judgment of the House?

MOTION TO TABLE

Mr. CAMP. Madam Speaker, I move to lay the appeal on the table.

The SPEAKER pro tempore. The question is on the motion to table.

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, this 15-minute vote on the motion to table will be followed by a 5-minute vote on passage of the bill, if arising without further proceedings in recommittal.

The vote was taken by electronic device, and there were—yeas 243, nays 181, not voting 8, as follows:

[Roll No. 161]

YEAS—243

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

NAYS—181

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

NOT VOTING—8

Becerra
Giffords
Hanna
Hinojosa
Hoyer
Jordan
Sánchez, Linda T.
Speier

□ 1343

Mr. LYNCH, Ms. PINGREE of Maine, Messrs. DeFAZIO, ELLISON, WAXMAN, and Ms. BERKLEY changed their vote from ''yea'' to ''nay.''

Messrs. ALTMIRE, HUIZENGA of Michigan, and MARCHANT changed their vote from ''nay'' to ''yea.''

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. BECERRA. Mr. Speaker, earlier today I was unavoidably detained and missed rollcall vote 161. If present, I would have voted "no" on rollcall vote 161.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members should be aware that debate on a point of order is solely to edify the judgment of the presiding officer. As such, argument on a point of order must be confined to the question of order and may not range to an underlying substantive question. The Chair endeavors to hear such arguments as may tend to edify her judgment, but when she is prepared to rule, she may decline to hear more.

The optimal accommodation of Members' desires to argue on a point of order can be achieved only when, first, those seeking recognition for that purpose properly confine themselves to the question of order; and, second, those who believe they have heard enough leave it to the presiding officer to decide when she has heard enough.

The Chair enlists the understanding and cooperation of all Members in these matters.

The question is on the passage of the bill.

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

POINT OF ORDER

Mr. WEINER. Madam Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. WEINER. Madam Speaker, the voice vote we just took violates clause 5(b) of rule XXI, and this vote shall be taken with a three-fifths required for passage.

The SPEAKER pro tempore. Does any Member wish to speak to the point of order?

Mr. WEINER. Madam Speaker, I do.

The SPEAKER pro tempore. The gentleman from New York is recognized to speak on the point of order.

Mr. WEINER. Thank you.

Madam Speaker, as we all know here, we have a special rule in the House. As I just referenced, it is clause 5(b) of rule XXI, which was put into the rules of the House to make it extraordinarily difficult for us to change tax rates. The reason we did that was out of a bipartisan consideration that we wanted to make sure that legislation we did here didn't have the effect, under the ruse of some other action, of changing effective tax rates for people. So this rule was put into place which said, if you're going to do that, you need to have a three-fifths majority. This bill that we are considering now is, by its action, changing people's effective tax rates.

I'll try to be brief. It's just that I know many Members hadn't been tuned into the debate, and I want to explain this point.

What the bill would do if it were to be passed would be to say, if someone had a marginal increase in their income that took them up into the next bracket, they would lose, not only the subsidy provided under the health care act to buy insurance, but in its entirety a $200 increase above the bracket would essentially put them into a different tax bracket. This is exactly what this rule was intended to prevent—our taking an action that unwittingly changes where people's tax rates are without our actually having to stand up and do it.

This rule puts a pretty strong level of test into place for us. It says we need a three-fifths majority. It is very difficult for the Chair to rule about a three-fifths, A, on a voice vote. Secondly, I want to be sure that if we go to what is certainly going to be a recorded vote that——

Mr. TERRY. Objection. The gentleman from New York is not speaking to the point of order.

Mr. WEINER. First of all, I can be accused of a lot of things. Not speaking to the point of order isn't one of them.

Madam Speaker, this point of order is specifically whether or not the rule that we have that says that the movement within tax brackets is subject to a higher order.

Let me also make this argument in support of the point of order.

Mr. TERRY. Objection. The gentleman from New York is not speaking to the point of order.

Mr. WEINER. The gentleman from Nebraska does not control the time.

Point of order. I am on my feet to a point of order. I cannot be taken off my feet by anyone except the Chair. I would urge the respect of the gentleman.

The SPEAKER pro tempore. The Chair will continue to hear the gentleman from New York.

Mr. WEINER. The reason this is so important and that we enforce it now is, just as we all have in our rules the annotations of when this rule has been bent and broken, we don't want at the beginning of this Congress one of the earliest actions we do to be to bend and break and leave in shatters the three-fifths requirement.

You might believe it's a good thing to do. I just think there should be at least three-fifths of us, under the rules that we agreed upon, to raise the tax bracket, particularly since it's on middle class Americans. When you're making 80-some-odd thousand dollars a year and you make an extra $200 in income, they want to increase your tax bracket. If we're going to do that, let's make sure it's with a three-fifths majority.

I urge that the point of order be upheld and that we have to vote on this by three-fifths.

The SPEAKER pro tempore. Does the gentleman from New York (Mr. CROWLEY) wish to be heard on the point of order?

Mr. CROWLEY. On the point of order, Madam Speaker, specifically, let me just clarify for my friends on the other side, and for those on our side of the aisle as well—for all Members of the House—that clause 5(b) of rule XXI states that passage, again, of a tax increase needs a three-fifths majority of those present for passage if we are changing the tax rates or the brackets of individuals.

□ 1350

I know it's not, again, comfortable, but as the example I laid out in the debate, which was not refuted by anyone, if an individual earning $88,000 from a family of four receives a $250 bonus, that would require them to pay $4,460 in tax. That is, indeed, a new tax; and, therefore, it should be subject to this rule that we would require three-fifths.

I know it's hard, because that's the difficulty of this in changing the tax rates. It should be difficult. That's the rule to make this bipartisan. We do this together, a three-fifths vote.

And, Madam Speaker, we are changing the tax rates. We are changing the brackets; and, therefore, this rule ought to be imposed.

Mr. CAMP. Madam Speaker, I wish to be heard.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan.

Mr. CAMP. Madam Speaker, I would refer the Members of the House to the committee report in this area, and in that committee report it states: The committee has carefully reviewed the provisions of the bill and states that the provisions of this bill do not involve any Federal income tax rate increases within the meaning of the rule.

I would say that the rules of the House in this area refer to specific sections of the Internal Revenue Code. Also, the rules of the House—and I would say my friends are not going far enough in their reading of the rules—define exactly what an income tax increase is. This bill does not amend those specific sections of the Code that are referred to in the rules. Accordingly, a point of order does not lie.

Mr. LEVIN. Madam Speaker, I would like to be heard.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. I just want to read from the bill:

''If the advance payments to a taxpayer exceed the credit allowed by this section, the tax imposed by this chapter for the taxable year shall be increased.''

Mr. GOHMERT. Madam Speaker, I wish to be heard on the point of order.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas.

Mr. GOHMERT. Madam Speaker, the point of order began with the words ''whether or not.'' No point of order can begin with the words ''whether or not.''

The SPEAKER pro tempore. The Chair is prepared to rule.

Mr. WEINER. Madam Speaker, may I be heard further on the gentleman from Michigan's point?

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York.

Mr. WEINER. Let me just say very briefly, the gentleman from Michigan is correct. We don't directly do what is described in the rule, but the effect is that it is indisputable that someone who is in one tax bracket after this bill will move into another one.

The purpose of this rule, and clearer from the annotations—we're trying to look at the purpose of this rule, and the reason we have the Speaker interpreting the rule is to prevent that from happening. And if it's good for the goose, it's good for the gander.

You're going to see it happening a lot this term.

Mr. CROWLEY. Madam Speaker, I would like to be heard.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York for a brief moment.

Mr. CROWLEY. Does the committee report get to waive the House rules? The committee report? That's the evidence to waive the House rules? That's a new low standard.

The SPEAKER pro tempore. The Chair is prepared to rule.

Since the 105th Congress, the requirement in clause 5(b) of rule XXI for a three-fifths vote on certain tax measures has comprised the three elements described by Speaker pro tempore Baldwin in the ruling of January 18, 2007.

The first element of the requirement is that the measure amends one of the subsections of the Internal Revenue Code of 1986 that are cited in the rule. The second element is that the measure does so by imposing a new percentage as a rate of tax. The third element is that in doing so the measure increases the amount of tax imposed by any of those cited subsections of the Code.

The Chair is unable to find a provision in the pending bill—H.R. 4, as perfected—that fulfills even the first element of the requirement.

A bill that does not meet any one of the three elements required by clause 5(b) of rule XXI does not carry a Federal income tax rate increase within the meaning of that rule.

Accordingly, the Chair holds that a majority vote is sufficient to pass the pending bill, and the Chair properly announced a majority-based result on the voice vote on passage.

RECORDED VOTE

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

The SPEAKER pro tempore. A recorded vote is requested on passage of the bill.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 314, noes 112, not voting 6, as follows:

[Roll No. 162]

AYES—314

Adams
Aderholt
Akin
Alexander
Altmire
Amash
Andrews
Austria
Baca
Bachmann
Bachus
Barletta
Barrow
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Berkley
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boren
Boswell
Boustany
Brady (TX)
Braley (IA)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Butterfield
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Cardoza
Carnahan
Carney
Carter
Cassidy
Castor (FL)
Chabot
Chaffetz
Chandler
Cicilline
Coble
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Cooper
Costa
Costello
Courtney
Cravaack
Crawford
Crenshaw
Critz
Cuellar
Culberson
Davis (CA)
Davis (KY)
DeFazio
Denham
Dent
DesJarlais
Diaz-Balart
Dold
Donnelly (IN)
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Green, Al
Green, Gene
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Heinrich
Heller
Hensarling
Herger
Herrera Beutler
Higgins
Himes
Holden
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Inslee
Israel
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Keating
Kelly
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kissell
Kline
Labrador
Lamborn
Lance
Landry
Langevin
Lankford
Larsen (WA)
Latham
LaTourette
Latta
Lewis (CA)
Lipinski
LoBiondo
Loebsack
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel E.
Mack
Maloney
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCotter
McHenry
McIntyre
McKeon
McKinley
McMorris Rodgers
McNerney
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Owens
Palazzo
Pastor (AZ)
Paul
Paulsen
Pearce
Pence
Perlmutter
Peters
Peterson
Petri
Pingree (ME)
Pitts
Platts
Poe (TX)
Pompeo
Posey
Price (GA)
Price (NC)
Quayle
Quigley
Rahall
Reed
Rehberg
Reichert
Renacci
Reyes
Ribble
Richardson
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Runyan
Ruppersberger
Ryan (WI)
Sanchez, Loretta
Scalise
Schiff
Schilling
Schmidt
Schock
Schrader
Schweikert
Scott (SC)
Scott, Austin
Scott, David
Sensenbrenner
Sessions
Sewell
Shimkus
Shuler
Shuster
Simpson
Sires
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Southerland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner
Upton
Velázquez
Visclosky
Walberg
Walden
Walsh (IL)
Walz (MN)
Webster
Welch
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Wu
Yarmuth
Yoder
Young (AK)
Young (FL)
Young (IN)

NOES—112

Ackerman
Baldwin
Bass (CA)
Becerra
Berman
Blumenauer
Brady (PA)
Brown (FL)
Capps
Capuano
Carson (IN)
Chu
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Conyers
Crowley
Cummings
Davis (IL)
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Doyle
Edwards
Ellison
Engel
Eshoo
Farr
Fattah
Filner
Frank (MA)
Fudge
Garamendi
Grijalva
Gutierrez
Hanabusa
Hastings (FL)
Hinchey
Hirono
Holt
Honda
Hoyer
Jackson (IL)
Jackson Lee (TX)
Johnson (GA)
Johnson, E. B.
Kaptur
Kildee
Kind
Kucinich
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lofgren, Zoe
Lowey
Luján
Lynch
Markey
Matsui
McCollum
McDermott
McGovern
Meeks
Michaud
Miller (NC)
Miller, George
Moore
Moran
Murphy (CT)
Nadler
Napolitano
Neal
Olver
Pallone
Pascrell
Payne
Pelosi
Polis
Rangel
Richmond
Rothman (NJ)
Roybal-Allard
Rush
Ryan (OH)
Sarbanes
Schakowsky
Schwartz
Scott (VA)
Serrano
Sherman
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Wilson (FL)
Woolsey

NOT VOTING—6

Giffords
Hanna
Hinojosa
Jordan
Sánchez, Linda T.
Speier

□ 1412

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

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

Mr. HOYER. Mr. Speaker, I yield to my friend, the majority leader, to ask about the schedule for the coming week.

Mr. CANTOR. I thank the Democratic whip, the gentleman from Maryland, for yielding.

Mr. Speaker, on Tuesday the House will meet at 2 p.m. for morning hour and 4 p.m. for legislative business. On Wednesday, the House will meet at 10 a.m. for legislative business, and recess immediately. The House will reconvene at approximately 11 a.m. for the purpose of receiving, in a joint meeting with the Senate, the Honorable Julia Gillard, Prime Minister of Australia. On Thursday, the House will meet at 10 a.m. for morning hour and noon for legislative business. On Friday, the House will meet at 9 a.m. for legislative business, with last votes expected by 3 p.m.

The House will consider a few bills under suspension of the rules on Tuesday and possibly Wednesday, which will be announced by the close of business tomorrow. The House will also consider two bills that were marked up by the Financial Services Committee today: H.R. 836, the Emergency Mortgage Relief Program Termination Act, and H.R. 830, the FHA Refinance Program Termination Act. These bills will eliminate two ineffective mandatory programs that, without congressional action, will continue spending on autopilot.

The House has already had a robust debate on the discretionary side of Federal spending, Mr. Speaker, and will continue to do so, but it's time we turn our attention also to the mandatory side of government spending. I expect further debate on mandatory spending throughout the month of March.

Mr. HOYER. I thank the gentleman for that information. He mentions that we will be considering some bills under suspension, as is normal, and two bills, H.R. 836 and H.R. 830, presumably under a rule.

I ask the gentleman, will those be open rules? And before I yield to him for his response, I want to say that I want to congratulate the gentleman on

the process that we considered H.R. 1. While those of us on this side did not ultimately support H.R. 1, I know that the Speaker and the leader are both pleased with the openness and transparency of the process. There was a preprinting requirement, of course, so it wasn't a totally open rule in that sense. But does the gentleman expect there to be open rules on H.R. 836 and H.R. 830?

Mr. CANTOR. Mr. Speaker, I thank the gentleman. And to the gentleman's specific question about next week, I would respond to the gentleman that we are working with the Rules Committee and its chairman, Chairman DREIER, to be able to announce an open process for the consideration of next week's bills.

Mr. HOYER. I thank the gentleman. Can I inquire is an open process, is that somewhat of a nuance of an open rule?

Mr. CANTOR. I thank the gentleman.

Mr. Speaker, I think the gentleman also indicated in his remarks the preprinting requirement in the CR of H.R. 1 provided for it to be a modified rule. And it is in that spirit that I think the Speaker initially began this session, that we are committed to an open process, to have the ventilation of ideas, to have the participation of as many Members as possible in debate of measures coming to the floor. We continue to want to go in that direction, as we have thus far.

Mr. HOYER. I thank the gentleman. Let me say to the gentleman in terms of a constructive discussion that we might have, and I happen to believe that the preprinting requirement is a positive requirement in that it gives notice to people. One of the things, as we know, that it requires, however, is the printing of amendments prior to the time you know the status of the bill at the time you might offer the amendment. I suggest that perhaps we have discussions about how to take into consideration the process where you preprint an amendment, prior to getting to your amendment something is changed by a previous amendment that might require a modification of your amendment in terms of an understanding on both sides that perhaps we would accommodate, either by unanimous consent or some other process, that change.

Mr. CANTOR. I thank the gentleman for raising the point that did come up during the debate of H.R. 1. I would say back to the gentleman that it is probably a very good discussion to take place within the context of the Rules Committee. And we look forward to having that discussion with the gentleman as well.

Mr. HOYER. I thank the gentleman.

The current CR, as the gentleman knows, expires March 18 that we passed earlier this week, the Senate passed, the President has now signed. Can I ask the gentleman his thoughts on going forward what we might be expecting with respect to funding government from March 19 through September 30 for the balance of the fiscal year?

Mr. CANTOR. I thank the gentleman. And as the gentleman has already pointed out, the House, Mr. Speaker, has produced its position in H.R. 1. The difficulty is the Senate has failed to produce a Senate position. So there really is very little foundation upon which to engage in any discussion as to how we are going to get through the remainder of the fiscal year. I know that the minority leader was recently today out saying that the position on the part, I guess, of the Senate, and perhaps your caucus, is that there is a desire to bring about $41 billion of cuts.

I would say to the gentleman, Mr. Speaker, $40 billion is not a cut. That's the status quo. And that's been our position all along, is we want to make sure we change the status quo, that we actually do what most Americans are having to do, which is tighten the belt and to cut spending in order to get this economy going.

So I am saying to the gentleman we would encourage the Senate and Leader REID to act so that we can move forward. And until then, Mr. Speaker, I would say to my friend from Maryland that I would expect the House to continue its process of cutting $2 billion per week until we can see where the gentleman's caucus and then the Democratic leader in the Senate is.

□ 1420

Mr. HOYER. I thank the gentleman for his response. I might want to pursue that response just a little bit, however.

The Pledge to America, as I understand it, said that you were going to cut $100 billion; is that accurate?

Mr. CANTOR. I would say to the gentleman that the Pledge to America said that we were desirous of reducing discretionary spending, non-security spending, to '08 levels.

Mr. HOYER. And H.R. 1, as I understand it, is scored at $102 billion or thereabouts; is that accurate?

Mr. CANTOR. I would say back to the gentleman, as he knows, the figure of $100 billion was taken from the difference between the President's FY11 request and the '08 levels, which is how that figure has become.

So I would say to the gentleman, if he is trying to make the point about 100 versus 61, the gentleman is accurate when he says that the $100 billion of cuts off the 2011 request by the President is the same as $61 billion of cuts against the current level of spending at FY10 levels.

So if I could make the gentleman's point for him, which is exactly why I say that insistence upon $41 billion or $40 billion in cuts is nothing but defense of the status quo. That's what I would say to the gentleman. That's unacceptable to our side. It's unacceptable to the American people.

Mr. HOYER. I thank the gentleman for explaining my proposition, but if I might clarify a little more, what the gentleman has said, the way you get to $100 billion is counting that $41 billion that you say is the status quo and adding $60 billion, or $61 billion to it, to get to $102 billion, or a little short of that. My point clearly is that the gentleman and his side of the aisle have clearly counted the $41 billion that he says is the status quo.

The reason he has done so is because, he said, during the course of the campaign, and others said during the course of the campaign, they were to cut $100 billion. In fact, as I recall, the Speaker and yourself and other leaders made the point during the course of your initial consideration and the offer that was initially made to your conference, that, in fact, the $41 billion was, in fact, a cut from the President's request of $41 billion.

We agree with that, but we now believe that your side is saying, oh, no, that doesn't count, notwithstanding the fact it is $41 billion less than the President requested and you counted that $41 billion less as part of the $100 billion you represented was part of the cuts that you had said you were going to make and that you, in fact, made.

So my point is, as the gentleman has pointed out, that your $60 billion, by your side's argument of cutting $100 billion, only gets to $100 billion because you are counting the $41 billion, which we have cut. Now I say that for this reason: You made the $100 billion pledge prior to December. You made it prior to the election. Then we, in fact, cut from the figure you were using as the base, the 2011 base of the President's request, we cut $41 billion by freezing at 2010 levels.

Now, very frankly, my point to you is, as I am sure you know, that we have already come $41 billion, which means 41 percent of the way to where you wanted to get. We continue to want to discuss this matter. Hopefully we can move together and come to a compromise figure.

I know the gentleman has not served on the Appropriations Committee. He serves on the tax writing committee. But in the Appropriations Committee, we found an ability to come together and make agreement. I am hopeful that we can do the same. But I think it unfair and incorrect, frankly, not to count $41 billion because we are now starting at 2010 levels as opposed to the level that you started at and we started at, which was the President's 2011 request, and both of us have come that $41 billion, and the issue is how much further we are going to go.

Mr. CANTOR. I would respond to the gentleman that we have already discussed the math here. The problem is the American people are waiting for us to act. If the gentleman knows the position of Senator REID and where he would like to go, other than maintain the status quo, then that's what we are looking for. The House has made its position known.

Its position, again, is $100 billion off the 2011 request or $61 billion off the

2010 levels of current spending. We have maintained that position all along, Mr. Speaker, that freezing spending at today's level is unacceptable. It will bankrupt us if we continue to spend at these levels. We have got to begin to show some fiscal restraint so we can get people back to work in this country.

I am delighted to hear the gentleman say we need to cut more, and I am hopeful that we can continue to see progress on that front. But thus far, the gentleman's colleagues and all of our colleagues on the other side of the Capitol, Senator REID, has not indicated where his position is. That's what we need to know to move forward.

Mr. HOYER. I thank the gentleman for his comments.

I ask the gentleman, might I advise the leader on the other side of the Capitol that there is, in fact, a willingness on your side to compromise between zero and 100?

I yield to the gentleman.

Mr. CANTOR. I would ask the gentleman, Mr. Speaker, does the gentleman know of any position having been taken, any vote that has been taken in the Senate to indicate where they are and whether they have come off their position of defending the status quo?

Again, I would say to the gentleman, his leader, the minority leader, earlier today was in the press indicating that that is her position. She wants to defend the status quo, $41 billion in cuts. There is not a cut on the current level of spending.

Mr. HOYER. If that's the status quo, then I suggest to the gentleman he is not going to get to $100 billion, which he represented and his side represents they want to get to. We will see whether or not they are prepared to do that. But I will tell my friend, if that's the position, then I think we will not be able to reach agreement because there appears to be no ability to compromise in that context.

The gentleman counted the $41 billion during the course of the campaign. The gentleman counted that $41 billion when he made a representation to his caucus as to why you were offering a $32 billion cut because, together, given the fact that it was halfway through the year, that that would, in fact, be tantamount to. But again, in each one of those instances, the gentleman counted the $41 billion. He is now saying, oh, no, that is the status quo.

Does the gentleman know of any budget that President Bush signed in '01, '02, '03, '04, '05, and '06 that maintained either the status quo or cut below the so-called status quo, when your side was in charge of both the House and the Senate and the Presidency?

Mr. CANTOR. Mr. Speaker, the gentleman and I have had similar conversations over the last couple of years. I really think it is best for all of us to see how we are going forward, not looking back. I know the gentleman would make the suggestion we could learn from past history. I am all about that.

But what I could say, Mr. Speaker, is we need a position by the other side in order to go forward so we can actually do what the American people want, which is to cut spending from current levels.

Mr. HOYER. I thank the gentleman.

I would simply suggest to the gentleman and hope that we can work together, as the gentleman suggests, come to resolution for the balance of the fiscal year.

The gentleman has made a number of comments in the past, with which I agree, that uncertainty undermines the economy. A quote that the gentleman said on the floor last year: Working families and businesses remain gripped by economic uncertainty, and to this day Washington has only made the problem worse. If we want to cut into the 9.8 percent unemployment, Mr. Chairman, we have to instill confidence in the economy and begin to foster an environment for job creation.

I suggest to the gentleman we will not do that until we come to an agreement. Both sides need to work toward that end. I agree with the gentleman on that. I am hopeful that the Senate will, in fact, make a suggestion in the near term; I mean, hopefully, in hours and a few days rather than weeks.

The 18th will be on us, as you know, very soon. If we don't reach an agreement by next Thursday, in my opinion, we will not be able to get the paperwork done to get a bill ready to pass by Friday the 18th, 2 weeks from tomorrow.

□ 1430

I think that will be unfortunate and will lead to uncertainty and disruption, both in the public sector and in the private sector.

Let me ask you one more question on the issue of compromises. Assuming the Senate makes an offer and assuming it passes an offer or reaches an agreement, when it comes back, will there be any hearings on the proposed cuts and the ramifications of those cuts?

I yield to the gentleman.

Mr. CANTOR. I would say to the gentleman, first of all, as to his suggestion about our adding to uncertainty and perhaps facilitating a government shutdown, we have said all along we do not want to shut down the government. We want to cut spending. And as I've said before to the gentleman, it is our intention to continue to go forward reducing spending at the rate of $2 billion a week until we can see some signal from the Senate that they're serious about wanting to cut spending.

As for the gentleman's inquiry about hearings on specific cuts, as to a potential bill that will govern the route forward for the rest of the fiscal year, I would bring the gentleman's attention to ongoing hearings now as we proceed throughout this fiscal year about the 2012 budget and spending that we should be about anyway.

And let us not forget the reason why we find ourselves where we are is because the majority from the 111th Congress did not finish the business of this fiscal year, which, again, is why we find ourselves in the position of these expiring short-term CRs.

We are dedicated to the notion of open process, as the gentleman knows, and I know he shares that goal as well, and we will continue to operate in that manner.

Mr. HOYER. I thank the gentleman for that answer.

The reason I ask that question, however, I don't know whether the gentleman had an opportunity to read a column in The New York Times by David Brooks, a relatively conservative columnist in The New York Times, as the gentleman knows, in which he wrote a column called, ''The New Normal,'' and in paragraph 4 in which he stated, ''In Washington, the Republicans who designed the cuts''—which are included in H.R. 1—''for this fiscal year seemed to have done no serious policy evaluation.''

He goes on about four paragraphs later to say, referring to his austerity principle—there are three austerity principles that he propounds. He said, ''Never cut without an evaluation process.''

I think that we need cuts. I've said that. The gentleman said that. We are proceeding. In fact, we have done some of those and we have agreement on some of those, as the gentleman knows. But there were no hearings. That's why Mr. Brooks says that they seem to have done no serious policy evaluation of those cuts. That's why I asked that question. But I understand the gentleman's answer.

I will bring this to a close. We have some concerns by the fact that a number of economists, a large number of economists, have expressed concern about the economic ramifications of some of the cuts and the magnitude of the cuts that are included.

As you know, Ben Bernanke indicated that this spending plan could cost a couple of hundred thousand jobs, a number he called ''not trivial.'' And according to Goldman Sachs, we might adversely affect GDP by 1.5 to 2 percentage points in the second and third quarters compared with current law or as the gentleman refers to, the status quo.

I ask the gentleman: Is that of concern to you or do you believe that those evaluations are incorrect?

Mr. CANTOR. Mr. Speaker, I thank the gentleman.

I would say I am always mindful of opinion makers, commentators, and economists and their view as to what's going on here in Washington. But I would say to the gentleman, I think we've been down the road that the gentleman suggests is preferable before. We, on this floor, passed a nearly $800

billion stimulus bill, at least on the gentleman's side passed it, and we saw the effects of spending that kind of money did not produce the kind of job creation that was desired or was promised. And if I recall, some of the economists that the gentleman refers to probably were ones that supported the notion that the stimulus bill would make sure that unemployment didn't exceed 8 percent if we went ahead and spent that money. I think we've tried that before.

The gentleman also knows that we are borrowing nearly 40 cents out of every dollar we are spending. That is unsustainable. And so if the gentleman's focus is to spend more money from Washington to create jobs, then essentially we are creating jobs and paying people we can't afford to pay.

So what the position is from our side of the aisle, Mr. Speaker, is we want to be honest with the people. We want to look for long-term solutions that get this economy going again.

We all know that most jobs are created in the private sector. We all know that most jobs come from the entrepreneurial aspirations of the people of this country. It is they who continue to point to Washington as the problem. It is they who say that government's explosive growth, government's continued and increasing appetite for capital is making it so we can't see investment occur here in this country. And if you want to fix the economy, deal with the deficit. That's what we're trying to do, Mr. Speaker.

Mr. HOYER. I thank the gentleman for his comment.

And certainly, I agree with him that we need to deal with the deficit. As the gentleman knows, I've been pretty vocal about that and indicated that we need to look at the whole spectrum of spending. Focusing on 14 percent of the budget will not get us there. I think the gentleman probably agrees with that proposition. I know the chairman of the Budget Committee agrees with that proposition. I may not agree with the chairman of the Budget Committee on how he wants to get there, but I think we do agree that we have to look at all of the spending that we do, and that bringing down the deficit is of critical consequence.

Let me say to the gentleman, however, when he speaks about jobs, as he knows, we lost 3.8 million jobs in 2008, the last year of the Bush administration. The last year of the Obama administration, the last 12 months, we have gained 1.1 million private sector jobs. So when the gentleman says that the Recovery Act did not have the effect that the administration hoped for, he is correct. We went up above the 8 percent unemployment. But the gentleman, I'm sure, knows that during the last 12 months we have gained jobs on an average of 569,000 over the last 5 months, so half a million jobs.

Is that enough? It's not. Frankly, we are going to have to be at 300,000 or 400,000 per month to overcome the number of jobs that were lost prior to or during the recession which started, of course, in 2007.

So I want to agree with the gentleman and hope that we can work together on looking at the entire challenge that confronts us in bringing this deficit down. But I tell my friend to continually focus, as the gentleman has been doing in this colloquy and in other colloquies, on simply the discretionary spending, non-defense and nonsecurity spending, while we certainly need to cut fraud, waste, and abuse, cut duplication and make government simpler and more accessible and more cost effective for the American people, we also need to be, as you said, honest with the American people that if you cut out every penny of the portion of the budget at which you are looking, we will not solve the deficit problem.

So I say to my friend, I will look forward to working with him. Our side looks forward to working with him and his side. I have had discussions—I see Mr. DREIER on the floor. We need to work together on this issue because the gentleman is correct; it is a critical area.

Unless the gentleman wants more time, I will yield back.

I yield to the gentleman.

Mr. CANTOR. I would just say to the gentleman—and thank you for the courtesy of yielding—that is exactly why we are turning to mandatory spending next week. As the gentleman knows, we'll be fast on the discussion of the budget as well. As the gentleman knows and can expect that our budget will approach the issue of entitlements, and we feel it very necessary for us to begin that discussion. And, frankly, we're dismayed by the fact that the White House did not include any mention or discussion or did not deal with entitlements in its budget proposal.

So we hope, and I know the gentleman is earnest in his desire to want to try and deal with the deficit both on the discretionary and the mandatory side. I look forward to working with him toward that end.

Mr. HOYER. I thank the gentleman.

Just in concluding on that, the administration did, of course, appoint a commission, Mr. Bowles and Senator Simpson, which did, in fact, look at the spectrum of spending and made some very substantive recommendations. The administration has commended those recommendations to us for consideration.

□ 1440

But the administration also said that we need to make sure that we invest in growing our economy if we expect to bring the deficit down, investing in the education of our children, investing in our infrastructure, investing in innovation and invention. I agree with the administration on that. I think we need to be very careful that we pay attention to both the investments and to the reduction of the deficits.

HOUR OF MEETING ON TOMORROW

Mr. CANTOR. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. tomorrow; when the House adjourns on that day, it adjourn to meet on Tuesday, March 8, 2011, when it shall convene at 2 p.m. for morning-hour debate and 4 p.m. for legislative business; and when the House adjourns on that day, it adjourn to meet at 10 a.m. on Wednesday, March 9.

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

There was no objection.

PASS FREE TRADE AGREEMENTS

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

Mr. DREIER. Mr. Speaker, I didn't want to prolong the colloquy, but I have to say that both my friends, Mr. HOYER and Mr. CANTOR, were talking about the imperative for job creation and economic growth.

There is a bipartisan consensus in this institution; we all want to see private sector jobs created. We have an opportunity to work together in a bipartisan way to do something that President Obama addressed in his State of the Union message here in this Chamber. He talked about the need for us to pass first the U.S.-Korea free trade agreement; and he also included, I am happy to say, the Colombia and Panama agreements.

All of those agreements have been pending. The Colombia and Panama agreements actually preceded the Korean agreement; and we know if we were to pass all three of these pending trade agreements, we could create good union and nonunion jobs here in this country in the manufacturing sectors of our economy.

If you look at companies like Caterpillar, John Deere, Whirlpool, other manufacturing companies right here in the United States, creating an opportunity for those union and non-working union members to sell their products into Latin America is very important. Let's create jobs; let's pass all three of these agreements.

HONORING THE LIFE OF JOE SILVERSMITH

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

Mr. LUJÁN. Mr. Speaker, I rise today to pay tribute to Marine Corporal Joe Silversmith, who passed away earlier this week at the age of 86. As a Navajo code talker, Corporal Silversmith earned the Silver Congressional Medal of Honor for his service during World War II when he answered the call of duty and served his country in the South Pacific from 1943 to 1946.

Corporal Silversmith was part of an invaluable group of Navajo men who transmitted secret communications during the war that contributed to victory for the Allied forces.

As we take this moment to remember the contributions of Corporal Silversmith, we are reminded of the brave service of all Navajo code talkers. Corporal Silversmith and his brothers in arms were nothing short of heroes for their efforts during the war. Joe Silversmith went on to become a minister after returning home from the war and a well-respected member of the community, always supporting those he ministered to. He will be missed.

As we mourn the passing of Joe Silversmith and celebrate his life, my thoughts and prayers are with his wife, Ramona, and their two daughters during this sad time.

EARLY EDUCATION VITAL FOR CHILDREN

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

Ms. WASSERMAN SCHULTZ. Mr. Speaker, on Monday, I met with parents of young children in Davie, Florida, in my district who attend early childhood education classes at Crayons Child Care. We spoke about how vital early education is in the development of young children; how early education increases high school graduation rates; how 50 years of solid research has shown that early childhood education reduces crimes and delinquency and yields up to a $7 return on every dollar invested.

Unfortunately, though, with the passage of H.R. 1 just over a week ago, this body made the largest cut to education in our Nation's history. Now, we all understand that our Nation needs to cut spending; but the society that balances its budgets on the back of its children should not be surprised when the spine of its future is broken. These children are 2, 3, and 4 years old, but the response from Republicans in the House of Representatives is that they would pay for it. That just doesn't make sense. It is morally wrong.

SAFETY OF TRAVELING PUBLIC

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

Mr. DEFAZIO. Mr. Speaker, today President Obama and the Mexican President announced in short order Mexico will begin to reduce its extortionate tariffs on U.S. goods, many from my district and my State. That is good news. But we shouldn't accept a bad deal with Mexico that jeopardizes the safety of the traveling public on our highways; that further jeopardizes our security on the border of Mexico; and, finally, that puts at risk hundreds of thousands of American jobs.

Just think about it: What American trucking company is going to send their trucks south of the border into the lawless zones with the extortion and the kidnapping and everything else going on down there? No. If we give Mexico free license to drive north into the upper 48 States of the United States, we will lose hundreds of thousands of jobs.

So it is good news they are addressing the tariffs, but we are going to be scrutinizing the details of any deal that this President reaches with the President of Mexico to protect the safety of our traveling public, the security of our borders, and American jobs.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Without objection, the earlier request of the gentleman from Illinois (Mr. JACKSON) to insert extraneous material in the RECORD is granted.

There was no objection.

□ 1010

JOB DISCRIMINATION IS AS PROFOUND AS RACIAL DISCRIMINATION

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

Mr. JACKSON of Illinois. Mr. Speaker, unemployment rates are too high in our Nation: around 9 percent nationally, and within our minority populations, that rate is even higher.

Finding a job is already difficult for hundreds of thousands of Americans, yet a growing number of employers are excluding jobless applicants from consideration—making the job search nearly impossible for those who are unemployed.

Companies have begun to post descriptions of vacancies including statements like ''unemployed applicants will not be considered'' or ''must be currently employed,'' leaving those in the most dire need of a job high and dry. It's a practice that I utterly oppose. Congress must put an end to it.

It reminds me of when blacks, women, and Asians were told they need not apply. Mr. Speaker, how on Earth can an unemployed person find a job if he or she is barred from applying?

Unemployment discrimination is as profound as racial discrimination. This is an appalling form of discrimination that deeply harms all Americans, hinders companies from finding the best workers, and further disables our economy. It should not be tolerated in America or anywhere else.

I again call on those plagued by unemployment and joblessness to send me their resumes and their stories to ResumesForAmerica@mail.House.gov.

AMERICARESUMESFOR

From: Joseph Drake [j.fdrake@hotmail.com]
Sent: Tuesday, February 15, 2011 2:19 PM
To: americaresumesfor
Subject: My Resume and Story

DEAR CONGRESS: I am 60 years old, too young to be retired, too old to be unemployed. In the current economy and at my age and health my chances of re-employment diminish. I wasn't planning to retire early, but rather late, because of my small amount of savings. Now, when I do get a job again, I will have to postpone retirement even longer. I had almost no contacts about employment in spite of applying for about 6 to 12 jobs a week since I lost my job. My economic circumstances had gradually eroded so that I had to start living in a rooming house.

Since I returned to Seattle, in 1993, I have largely worked in either retail or parking and had worked for Ampco Parking for 13 years. I haven't had even 72 hours of work since I lost my job last September, and am almost completely dependent on my unemployment check. My bills are piling up. I am planning to start selling my book collection and some of my Videos and DVD's. I am planning to discount my landline and depend solely on my cell phone.

I have lived a diverse and interesting life. Like Obama, I was once a community organizer. I organised A Tenants Union in Santa Cruz, CA once, and then worked in organizing low income workers and neighborhoods, helping their causes and providing services. I have always been someone to volunteer, stating in high school or get involved, and to think of the needs of others. I volunteer at my church on movie nights, as an usher, and on the Peace and Justice Committee.

I have also been a journalist in the past. Now write two blogs and do other online writing. One of the blogs is about my unemployment and life in the margins of America, drawing perspective from the Catholic Worker movement and the social teachings of the church and the bible. My other blog is about the arts. Although I have my own political and religious bias expressed in my blogs, I have my non-Catholic, even non-religious friends, and many conservative friends. In fact some of my blog followers are conservatives to disagree with my solutions, my way of interpreting the social teachings of the church, but admire my concern for the poor and sympathize with my situation. I will probably post a copy of this email for them to read and put a link from my Facebook page to the blog post.

Now I am one of those in need, going to food banks, getting my coffee at Jack in the Box for 55 cents by asking for the senior discount, cutting every corner and buying only what I absolutely need. I hang out in lines with desperate looking characters.

I am uninsured, as Cobra was too expensive for me when I lost my job and I have what was supposed to be a sprain to the finger, but which was probably X-Rayed from the wrong angle, and seems like a permanent injury and deformation. While I can work and use my hand, I can't type with my small finger, or close it completely. Short of going back to the ER and getting more unpayable bills, without benefits I have no means to treat it.

I am hanging in their with the support and prayers of a great church community, my family and friends, my Facebook friends and blog readers. I try to be thankful to God every day for each little thing he provides me and to focus on the bigger issues—like the struggles of the Egyptian people, our nations problems, everyone else who is poor or unemployed. I am hoping, that like the 1930's, we will end the decade as a less selfish, more cooperative, more optimistic nation that when we entered these hard times. I will pray for our nations leaders tonight, that all of you get granted the wisdom to help our suffering people.

I have attached, saved in SkyDrive, my general purpose resume. I have of course

have other resumes, but my general one tells my story.

God Bless you and God Bless all the poor and unemployed,

JOSEPH DRAKE.

AMERICARESUMESFOR

From: Heidi Burrell [hbur910410@hotmail.com]
Sent: Tuesday, February 15, 2011 2:23 PM
To: americaresumesfor

HELLO: My family and I are Jamaican immigrants and we worked very hard to have the American dream. This means going to school, working 2 jobs and just doing anything that's legal to survive.

I was laid off June 2009 from a big law firm in NYC as a tax accountant making $70,000 a year. I applied to every job out there, even jobs that were half of my salary. I love the work I do, but companies are afraid to hire me for a 35–50k job. I've been out of work for 2 years June 2011. I was babysitting, until those parents lost their job. I've done other day jobs when they are available. It's very hard when you have kids to worry about.

To the congressman that said people are taking the unemployment checks and saving them . . . which planet are you living on? I receive $1620 a month: mortgage for my condo: $812; common charges: 371; insurance: 65, utilities (phone, light, etc): 185; student loan-private (federal on forbearance): 150; credit card: 235.

Thank God I receive food stamps for my children and I receive help from my ex husband (he only works for $12 per hr). I was never a big spender, my credit card bill happen after I purchase the condo. I cannot afford to go back to school and the grants that NYC offers is suspended. I was never looking to make 70k again, I just need a job that will help cover my living expenses.

Sometimes I feel that I wasted my time and energy doing the right thing. Look at the people on welfare, some never working a day in their life and you bust your butt working hard and going to school and this is what happens. I've attached my resume.

HEIDI.

HEIDI BURRELL

610 Waring ave. Apt. 1H Bronx, NY 10467

(917) 421–6565

heidi.burrell@gmail.com

Objective

To secure a position utilizing my experience in areas of tax, clerical support and accounting.

Education

Pace University—New York, NY; Bachelor of Business Administration 2007; Finance.

Experience

Weil, Gotshal & Manges LLP, New York, NY, Tax Accountant—2008–2009

Prepared federal/state and local supporting schedules for firm's annual partnership tax return.

Managed the timely filing and payment of all sales and use tax, commercial rent tax, and property tax returns.

Analyzed and reconciled expense accounts used for tax purposes.

Managed and maintain an inventory of all records for the partners.

Researched federal/state tax law to remain in compliance with current regulations.

Performed administrative tasks such as updating tax files, filing, copying, sorting mail and mailing partnership return.

Geller and Company, New York, NY, Tax Accountant—2005–2008

Prepared and reviewed 20 international branch supporting schedules for client's tax return.

Created and analyzed client's financial statements.

Prepared quarterly foreign tax projections.

Ensured the timely delivery of monthly and quarterly tax payment.

Acted as a liaison and maintained open lines of communication among middle managers and international accounting firms.

Morgan Stanley, New York, NY, Accountant (Internship)—2003–2005

Prepared state and local corporate tax returns, extensions and estimated payments.

Responded to state tax notices as needed.

Utilized CorpTax software to prepare returns including input, review of reports, and analyses.

Performed administrative tasks such as updating tax files, typing, filing, data entry and copying.

Skills

Microsoft Office (Word, Excel, Office, Power Point, Access), eForms, SAP, CMS, CCH.

AMERICARESUMESFOR

From: Stephanie Demar [sdemar44@live.com]
Sent: Wednesday, February 09, 2011 12:43 PM
To: americaresumesfor
Subject: Resume and Story on Unemployment

HELLO REP. JESSE JACKSON JR.: I have been out of work for over three years. I drew unemployment for 2008 and 2009. I have been living with family and friends because I cannot afford to live on my own. I decided to go back to school in 2008 when I lost my job due to a shoulder injury of an unknown suspect who jumped on me outside a local Whataburger Restaurant. This incident cost me my job, stability, and sleepless nights since it occurred because of the intense pain. I am a 33 year old Black female. I recently graduated from college November 15, 2011 from Ashford University in Social Science Education. I am not sure when I will get a job but I have been working as a Substitute Teacher in Arlington ISD here in Arlington Texas. I want to work and have been searching restlessly for years. I do not know what else to do but I know that I am looking for a change to come in my life soon. I have attached my resume as well.

I have recently heard that schools will be losing millions of dollars here in Texas. My concerns are if I recently graduated to become a teacher in Texas. Now that so much money is lost for schools, how I can get a job in my field and what do I tell my children that are asking me why I haven't found a job yet and I graduated from college? How do I tell my students at school to stay in school and go to college if they are watching me diligently look for a job but fail to find one because of all the loss of funds for the education? There are so many teachers who do not know if they are going to have a job next year. How can I think I will have a job in my field if so many are going to be fired?

Thank you,

MS. STEPHANIE DEMAR.

STEPHANIE DEMAR

1611 Hanover Dr. Arlington, TX 76014

6822214278

sdemar44@live.com

A highly qualified Management and Customer Service Professional

Summary of Qualifications

Demonstrated leadership with a proven ability to develop and administer instruction in a formal setting. Skilled in innovative development and challenging others to promote success in all areas of the workplace. Familiar with organizing teams and managed a group of individuals daily which played a significant role in the growth of the company. Excellent customer service and communication skills.

Experience

Substitute Teacher, 9/2010–Present, Arlington ISD, Arlington, TX

Supervised student learning according to the goals and direction of the school and the district

Phlebotomist I & II, 6/2004–4/2008, Carter Blood Care, Bedford, TX

Collected timed specimen from patients; keep lab area neat and clean while following all safety rules. Managed a team of fifteen employees for two years that established many successful blood drives

Education

BA in Social Science with Education Concentration, 5/2008–11/2010, Ashford University, Clinton, IA, GPA: 3.85

Courses Taken Include:

Adult Development & Life Assessment—Provided knowledge of adult development and theoretical concepts of personal and professional learning while improving self-concept.

Contemporary Social Problems—Focused mainly on problems with racism, sexism, drug and alcohol abuse in society while being informed of contemporary problems in the workplace.

Social Psychology—Determined how thoughts, feelings and behavior has a huge impact on everyday living as well as how others are influenced by them in many different social situations.

Acknowledgements

President's Award, May 2009.

Dean's List, September 2008–November 2010.

Magna cum laude Graduate, November 2010.

Perfect Attendance, May 2008–November 2010.

AMERICAN POLICIES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Texas (Mr. GOHMERT) is recognized for 60 minutes as the designee of the majority leader.

Mr. GOHMERT. Mr. Speaker, these are serious times in which we are living. Supposedly there is a Chinese curse that says may you live in interesting times. We certainly do.

I have really been shocked that the mainstream media has not done more in the way of stories on the Americans, the four Americans, on a boat that were hijacked and then killed. Of course it made some news on February 22 when it happened, but it appears it didn't survive much of a 24-hour cycle.

This was an act of war against America. This was an act of war against four peace-loving people who apparently had the gall to travel around and offer Bibles to different places and apparently were spending American blood and treasure in places like Afghanistan and Iraq, only to find out that they were persecuting Christians in a manner that is reminiscent of why people came to Europe and tried to create a country in which Christians could worship freely without being persecuted, tortured, imprisoned, or killed simply for their religious beliefs.

In this case, though, it was a matter of Barbary pirates. I know that most people apparently in Washington have not learned enough from history, but there are so many history lessons that make very clear what Ronald Reagan used to say when he said no country ends up being attacked because they are too strong.

□ 1450

What Barbary pirates have seen and what people around the world have seen, including those in Libya, Turkey, Lebanon, and Iran, is that we have been promoting weakness in the United States and promoting a very weak vision of ourselves around the world.

This story from February 22 indicates that the pirates fired a rocket-propelled grenade at a U.S. Navy destroyer that was following the hijacked yacht with four Americans on board. Then gunfire erupted, and four Americans who had been taken hostage were fatally wounded. They were killed.

I don't know what this administration needs to see in the way of current events or why this administration will not learn from the myriad of lessons from history that when you're dealing with pirates, when you're dealing with religious fanatics—people who want to destroy you and who could care nothing about your life, your pursuit of happiness—you don't placate them; you don't try to negotiate with them; you don't show that, gee, we don't know what to do—or what you will get is more piracy, more terrorism.

There is only one way to respond, which is the way that the United States did in its early days, in the early 1800s, with Thomas Jefferson as President. Some don't go back that far and learn history. All they want to do is look at a fictional approach to U.S. history that says, in essence, gee, we're mean; we're colonialists; we have subjugated people all around the world to our imperialist whims. Unfortunately, despite all the hyperbole and the rhetoric, what we have done is expend American blood and American treasure in the name of freedom, not just American freedom but the freedom of Iraqis, the freedom of Muslims in Eastern Europe, the freedom of people all across Europe—in France, Germany, Belgium, Holland, Poland. All across, Americans have given their lives in the name of freedom. All across the Pacific, they have given their lives, their last full measure of devotion, for freedom.

With no racist view but absolutely, as Jesus said, ''Greater love has no one than this, that he lay down his life for his friends.''

In the case of Americans, we've lain down lives for people we didn't even know because the concept of freedom was so important.

In our earliest days, Washington, of course, was quite concerned that, in having won the Revolution, we were still not strong enough to survive. So often you'll see in a new government's trying to arise in a country that it overcommits to other obligations with regard to military, and they lose their young nation. Washington was afraid of that. Through the 1790s, we had Barbary pirates. We had pirates off the coast of North Africa who were capturing American ships and taking American sailors hostage. They would either kill them or they would torture them, but they would ransom them if they had not killed them. At one point, I'd read that as much as 18 percent of the American budget was being spent to pay ransom to get American sailors back.

At one point, Thomas Jefferson was the one who was sent over on behalf of the United States to negotiate with these Muslims about why they were attacking American ships. The discussion apparently included the question:

Why would you attack American ships? We've not harmed you in any way. We're no threat to you. We're not threatening you.

One history lesson indicates that Jefferson was told: Well, under our religion, if we are killed while we are taking action against an infidel, like Americans, then we go straight to paradise, and we're rewarded.

Jefferson was shocked because, as a man who was so well-read, he couldn't believe that any world religion would encourage the killing of innocent people and that the killing of innocent people would gain you a trip to paradise. So he got his own English copy of the Koran, which is still over in the Library of Congress. He couldn't believe it. He wanted to find out for himself.

American history students will know that we finally created the United States Marines. Those who are not familiar with the history may still be familiar with the Marines' Hymn that says, ''From the Halls of Montezuma to the shores of Tripoli . . . '' Well, it was the shores of Tripoli to which the marines were sent with the message:

We can't continue to pay ransom to bloodthirsty religious zealots, and so we are at war with you until you stop.

It was only then when Americans showed strength that they could not be pushed around, that they would not be taken hostage without a response, and that there would be American blood and treasure spent in the name of freedom to anyone who tries to threaten the freedom of Americans on the high seas or on American soil.

Because the marines fought so valiantly and fiercely and fearlessly, those pirates, the Muslim pirates, learned a valuable lesson of, gee, maybe we ought to leave these people alone for a while—and they did for a long time.

Yet in 1979, after the Carter administration had welcomed back the Ayatollah Khomenei as a man of peace, as one who would bring great peace to the region, the Carter administration had snubbed its nose and abandoned a man who didn't seem to be a very nice man—the Shah of Iran—and rather put all our eggs in one basket with this wonderful man of peace, the Ayatollah Khomenei, who it turns out would also like to see the United States destroyed, and viewed Americans as infidels as well as the original Barbary pirates did.

I was in the Army at Fort Benning when the hostages were taken. No one at Fort Benning that I knew of was dying to go to Iran, but most everybody I knew at Fort Benning was willing to go and thought we should go because an act of war had been committed against the United States. Under everyone's interpretation of international law, when a United States Embassy or a United States compound is attacked in any nation, it is an attack on that nation's own soil. It is an act of war. This is under everyone's interpretation of international law.

If you go back and if you review the television footage of the day—and I'm relying on my memory of those days because we were certainly paying attention—we didn't know who might be sent. It turns out none of us were sent from Fort Benning because the Carter administration, as eloquent as President Carter was and as peace-loving and as well-meaning as he was, felt surely these people in Iran will see how much I care. They'll see how much I really love them, and we'll negotiate. They'll be impressed by our words. They'll be impressed by our negotiations, and they'll let our people go.

But that's not the way those folks who view us as infidels and who need to be killed work.

In fact, if you go back to your own experience—back to a schoolyard—if a bully is picking on you or especially if a smaller person is picking on a bigger person and you don't defend yourself but instead say ''let me pay you money if you'll leave me alone,'' not only does that smaller person not have respect for the bigger person, but the smaller person will have nothing but hatred, and now you've added contempt because he can't believe somebody is such a coward and so weak when he appears to be so big and strong that he would pay someone who hates him to leave him alone.

□ 1500

So you get hatred, you get contempt, and you get more violence. And that is what we've seen. We have continued to this day to pay the price for the message that was sent in 1979 and 1980 for appearing to be so weak and helpless in the face of Iranians—we were told initially students—who committed an act of war and then gave our hostages to the Iranian Government.

Now as I watched all this unfold, it appeared to me, as a young man in the Army, that—you know, the Ayatollah's spokesman kept coming out and talking about the students—the students attacked, the students have the hostages. That seemed to me, as an inexperienced person in the way of foreign policy but someone who had studied a great deal of world history, that that

was their back door for Iran, that was their way of saying, look, we don't know if the United States is going to be the powerful country we're afraid they might be or if they're really the toothless tiger that we saw tuck their tail between their legs and run out of Vietnam. So let's just test. Let's talk about the students taking the hostages. Let's talk about the students committing the atrocity of invading the embassy. And if America steps up and says you either get our hostages back from the students within 48 or 72 hours or we're coming in and we're addressing this act of war against the United States of America and we're getting our hostages back, and if you kill them, we will be at war with anybody who condoned that action, and that would include the Iranian Government that allowed this to happen and did not intercede when they could have. That's what you have to do and that's what we didn't do.

So it appeared, as it all unfolded, that after 2 or 3 days the Ayatollah realized America is as weak as we hoped they were. This President Carter, he thinks he's a man of peace, we see him as a man of nothing but weakness, as the poorest leader the Americans could offer. So they quit talking about the students have the hostages, the students attacked the embassy, and they started talking about we have the hostages because they gave us time to show whether or not we would react with strength and they saw we reacted with weakness. You can't negotiate with people like that. You instill more contempt on top of the hatred.

And of course I filed, in all three Congresses I've been a part of—and this Congress will be no different—my U.N. voting accountability bill that basically says if you vote against the United States more than half the time in the U.N. in any year, you will receive not one dime of financial assistance from the U.S. in the subsequent year. Now some say, gee, that seems so heartless. Well, the fact is we have been paying money to prop up regimes like Mubarak's. Is it any wonder that the report is he has billions of dollars in the bank when we've been paying Egypt billions of dollars that doesn't appear to have really gotten to the people and helped them? We're doing it all over the world. We're paying tyrants who hate us and would like to see our way of life destroyed with American treasure. It doesn't buy love, it doesn't buy happiness, it buys contempt. And as I've said repeatedly, you don't have to pay people to hate you, they'll do it for free.

In a time when the United States is struggling so with economic issues of just staying afloat, why should we be paying tyrants that hate us and paying people who have not helped their people? I mean, you look at the money that we poured into the Palestinian group and see how much of the money we paid in to help the homeless Palestinians has been paid toward building homes. It should be a no-brainer. Palestinians, so many of them, hate the Israelis because they have no homes. So they're told, well, blame the Israelis. So they do, and they grow up hating them. Well, why not, with the billions and billions of dollars we've paid out of this country to the Palestinians, why have they not used it to build homes so those people won't continue to hate Israelis and hate Americans?

It's no secret, we're not buying affection with the billions of dollars we're spending overseas. It makes no sense to these countries who hate us that we keep giving them money, but they figure if we're that stupid, sure, they'll take our money, and all the while the dollar gets weaker and weaker and you have more and more claims from people we're giving money to to get rid of the dollar as a reserve currency. And when that happens—if it ever happens—then our economy is in for just the fastest spiral down anyone could possibly imagine. Dollars are required to buy much of the oil in the world. We keep showing this kind of stupidity in our foreign policies and there will be consequences. There were consequences for four Americans who were hijacked and then killed.

As a former judge and State Chief Justice of a Court of Appeals, when I hear stories, I'm constantly looking for evidence so that I can find out, is there any substance to the story that's been heard? Now we see that there was a naval destroyer following, shadowing the hijacked boat of these Americans who were simply going out trying to help people in the world. They were not a threat to anyone, they were providing Bibles and hope from what we can find out.

Well, how does that compare to the incident of the captain of the Bainbridge being taken hostage by three pirates and how it concluded? There were conservative talk show hosts that said, hey, we disagree with so much that President Obama has been doing to this country and in our name, but it looks like he got this one right. Well, a story was circulating—and I was curious whether it had truth to it—that when the SEAL team was deployed, the order was a little different than normal, where instead of the order saying go rescue their hostages and they put together their own game plan for how you go about achieving the goal that's ordered, that this order was a little different, it just said go to the ship and receive further orders there, a little different for a SEAL team, that's what we were hearing, and that they did the drop at night. They had the SEAL team there, and for basically 3 days they had a bead on all three of the pirates in the boat with the captain they had taken hostage, and that at any moment they could have taken out all three pirates for that 3-day period. But the story went, what was circulating, was that the President's order said do not use deadly force under any circumstances unless the life of the captain is in imminent danger of immediately be taken. Only under those circumstances are you to use deadly force.

□ 1510

Well, when a pirate group attacks a ship, it is an act of war by those pirates. And this administration's response here is just to have a Navy destroyer tag along and try to negotiate.

And they were in the process of trying to negotiate, apparently, when the rocket-propelled grenade was fired at the Navy destroyer and then the four hostages were killed.

Well, the story was the administration didn't want to take any action against the pirates. We'll just negotiate our way through this.

And it's one of the problems with being one of the most gifted orators in American history, if you're that gifted of an orator, the temptation arises for you to think you can talk people into anything. People that hate your country, when they see that you really sympathize with them and not your own hostages as much—certainly there's sympathy for the hostages—but if they perceive that there is sympathy for the pirates or for those attacking Americans, then, sure, they're willing to negotiate, but it appears to be weakness.

And, obviously, these pirates in February were not impressed with America when they took the Americans hostage, committed an act of war, and even had a naval destroyer behind because they perceived we were weak.

Well, the story about the captain of the Bainbridge that was going around was that for basically 3 days, the SEALs were not allowed to take out the pirates, that they could have at any time. And then we heard on the news during that that the captain, while the pirates may have been falling asleep, was able to get out of the boat, get into the water.

As soon as I heard that, I thought, Wow, he was trying to give the SEALs clear shots at the pirates. He must have figured, as I did, that they surely would have taken an open shot if they knew they wouldn't jeopardize the American captain. And so by his jumping out of the boat, it gave them a clear shot to take the pirates out without jeopardizing the captain; but no shots were fired. That surely had to perplex him. It sure did me and many others. Why didn't they just take out the pirates before they drug him back in the boat?

But our American SEALs did nothing. Not because they couldn't or wouldn't; but the story was they were doing that because the President had issued an order that they were not to use deadly force. And the story was going that the captain, when he went out of the boat and these guys came to their senses, that they put their guns down to grab him and put him back into the boat and therefore he was not under immediate threat of death so the SEALs were not allowed to kill him.

It must have perplexed the captain that nothing was done when he got out. But nothing was done. The story went that these SEALs were following orders.

And then came an occasion when one of the pirates that had a gun on his arm or over his shoulder waved his weapon in the direction of the captain and that that's when the SEAL team commander realized he's waving his weapon at the captain, we cannot take a chance. The order to shoot was given—that could have been given anytime for 3 days and ended that terrible ordeal—was given not by the President but by the commander on the scene. And our well-trained SEALs did a remarkable job in taking out two of the pirates and rescuing the captain.

The story went it could have happened anytime, but the order of the President restrained them from doing that because he was convinced they could just surely know how good and loving and peaceful we were and they would eventually let these folks go.

Because this administration apparently had not learned the lesson that Thomas Jefferson had to learn. You can't deal with peaceful negotiating efforts or even paying people money or snubbing your allies and friends to try to convince them that you're really a great person they ought to love. Those things don't work. You have to go to war against them and let them know when they attack Americans, when they attack America that we are coming after them.

We don't have to be at war with a country. We don't have to be at war with an entire race or group of people. There's no need in that. But you go to war with the people that are at war with you, and this administration has not done that.

We have four Americans who are dead. Obviously, this administration didn't want Americans to die. Of course they didn't. That's a terrible thing. And they didn't want it—would loved to have avoided it, certainly. But it's not enough to intend good consequences. You have to study your history lessons and do so objectively, learn from history so you don't repeat the mistakes of the past. And that's what we've been doing.

And as much as I respected and think Ronald Reagan was one of our greatest Presidents, in 1983 when our Marine barracks was blown up and we withdrew from Beirut, it appeared to be further evidence of weakness. And I can't help but believe from people I've talked to that were part of the administration that if he had to do it all over, he would do it in a different manner.

But he had advisers telling him accurately we're in Lebanon on a peacekeeping mission. We have finished the mission. There is no need to keep staying there. Let's go ahead and get out. There's no reason. We've finished our job. Let's get out before any other Americans get killed.

The problem was when we did, it appeared to be follow-up weakness added to what President Carter had shown on behalf of this country.

And now we see it on the high seas.

We have a naval destroyer. We have SEAL teams. We have Army, Navy, Marines, Coast Guard, we have Air Force that can achieve things nobody in any prior service could have ever dreamed could be accomplished. We have a better military than I ever dreamed we could have had back when we had just gone to an all-volunteer Army and I was concerned about our national safety. Amazing military. Smart, motivated. And yet despite that, we're showing weakness.

Now, the story that was going around was that the captain that ordered the fire got a hot call from the White House saying—really chewing him out, that the SEAL team around didn't know what was being said but they knew that their commander was getting chewed out royally. And supposedly the story that was circulating was that he eventually said, That's fine, sir, and that apparently wasn't the President but said, You can tell the President that if he wants to continue this rear-chewing of me and my team, we're going to arrive at Andrews Air Force base, wherever they came in, at a certain time and the media knows, and you can dress them down there. Or you might want a good photo op and you could be there—told the President he could be there to congratulate them. And of course there was a wonderful photo op, and these great heroes were welcomed by the President as he should have.

That was the story going around back after the attack on the Bainbridge.

And so ever since then, I've been looking—I'd heard this story. I was wondering is there any evidence of similar activity that might give substance to that story. And how we handled these four Americans, these loving, caring Americans being killed on the high seas seems to be that kind of evidence, that this is our mode of operation. You commit an act of war against Americans, you commit an act of war against our ships, and we're going to send a Navy ship to follow you and try to offer you bribes to leave us alone and leave the people alone, but you don't have to worry much.

□ 1520

But after the rocket-propelled grenade was fired, it all went bad and four Americans are dead. It's shocking. We need to show strength.

And I was a year ago in April in West Africa with a group called Mercy Ships that brings healing. The lame walk, the blind see. They bring a ship into a port of a country that needs health care and they provide treatment to thousands of people. And I had gone to see this for myself.

And before I left the ship after the days there over the Easter break, some of the West Africans wanted to visit with me. And the oldest, a wonderful, wonderful man, I don't know how much education, but a smart man, great wisdom, he said, in essence, we wanted to make sure you understood as Africans we were excited when you elected a black President. We were excited. We thought it was wonderful. But since he has been President, we've become very concerned and a bit afraid because we see him showing weakness for America. And we need you to please convey in Washington that America is the hope for people, Christians like him. People who want peace around the world, we're their hope. And if you show weakness, and if you weaken America, we don't have hope in this world.

As Christians, they knew where they would go in the next life. But they also knew that America stood for hope in this world. And when we show weakness, as we have been doing, then it signals the tyrants to have their way. And we've got to stop that.

Now, may I inquire how much time is remaining?

The SPEAKER pro tempore. The gentleman has 25 minutes left.

Mr. GOHMERT. I wanted to shift gears because we have been doing so much talking about the continuing resolution, which is just an ongoing funding of the way things are going, except for amendments that have been adopted to the CR. And we have talked so much about health care and the President's bill that many call ObamaCare.

And in the CR that was debated for over 90 hours, with an open rule until a unanimous consent agreement was reached, you know, 80 hours or so into the debate, it was the first open rule we have had like that in years. Certainly we didn't have such an open debate and an open rule during the last 2 years during the Democrats' control of the majority in both the House and the Senate. We didn't have an open rule here. And we were advised that it was the first time in America's history that there was not an open rule where you could bring, anybody could bring amendments to the floor and offer them to a bill.

Now, it's not a pretty thing to watch, all that debate going back and forth. And I know I hear some people say, you know, you guys shouldn't bicker so much back and forth, but they show a lack of knowledge about what the Founders intended. And Justice Scalia put it so well to a group when one asked do we have more freedom in America because we have the best Bill of Rights in history. And Scalia, as only he could do, abruptly said, basically, well, no, even the Soviet Union had a better Bill of Rights than we do. And I had forgotten, but back in college, during one of my history and world courses, I had written a paper on the Soviet Government and their Constitution, their Bill of Rights.

And Justice Scalia was exactly right, they had more promises in their Bill of Rights than we do. But as Justice Scalia so aptly pointed out, the reason we have more freedoms in America

than any country in history is because the Founders did not trust government, so they put as many impediments in the path of creating laws as they could. Because they knew if they made it too easy to pass laws, then it would be too easy to subjugate Americans and take away their freedom and have government get bigger and bigger until they basically took away people's freedom and their way of life to which they had become accustomed. They knew that. They had seen that. They learned that from their vast reading of history.

They had such great knowledge of the writings of the philosophers and historians. They understood all that. They did not trust government. So they were not going to be satisfied to have one House as a representative body because it might be too easy for one body, one group to take over control of that one House and then ramrod through all types of oppressive legislation like ObamaCare, for example.

So they were so worried about that they created a second House of Representatives, ended up being called the Senate. And they were selected a different way, by the State legislators, so that they would be responsible to the State legislators so that they wouldn't end up taking away States' rights, and certainly wouldn't allow the House of Representatives to take away a State's rights.

So they thought, gee, two Houses. But even that wasn't good enough because they realized, you know, we could do like as has been done before and have a Prime Minister elected by the legislative body, and he would be the top executive. It's not good enough. It's not enough of an impediment or an obstacle to passing laws. We still want to make it harder to pass laws. So let's create a separate executive branch and have the Executive, the top Executive, the President elected by the entire country, and at least elected by the entire country's Representatives. But that was going to be a different format.

And then they set up the judiciary branch. And both the President could veto and even the judiciary, as it turned out, was going to be able to veto things if it got through the House and Senate and yet took away some constitutional right. They thought they created a good enough system that wouldn't be as abused as the entire system was in the last few years.

They could not have imagined that a 2,900-page bill, ObamaCare, could have been crammed down the throats of American citizens that poll after poll showed did not want it. They would never have imagined that the Senate would not be independent enough and would be so taken over by one political extremist group that they would pass through such an oppressive bill that would force a government takeover and government control of everybody's health care, that would force every American to have their medical records sent to a central repository that supposedly General Electric would handle because they are good cronies with this administration; and they would take care of every American's records because the Federal Government would have control of all of that.

And not only that, they would take control over all the health care insurance companies. They would take control over ordering what would be allowable under health care, what would not be allowable under health care, all in this massive bill that would provide for supposedly hundreds of thousands of regulations that would follow to interpret those 2,900 pages.

They could never have imagined that it would get that bad in this country that the system they created to throw obstacles in the path of government creating laws that the American people did not want, and certainly not that a majority of Americans didn't want, and by golly, they got it through. They rammed it through. They used carrots. They dangled benefits. They added all kinds of pork to bills.

□ 1530

They threw in something for the big pharmaceuticals. They threw something in for the trial lawyers. They threw something in for the AMA. They certainly threw a big juicy bone in there for AARP—well, a bunch of juicy bones, actually. They threw all these things in for all these interest groups except for the one who poll after poll said we don't want it. Don't do this.

You promised us you would negotiate a health care bill on C–SPAN and we would be able to see who was out for the people. So all the people could assume was that because none of that was done on C–SPAN, other than a dog and pony show after it was basically done and about to be crammed down the Republicans' throats anyway, we had a little summit and it got crammed down our throats anyway and Americans didn't want it.

Well, I did go through the original 1,000-page bill. I went through the 2,000-page bill. I put off going through the 2,900-page bill because who knew if there would be a fourth or a fifth on top of that. I didn't want to end up going through yet another bill that wasn't going to be the one that really was the one that was seriously going to be made law, so I put it off.

And when I got around to going through and reading the 2,900-page bill, you know, I will admit, I was wanting to look at what the sections did, their effect. And so I was struck by finding, really, ingenious or insidious language and drafting provisions, depending on your viewpoint, for example, with abortion. There was a section there saying, you know, you couldn't have Federal funds for abortion, but over in the section that was going to allow it, instead of mentioning the word ''abortion,'' it just referred to the section. So if you went online and did a word search for the word ''abortion,'' you wouldn't see all of the provisions that allowed for abortion in Federal funding; you would only find a restricted group, that kind of really clever hiding what was going on.

I passed over a lot of the numbers that were utilized. So it was a bit surprising to find out here recently, and going back through, and Ernie Istook, a former Member here I served with, now with the Heritage Foundation, yesterday provided me with copies of specific pages of the bill. Again, this is public law 111–148 and 111–152.

But if you looked at, let's see, consolidated print -26, here it says down here: Hereby appropriated to the Secretary out of any funds in the Treasury, not otherwise appropriated, $30 million for the first fiscal year.

And it goes on, and another page says: There are hereby appropriated to the trust fund, the following, and it appropriated 10 million for this, 50 million for that, 150 million for that, another 150 million, another 150 million.

And you go through these, and it's staggering how much money was actually not authorized, but they used appropriating language. Because, as many people know, and I am finding more and more that are watching C–SPAN, but they know, gee, normally you have a budget. Well, there was no budget last year. The majority didn't want people to see exactly how the money would be budgeted, so they didn't bother with one in election year. First time in decades, as I understand it. But we didn't have a budget. And then we had this, beginning of this continuing resolution stuff. But normally you will have a budget. You will have an authorization for expenditure, but then it had to be followed up with an appropriation.

Well, ObamaCare went straight to it and appropriated vast amounts of money. In fact, in this first year of 2011, fiscal year 2011, there is $4.951 billion appropriated in the bill. They apparently not only overran all the obstacles and hurdles that the Founders put in our way to come up with so that we would not come up with legislation that Americans did not want, they overcame that. Then, just to make sure that it would be difficult to ever stop this by unfunding it, they actually didn't just authorize, they appropriated $105.464 billion in this ObamaCare bill, over $105 billion from 2011 through 2019, $105 billion.

Now, the rules get a little complicated around here, and any amendment that seeks to rescind a prior appropriation is going to be subject to a point of order objection and not be allowed because it legislates in an appropriating bill, and under our rules you can't legislate in an appropriating bill.

So the only way—and these people that put this language in here, they knew it. When they were telling America we know we are broke; we have got to rein in spending, all the while they were sticking in $105 billion of spending in one bill, not authorizing, not saying, gee, you may not be able to afford this

5 or 6 or 7 years from now. So, instead, they just said we are appropriating it and you can't do anything about it, because under the House rules you try to bring up an amendment to rescind that, it's subject to a point of order objection and we can keep it from coming out.

The only way that I understand that this $105 billion that's now been appropriated by the last Congress, the only way that can be taken out is to have a provision in the original bill from the appropriators, not an amendment, a provision that rescinds this $105 billion of appropriations in this prior law from last year, and it's in the original bill. And then the Rules Committee waives any point of order objections to that rescission being in the appropriating bill. My understanding is that's the only way we can get it done.

The amendments we were trying to do and that we got done apparently are not going to accomplish that. We are going to have it in an original committee bill rescinding all of this massive amount of money. Right now, we will be borrowing 42 cents of every dollar of that $105 billion. It's irresponsible. It's almost inconceivable, except here it is in black and white in front of us.

America deserves better than this.

I told some folks back home, I have mentioned before, it strikes me that this government in this last not just 4 years, but even going back into the last few years and especially the TARP bailout that was such a disaster and should never have been passed, that this government became like a parent who had an overwhelming desire to spend and could not control their own spending.

So the parent goes to the bank and says, You have got to loan me massive amounts of money. And the bank says, How are you going to pay it back? You are not going to live long enough to ever pay this back. And the parent says, No, but I have got my children here, and they are going to have children and those children will have children. So my children, my grandchildren, my great-grandchildren, I am pledging they are going to pay back all of this self-centered massive amounts of money I am throwing upon me and my friends, and I am pledging and promising my children will be indentured servants for the rest of their lives because I can't stop spending.

Now, in a case like that, you would probably have the Child Protective Service come swooping in and say you are an unfit parent. You have no business having children when you are selling your children's future for your own use of money now. How irresponsible that is. Do you care nothing about the children that you can't quit lavishing all that money and paying your friends for doing nothing?

□ 1540

You can't control your spending, so that your children, grandchildren and great-grandchildren can have freedom like you had it? You can't control that? You're an irresponsible parent, and you shouldn't even have these children if you're going to do that. I've heard the Child Protective Services in Texas come in on a lot weaker claims to take children away from parents than that. It's irresponsible what we're doing. And to pass a bill that was against the vast majority will of the American people and to stick in $105 billion of spending is just irresponsible. It's got to stop.

On one final note before my time concludes, having been a judge and a State chief justice, I'm sensitive when I hear judges threatened. And especially in the wake of the GABRIELLE GIFFORDS shooting and the loss of life in Arizona, we really should not be provoking actions to the point of violence or threatening actions. And I have certainly had my share of death threats as a judge. But it was usually only when they included my family that it got serious. And we have a group that's held itself out for years now, Common Cause, as this wonderful nonpartisan group. And yet you see over and over, like you did here recently with the rally they held in California with Van Jones—such an impassioned socialist—speaking and stirring people up against Justice Thomas and Justice Scalia.

Justice Thomas himself, after one of the most embarrassing episodes in American history, the way he was treated as he went through the hearings for confirmation to the Supreme Court, he said himself, it's a modern day lynching, high-tech lynching. And in his book, ''My Grandfather's Son,'' where he describes coming out of poverty, severe poverty, and making it on nothing but hard work and his brilliant intellect he achieved the great heights he has. And I have heard him say himself, he started out in college as an angry black man and left-wing extremist who came to realize more oppressive government is not the answer. But he also came to see firsthand, as he has described it, that if you're an African American and you spout the words that the liberal left tells you to say, then they love you. But if you dare—as he points out, otherwise I wouldn't use these words—but he says if you dare to step off the plantation and think for yourself, then here comes all the groups that come after you. And we have seen that with this attack from Common Cause that they are using to fundraise this attack after Justices Thomas and Scalia.

And, again, I look for evidence, are they nonpartisan? Well, it seems like they only come after conservatives, mainstream Americans, but they encourage left-wing extremism on a wholesale basis. But to be attacking Justices Thomas and Scalia and stir up sentiment, they sent out the e-mails urging people to come, they sent out the notices of what they were doing, urging people to come. They knew who they were sending those to. They urged these people to come. And what they got was the friends that they had invited saying that they wanted to string up, basically lynch, one of the most honorable people in the America, Clarence Thomas, that came from the most oppressive background and fought and worked his way up, as he would tell you, with the help of loving grandparents to the status that he has, and they want to do a high-tech lynching of him now.

Except the people that they stirred up aren't going to be satisfied with high tech. They want to lynch him, and they want to lynch his wife. And when you look for evidence, well, have they been saying this all along about other incidences that were similar? Well, when we got a national leader of the ACLU, they never mentioned one word about perhaps she should recuse herself from things that involve the ACLU, and our sympathies go out any time anyone loses a spouse, but when people on the Supreme Court who came from leftist backgrounds had spouses that had direct interests that were affected, Common Cause was silent. Oh, no, they raised their money on going after people that are mainstream conservatives and believe in the Constitution meaning what it says.

And after bringing this up at a press conference this afternoon, we get word that Common Cause has come out and said, we apologize. We never meant for them to say that. No, actually, that's not what they said. They came out and said—this is laughable—they didn't come out and condemn people that want to lynch a Supreme Court justice or justices and their spouses, family and torture them and do these terrible things. No, it didn't say anything about that. It just said this is laughable because they are still raising money. And it is time the Justice Department started being fair about justice and not ''just us'' at their Justice Department but look into Common Cause and look at whether they really deserve to be called ''not for profit'' and ''nonpartisan'' because what they are doing to stir up Americans against honorable Americans is intolerable. America deserves better.

The adage is, Democracy ensures—America, any country—Democracy ensures that people are governed no better than they deserve. My hope and prayer is we deserve better in the next election.

THE EPIC STRUGGLE OF PUBLIC SERVANTS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Ohio (Mr. KUCINICH) is recognized for 60 minutes as the designee of the minority leader.

Mr. KUCINICH. Mr. Speaker, today in the State of Ohio, the State of Wisconsin and the State of Indiana there are epic struggles underway where those who serve the public, who teach

our children, who police our streets, who fight the fires and who perform a myriad of services at a State, county and municipal level, are under attack. Their wages are under attack and their benefits, pensions and working conditions are under attack. And these public workers are being made the scapegoats in all of the budget challenges which States face. They are now blaming the workers.

Our whole economy has been turned into a somewhat efficient engine that takes the wealth of the American people and accelerates the wealth to the top. That, after all, is what our tax system is about. That's what Wall Street is about. That's what banking is about. That's what our energy policy is about, taking the wealth of millions and giving it to a few oil companies. If you examine every area of our economy, you'll see that we're at a time in the history of America where the rich truly are getting richer, the poor are getting poorer, and the middle class is getting destroyed.

Enter public workers, people who have dedicated their lives to public service, people who are truly public servants in the truest sense of the word, people who were told that if they agreed to public service that they would have certain guarantees. And so they dedicated their lives.

□ 1550

Ohio has a new Governor, a person who I served with in this House, and from the moment he has come into office, he and his supporters, have run an agenda that is aimed at vitiating the rights of public workers. This resulted yesterday in the passage by a single vote in the Ohio Senate of S.B. 5, a bill that will strip collective bargaining rights just about across the board from public workers, that would take away public employees' right to strike, that would make the penalty for a strike removal with replacement workers that will open the door to privatization of services.

Now, my read of what is going on in Ohio, which is my home State, is this: That by attempting to crush public workers, by telling them you will not have any ability to negotiate your benefits, you will not have any ability to negotiate your working conditions, your health benefits, your pension, these provisions are not subject to discussion; the number of people working with you at any time, not subject to discussion. What has happened is that we have seen accomplished an economic attack on workers which will lead to them working for less, but opening the door to privatization schemes which, Mr. Speaker, works like this: You make public workers the issue. You say that they are paid too much when I have here a matter for the record from the Economic Policy Institute which says that Ohio public sector workers are undercompensated compared to private sector counterparts. But facts, unfortunately, mean little in this debate.

But you tell the public that these public workers are overpaid. And this new law, Senate Bill 5, would enable the State of Ohio to do this, you then say we are going to privatize this section of the workforce. We are going to put the work out for bids. We are going to get a private company in here to do it. And oh, we promise it will be done more efficiently.

While the taxpayers then go to sleep, they wake up one day and they discover that what has happened is that they have permitted a privatization of their services and they end up inevitably paying more and getting less. The corporations walk away with the profits; the privatized workers get paid less in order to enable the corporations to make more money.

So ultimately what Senate Bill 5 in Ohio will do is end up costing the State government even more. There is not going to be any savings when you set the stage for a weakening of workers, when you set the stage for making it illegal for them to strike and then knocking them out with replacement workers and then setting things on a path to privatization. That is what this bill is about.

You look in Wisconsin, and I believe it was Paul Krugman and others who pointed out that in Wisconsin, there was a provision in the Wisconsin budget from the Governor of Wisconsin's bill, it says sale or contractual operation of State-owned heating, cooling, and power plants, saying that the department may sell any State-owned heating, cooling, and power plant, or may contract with a private entity in the operation of any such plant, with or without solicitation of bids.

So you can have a private contractor just give it away without any bids at all. They are power plants that serve facilities in the State of Wisconsin. These are the kinds of thing that we can expect in Ohio, except in this case we are talking about the privatization of public services. Now, the privatization of public services in a way is well established already, unfortunately.

The AFL–CIO Public Employee Department produced a paper which talks about when you get into privatization, the public ends up having really little accountability on the question of public funds. They point out that private business has no business allocating public funds or monitoring the use of public funds. It is a question of fiscal accountability.

Look, we know when there are massive amounts of money available that goes from the public sector to the private sector, let's take Iraq or Afghanistan with respect to contracts, billions of dollars disappear, get wasted. It ends up being a racket. Reduce it to a State level, and you have the potential for fraud. You have the weakening of the community's ability to assert collective interests. And as I said, the resulting savings that taxpayers are being told will occur are actually directed to the corporations so they get higher profits. Privatization is inevitably a racket.

As a Member of Congress in my home district in Cleveland, the Defense Finance Administration wanted to privatize a number of accounting jobs in Cleveland. Mr. Speaker, I had a 7-year battle with the Defense Finance Administration where we proved that the taxpayers were getting taken for a ride in this privatization plan that was being promoted by our government to the tune of tens of millions of dollars. We reversed the privatization. Privatization is at the core of this battle in Ohio because the assets of the State are worth countless billions of dollars.

You can take a workforce that is over 300,000, about 350,000 public workers in Ohio, that would be affected by S.B. 5. There is not a service that can't be privatized, but then the public doesn't have any control over it. They can't call up their elected official and complain about a service that is privatized. They have to call up the corporation. And they end up paying more in taxes. People need to understand that. States have budget difficulties they have to deal with. I've got that. I understand that. States need a revenue-sharing plan from the Federal Government, but the Federal Government doesn't have the money right now. Why doesn't the Federal Government have the money? Well, how about the fact that the Federal Government is spending trillions of dollars on wars, one of which is based on lies, the other one based on a misreading of history.

Joseph Stiglitz, a Nobel Prize winning economist, in his book with Linda Bilmes, it's called ''The Three Trillion Dollar War,'' has stated that the cost of the work in Iraq will run between 3 and $5 trillion, just to U.S. taxpayers; the cost of the war in Afghanistan is already over half a trillion dollars. The long-term cost of that, since we are still in a period of acceleration of that war, will certainly go into the trillions of dollars.

We saw a couple of years ago Wall Street come to this Capitol. Suddenly, the waves parted: $700 billion in loans when Wall Street was flagging. That could have been anticipated that Wall Street would create incredible speculation when Glass-Steagall was effectively repealed when they took down the wall that separated commercial from investment banking. Those who were the cops on the beat kind of walked away while this bubble was building on mortgage-backed securities, hedge funds, speculating, inflating the bubble, it burst, and all Americans got hurt. But all Americans didn't get made whole. Most Americans have experienced a 30 percent drop in the value of their mortgages while Wall Street is enjoying record profits once again, while Wall Street, once again, is experiencing high salaries and high bonuses.

Not on Main Street, though. On Main Street, they have 15 million unemployed, 12 million underemployed, 50

million people without health insurance, and 10–12 million people whose homes are or have been in jeopardy.

So then you go back to the State level where States are pressed, but States are pressed in part because of the mismanagement of the national economy and because we have a monetary policy that has worked for Wall Street but it certainly hasn't worked for Main Street. So by the time this debate gets down to a State level, those executives who are more inclined towards a corporate point of view are saying, look, easy, we'll just knock out the public unions.

□ 1600

But there are serious implications to this type of thinking, because what we are actually doing is setting aside an entire struggle that has been part of America's history that we should all be proud of. The civil rights movement is part of America's history we should be proud of: the civil rights movement which resulted in constitutional changes; which recognized the rights of all citizens as being equal, truly equal; the civil rights movement which accorded women an equal place in our society, of course with the exception of pay; but nevertheless, the potential for an equal role in our society is something we should be proud of.

With that civil rights movement, the labor movement moved the pace, and that labor movement was about lifting everyone up, not just those who were members of unions. Unions came about because workers were being crushed; they were working in awful working conditions; they were subjected to forms of slave labor; they were working long hours and were paid very little; they were working under conditions that put their lives in jeopardy. America had a tradition of child labor at one time. All that changed with the laws that were passed in this Chamber.

We should be proud of what America has been able to accomplish in lifting up the status of working people in our society so that you could have an 8-hour day, so that you could have a safe workplace—so much so that today we understand that intimately linked to the very nature of our democracy is the right to collective bargaining, which is the very right that is under attack in Ohio and Wisconsin and Indiana and other States across this Union.

The right to collective bargaining is being able to assert a First Amendment right of association. It is being able to assert that workers have a sense of agency and to know, in a society where capital can be amassed in tremendous sums, that one individual has the right to be able to assert his or her rights because they have representation, because there is a law that says they have the ability to be able to have an influence on how much they are paid and on what their benefits and their working conditions will be.

That's the essence of what it means to be a democracy: that workers have a say and that it's not top-down.

This isn't a dictatorship. Yet S.B. 5 sets the stage for a kind of dictatorship, top-down. These are your working conditions. Take it or leave it. These are your benefits. Take it or leave it. Don't ask any questions. Shut up and go to work.

When did America buy into that? The minute we buy into that kind of mentality, how does that separate us from what's happening in China? I want people to focus on this for a minute. We passed a trade agreement with China, China Trade, which I voted against, which had no provisions for workers' rights, human rights or environmental quality principles.

A month ago, I had some paper workers in my office from Washington State, and they showed me how many jobs in their industry have moved out of Washington and how many plants for their industry have opened up in China. It's amazing to look at a map and see, well, they were here once, and now these same jobs are in China.

In China, workers don't have any rights. There is no right to collective bargaining in China. That's not part of the discussion. The government of China is run under a different philosophy. Workers don't have a right to strike in China. There's no right to decent wages or benefits. Oh, yes. It's called Communist China. Excuse me.

As part of a democracy, we assert—and have a right to assert—that workers here do have a right to collective bargaining, that they do have a right to join a union, that they do have a right to strike, that they do have a right to decent wages and benefits, that they do have a right to a secure retirement, that they do have a right to a safe workplace, that they do have a right to be able to challenge legally an employer who maintains an unsafe workplace. They have the right to participate in the political process.

So many of these rights are under attack at the State level today, and this has an effect not just on public workers but on all workers, because if America begins to take down the hard-earned rights of workers, whether it's in the public sector or the private sector, and if we try to justify it, here is what we can look forward to:

We can look forward to lower wages; we can look forward to people having zero health benefits; we can look forward to people having zero pensions; we can look forward to workplaces becoming less safe; and we can look forward to becoming a little bit like our trading partner in China, which, by the way, has about a $200 billion trade advantage with the United States out of a trade deficit that is in excess of $450 billion.

So are we exporting our democracy? Are we importing values that are estranged from a democratic society? That's really the question that we have to ask ourselves if we think that what happens in Wisconsin doesn't relate to us or if we think that what happens in Ohio is none of our business.

Mr. Speaker, I went to Columbus, Ohio, and stood with thousands of workers. I stood with firemen and policemen and teachers. I stood with people who care for children and seniors. These people are people who have dedicated their whole lives to public service. They have a middle class standard of living because they have that dedication. They are people who are not our enemies. They are our friends. They are our neighbors—and they serve us.

Since when are we now faced with looking at those who serve us as being opposed to us? How did our country get that way? Why can't we come to an understanding? We have a collective interest here. Why can't our Governors tell the truth about what's really happening?—which is that States are getting strangled because of policies at a Federal level that are making it much more difficult for States to be able to get any assistance at all.

I have not run into any single labor leader who said that they did not want to negotiate the issues that are at hand. I've not run into any labor leader who didn't understand that State budgets are tight and that they want to make sure that States can meet the needs of all the people. But this top-down approach, this political approach to dictating what the conditions are and what the rights are for State workers, sets the stage for an estrangement of people from their own government.

So we have to look at the issue of collective bargaining. In the State of Ohio, we have to understand that the fact that they have collective bargaining makes strikes less likely. This law was passed in 1983 in Ohio, and collective bargaining actually provides for the public's health, safety and welfare. This bill, Senate Bill 5, is aimed at eliminating collective bargaining. It would not only prohibit the State from being involved at this point in collective bargaining for the purpose of benefits and working conditions, but it would also prohibit counties, cities, and other local government employers from continuing to negotiate employee benefit plan coverage and also to set community-based standards for public employment.

□ 1610

What of home rule? I mean, at a State level, cities that are home rule should be able to make these decisions. This flies in the face of a constitutional right which cities have for home rule.

Senate bill 5 is really an attack on quality public service. It represents a destructive undermining of the compact between government and their workers. It changes the whole relationship. And it cannot do anything—cannot do a thing to improve the quality of service.

Look at some of the biggest industrial corporations in America. They had their battles with labor, but they

also understood that by having a workforce they could work with—the steelworkers work with the steel industry to produce a quality steel product, the autoworkers work with the auto industry to produce a quality car. In aerospace, we have some of the best technology in the world, and the industry works with unions.

The whole idea about being able to negotiate for your wages, to be able to negotiate for your benefits is so that you can elevate the condition of your family and yourself. These aren't selfish people; they're people just trying to make a living. They just want to continue to do their work, to have an opportunity to negotiate their pay, to be able to negotiate their benefits—to have benefits—so that then they can go home and put food on the table and maybe be able to send their children to a decent college and maybe be able to put a few dollars aside, maybe be able to save a little bit for their retirement in addition to a pension plan that they have at work. When has that become asking for too much?

I think it was Rachel Maddow the other day had something that was a joke on her show where she talked about—I'll paraphrase it: people sit down at a table and you've got a CEO sitting at a table and you've got workers and a tea party member sitting at a table and there's 12 cookies on a plate. The CEO grabs 11 of those cookies and then the worker goes to get that remaining cookie and the CEO says to everybody at the table, Better watch that person, he's trying to take your cookie. This is what's going on in State after State.

And this is actually what's happening in our economy, where it's working people who are the target of this attack. And it's not only at a State level. Every worker in America understands the downward pressure on wages unless you're on Wall Street. Every worker in America knows that if they don't have job security they can't plan for anything.

There are so many people in America who are a single paycheck away from losing their home, from losing everything they ever worked a lifetime for. And in this economy, where corporations have extraordinary power, where because of our trade agreements they can move out of this country like that, we're going to further weaken the ability of workers to have a voice at a State level, or anyplace at all? Come on, America, wake up.

We have to understand the implications of what's happening in Ohio and Wisconsin. We have to understand that our very way of life is at risk here, that if corporations can use their influence to get State leaders to knock down workers' rights, it won't be long before every worker in America is reduced to a form of peonage.

People can laugh and say, well, that can't happen. Well, you know what? I want to quote to you from a book by Robert Scheer called ''The Great American Stickup.'' And the subtitle of it, so that you know that I'm not partisan here, Mr. Speaker, the subtitle of it is, ''How Reagan Republicans and Clinton Democrats enriched Wall Street while mugging Main Street.'' I won't get into that too much, but I do want to quote from Mr. Scheer's book.

He talks about how two University of California economists, Emmanuel Saez and his colleague, Thomas Piketty, they analyzed U.S. tax data and other supporting statistics, and they concluded that the boom of the Clinton years and afterwards primarily benefited the wealthiest Americans.

During Clinton's tenure, from 1993 to 2000, the income of the top 1 percent shot up at an astounding rate of 10.1 percent per year while the income of the other 99 percent of Americans increased only 2.4 percent annually. In 2002 to 2006, the next surge of the boom that Clinton's policies unleashed, the numbers were even more unbalanced. The average annual income for the bottom 99 percent increased by only 1 percent per annum while the top 1 percent saw a gain of 11 percent each year. Further, just as the good times of the Bush years saw almost $3 out of every $4 in increased income go to the wealthiest 1 percent, the GOP cut taxes for the richest brackets.

So as I said at the beginning, the whole economy is being converted to an engine that takes the wealth of America and puts it in the hands of a few. How can you maintain a democracy that way? An economic democracy is a precondition of a political democracy.

The minute we start attacking what people make, the minute we start putting pressure on people's wages—and keep in mind, it's okay with Wall Street to have 15 million Americans out of work. Why? Because that creates a big labor supply, which does what? Keeps wages down. So instead of having a full-employment economy—which really ought to be what we should expect in a democracy, that everyone who wants to work has a place—we have 15 million workers out of work, 12 million underemployed, but Wall Street keeps making more and more money.

We're being told there's a recovery, but it's a jobless recovery. And so in this morass we see an attack on public workers. You have to recognize exactly what's going on here. This is still another attempt to grab more assets from the people and put it into the hands of a few. Just think what can happen in Ohio if the State legislature goes ahead and passes S.B. 5. If the State house passes it, the Governor signs it into law, we will just set the stage for massive privatization which will reduce service, increase its cost, and put money into the hands of private corporations; more wealth going to the top, less ability for workers to defend their interests. And these are people working for us. State workers, city, county workers, they're the government. They are the ones who provide service.

I served at a local level, Mr. Speaker. I was a councilman. I served as a mayor. I served at that local government where government is really close to people. It provides an opportunity where people can get on the phone and say, hey, Mr. Councilman, we need somebody who's going to fix this street. Take care of it. Well, there's political accountability. You get enough calls, it's not taken care of, you won't be reelected.

But that control that comes from people in the neighborhoods to city hall, when you break unions and you set the stage for privatization of their jobs, you break that, you break the tie.

□ 1620

Then it's the government at the top that has to do with the corporations to make sure their workers are doing right by the people.

The essence of democracy is accountability. The essence of democracy is that people have the ability to be able to contact their government and be able to change conditions if they don't like it. And also the essence is service. People pay taxes, they should get something in return.

And yet the public workers who are being attacked in Ohio and Wisconsin and other places are the focal point of a great debate over whether or not we will continue to have something that we call government of the people.

All across this country, Mr. Speaker, there are Governors who are facing budget shortfalls, and they're watching events very carefully in Ohio and Wisconsin to be able to determine how far they're going to go. We're looking at cutbacks in pension benefits, cutbacks in health benefits—some of which the representatives of the workers are actually agreeing on in order to keep the jobs.

But we're also looking at this parallel attempt to knock out bargaining rights. What does one have to do with the other? If people don't have the right to collective bargaining, they don't have a right to a sense of agency in dealing with governments, they're just reduced to nothing.

Why do we do that to people who serve us? Why should we do that? And why shouldn't we be calling into accounting those public officials who, by and large, will be representing corporate interests or corporate thinking?

There are those who think that the interests of corporations and the government are one in the same. Oh no they're not. Government exists to provide service. Corporations exist to make a profit. Fine. But let's make sure we understand there's a difference.

Government does not exist to make a profit, but it does provide a service. And when government's resources are starting to be eroded, we have to ask why. I'll give you an idea, Mr. Speaker.

We're being told that there's just not enough money anymore. Let's look for

a moment at our monetary system itself.

When you go to a bank and you take out a loan, the bank will book that as an asset. Banks for years and years have been using a device known as a fractional reserve where they're able to create for every dollar they book as cash that they claim to have. They're able to create another $9 or even $10, maybe more. And that device, known as a fractional reserve, has given our banking system essentially the money to create—the ability to create money out of nothing.

Now, there's some people who are okay with that. They say, well, banks have to have this ability; but when banks have that ability, we also know that banks have been prone to being able to make transactions when they got involved, as a bank in Cleveland did on mortgage-backed securities and they began investing heavily, actually investing money they didn't have. When the market collapsed, the bank collapsed.

So this device of fractional reserve actually in this economy has ended up helping to fuel speculation.

And what about the Fed? The Fed, which this Congress has tried many times—and I've worked with Mr. PAUL on this—the Fed has virtually no controls whatsoever, limited accountability. When the Federal Reserve Act was passed in 1913, it really took out of the hands of this Congress the ability to have control over the monetary system.

Now, this Constitution of the United States, which I carry with me, article I, section 8, Congress has the ability to coin money. Now, to coin money doesn't mean just to make coins. It actually means to create money, to publish money.

That was a foundational principle of the ability of Congress to have a role in the money system. We basically sent that over to the Fed with the 1913 Federal Reserve Act. So the Fed, through another device known as quantitative easing—I want everyone to remember this—quantitative easing. What does it mean? It means the Fed has the ability to create money out of nothing to the tune of trillions of dollars—$4 trillion in this most recent economic crisis.

Now, we're told that unless the Fed can do this, our economy would collapse. I think it's time we started to look at these institutions which we've created and ask if this isn't the time for us to take control on behalf of the American people to critically analyze the fractional-reserve system and see if it has any more viability, if it doesn't really expose us to more problems than it ends up creating.

I personally think that it's time to challenge the fractional-reserve system to the point of where you let banks loan the money that they actually have on deposit instead of creating money out of nothing, and then if the bank goes down, we have to bail them out.

I think it's time for us to take the Fed, which has been out of our reach, and put it under the control of Treasury again. And then if the government needs to invest money, and we do, then we invest the money, then we spend it into circulation. We're told right now we don't have any money. We don't have any money to fix our roads. There's over $2 trillion of infrastructure needs. States don't have any money. That's what we're told. That's why we're told they're having these conflicts with the workers; they're out of money. We don't have any money to fix up our roads.

Well, FDR figured out what to do in the New Deal. You just create a WPA. You put millions of people back to work; you rebuild America. We're apparently not going to go in that direction. But why not? We're told we don't have the money. What, we have to borrow it from banks? Who's holding our securities?

If we can borrow money from Japan and from China and from the UK, and from the Cayman Islands to manage our economy, well, if we can borrow money to keep wars going, hello, why can't we spend the money into circulation, take back the power—which inherently is in the Constitution—and invest in the creation of jobs again and put those 15 million Americans back to work? Create a revenue sharing program for the States so States aren't faltering any more. Have a national health care system so you don't have to worry about health care being on the bargaining table. Absolutely make Social Security solid so there's never a question about a partial privatization—which is another agenda some people would like to run here.

It's not like we don't have within our grasp an ability to change the conditions in which we're operating.

But, instead, we have this poverty mentality which rivets us to control by corporate interests who are making money hand over fist, who we're being told all of America's poor except Wall Street. Huh? How did that happen? With our money nonetheless? How did that happen?

Why isn't unemployment a problem on Wall Street? Think about this. Why is Wall Street doing better than ever? Why do we hear these dark tales about speculations happening again? Are we getting ready for another pump-and-dump scheme where we'll be back here in a few years having to bail out Wall Street again?

Meanwhile, Main Street's infrastructure crumbles; Main Street's workers are hungry for work; Main Street's wages are getting depressed; Main Street's struggling for health care; Main Street's worried about its pension; Main Street's worried about whether they're going to have a home or not.

What's happening in Ohio and Wisconsin is relevant because every single economic issue that is facing this Nation today is part of that debate.

□ 1630

Why should we accept an economy where people are told they have limited expectations? This is America. We have shown the world the ability to create untold wealth. But if we keep shipping it offshore . . .

Why shouldn't people who have an education, who have strived to achieve a middle class standard of living, why shouldn't they expect that their government will stand next to them? It's time for people to understand that we need to take a strong stand in favor of the rights of workers.

Now, how do we do that? Let's look at our trade agreements, Mr. Speaker. Every trade agreement needs to be renegotiated. We need to renegotiate NAFTA, and the General Agreement on Tariff and Trade, and China trade, and we need to say that every single trade agreement has the right to collective bargaining. We're going in the wrong direction in the States. Every agreement we have should have the right to collective bargaining, the right to join a union, the right to strike, the right to decent wages and benefits, the right to a safe workplace, the right to be able to sue an employer if they maintain an unsafe workplace, the right to a secure retirement, the right to participate in the political process.

If we had those in our trade agreements, if in our trade agreements we had prohibitions on child labor, slave labor, prison labor, if in our trade agreements we had the protection of the air and the water, then these corporations wouldn't be running to China or anywhere in the world in order to have the people of that country subsidize their profits through dirty air, dirty water, low wages, slave labor, child labor. Think about it. That's why we need to go back to the trade agreements.

We need to elevate the condition of workers in our society. We need to think in terms of raising people's standard of living. We need to think in terms of helping people save their homes. We need to think in terms of more competition in our economy. We need to think in terms of how do you create wealth in our society, not just how do you create debt. Because right now, Mr. Speaker, our whole economic system is money equals debt. And as long as we're locked into that mentality of money equals debt, then all we're going to have is debt no matter where we look. And our ballooning debt keeps getting larger and larger, and we're told, well, we have to pay off that debt before we can deal with our problems. Baloney. We don't have to do that.

What we have to do is to start looking at what can be done to prime the pump of our economy, to get America back to work. We have the resources. And if we have to change the way that we handle our money system, we should do that. The Fed has not been responsive. The private sector isn't creating jobs. They're getting rid of jobs.

If the private sector created jobs, then right after we gave hundreds of billions of dollars to Wall Street we should have seen millions of people go back to work. That did not happen. We are in at least a double-dip recession. We have Americans struggling to survive, and they could read the daily reports about how great Wall Street is doing.

Let's go back to Ohio and support those workers. Let's support those who teach our children, who police our streets, who put out the fires, who serve our elderly, who take care of our children, the people who perform the services at the myriad of State offices and at county and city offices. Let's respect and honor those who are in public service, as we ourselves would want to be honored for taking the path that we chose in our careers. The people who chose the civil service, the people who chose to do that day-to-day work of being involved in a community, they are no less important than we are as individuals. We're part of the same tissue that makes up a democracy.

And so I want to appeal to my colleagues to look at this moment in history, to understand the deep threat which the breaking of collective bargaining represents to our democracy, to understand how urgent it is that we support workers everywhere, that we express our appreciation to them, that we understand that in this House there are many different points of view.

We have different points of view about the amount of power we would like concentrated into fewer and fewer hands. But we should have no difference of opinion, there should be total solidarity on protecting those who serve the public and on protecting workers whose basic rights are cardinal principles of a democratic society.

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

COMMUNICATION FROM CHAIR OF COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

The SPEAKER pro tempore (Mr. YODER) laid before the House the following communication from the Chair of the Committee on Oversight and Government Reform:

HOUSE OF REPRESENTATIVES, COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
Washington, DC, March 3, 2011.

Hon. JOHN A. BOEHNER,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I write to notify you pursuant to Rule VIII of the Rules of the House of Representatives that the Committee on Oversight and Government Reform has been served with a subpoena for documents issued by the United States District Court for the District of Columbia in a civil case now pending before that Court.

After consultation with the Office of General Counsel, I will make the determinations required by Rule VIII.

Sincerely,

DARRELL ISSA,
Chairman, Committee on Oversight and Government Reform.

OUR FISCAL SITUATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from New Mexico (Mr. PEARCE) is recognized for 30 minutes.

Mr. PEARCE. Mr. Speaker, I appreciate the opportunity to address the House this afternoon.

Mr. Speaker, there are many people who are wondering in the Nation exactly what it was we were doing up here a couple of weeks ago as we were talking about amendments to cut the budget, amendments to increase the budget. And for myself, I like to keep it in very narrow terms and like to get it as simple as possible.

So we went across the district last week, had town hall meetings trying to explain to people exactly the situation that we're facing here in the country. And I've got a chart here which is very instrumental in helping me to visualize what's going on. And basically, this chart is one which shows that we're spending $3.5 trillion at the current moment and we're taking in $2.2 trillion, and that begins to give the basic understanding of where we are.

Now, if a local family were in this position, they would be maybe spending $3,500 a month and bringing in $2,200 a month, and their banker would not be pleased with that. Their banker would say, well, we probably need to do better, especially if they were borrowing money every month. And we are borrowing money every month to work here. And so our government is just as stressed with the debt and with this imbalance in spending and imbalance in revenues as a family would be.

Now, our banker in this country is used to Americans saved and they bought Treasury bills. That's how we would finance our government. But Americans across the country basically don't save anymore, and so we have to find other people who will buy our Treasury bills. And that's the Chinese Government. So China is our borrower of record, our lender of record.

And so we would watch what the Chinese have said in the past couple of months, in the past couple of years, and a couple of times China has said, We're not going to buy any more of the Treasury bills from the United States Government. At one point they said, We'll buy South Korean treasury bills, meaning the South Korean Government was a better bet than the U.S. Government. And so our banker has been giving us signs that, We're concerned. We're concerned about the economic health of your country, because they see that we cannot long continue.

Now, for myself, I've gone ahead and done the mathematics that, if you are spending 3.5, you are bringing in 2.2, well, you are running a deficit of $1.3 trillion every year. Now, that's a deficit as long as it's unaccounted for, as long as it hasn't been spent. But the moment that the money spends, then it goes into the debt barrel, and that's the top small barrel. And then we have a debt of approximately $15 trillion. Might be a little bit less.

To put that in perspective, that debt barrel began to build in the early days of our history, and we accumulated up to $5 trillion worth of debt to the second President Bush, George W. Bush. And during his term, we increased that debt from 5 to basically 10. So, a very rapid escalation of debt accumulation during the second Bush years.

□ 1640

But then, under President Obama, then we have seen an acceleration even faster so that we have already added almost another $5 trillion in debt in 2½ years under President Obama, and we are on track to maybe add another 6 or 7, maybe 8 in the next 2 years. This 1.3 deficit for this coming year, that was last year. This coming year, that number becomes 1.6 trillion. So you can see that the gap between what we are bringing in and what we are spending is absolutely increasing rather than decreasing.

Now, to put this in a bigger perspective the last year of President Bush, the deficit was about $200 billion so. Instead of 1.3, it was about 0.2, if we round it off to 0.3. You could see that almost immediately under President Obama that we increased our deficit. That is, we increased these outlays by almost a trillion dollars so that our economic condition is worsening very rapidly.

Now, the unsettling pieces, I mean, if you look at the 15 trillion in the top debt barrel and then you look at the revenues that we are bringing in from the government, you say, well, we could pay off 7 or 8 years. If we weren't spending a thing, we could pay off for 7 or 8 years and still not have quite all of our debt paid off.

But then the alarming piece is this fiscal gap at the bottom, that is Social Security, Medicare and Medicaid. And when we consider those elements, then we are looking at a $202 trillion deficit, a debt, a debt that we owe. Those are mandated spending programs that we are not going to turn off.

So we can already understand that we would pay almost 100 years if we were only getting $2.2 trillion into paying off this fiscal gap that we experience here.

Now, over in the far right corner of the chart, we see now a graph. The thing about graphs is they go on in time, this bottom line, the horizontal line is actually years and then the vertical line then is representative of the average income, per capita income that we as Americans have had through our history.

So I ask our listeners always, are you doing better than your parents did? And almost always the answer is yes, I make more money than my parents did and I, I myself, made more money than my parents did. That's shown on this chart that every year the chart has been increasing as we go through time, the numbers increase and so it shows that.

But then we see that the chart levels off and starts down. So when I ask people right now, are your children going to live better than you, are your children going to have more income than you did, very few people in a room will raise their hand. That's because they see that the economic condition of the world is getting worse, not better. That worsening condition is based simply on these factors right here.

There is nothing in the world economies that would not improve if we didn't solve these problems. It does not have to be—we could continue that growth curve forever. So we are right now at the point where the curve flattens off and moves down into a lower category.

But at the very tip of that curve is a red dot. Then the curve stops and discerning people would say, well, I thought graphs just continue. You draw them on out through infinity.

Well, you do except this chart stops. This chart stops because our economy literally shows both Office of Management and Budget, the White House, and the CBO, that's the congressional arm. So both the White House and the Congress both show the same chart that our economy simply ceases to function about 2037.

Now for people who are younger than myself, that's in your lifetimes. I may not see that, but my children and grandchildren will see this point where our economy quits. That's what happened in the Soviet Union.

President Reagan believed that if he simply increased our spending enough on arms that he could cause them to continue to invest more spending on arms. They would not be able to increase the revenues. They would have this gap right here. Their deficits would increase, their debt would increase and eventually the system would implode. It would collapse on itself. That's what's happening in our economy in 2037.

So at this particular point in our time, we have to stop and say we can't continue this. We must begin to do differently, and that is what the House was doing last week.

Now many in the country have said, oh, they are draconian cuts. We should not have done that. You shouldn't have cut that deeply and others are saying you should have cut more.

So let's evaluate that briefly. We cut, basically, about $60 billion out of the budget. We cut it out of the continuing resolution a couple of weeks ago when we passed that bill.

So what does 60 billion mean in this chart? Sixty billion would mean that you would change this number from 3.5 to 3.44. We are still faced with only the 2.2 here in revenues to the country.

I would ask every listener in the audience, is that significant, is it draconian? If you think it's draconian, would your banker think it's draconian? Almost everyone laughs if I ask them, if you were spending $3,500 a month, bringing in $2,200 a month and went to your banker, would your banker think that you made significant cuts if you cut from $3,500 to $3,440? Most people would laugh and say my banker wouldn't talk to me if I only cut that much. So I put it into that context that we did not do significant cuts.

Yet many of the people here in Washington are wailing and weeping and gnashing of teeth, those sorts of things, that catastrophe just awaits us because we cut spending by .06.

Myself, I don't think so. I think that the looming economic crisis in 2037 is the more compelling point that our economy simply will cease to function out in that range. Again, you can go online and look at CBO or OMB to find that chart. That's where we pulled it out. So take a look at it.

But the important thing is to understand that no company—my wife and I ran a small company—and no company ever found itself in fiscal straits like this and cured it simply by cutting spending. I don't think that it's possible for us to cut spending from 3.5 to 2.2. As a business person, it does not ring true. It doesn't seem like that we can cut that much.

So if we can't cut that much spending you have to say, well, then how do we get the 2.2 to move toward the 3.5? If we can't cut spending enough then how do we grow the revenues? Now some people will say well, we should raise taxes. They would say we should raise taxes. And then you shouldn't have to ask, well, what's the outcome of raising taxes?

The first thing is to understand that there is a basic economic truth that tax increases will kill jobs. And so if we want to make this number smaller, just increase taxes and we actually increased the difference. We increased our deficit because this number actually gets smaller at that point.

If we want to solve the problem that we are facing now, there is only one way to go, and that is economic growth. We need to create jobs. If we have to create jobs, then we must evaluate the ways that we are not creating jobs today.

We resume our discussion talking about how we would create these two numbers to come together. That would be a balanced budget. And, again, I would repeat that it is very difficult for us to cut enough spending to reach bottom, that my idea is that we must increase the number of jobs.

As we bring people into the workforce, we are simultaneously encompassing two things. We are causing this number to go up as people pay taxes that were previously unemployed, but then we are also bringing people off of unemployment, welfare and government assistance. So we are lowering their number toward this one as we increase that one.

The actuarial tables show us at about 3.5 percent rate of growth that we can actually begin to move towards balance. These long-term numbers begin to clear up significantly just by creating jobs in the growth rate of about 3.5 percent.

Well, then the next question would be, can we create jobs in 3.5 percent? Well, that's exactly what we have averaged for over 70 years. It's well established that we can do it.

Right now, our economic growth is in the 1 to 2 percent range, so that means that we almost have to double our rate of growth, and that would be possible if we did two basic things.

□ 1650

Number one, we can lower taxes. Tax breaks create jobs. Tax decreases create jobs. Tax increases kill jobs. And so then the second aspect of creating jobs would be to lower the regulations.

Now, I have many people that react in horror when I say we should lower regulations. They immediately claim you would go to zero regulation. I don't mean that at all. I simply mean that we are regulating our jobs out of existence. Companies are finding it easier to go to another country and operate rather than operate here because the regulations are so extreme.

One way that we're regulating companies out of existence is through our lending right now. We passed the Dodd-Frank bill which puts new requirements on banks. And so the bankers in my district in southern New Mexico have been calling recently saying that under the previous accounting methods and the previous reporting methods, we used to simply get written up if we made a mistake on a loan package. Today we're told that we could get a $50,000 fine. So they then are skeptical and reticent to lend money to small businesses and to people buying homes because they stand to lose more on the loan by one typographical error, one exception, than they can make.

And that, then, has a formal process so that a young family, a young couple in Socorro, New Mexico, recently graduated from New Mexico Tech, they both are employed, both have degrees, both have good-paying jobs, and yet the bank says, well, we just don't want to lend money because it might turn out to be a bad loan and we could lose our bank over one bad loan or we could get a $50,000 penalty over a mistake on the loan application. It's just too tough.

That means the regulations have been so high that businesses are saying, well, we would rather stay on the sidelines, which is what's happening nationwide. So we're being told that if the banks would simply loan money that everything would be fixed, and it's a lot true. Construction would start back. Houses would start back. Real estate agents would start back, and everyone would start, except it is regulated down into a low, just stagnant position because of these regulations that are, in many people's eyes, too high.

Another way that we regulate jobs out of existence is through environmental concerns. We are saying to ourselves that we should protect species at

all costs, that is, even the human cost. And I'm saying that that's too extreme. I would not let a species go extinct, but I would say that we should create jobs and protect the species at the same time. So in order to cure this problem, to raise this 2.2 toward the 3.5 and simultaneously lowering the 3.5 toward 2.2, I have actually put three bills in so that we could have test cases of this discussion for America.

The first one would be that, yes, we should keep the spotted owl alive, but we should not kill every timber job in America, which is basically what happened in New Mexico. We used to have 20,000 jobs in timber and today we have, more or less, none. Sometimes, one guy says, I've got eight people, and sometimes he says, well, I laid them off this week. And so we're up and down. The meaning of all that is that we've lowered, because of the spotted owl, from about 20,000 jobs basically to zero in New Mexico. And nationwide, that has caused this number to get smaller as people go on welfare, and it has caused this number to get bigger.

And as people get less-paying jobs, then that means this number gets smaller because they don't pay as much in taxes. They don't have as much to spend, so retail merchants don't make as much, and then they pay less in taxes. Meanwhile, more families are struggling. They get some sort of aid even when they're working, and the 3.5 number gets larger as we get jobs that pay less.

So, again, my bill simply says, let's have a discussion as Americans. Let's discuss whether or not we have to make the species the last determinant of everything in the forest or if we can't keep the spotted owl alive in sanctuaries, 1,000 acres here, 1,000 acres there, and go back to cutting in the forest.

Well, the first thing that some alarmist will do is say, well, you're going to clear-cut the forest; we shouldn't clear-cut the forest. We don't need to do that. We don't need to do that. And I'm saying, no, we don't have to clear-cut the forest. Land management companies commonly have a balanced thinning program. They go through and cut some trees of all sizes. And they're constantly working their way through their acreage so that good small companies exist on very small acreages.

We've got 225 million acres of forestland in this country, and yet it is being logged at almost zero rates. We've got forests in New Mexico: 3 million acres in one, 2 million acres in another. We've got very large forests, and yet they haven't had significant thousand-acre timber sales in forever, and it's been maybe 20 years since they've had significant timber sales. And even then they are restricted from harvesting the large-diameter trees that are economically profitable.

And so we've driven out most of the timber mills. We've driven out most of the people that would make a living doing that, all in the name of the environment. And all of us would want the environment clean. We would like the species to not be extinct. But I do not think that we have to completely ignore the job situation at hand.

The second bill we put in was the 27,000 farmers in the San Joaquin Valley. They were put out of work about 2 years ago by a silvery minnow. A judge said that all the water in the river has to stay there and cannot be used for agriculture. So those 27,000 people who used to be paying income tax here moved, as a cost to the government, to the 3.5. They are on welfare and unemployment, and so our revenues go down and our expenses go up. And that's a toxic case for a government, for a business, or for a family. And yet we're encouraging it through our policies.

So my bill, again, is very simple. Keep the 2-inch minnow alive in holding ponds. Put them in the river in the millions when we need them, but in the meantime, let's use that water for the irrigation in the San Joaquin Valley. The worst thing about shutting that farmland down in the San Joaquin Valley is that that area used to produce most of the vegetables for this country. Now, then, with them idle, we are importing vegetables from Central and South America, and they spray pesticides that we're not allowed to. So we hurt our revenues, we accelerated the cost of government, and we get an unsafe food supply all at the same time. It does not have to be that way. We can accomplish both jobs and the species.

The last bill that we introduced was offshore. Every one of us saw the BP situation. Again, I believe that BP should be accountable. I understand the process that they went through. They made bad some decisions. They are being held accountable. They are actually paying 100 percent of the cost. And that is not the question.

The question is whether the President should have ordered for the 100,000-plus jobs to be killed. You see right now the Governor of Louisiana and you see the people in Louisiana are really suffering because those rigs that used to be offshore working, thousands of people out there working every day at very high-paying salaries now are drawing unemployment. So we, again, lowered our 2.2 figure down lower. We increased the 3.5. So we made our budget situation much worse by policies that threaten or stop job growth.

Back on taxes. Again, we have mentioned that that's one reason that companies choose to live and operate elsewhere. Now, the people say, well, why do taxes create jobs more slowly? Mr. Swett, who is in the Second District of New Mexico in Artesia, said it best. He said, For me to create one job takes $340,000. He said, That's what a bulldozer costs, and I run bulldozers. He said, So when the government taxes my money away from me, it takes me longer to get my $340,000. He said, By the way, I've got to buy a $60,000 pickup because they won't let me drive the bulldozer to work down through the main streets of Artesia. And so we have to have a pickup and the truck. So he said, Actually it takes a little bit more than $340,000 to create a job. But every time the government taxes me more, it takes longer to get the $340,000 in the bank.

That's the reason that under higher and higher tax rates our economy stagnates and jobs are not produced as quickly, because we're taking that money away from businesses who would create it and putting it into the government that simply then spends it here in this 3.5 without really making more jobs.

So we are faced with a question in this country: Are we caring about the long-time survival of our economy or are we going to continue down the same path?

Now, that's the greatest discussion that we should be having. That's the discussion they're having right now in Wisconsin. In Wisconsin, basically the union employees are saying, We want more. We want more pay and we want more benefits, that is, more retirement.

Right now, basically across the country, our union employees—and I think they should get every penny that they are wanting, that they are deserving, but we have to understand that our union employees working for the government are making basically twice what our people in the private sector are making. So we down here are paying taxes in order for people that are costing the government to make twice what we are. And they are asking for more, meaning that we should charge the public, the private sector workers more taxes in order to pay higher salaries.

But then the real rub comes in on the retirements. Many of our government employees have an option to retire at 20 years, and many of those can retire at 75 percent of their pay. If you are making $40,000 a year, then you can retire at $30,000 a year. I have a document in my office that has New Mexico retirees' salaries, and this is from 10 years ago when I was in the State legislature, and the highest paid worker in our retirement system in New Mexico is making about $5,600 a month.

□ 1700

Now, that contrasts with about $3,000 a month. So he is making almost double in retirement what the average New Mexican is making working 40 hours a week. What it has caused is this imbalance here, this cost that is doubling above what we can take in in revenues.

So the discussion that is going on in Wisconsin is the same discussion we should be having here on the floor of the House, and it is the same discussion we should be having in every State capitol because almost every State, I think 48 of the 50, is now running in deficit conditions because the cost of government, the cost of their employees, the cost of education has risen so

dramatically. And in the private sector, we are sitting out here basically with flat wages, maybe declining wages. And so our discussion nationwide has to be: How do we cure the problem?

Now, if we begin to get our tax policy and our regulatory policy under control, I think that the manufacturing jobs would come back. So it is not just that we want jobs. McDonald's and such would create service-level jobs, but we are interested in careers, not just jobs. We are interested in being able to plan for your future and being able to pay for college for your kids or plan for your retirement. Those are the careers that we want to draw back, and those come from the good manufacturing jobs that left in droves during the last 30–40 years as we increased regulations and as we increased taxation.

Those jobs would come flooding back to us if we simply lowered the taxes. And you heard President Obama say in his State of the Union message that we now have one of the two highest corporate tax rates in the world. A couple of days after his speech, Japan actually lowered their tax rate, leaving us at the top level.

So the President recognizes that we make ourselves uncompetitive with our tax rate and we should do something about it. He is exactly right. We should cut taxes; and yet when you bring that up on the floor of the House, you get one-half of the body that grabs their chest and falls backward, pulling the flag across their face and saying we can't do that because Old Glory might just wither away. And the other side says it is the only way to economic growth.

If we are going to fix this imbalance of spending and revenue, we absolutely have to have growth, and job creation should be the primary focus of this Congress. But unless we focus on taxes and regulations, we cannot cure the job problem in the country.

A few years ago, Ireland was looking at itself and said, Ireland is a pretty smart country. We are smart people; we are hardworking people. We are struggling under a bad economy. What can we do to make it better?

So they thought a lot about it, they had studies, and they decided they should lower their corporate tax rate. So they lowered their corporate tax rate. It was equal to ours at that point, about 36 percent, and they lowered it down to 12 percent. Companies began to flock into Ireland because the tax rate was changed from 36 down to 12 percent. That is what lowering the tax rate does; it draws the great jobs to you, the manufacturing jobs.

Well, in the intervening years, Ireland began to do what we did. They began to say with all this money, we are awash with money, the revenues were exceeding the outflows, they began to say, we are going to spend more. And so they began to develop programs to give away, and they began to raise taxes.

Now, my brother-in-law works for Hughes Tools, and he just got back from Ireland. They just dismantled their last plant in Ireland that they had taken over when they were given the lower taxes. Because of the higher tax rate now, they are now evacuating out of Ireland. So Ireland is faced with this exact same problem, and Ireland is at the point of economic collapse, along with Greece, along with Spain, along with other countries in Europe because all of us have been living beyond our means.

Each country in the world right now is faced with its own set of problems that basically originate from the fact that we are spending more than we are bringing in. We are spending more for government than what the private sector can make, and we all face the same catastrophe that the Soviet Union faced, that their economy is simply going to implode.

Now I, for one, do not want to be on the watch and not be saying something as we're going down the track, and so I give this presentation everywhere I go. And to the people who are saying we absolutely have to have more government spending, I simply say: show me how it is going to work. The way we have been making this work is we have been printing money. As we print money, we take money away from you because printing money makes the dollars in your pocket worth less. And so as your money in your pocket is worth less, then the prices go up. So we see gasoline prices now escalate to $4, and some people are saying it is the evil oil companies. The truth is your dollar is worth less.

If it was only going up, then you could say: yes, the oil companies are taking more profit. But your vegetables are going up. Your gold is going up. Silver is going up. Big metals are going up. In the oil fields in southeast New Mexico, we use a lot of drill pipe. I got word last week when I was traveling around that the people who own drill pipes to sell it right now don't want to sell it.

They would rather have their pipe than dollars because they see that we have printed this $2.6 trillion. They see their dollar is worth less. They see the prices escalating, so they simply have shut off selling their drill pipe. It is worth more than the cash that they could get for it. That is going to be another sign that our economy has really begun to struggle under the inflation as we see shortages—shortages of vegetables, shortages of anything.

Now, the price of silver and gold have been escalating. The price of silver a week ago Friday went up 10 percent in one day. Then 2 or 3 days later it went up another 8 or 9 percent. It is not that we are using that much more silver 2 or 3 days later; it is that people are saying I would rather hold silver than dollars, and they have been flooding across from dollars to silver. You are seeing that people are choosing this object of silver that maybe is very difficult to store, very difficult to handle, is actually more valuable to them than holding the cash in the bank. This is because we are living like that.

So either we begin to discipline ourselves both nationally and as individuals because we individually have been running up debt that is sort of the equivalent of this, either we begin to discipline or the ultimate consequences is within 25 years we are going to see catastrophic economic situations arise for families.

I do not think that any of us want that. I think that the economic explanations of exactly why we are having the difficulties in our economy that we are having are very simple. They are very transparent. We are spending $3.5 trillion every year, and we are bringing in $2.2 trillion. That number is actually going to escalate next year so that this deficit, instead of being $1.3 trillion in the next year, according to the President's budget, is going to be $1.6 trillion. That $1.6 trillion at the end of the year will be added to the $15 trillion of debt so at the end of the year we will owe $16.5 trillion. The $202 trillion stays out here as obligations that are currently due because retirees are flooding into the market. The baby boomers are moving into retirement in record numbers now, and that is going to continue for another 15 or 20 years.

We have serious problems facing us, but the problems are fairly easily solved if we simply lower the tax rates, especially if we lower them on the job producers. And, secondly, if we get our regulations under control, not to no regulations, but to simply find a balance point that will allow us to protect the workers, protect the environment, and protect the species while at the same time creating jobs.

MESSAGE FROM THE SENATE

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

H.R. 662. An act to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a multiyear law reauthorizing such programs.

The message also announced that pursuant to section 276a–276g of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints the following Senator as Chairman of the Senate Delegation to the Canada-United States Interparliamentary Group conference during the 112th Congress:

The Senator from Minnesota (Ms. KLOBUCHAR).

ADJOURNMENT

Mr. PEARCE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 8 minutes p.m.),

under its previous order, the House adjourned until tomorrow, Friday, March 4, 2011, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

717. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Polymerized Fatty Acid Esters with Aminoalcohol Alkoxylates; Exemption from the Requirement of a Tolerance [EPA-HQ-OPP-2010-0275; FRL-8860-8] received February 11, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

718. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Clothianidin; Time-Limited Pesticide Tolerances [EPA-HQ-OPP-2010-0217; FRL-8858-3] received February 11, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

719. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — 1,4-Benzenedicarboxylic Acid, Dimethyl Ester, Polymer with 1,4-Butanediol, Adipic Acid, and Hexamethylene Diisocyanate; Exemption from the Requirement of a Tolerance [EPA-HQ-OPP-2010-0838; FRL-8863-9] received February 11, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

720. A letter from the Chairman, Congressional Oversight Panel, transmitting the Panel's monthly report pursuant to Section 125(b)(1) of the Emergency Economic Stabilization Act of 2008, Pub. L. 110-343; to the Committee on Financial Services.

721. A letter from the Secretary, Department of the Treasury, transmitting a report entitled ''Reforming America's Housing Finance Market''; to the Committee on Financial Services.

722. A letter from the President and CEO, Corporation for Public Broadcasting, transmitting the Corporation's 2009 annual report regarding the activities and expenditures of the independent production service; to the Committee on Energy and Commerce.

723. A letter from the Secretary, Department of Energy, transmitting a report entitled ''Report on Federal Agency Cooperation on Permitting Natural Gas Pipelines''; to the Committee on Energy and Commerce.

724. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's annual Report on the Food and Drug Administration Advisory Committee Vacancies and Public Disclosures; to the Committee on Energy and Commerce.

725. A letter from the Secretary, Department of Health and Human Services, transmitting FY 2010 Performance Report to Congress for the Medical Device User Fee Amendments of 2007; to the Committee on Energy and Commerce.

726. A letter from the Secretary, Department of Transportation, transmitting the Department's Fiscal Year 2010 annual report as required by the Superfund Amendments and Reauthorization Act (SARA) of 1986, as amended, pursuant to 42 U.S.C. 9620; to the Committee on Energy and Commerce.

727. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Finding of Failure to Submit State Implementation Plan Revisions for Particulate Matter, PM-10, Maricopa County (Phoenix) PM-10 Nonattainment Area, Arizona [EPA-R09-OAR-2011-0041; FRL-9264-1] received February 11, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

728. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; Virginia; Revision to the Definition of Volatile Organic Compound [EPA-R03-OAR-2010-0902; FRL-9265-6] received February 11, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

729. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule — Nuclear Critically Safety Standards For Fuels and Material Facilities, Regulatory Guide 3.71 received February 18, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

730. A letter from the Director, International Cooperation, Department of Defense, transmitting Pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, Transmittal No. 1-11 informing of an intent to sign a Memorandum of Understanding with Australia, Canada, Denmark, the Italian republic, the Kingdom of Norway, and the United Kingdom; to the Committee on Foreign Affairs.

731. A letter from the Director, International Cooperation, Department of Defense, transmitting Pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, Transmittal No. 27-10 informing of an intent to sign a Memorandum of Understanding with the Republic of Korea; to the Committee on Foreign Affairs.

732. A letter from the Director, International Cooperation, Department of Defense, transmitting Pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, Transmittal No. 2-11 informing of an intent to sign a Memorandum of Understanding with the Republic of Singapore; to the Committee on Foreign Affairs.

733. A letter from the Assistant Legal Adviser 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.

734. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting Report to Congress on the United States Policy in Iraq, Section 1227 of the National Defense Authorization Act for Fiscal Year 2006; to the Committee on Foreign Affairs.

735. A letter from the Director of Legal Affairs and Policy, Administrative Committee of the Federal Register, transmitting the Committee's final rule — Regulations Affecting Publication of the United States Government Manual [AG Order No. 3252-2011] received February 17, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

736. A letter from the Departmental FOIA/PA Officer, Department of Commerce, transmitting the Department's final rule — Disclosure of Government Information; Responsibility for Responding to Freedom of Information Act Requests [Docket No.: 060518134-6134-01] (RIN: 0605-AA22) received February 9, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

737. A letter from the Assistant General Counsel, General Law, Ethics, and Regulation, Department of the Treasury, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Oversight and Government Reform.

738. A letter from the Director, Office of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting the Commission's Annual Sunshine Act Report for 2010; to the Committee on Oversight and Government Reform.

739. A letter from the FOIA Officer, Recovery Accountability and Transparency Board, transmitting the Board's final rule — Rule Implementing the Freedom of Information Act (RIN: 0430-AA01) received February 15, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

740. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Harvesting Pacific Cod for Processing by the Inshore Component in the Central Regulatory Area of the Gulf of Alaska [Docket No.: 0910131362-0087-02] (RIN: 0648-XA187) received February 17, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

741. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Snapper-Grouper Fishery of the South Atlantic; Closure of the 2010-2011 Recreational Sector for Black Sea Bass in the South Atlantic [Docket No.: 0907271173-0629-0] (RIN: 0648-XA154) received February 17, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

742. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Atlantic Sea Scallop Fishery; Closure of the Delmarva Scallop Access Area to Limited Access General Category (LAGC) Individual Fishing Quota (IFQ) Scallop Vessels [Docket No.: 070817467-8554-02] (RIN: 0648-XA171) received February 17, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

743. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Coastal Migratory Pelagic Resources of the Gulf of Mexico and South Atlantic [Docket No.: 001005281-0369-02] (RIN: 0648-XA195) received February 17, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

744. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Reallocation of Pollock in the Bering Sea and Aleutian Islands [Docket No.: 0910131363-0087-02] (RIN: 0648-XA151) received February 17, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

745. A letter from the Deputy Assistant Administrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Pacific Halibut Fisheries; Guided Sport Charter Vessel Fishery

for Halibut; Recordkeeping and Reporting [Docket No.: 0911201413-1051-02] (RIN: 0648-AY38) received February 17, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

746. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Coastal Migratory Pelagic Resources of the Gulf of Mexico and South Atlantic; Closure [Docket No.: 001005281-0369-02] (RIN: 0648-XA199) received February 17, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

747. A letter from the Administrator, Department of Transportation, transmitting the Department's report for fiscal year 2010 on foreign aviation authorities to which the Administrator provided services in the preceding fiscal year; to the Committee on Transportation and Infrastructure.

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 Mrs. MCMORRIS RODGERS (for herself and Mr. ROSS of Arkansas):

H.R. 891. A bill to amend part D of title XVIII of the Social Security Act to promote medication therapy management under the Medicare part D prescription drug program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, 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. CAMP (for himself, Mr. BENISHEK, Mrs. MILLER of Michigan, Mr. CLARKE of Michigan, Mr. CONYERS, Mr. AMASH, Mr. KILDEE, Mr. HUIZENGA of Michigan, Mr. PETERS, Mr. ROGERS of Michigan, Mr. UPTON, Mr. LEVIN, Mr. MCCOTTER, Mr. DINGELL, Mr. WALBERG, Ms. SLAUGHTER, Mr. NADLER, Ms. MCCOLLUM, Mrs. MALONEY, Mr. HIGGINS, Mr. ACKERMAN, and Ms. KAPTUR):

H.R. 892. A bill to require the Secretary of the Army to study the feasibility of the hydrological separation of the Great Lakes and Mississippi River Basins; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Natural Resources, 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. DENT:

H.R. 893. A bill to provide for the issuance and sale of a semipostal by the United States Postal Service for the fight against colorectal cancer; to the Committee on Oversight and Government Reform, and in addition to the Committees on Energy and Commerce, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CONYERS (for himself and Ms. DEGETTE):

H.R. 894. A bill to amend title V of the Social Security Act to provide grants to States to establish State maternal mortality review committees on pregnancy-related deaths occurring within such States; to develop definitions of severe maternal morbidity and data collection protocols; and to eliminate disparities in maternal health outcomes; to the Committee on Energy and Commerce.

By Mr. ROYCE (for himself and Mr. MCGOVERN):

H.R. 895. A bill to provide for the continuation of restrictions against the Republic of Sudan unless the President certifies to Congress that Sudan is no longer engaged in training, harboring, supplying, financing, or supporting in any way the Lord's Resistance Army; to the Committee on Foreign Affairs.

By Mr. BURGESS (for himself, Mr. BRADY of Texas, Mr. FLORES, Mr. FARENTHOLD, Mr. CARTER, Mr. MCCAUL, Mr. OLSON, Mr. MARCHANT, and Mr. NEUGEBAUER):

H.R. 896. A bill to provide health care liability reform, and for other purposes; to the Committee on the Judiciary.

By Mr. GRIMM (for himself and Mr. MEEKS):

H.R. 897. A bill to provide authority and sanction for the granting and issuance of programs for residential and commuter toll, user fee and fare discounts by States, municipalities, other localities, and all related agencies and departments, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. COSTELLO (for himself, Mr. ALEXANDER, Mr. SHIMKUS, Mr. ROSS of Arkansas, Mr. COSTA, Mrs. EMERSON, Mr. REYES, Mr. OLSON, Mrs. CAPPS, Mr. LARSON of Connecticut, Mr. GALLEGLY, and Mr. PAUL):

H.R. 898. A bill to suspend flood insurance rate map updates in geographic areas in which certain levees are being repaired; to the Committee on Financial Services.

By Mr. LANKFORD (for himself and Mr. CONNOLLY of Virginia):

H.R. 899. A bill to amend title 41, United States Code, to extend the sunset date for certain protests of task and deliver order contracts; to the Committee on Oversight and Government Reform.

By Mr. RUSH:

H.R. 900. A bill to direct the Federal Trade Commission to establish rules to prohibit unfair or deceptive acts or practices related to the provision of funeral goods or funeral services; to the Committee on Energy and Commerce.

By Mr. DANIEL E. LUNGREN of California (for himself, Mr. KING of New York, Mr. ROGERS of Alabama, Mr. MCCAUL, Mr. LONG, Mr. MARINO, Mr. WALBERG, and Mr. WALSH of Illinois):

H.R. 901. A bill to amend the Homeland Security Act of 2002 to codify the requirement that the Secretary of Homeland Security maintain chemical facility anti-terrorism security regulations; to the Committee on Homeland Security, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. MATSUI:

H.R. 902. A bill to amend the National Flood Insurance Act of 1968 to require the Administrator of the Federal Emergency Management Agency to consider reconstruction and improvement of flood protection systems when establishing flood insurance rates; to the Committee on Financial Services.

By Mr. CALVERT (for himself, Mr. HARPER, Mr. GALLEGLY, Mr. LATTA, Mr. LONG, Mr. CARTER, Mr. LEWIS of California, Mr. DANIEL E. LUNGREN of California, Mr. GARY G. MILLER of California, Mr. GIBBS, Mr. NUNES, Mr. DREIER, Mr. MCKEON, and Mr. HERGER):

H.R. 903. A bill to greatly enhance the Nation's environmental, energy, economic, and national security by terminating long-standing Federal prohibitions on the domestic production of abundant offshore supplies of oil and natural gas, and for other purposes; to the Committee on Natural Resources, and in addition to the Committees on the Budget, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SENSENBRENNER (for himself, Mr. RYAN of Wisconsin, Mr. PETRI, and Mr. DUFFY):

H.R. 904. A bill to prohibit the Secretary of Transportation from providing grants or any funds to a State, county, town, or township, Indian tribe, municipal or other local government to be used for any program to check helmet usage or create checkpoints for a motorcycle driver or passenger; to the Committee on Transportation and Infrastructure.

By Mr. WHITFIELD (for himself, Mr. GENE GREEN of Texas, Mr. NUNES, Mr. KIND, Ms. DEGETTE, Mr. SHIMKUS, Mr. TOWNS, Mrs. BLACKBURN, Mr. COURTNEY, Mr. ROGERS of Michigan, Ms. DELAURO, Mr. TIBERI, Mr. ISRAEL, Mr. GERLACH, Mr. LEWIS of Georgia, Mr. SESSIONS, and Mr. HIMES):

H.R. 905. A bill to amend part B of title XVIII of the Social Security Act to exclude customary prompt pay discounts from manufacturers to wholesalers from the average sales price for drugs and biologicals under Medicare; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, 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. COHEN (for himself, Mr. HASTINGS of Florida, Mr. CARSON of Indiana, Mr. ELLISON, Mr. RUSH, Ms. RICHARDSON, and Ms. FUDGE):

H.R. 906. A bill to authorize public awareness campaigns to promote the persistent quest for knowledge and increased education among youth; to the Committee on Education and the Workforce.

By Mrs. MALONEY:

H.R. 907. A bill to amend the Child Nutrition Act of 1966 to provide vouchers for the purchase of educational books for infants and children participating in the special supplemental nutrition program for women, infants, and children under that Act; to the Committee on Education and the Workforce.

By Mr. MURPHY of Pennsylvania (for himself and Mr. GENE GREEN of Texas):

H.R. 908. A bill to extend the authority of the Secretary of Homeland Security to maintain the Chemical Facility Anti-Terrorism Standards program; to the Committee on Energy and Commerce.

By Mr. NUNES (for himself, Mr. SHIMKUS, Mr. RYAN of Wisconsin, Mr. SIMPSON, Mr. BISHOP of Utah, Mr. MCKEON, Mr. DREIER, Mr. LUCAS, Mrs. MCMORRIS RODGERS, Mr. ROGERS of Michigan, Mr. ROSKAM, Mr. BENISHEK, Mr. BRADY of Texas, Mr. BROUN of Georgia, Mr. BURGESS, Mr. BURTON of Indiana, Mr. CALVERT, Mr. CANSECO, Mr. COLE, Mr. CRAVAACK, Mr. CULBERSON, Mr. DUNCAN of Tennessee, Mrs. EMERSON, Mr. FINCHER, Mr. FRANKS of Arizona, Mr. GINGREY of Georgia, Mr. HARPER, Mr. HERGER, Mr. HUIZENGA of Michigan, Mr. KING of Iowa, Mr. LATOURETTE, Mrs. LUMMIS, Mr. MARCHANT, Mr. MCCOTTER, Mr. MCHENRY, Mrs. MILLER of Michigan, Mr. POE of Texas,

Mr. REHBERG, Mr. SCHOCK, Mr. SESSIONS, Mr. SHUSTER, Mr. SULLIVAN, Mr. TERRY, Mr. THOMPSON of Pennsylvania, Mr. TIBERI, Mr. WALBERG, Mr. WESTMORELAND, Mr. WOMACK, Mr. YOUNG of Alaska, Mr. TIPTON, Mr. YODER, Mr. BACHUS, Ms. JENKINS, Mr. COFFMAN of Colorado, Mr. PEARCE, and Mr. GRIMM):

H.R. 909. A bill to expand domestic fossil fuel production, develop more nuclear power, and expand renewable electricity, and for other purposes; to the Committee on Natural Resources, and in addition to the Committees on Oversight and Government Reform, Ways and Means, Energy and Commerce, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UPTON (for himself, Mr. PETERSON, Mr. RAHALL, Mr. WHITFIELD, Mr. BOREN, Mr. BARTON of Texas, Mrs. MCMORRIS RODGERS, Mr. WALDEN, Mr. SULLIVAN, and Mr. MCKINLEY):

H.R. 910. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from promulgating any regulation concerning, taking action relating to, or taking into consideration the emission of a greenhouse gas to address climate change, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BARROW:

H.R. 911. A bill to require the National Telecommunications and Information Administration and the Federal Communications Commission to conduct an inventory of broadband spectrum, to authorize the Commission, contingent on the completion of such inventory, to conduct auctions of voluntarily relinquished spectrum usage rights and to share the revenues with the licensees who relinquished such rights, and for other purposes; to the Committee on Energy and Commerce.

By Ms. GRANGER:

H.R. 912. A bill to amend the Public Health Service Act to establish a national screening program at the Centers for Disease Control and Prevention and to amend title XIX of the Social Security Act to provide States the option to increase screening in the United States population for the prevention, early detection, and timely treatment of colorectal cancer; to the Committee on Energy and Commerce.

By Mr. ADERHOLT:

H.R. 913. A bill to extend certain trade preference programs, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Appropriations, and 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. CONNOLLY of Virginia (for himself, Mr. BILBRAY, Mr. CUMMINGS, Mr. SARBANES, Mrs. MALONEY, Ms. NORTON, Mr. MORAN, Mr. PRICE of North Carolina, and Mr. MEEKS):

H.R. 914. A bill to improve Federal internships by expanding the conversion rate of Federal interns to full-time employees, establish consistent tracking mechanisms among Executive agencies for internship programs, and accelerate adoption of internship best management practices by Executive agencies; to the Committee on Oversight and Government Reform.

By Mr. CUELLAR (for himself and Mr. MCCAUL):

H.R. 915. A bill to establish a Border Enforcement Security Task Force program to enhance border security by fostering coordinated efforts among Federal, State, and local border and law enforcement officials to protect United States border cities and communities from trans-national crime, including violence associated with drug trafficking, arms smuggling, illegal alien trafficking and smuggling, violence, and kidnapping along and across the international borders of the United States, and for other purposes; to the Committee on Homeland Security.

By Mr. DENT:

H.R. 916. A bill to extend the chemical facility security program of the Department of Homeland Security, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Homeland Security, 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. FILNER:

H.R. 917. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in phase one of the South San Diego County Water Reclamation Project, and for other purposes; to the Committee on Natural Resources.

By Ms. FOXX:

H.R. 918. A bill to amend the Internal Revenue Code of 1986 to repeal the withholding of income and social security taxes; to the Committee on Ways and Means.

By Mr. FRANKS of Arizona:

H.R. 919. A bill to provide for the conveyance of certain public land in Mohave Valley, Mohave County, Arizona, administered by the Bureau of Land Management to the Arizona Game and Fish Commission, for use as a public shooting range; to the Committee on Natural Resources.

By Mr. GOHMERT:

H.R. 920. A bill to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to eliminate automatic increases for inflation from CBO baseline projections for discretionary appropriations, and for other purposes; to the Committee on the Budget.

By Mr. GOHMERT (for himself, Mr. BURTON of Indiana, Mr. MARCHANT, Ms. FOXX, Mr. FLORES, Mrs. SCHMIDT, Mrs. BLACKBURN, and Mr. HALL):

H.R. 921. A bill to prohibit United States assistance to foreign countries that oppose the position of the United States in the United Nations; to the Committee on Foreign Affairs.

By Mr. GOSAR:

H.R. 922. A bill to ensure that private property, public safety, and human life are protected from flood hazards that directly result from post-fire watershed conditions that are created by wildfires on Federal land; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Financial Services, Natural Resources, and Agriculture, 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 Florida (for himself, Ms. BROWN of Florida, Mr. ROHRABACHER, Ms. BERKLEY, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. DEUTCH, Mr. ISRAEL, Mr. LUJÁN, Mr. BUCHANAN, Ms. RICHARDSON, Mr. AL GREEN of Texas, Mr. GRIJALVA, Mr. CUMMINGS, Ms. WASSERMAN SCHULTZ, Mr. KISSELL, Ms. CHU, Mr. REYES, Mr. MCGOVERN, Ms. SUTTON, Mrs. NAPOLITANO, Mr. MCKINLEY, Mr. COHEN, Mr. CICILLINE, Mr. MICHAUD, Mr. COURTNEY, Mr. SHERMAN, Ms. CASTOR of Florida, Mr. FORTENBERRY, Ms. JACKSON LEE of Texas, Mr. BERMAN, Mr. WALZ of Minnesota, Mr. BISHOP of New York, Mr. MICA, and Ms. BASS of California):

H.R. 923. A bill to amend title 38, United States Code, to exempt reimbursements of expenses related to accident, theft, loss, or casualty loss from determinations of annual income with respect to pensions for veterans and surviving spouses and children of veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HEINRICH:

H.R. 924. A bill to amend the Small Business Act to establish a Veterans Business Center program, and for other purposes; to the Committee on Small Business.

By Mr. KILDEE (for himself, Mr. GRIJALVA, Mr. DINGELL, Mr. SABLAN, Mr. FATTAH, and Mr. COURTNEY):

H.R. 925. A bill to authorize the Secretary of Education to make grants to support early college high schools and other dual enrollment programs; to the Committee on Education and the Workforce.

By Mr. KING of New York (for himself, Mr. RUPPERSBERGER, Mr. COURTNEY, Mr. GRIMM, Mr. YOUNG of Alaska, and Mr. PASCRELL):

H.R. 926. A bill to provide Capitol-flown flags to the immediate family of fire fighters, law enforcement officers, emergency medical technicians, and other rescue workers who are killed in the line of duty; to the Committee on House Administration.

By Mr. MARKEY (for himself and Mr. HOLT):

H.R. 927. A bill to direct the Secretary of the Interior to establish an annual production incentive fee with respect to Federal onshore and offshore lands that are subject to a lease for production of oil or natural gas under which production is not occurring, and for other purposes; to the Committee on Natural Resources.

By Mr. MCNERNEY:

H.R. 928. A bill to expand the Safe Streets Program, to establish a National Gang Activity Database, and for other purposes; to the Committee on the Judiciary.

By Mr. NADLER:

H.R. 929. A bill to amend title 49, United States Code, to expand and improve transit training programs; to the Committee on Transportation and Infrastructure.

By Ms. PINGREE of Maine:

H.R. 930. A bill to amend title 38, United States Code, to improve the disability compensation evaluation procedure of the Secretary of Veterans Affairs for veterans with post-traumatic stress disorder or mental health conditions related to military sexual trauma, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. POE of Texas (for himself, Mr. DUNCAN of Tennessee, Mr. FORBES, Mr. HUIZENGA of Michigan, Mr. SAM JOHNSON of Texas, Mr. COFFMAN of Colorado, Mr. PENCE, Mr. LATTA, Mr. FORTENBERRY, Mr. JONES, Mr. CHAFFETZ, and Mr. PAUL):

H.R. 931. A bill to make participation in the American Community Survey voluntary, except with respect to certain basic questions; to the Committee on the Judiciary, and in addition to the Committee on Oversight and Government Reform, 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:

H.R. 932. A bill to identify and remove criminal aliens incarcerated in correctional facilities in the United States, and for other purposes; to the Committee on the Judiciary.

By Ms. ROYBAL-ALLARD (for herself and Mr. POLIS):

H.R. 933. A bill to reform immigration detention procedures, and for other purposes;

to the Committee on the Judiciary, and in addition to the Committee on Homeland Security, 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. SESSIONS:

H.R. 934. A bill to amend the Internal Revenue Code of 1986 to reduce the corporate rate of tax to 18 percent; to the Committee on Ways and Means.

By Mr. SOUTHERLAND (for himself, Ms. FOXX, Mr. GRAVES of Missouri, Mr. ROGERS of Michigan, and Mr. GUTHRIE):

H.R. 935. A bill to amend title XVI of the Social Security Act to clarify that the value of certain funeral and burial arrangements are not to be considered available resources under the supplemental security income program; to the Committee on Ways and Means.

By Mr. WELCH (for himself, Mr. JONES, and Mr. CICILLINE):

H.R. 936. A bill to prohibit United States assistance for Afghanistan unless the United States and Afghanistan enter into a bilateral agreement which provides that work performed in Afghanistan by United States contractors is exempt from taxation by the Government of Afghanistan; to the Committee on Foreign Affairs.

By Mr. BROUN of Georgia (for himself, Mr. AKIN, Mr. BARTON of Texas, Mr. WALSH of Illinois, Mr. JOHNSON of Ohio, Mrs. HARTZLER, Mr. MILLER of Florida, Mr. STUTZMAN, Mr. LATTA, Mr. PITTS, Mr. GARRETT, Mr. ROE of Tennessee, Mr. GINGREY of Georgia, Mr. GOHMERT, Mr. BURTON of Indiana, Mr. CHABOT, Mr. WALBERG, Mr. BENISHEK, Mr. BROOKS, Mr. DUNCAN of South Carolina, Mr. NEUGEBAUER, and Mr. WESTMORELAND):

H.J. Res. 45. A joint resolution proposing an amendment to the Constitution of the United States relating to marriage; to the Committee on the Judiciary.

By Mr. GRIFFITH of Virginia:

H.J. Res. 46. A joint resolution proposing an amendment to the Constitution of the United States to allow the several States to nullify a law or regulation of the United States; to the Committee on the Judiciary.

By Mrs. MCMORRIS RODGERS (for herself and Mr. BISHOP of Georgia):

H. Con. Res. 24. Concurrent resolution recognizing women serving in the United States Armed Forces; to the Committee on Armed Services.

By Mrs. HARTZLER:

H. Con. Res. 25. Concurrent resolution expressing the sense of Congress with respect to the Obama administration's discontinuing to defend the Defense of Marriage Act; to the Committee on the Judiciary.

By Ms. LEE of California:

H. Con. Res. 26. Concurrent resolution expressing the sense of Congress that the United States Postal Service should issue a commemorative postage stamp honoring former Representative Shirley Chisholm, and that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued; to the Committee on Oversight and Government Reform.

By Mr. GENE GREEN of Texas (for himself, Mr. BOREN, Ms. JACKSON LEE of Texas, Mr. COSTA, Mr. CASSIDY, Mr. SCALISE, Mr. BURTON of Indiana, Mr. BOUSTANY, Mr. MCCAUL, Mrs. MCMORRIS RODGERS, Mr. NUNNELEE, Mr. YOUNG of Alaska, Mr. MCCLINTOCK, Mr. ALEXANDER, Mr. AKIN, Mr. PAUL, Mr. CULBERSON, Mrs. HARTZLER, Mr. GUTHRIE, Mr. SAM JOHNSON of Texas, Mr. KINZINGER of Illinois, Mr. BROUN of Georgia, Mr. BRADY of Texas, Mr. BUCSHON, Mr. OLSON, Mrs. ROBY, Mr. GALLEGLY, Mr. SMITH of Nebraska, Mr. GRIFFIN of Arkansas, Mr. GRIMM, Mr. CANSECO, Mr. BONNER, Mr. GONZALEZ, Mr. LATTA, Mr. REHBERG, Mr. CHAFFETZ, Mr. PALAZZO, Mr. ROSS of Arkansas, Mr. FINCHER, Mr. GRAVES of Missouri, Mr. BARTON of Texas, Mr. HARPER, Mr. SCOTT of South Carolina, Mr. COFFMAN of Colorado, Mr. RENACCI, Mr. WESTMORELAND, Mr. MCHENRY, Mrs. ADAMS, Mr. HALL, Mr. MCKINLEY, Mr. DENT, Mr. POE of Texas, Mr. SMITH of Texas, Mr. AUSTIN SCOTT of Georgia, Mr. ROGERS of Alabama, Ms. JENKINS, Mr. DAVIS of Kentucky, Mr. JOHNSON of Ohio, Mr. BENISHEK, Mr. CARTER, Mr. FLORES, Mr. RICHMOND, Mr. COBLE, Mrs. BLACKBURN, Mr. GRAVES of Georgia, Mr. DANIEL E. LUNGREN of California, Mr. CUELLAR, Mrs. CAPITO, Mr. DUNCAN of Tennessee, Mrs. BLACK, Mr. FARENTHOLD, Mr. LATOURETTE, Mr. FLEMING, Mr. SIMPSON, Mr. BURGESS, Mr. REYES, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. AL GREEN of Texas, and Mr. HINOJOSA):

H. Res. 140. A resolution expressing the sense of the House of Representatives that domestic oil and gas resources are critical to our Nation's security and economy and the Secretary of the Interior should take immediate action to streamline the shallow and deepwater permitting process; to the Committee on Natural Resources.

By Mr. FRANKS of Arizona (for himself, Mr. CLEAVER, Mr. SHULER, Mr. DUNCAN of South Carolina, Mr. PITTS, Mr. DANIEL E. LUNGREN of California, Mr. AKIN, Mr. LAMBORN, and Mr. MCGOVERN):

H. Res. 141. A resolution expressing condolences for the murder of Punjab Governor Salman Taseer and Pakistan Minister of Minority Affairs Shahbaz Bhatti, and calling for a Taseer-Bhatti Resolution in the United Nations Human Rights Council honoring their courage in defense of core principles of Pakistan's democracy, enshrined in the Universal Declaration of Human Rights, particularly the freedom of religion; to the Committee on Foreign Affairs.

By Mr. GARDNER (for himself, Mr. PETERS, Mr. BRADY of Texas, Mr. BROUN of Georgia, Mrs. MYRICK, Mr. NEUGEBAUER, Mr. DUNCAN of South Carolina, Mr. PITTS, Mr. ROE of Tennessee, Mr. GINGREY of Georgia, Mr. FLORES, Mr. GOHMERT, Mr. BURTON of Indiana, Mr. POSEY, Mr. MCCLINTOCK, Mrs. LUMMIS, Mr. ROKITA, Mr. KINGSTON, Mrs. ADAMS, and Mr. WOMACK):

H. Res. 142. A resolution amending the Rules of the House of Representatives to require authorizing committees to hold annual hearings on GAO investigative reports on the identification, consolidation, and elimination of duplicative Government programs; to the Committee on Rules.

By Mr. GOHMERT (for himself, Mr. AKIN, Mrs. BACHMANN, Mr. BENISHEK, Mr. BROOKS, Mr. BURTON of Indiana, Mr. CHABOT, Mr. FLORES, Mr. FORTENBERRY, Mr. GARRETT, Mr. GINGREY of Georgia, Mr. HARRIS, Mrs. HARTZLER, Mr. HUELSKAMP, Mr. LAMBORN, Mr. LANKFORD, Mr. DANIEL E. LUNGREN of California, Mr. MANZULLO, Mr. MILLER of Florida, Mr. NUGENT, Mr. NUNNELEE, Mr. OLSON, Mr. PITTS, Mr. ROE of Tennessee, Mr. SOUTHERLAND, Mr. WALBERG, and Mr. WALSH of Illinois):

H. Res. 143. A resolution directing the Speaker, or his designee, to take any and all actions necessary to assert the standing of the House to defend the Defense of Marriage Act and the amendments made by that Act in any litigation in any Federal court of the United States; to the Committee on Rules.

By Ms. LEE of California (for herself, Ms. MOORE, Ms. CLARKE of New York, Ms. JACKSON LEE of Texas, Mrs. CHRISTENSEN, Mr. MEEKS, Ms. BROWN of Florida, Ms. EDWARDS, Mr. SCOTT of Virginia, Mr. TOWNS, Mr. RANGEL, Ms. RICHARDSON, Mr. RUSH, Mr. LEWIS of Georgia, Mr. HASTINGS of Florida, Mr. MORAN, Mr. BOSWELL, Ms. SCHAKOWSKY, Mr. STARK, Ms. BORDALLO, Mr. SERRANO, Mr. HINCHEY, and Ms. WOOLSEY):

H. Res. 144. A resolution acknowledging the 42nd anniversary of the election of Shirley Anita St. Hill Chisholm, the first African-American woman in Congress; to the Committee on House Administration.

By Mr. ROHRABACHER:

H. Res. 145. A resolution calling on the Government of Pakistan to release Raymond Davis; to the Committee on Foreign Affairs.

By Mr. UPTON:

H. Res. 146. A resolution providing the amounts for the expenses of the Committee on Energy and Commerce in the One Hundred Twelfth Congress; to the Committee on House Administration.

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 Mrs. MCMORRIS RODGERS:

H.R. 891.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to Congress' legislative powers under Article I, Section 8, of the Constitution. Under this provision, Congress has the authority to regulate ''commerce among the several states.''

By Mr. CAMP:

H.R. 892

Congress has the power to enact this legislation pursuant to the following:

Clause 8, Section 8, of Article I of the Constitution.

By Mr. DENT:

H.R. 893.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8 of the U.S. Constitution.

By Mr. CONYERS:

H.R. 894.

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 1 of the United States Constitution.

By Mr. ROYCE:

H.R. 895.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8 of the Constitution.

By Mr. BURGESS:

H.R. 896.

Congress has the power to enact this legislation pursuant to the following:

The attached bill is constitutional under Article I, Section 8, ''To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes''.

By Mr. GRIMM:

H.R. 897.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3.

By Mr. COSTELLO:

H.R. 898.

Congress has the power to enact this legislation pursuant to the following:

Article IV, Section 3, Clause 2.

By Mr. LANKFORD:

H.R. 899.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18: The Congress shall have Power . . . to make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by the Constitution in the Government of the United States, or in any Department or Officer thereof.

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; but all Duties, Imposts and Excises shall be uniform throughout the United States.

By Mr. RUSH:

H.R. 900.

Congress has the power to enact this legislation pursuant to the following:

To regulate Commerce with foreign Nations, and among the several States, and with the Indian tribes. U.S. Const., Art. I, Sec. 8, Cl. 3. The Interstate Commerce Clause serves as the constitutional basis for this legislation. In 1984, the Federal Trade Commission issued ''The Funeral Rule'' pursuant to its authority under Sections 5 and 18 of the Federal Trade Commission Act, which permits the FTC to promulgate trade regulation rules that define with specificity unfair or deceptive acts or practices in or affecting commerce. The Funeral Rule applies only to funeral homes. Its primary purposes are ''[t]o ensure that consumers receive information necessary to make informed purchasing decisions, and to lower existing barriers to price competition in the market for funeral goods and services.'' The traditional marketplace for funeral and burial goods and services has dramatically evolved. Over the past 20 years, waves of cross-state funeral homes & cemetery consolidations and combinations, increasing cremation trends, challenging legal questions over portability of death-care sales contracts and pre-need insurance policies, and a significant rise in the number of third- party sellers of death care goods and services now warrant regulatory parity among the death care industry's sectors. Accordingly, this legislation would expressly authorize the FTC to promulgate and to enforce, along with the States rules promoting competition and protecting vulnerable consumers from severe economic and emotional harms.

By Mr. DANIEL E. LUNGREN of California:

H.R. 901.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to Article I, Section 8, Clause 1 of the Constitution of the United States and Article I, Section 8, Clause 18 of the Constitution of the United States.

By Ms. MATSUI:

H.R. 902.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3.

By Mr. CALVERT:

H.R. 903.

Congress has the power to enact this legislation pursuant to the following:

The constitutional authority of Congress to enact this legislation is provided by Article IV, Section 3 of the United States Constitution, specifically Clause 2 (empowering Congress to make rules and regulations respecting property belonging to the people of the United States), Article I, Section 8 of the United States Constitution, specifically Clause 1 (relating to providing for the general welfare of the United States) and Clause 18 (relating to the power to make all laws necessary and proper for carrying out the powers vested in Congress). Furthermore, this bill amends the Outer Continental Shelf Lands Act (43 U.S.C. 1331), which Congress previously enacted pursuant to similar authority.

By Mr. SENSENBRENNER:

H.R. 904.

Congress has the power to enact this legislation pursuant to the following:

The Tenth Amendment to the Constitution.

By Mr. WHITFIELD:

H.R. 905.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3, which grants Congress the power to regulate commerce with foreign nations, among the several States, and with the Indian tribes.

By Mr. COHEN:

H.R. 906.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1.

By Mrs. MALONEY:

H.R. 907.

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. MURPHY of Pennsylvania:

H.R. 908.

Congress has the power to enact this legislation pursuant to the following:

Clause 3 of Section 8 of Article I of the Constitution.

By Mr. NUNES:

H.R. 909.

Congress has the power to enact this legislation pursuant to the following:

Clause 3 of Section 8 of Article I and Clause 2 of Section 3 of Article IV of the Constitution of the United States.

By Mr. UPTON:

H.R. 910.

Congress has the power to enact this legislation pursuant to the following:

Commerce Clause: Article I, Section 8, Clause 3.

By Mr. BARROW:

H.R. 911.

Congress has the power to enact this legislation pursuant to the following:

U.S. Constitution; Article I, Section 8.

By Ms. GRANGER:

H.R. 912.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18 of the United States Constitution.

By Mr. ADERHOLT:

H.R. 913.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3: To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes.

By Mr. CONNOLLY of Virginia:

H.R. 914.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18.

By Mr. CUELLAR:

H.R. 915.

Congress has the power to enact this legislation pursuant to the following:

The Constitution including Article I, Section 8.

By Mr. DENT:

H.R. 916.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8.

By Mr. FILNER:

H.R. 917.

Congress has the power to enact this legislation pursuant to the following:

The constitutional authority of Congress to enact this legislation is provided by Article I, Section 8 of the United States Constitution (Clauses 1, 3, and 18), which grant Congress the power to provide for the general welfare of the United States; to regulate Commerce among the several States; and to make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers.

By Ms. FOXX:

H.R. 918.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of, and the 16th Amendment to, the United States Constitution.

By Mr. FRANKS of Arizona:

H.R. 919.

Congress has the power to enact this legislation pursuant to the following:

Article 4, Section 3, Clause 2.

By Mr. GOHMERT:

H.R. 920.

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 9, Clause 7, ''No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.'' Furthermore, under Article I, Section 8, Clause 18, ''Congress shall have the power . . . [t]o make all Laws which shall be necessary and proper for carrying into Execution . . . all other Powers vested by this Constitution in the Government of the United States.'' It is within Congress' power to regulate the appropriation of money from the Treasury and this bill is ''necessary'' to stop the automatic increase in national spending.

By Mr. GOHMERT:

H.R. 921.

Congress has the power to enact this legislation pursuant to the following:

Under Article I, Section 8, Clause 18: The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by the Constitution in the Government of the United States, or in any Department or Officer thereof.

Article I, Section 9, Clause 7: No Money shall be drawn from the Treasury but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.

By Mr. GOSAR:

H.R. 922.

Congress has the power to enact this legislation pursuant to the following:

It was explained by James Madison, in Federalist No. 45, that the ''powers delegated to Congress in the proposed constitution to the federal government are few and defined.'' Mindful of this admonition, this proposed bill comports with several enumerated powers granted to Congress. Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 17: The Congress shall have the power ''[t]o exercise exclusive Legislation in all Cases whatsoever, . . . to exercise like Authority

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.'' Thus, lands purchased and held by the Federal Government, are within the exclusive jurisdiction of the Federal Government for purposes of management, control, disposition and if necessary, resolution of issues arising out of such land use. That being said, nothing herein shall be deemed an expansion of, or resolution of, the federal government's power to purchase and then hold land indefinitely and in substantial percentages as known in the Western States if not ''needful'' for federal purposes.

Further, the U.S. Supreme Court, in Collins v. Yosemite Park & Curry Co., 304 U.S. 518, 529 (U.S. 1938), reasoned that Clause 17 ''is not the sole authority'' for either property acquisition or management, as ''[i]t has never been necessary heretofore for this Court to determine whether or not the United States has the constitutional right to exercise jurisdiction over territory, within the geographical limits of a State, acquired for purposes other than those specified in Clause 17.''

Further, the Constitution's Property Clause, Article IV, Sec. 3, Clause 2, provides that ''Congress shall have the power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States.'' This Management Clause as currently understood conveys the express authority to Congress to address issues and resolve matters involving Federal Land. Additionally, Article I, Section 8, Clause 18, further provides a constitutional basis for this Act as it conveys the power to Congress to implement its enumerated powers (but this clause cannot expand those powers) and ''make all Laws which shall be necessary and proper'' for executing and implementing enumerated powers.

By Mr. HASTINGS of Florida:

H.R. 923.

Congress has the power to enact this legislation pursuant to the following:

Section 8 of Article I of the Constitution.

By Mr. HEINRICH:

H.R. 924.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1.

By Mr. KILDEE:

H.R. 925.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 3, The Commerce Clause, and Article 1, Section 8, Clause 18, the Necessary and Proper Clause.

By Mr. KING of New York:

H.R. 926.

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; but all Duties, Imposts and Excises shall be uniform throughout the United States.

By Mr. MARKEY:

H.R. 927.

Congress has the power to enact this legislation pursuant to the following:

The Constitutional authority of Congress to enact this legislation is provided by Article IV, Section 3, which provides that Congress shall have the power to dispose of and make all needful. Rules and Regulations respecting the Territory or other Property belonging to the United States.

By Mr. McNERNEY:

H.R. 928.

Congress has the power to enact this legislation pursuant to the following:

Section 8 of Article I of the Constitution.

By Mr. NADLER:

H.R. 929.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clauses 1, 3 and 18.

By Ms. PINGREE of Maine:

H.R. 930.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 14: To make Rules for the Government and Regulation of the land and naval Forces;

As necessary and proper Article I Section 8, Clause 18: 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.

As necessary and proper, 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; but all Duties, Imposts and Excises shall be uniform throughout the United States.

By Mr. POE of Texas:

H.R. 931.

Congress has the power to enact this legislation pursuant to the following:

Clause 18 of Section 8 of Article I of the Constitution which states that Congress has the power ''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. ROONEY:

H.R. 932.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 4: To establish a uniform rule of Naturalization, and uniform laws on the subject of Bankruptcies throughout the United States.

By Ms. ROYBAL-ALLARD:

H.R. 933.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 4.

Article I, Section 8, Clause 18.

By Mr. SESSIONS:

H.R. 934.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1.

By Mr. SOUTHERLAND:

H.R. 935.

Congress has the power to enact this legislation pursuant to the following:

The Social Security Act has been upheld under the power to tax and spending under Article I Section 8, Clause 1 of the U.S. Constitution.

Mr. WELCH:

H.R. 936.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 18: The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by the Constitution in the Government of the United States, or in any Department or Officer thereof.

By Mr. BROUN of Georgia:

H.J. Res. 45.

Congress has the power to enact this legislation pursuant to the following:

Article V of the Constitution. The Congress, whenever two thirds of both houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two thirds of the several states, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three fourths of the several states, or by conventions in three fourths thereof, as the one or the other mode of ratification may be proposed by the Congress; provided that no amendment which may be made prior to the year one thousand eight hundred and eight shall in any manner affect the first and fourth clauses in the ninth section of the first article; and that no state, without its consent, shall be deprived of its equal suffrage in the Senate.

By Mr. GRIFFITH of Virginia:

H.J. Res. 46.

Congress has the power to enact this legislation pursuant to the following:

This bill is enacted pursuant to Article V of the United States Constitution.

United States
of America

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PROCEEDINGS AND DEBATES OF THE *112th* CONGRESS, FIRST SESSION

Vol. 157 WASHINGTON, THURSDAY, MARCH 3, 2011 *No. 31*

Senate

The Senate met at 10 a.m. and was called to order by the Honorable TOM UDALL, a Senator from the State of New Mexico.

PRAYER

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

Let us pray.

Almighty God, eternal and unchangeable, You have ordained that day follows night and that in trials we find our triumph. Keep our lawmakers aware of Your goodness and mercies, which never fail. Lift them above contention and disappointment to an optimism that trusts the unfolding of Your loving providence. May they also live with the awareness that our times are in Your hands. Lord, give our Senators the wisdom to rededicate themselves to the doing of Your will, so that this Nation may yet shine with the beauty of righteousness and justice, as a citadel of healing, wisdom, and strength.

We pray in Your merciful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable TOM UDALL led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUYE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 3, 2011.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TOM UDALL, a Senator from the State of New Mexico, to perform the duties of the Chair.

DANIEL K. INOUYE,
President pro tempore.

Mr. UDALL of New Mexico thereupon assumed the chair as Acting President pro tempore.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, following any leader remarks, the Senate will proceed to a period of morning business until 11 a.m., with Senators permitted to speak therein for up to 10 minutes each. The Republicans will control the first half, and the majority will control the final half.

At 11 a.m., the Senate will resume consideration of S. 23, the America Invents Act. I would hope if people have amendments they want to offer to this legislation they would do so. I would hope they would be germane, but there are no restrictions. People can offer whatever amendments they want on this matter. But I would hope we can do that.

PATENT REFORM

We had an important amendment offered by Senator FEINSTEIN yesterday. It is an extremely important measure. I am supportive of that. It is an issue where I think we should not try to fix something in that area of patent reform that is not broken. But the patent reform bill is important. We have 750,000 patents that have been applied for, and there has been no response from the Patent Office.

One of the big issues we had was how we are going to pay for this, the work they have to do. We had a novel idea. Senator COBURN, it is my understanding, came up with the idea first: have the Patent Office pay for it with the applications people file. That money would go to the Patent Office to get rid of that backlog.

In the past, as I understand it, those moneys have gone to the general fund. So that issue was going to be a big debatable issue on this bill. But there was a bipartisan agreement that we should take care of that. That is in the managers' package. So that is good.

So the other issue is on the first-to-file. Senator FEINSTEIN offered that amendment. We will have a vote on that as soon as we can. I would hope if there are other amendments, we can get to them quickly.

There will be a period of morning business from 2 to 4 p.m. today. The majority will control the first hour, and the Republicans will control the next hour.

Senators should expect rollcall votes in relation to amendments on the America Invents Act to occur throughout the day.

RECOGNITION OF THE MINORITY LEADER

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

GOVERNMENT SPENDING

Mr. MCCONNELL. Mr. President, for 2 years now Washington Democrats have taken fiscal recklessness to new

heights. They have spent trillions of dollars we do not have on things we do not need and cannot afford. The amount of red ink Democrats plan to rack up this year alone would exceed all the debt run up by the Federal Government from its inception through 1984.

This recklessness is the reason we have seen a national uprising against their policies. Americans have demanded we reverse this recklessness and restore balance. Democrats have resisted at every turn.

To conceal the extent of their spending plans, they did not even pass a budget last year. After a nationwide repudiation of their policies in November, they proposed a massive spending bill loaded with new spending that amounted to a slap in the face to the voters.

Following the outrage that provoked, they tried to get a spending freeze past the public. They said: How about we just lock in place the out-of-control spending levels we set last year?

To them, this entire debate is not about how to respond to the American people. It is about seeing what they can get away with.

Well, Republicans have taken a different approach. Responding to our constituents, we have insisted the status quo simply will not cut it anymore. We have insisted on actually shrinking the size of government. And yesterday we delivered, by forcing the first actual cut in government spending in recent memory.

While it was just a small first step, yesterday we showed it is actually possible to change the status quo in Washington. Not bad.

What about the White House? The White House responded to all of this by announcing they want to have a meeting. We are happy to go to the meeting, but putting a meeting on the schedule does not change the fact that neither the White House nor a single Democrat in Congress has proposed a plan that would allow the government to remain open and that would respond to the voters by reining in spending.

All we get is talk. The President made an audacious assertion yesterday after the 2-week CR was passed. He said he wants his advisers to come up with a plan that ''makes sure we are living within our means.'' Live within our means?

Let me remind you, Mr. President, that the President's budget has us amassing a national debt of more than $20 trillion within the next 5 years—amassing a national debt of over $20 trillion within the next 5 years. We are projected to spend this year $1.6 trillion this year more than we are taking in. That is a $1.6 trillion deficit this year.

Does this mean we can expect the President's Budget Director to present us with a piece of paper that outlines $1.6 trillion in cuts for the current fiscal year? If so, that is great news.

If the President's measure of success, as he said, is a plan that makes sure we actually live within our means, the way most people do, count on me showing up early for this meeting. Unfortunately, I suspect the President is once again just saying something he thinks people want to hear.

The fact is, if Democrats had a plan of their own that would cut one dollar in spending, I think we would have seen it by now. But we have not. Democrats have abdicated all responsibility for their own recklessness over the last 2 years. They have left us to do something about it.

We made a step in the right direction yesterday after months of resistance on their part. Now we look forward to their plan. It is time for Democrats to present a serious plan of their own that addresses this crisis. It is time for Democrats to take the concerns of the American people seriously.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business until 11 a.m., with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half, and the majority controlling the final half.

The Republican leader is recognized.

(The remarks of Mr. MCCONNELL and Mr. PAUL pertaining to the introduction of S. 468 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. PAUL. Mr. President, I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. WARNER. Mr. President, I ask to speak for up to 8 minutes on the Democratic time.

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

HONORING ROBERT BENZON

Mr. WARNER. Mr. President, I rise today to honor another great Federal employee and a constituent of mine from Fredericksburg, VA.

As we debate this week and over the coming weeks about making sure the Federal Government stays open, I think it is important to realize what we are talking about are the real lives of many of our great Federal employees who provide the services day-in and day-out to make sure many important public purposes are served.

I know the Presiding Officer realizes this is an initiative that our former colleague, the Senator from Delaware, started. I was proud, when Senator Kaufman moved on, to pick up that mantle on a regular basis, coming to the floor of the Senate to recognize Federal employees who very often, in an unsung way, do great things for our country.

The Federal employee I am going to recognize is someone who the Presiding Officer, who I know, spends a lot of time in the air, coming from the great State of New Mexico, will be particularly interested in. My colleague, the Senator from Illinois, who is also present, spends a lot of time in the air as well. That is the subject of what we will talk about today.

Nearly 2 million people in the United States take to the skies every day. Once in flight, their safety relies on the diligent work of individuals responsible for ensuring that airplanes are well-designed and safe. When we reach our destination, as we often do, it is because of their tireless work.

In the rare moments when accidents happen, we rely on individuals like Robert Benzon who possess the skill and innovative thinking to find the cause of the accident and ensure we don't make the same mistake twice.

Robert Benzon is a senior air safety investigator with the National Transportation Safety Board. His job is to investigate aircraft accidents. He analyzes the equipment and data, identifies the cause of the accident and makes recommendations to the industry on how to improve safety.

He began his career flying combat missions in Vietnam as an Air Force pilot. In 1984, he went to work for the National Transportation Safety Board in Chicago.

Over his 25-year career, he has served as the lead investigator in several high-profile cases and is considered the best in his field. More than 80 percent of his team's recommendations have been adopted by the industry.

In 1996, Mr. Benzon led the investigation of the TWA flight 800 crash in the Atlantic Ocean. His investigation following this crash led to the recommendation that oxygen contained in aircraft fuel tanks be replaced with another nonburning gas, like Nitrogen, to prevent fuel tank explosions.

In 2001, Mr. Benzon led the investigation of the fatal crash of American Airlines flight 587 in Queens, NY. His investigation led to an industry-wide redesign of the rudder system, as well as changes to the pilot training program for similar aircrafts.

Mr. Benzon also led the investigation of U.S. Airways flight 1549, known nationwide as the ''Miracle on the Hudson,'' which made Captain Sullenberger a household name. His investigation included an analysis of the engine damage and black box flight recorders,

interviews with the pilots, cabin crew, air traffic controllers and passengers, and meetings with the manufacturers of both the airplane and its engines.

Mr. Benzon has also been a strong advocate for the collection of more in-flight data points from flight recorder black boxes, which he believes is critical to understanding what exactly may have gone wrong during a flight. His efforts have led to a significant increase in data: from less than 10 data points collected in-flight to over 1,000.

In an interview, Mr. Benzon said, ''[My work] is a way of giving back—I get a good feeling after every one of these investigations is over. It's service to the country.''

It is this sentiment that inspires me to highlight great Federal employees on the Senate floor. There are countless Federal employees who dedicate their lives to making the rest of our lives better and safer.

Each day we set foot on an airplane and arrive safely at our destination, we have Robert Benzon and his team to thank. I hope that my Senate colleagues will join me in honoring Robert Benzon and all those at the National Transportation Safety Board for their dedicated service and important contribution to our Nation's aviation safety.

I know Senators share the regard for this Federal employee and the many others who make our country a better place. It is my hope that in the coming weeks we can come to some resolution so these Federal employees can know that for the balance of this fiscal year the Federal Government will stay in operation and that they can continue to do their work.

With that, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

SOMALI PIRATES

Mr. KIRK. With the cold-blooded murder of four Americans by pirates, our country faces a dangerous enemy as old as the second Washington administration and the earliest days of the U.S. Navy.

This danger now stretches across our vital oil supply lanes and threatens not just Americans handing out Bibles at Indian Ocean ports of call but our vital supply of energy. I think it is time to recall the tough choices made by the Jefferson administration to suppress the 21st century's pirates in this new chapter.

We may forget that as much as 10 percent of all Federal revenues were paid by the Washington administration to the Barbary pirates operating in what became Libya. Payments continued under the Adams and Jefferson administrations, but as always with kidnappers and pirates, ransoms only led to more danger on the high seas.

In 1801, President Thomas Jefferson decided that payments of tribute to the Barbary States in exchange for the safe passage of American shipping vessels had gone far enough. Over the next 5 years, Jefferson sent the new U.S. Navy—ironically built over his objection—to attack and defeat the pirates. In the conflict that followed, new American heroes were made, especially Captain Stephen Decatur. Decatur's exploits were dangerous and involved close quarters in combat. In his honor, my State of Illinois named one of its major cities after him, placing his statue in the city's center.

In the end, piracy was defeated and the flag of the United States was not strongly challenged by pirates until this century.

In the wake of the murder of four Americans by Somali pirates, we need to recall Jefferson's policy under what I would call the ''Decatur Initiative'' against Indian Ocean pirates.

Since 2006, pirates attacked more and more vessels. There were over 400 attacks just last year. According to the New York Times, the modern-day pirates of the 21st century currently hold 50 vessels and more than 800 hostages. According to the International Maritime Bureau, pirates murdered 379 people with an additional 199 individuals reported missing between 1993 and 2009.

According to reports, the typical pirate ransom in 2005 was between $100,000 and $200,000. By 2008, the average ransom grew to between $500,000 ad $2 million. One year later, in 2009, the average ransom reportedly grew again to a range between $1.5 million and $3.5 million, In late 2010, ransoms now hover around $4 million per vessel. Ransom payments as large as $9.5 million for a tanker carrying crude oil have also been reported by the media.

Recently, pirates captured a supertanker worth $200 million carrying 2 million barrels of oil bound for the U.S. Its ransom may become the mother load for pirates to extend their reach across the Indian Ocean and into the Red Sea and Persian Gulf. We would be naive not to expect profits from piracy will not be used to support terrorism against the West.

The Horn of Africa is of crucial importance, not only to the U.S. economy, but also to the global market as it serves as a major artery of international shipping. The oil tankers that cruise these waters provide much of the world's energy supply and we cannot risk the safety of those shipments. This region is a potential incubator for the growth of two burgeoning al Qaida franchises: al Qaida in the Islamic Magreb, AQIM, and Somalia's al-Shabaab group, which has pledged its loyalty to Osama bin Laden.

Yesterday, I raised this issue with our Secretary of State, Hillary Clinton. She hinted that our policy may be changing and that is welcome news. I asked, ''if we can't be tough on pirates, who can we be tough on?''

Today, I am announcing the start of an effort here in the Senate to draft legislation and support administration action along the lines of Jefferson's policy on pirates.

These legislative concepts shall be collectively referred to as the ''Decatur Initiative,'' Decatur, whose most daring mission involved recapturing the U.S.S. *Philadelphia* from pirates.

The time has come for us to advance the following: 1. A defined ''Pirate Exclusion Zone'' that would allow the immediate boarding and/or sinking of any vessel from Somalia not approved and certified for sea by allied forces; 2. an expedited legal regime permitting trial and detention of pirates captured on the high seas; 3. a blockade of pirate-dominated ports like Hobyo, Somalia; 4. broad powers and authority to on-scene commanders to attack or arrest pirates once outside Somalia's 12-mile territorial limit—this would include the summary sinking of pirate ships if a local commander deems it warranted.

Additionally, I will explore actions to attack the financial links between pirates and the terrorist groups such as al Shabaab and target pirates with financial sanctions in the same way as other terrorist networks.

In the wake of the recent tragedy in the Arabian Sea, where American missionaries were gunned down in cold blood, I am hopeful that many of my colleagues will be willing to join me in taking bold action against the pirates who have been operating in the waters off East Africa. It is ironic that the United States and our allies station substantial naval forces against pirates in this region but take little aggressive action against them. While the pirates have substantial strength on the ground in Somalia, once they're put to sea, we can be their masters and they have very weak means to oppose us. A set of vessels blockading pirate-dominated ports with aggressive orders to attack and sink any vessel leaving Somalia should make quick work of pirate operations.

The cost of oil and the price of gas is high enough. Further increases could endanger our slowly recovering economy. As part of the effort to stabilize the price of gas in America, we need to recover Jefferson's policy and attack and defeat Somali pirates as soon as they leave Somalia's territorial waters.

In addition, as this body begins to finalize spending legislation for the remainder of the year, I would like to highlight the growing danger to the U.S. economy and our country.

We all know that the national debt now tops $14 trillion but we should note that this means we are adding $35 billion to our debts each week or over $5 billion borrowed each day.

That $4 billion cut represents just .3 percent of this year's annual deficit or just three one-hundredths of 1 percent

of the current money we owe. The famous Harvard economic historian Niall Ferguson said you can mark the decline of a country when it pays more money to its lenders than to its army. We have already crossed that point. This year the Congressional Budget Office estimates that interest payments we will pay to our money lenders will top $225 billion. That is more than the cost of our Army, which we currently estimate costs about $195 billion, or our Air Force, which we estimate costs $201 billion, or even our Navy, which will cost $217 billion this year.

Our money lender costs now are higher than the entire gross domestic product of the country of Denmark, at $201 billion. We must pay $4 billion per week in interest or $616 million per day to our money lenders. What is worse, interest payments are expected to more than double over the next decade and will top $778 billion. That means soon we will have to pay our money lenders more than it costs to operate our Army, Navy, and Air Force combined at $623 billion.

Remember also that interest payments on the debt are a form of wealth transfer from hard-working middle-class Americans who pay Federal taxes to wealthy lenders, many of whom live abroad. For those in the Senate who are opposing budget constraints put in by the House, we should force them to admit that they are either for higher taxes for the American people or more borrowing that transfers wealth from hard-working middle-class Americans to high-income money lenders, most of whom now live abroad.

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

The ACTING PRESIDENT pro tempore. Will the Senator withhold his request?

Mr. KIRK. I withhold.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Mr. President, I ask unanimous consent to speak in morning business for 10 minutes.

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

FIRST-TO-FILE PROVISIONS

Mr. KYL. Mr. President, I wish to speak on the pending business before the Senate. We are hoping in maybe 45 minutes or so we will actually be able to vote on the Feinstein amendment to the patent bill. I am hoping that my colleagues will vote against the Feinstein amendment and support the authors of the legislation.

I noted yesterday that every version of the patent bill from 2005 forward has included the primary, centerpiece reform of the bill, which is the so-called first-to-file system. It may seem strange, but it has not been the case before this bill that you have a patent's priority from when you file it; that is to say, the first person to file on the patent is the one who has the patent; that the patent dates to the day it is filed. That is what we do in law and virtually every other situation I can imagine.

Instead, what has been the law is called the first-to-invent system. One of the reasons the whole patent reform movement began 5 or 6 years ago was that this system is very costly and difficult to administer because it relies on a lot of legal discovery and legal process to resolve questions or disputes between who actually conceived of the idea first and then did they apply the necessary diligence to get it patented. As a result, every other industrialized country uses the first-to-file system. Most of the companies in the United States are obviously used to that system because of their patents that are worldwide in scope.

The fundamental reform of the patent legislation to simplify, to reduce costs, to reduce the potential for litigation was to conform our system to that of the rest of the world—the first-to-file system.

What the Feinstein amendment would do is to throw that over and say: No, we are going to go back to the concept of this first-to-conceive-of-the-idea or first-to-invent notion. Whether intended or not, that will kill the bill. It is a poison pill amendment because the whole concept of the legislation and everything that follows from it is based on this first-to-file reform.

As I will note a little bit later, the bill simply would not work otherwise. We would have to scrap it and start from scratch. In fact, most of the reforms that are in the bill would not exist because we would have to go back to that concept of first-to-invent. So all of the savings and simplified procedures would simply not be possible.

Unfortunately, I note that if my colleagues have any notion of supporting the Feinstein amendment, they should realize that were it to be adopted, it would kill the bill. I do not think that is what we want to do. There have been so many improvements made in the bill. So many groups—all three of the major groups that have been working on the legislation are in support of the legislation and oppose the Feinstein amendment because they want us to move forward. We have not had patent reform in many years. Everybody recognizes it is time.

First and foremost, the administration and the Patent Office itself support the legislation and oppose the Feinstein amendment. In fact, one of the good changes made by the bill from the Patent Office's point of view is that it will stop fee diversion. In the past, the fees that have been collected, the filing fees from the inventors, have not all gone to the Patent Office. They are woefully understaffed and underfunded in working through the tens and hundreds of thousands of patent applications that are filed every year.

As we can all appreciate, our competitiveness in the world depends, first, on the ability of our people to invent and, second, to acquire the legal rights to those inventions so they have a property interest in them, and investors can then count on a return of their investment if they supply the capital for the invention to be brought to market.

What we are talking about is critical. I urge my colleagues who perhaps have not focused as much on this amendment and on the patent reform legislation to understand that we are talking about something very important, something that can create jobs, that is important to the competitiveness of our country.

The beauty is, unlike a lot of what we do around here, this is totally bipartisan. I am a Republican. The administration supports the legislation. It has Senator LEAHY's name on it as chairman of the Judiciary Committee. In the House, it is supported by Democrats and Republicans. It is important we move this legislation through.

As I said, unfortunately, the Feinstein amendment would result in having to scrap the bill. There is no point in enacting it if we are not going to include the change to first to file.

Let me be a little more specific. One of the reasons we would not be able to move forward with the bill is the bill's entire post-grant review process, which is a big part of the bill, would be impossible for the Patent Office to administer under the discovery-intensive invention date issues that arise under the first-to-invent system. That is because, as I said, under that system you come before the Patent Office and say: I realize nobody else had a record of this, but I actually thought of this idea way back in 1999. I have a couple of notes that I made to myself. I dated them. One can see that all of a sudden they are getting into a big discovery and legal process. That is what we are trying to get away from. The whole post-grant review process would be turned upside down if we went back to the first-to-invent principle.

Also, striking the first-to-file provisions would greatly increase the workload for the Patent and Trademark Office. What we are trying to do is simplify procedures so they can get their work done, get the patents approved so our businesses can better compete in the world, and also provide more money for them to do that job. That also would be jeopardized as a result of this amendment. We will just add backlogs and delays and not enable our Patent Office to do what we are asking it to do.

As I said, that is one of the reasons the Patent Office opposes the Feinstein amendment and supports the underlying legislation. It is interesting; many American companies already use first-to-file. It is the easiest, most direct way to confirm you have the patent. It is very hard to win a patent contest through what is called an interference proceeding if you were not the first to file, which, of course, is logical. And because all the other countries in

the world use a first-to-file system, if you want your patent to be valid outside the United States you need to comply with first-to-file in any event.

Among many of our most innovative companies, 70 percent of their licensing revenues come from overseas. Obviously, they are already going to be complying with the first-to-file rules. This bill does not, therefore, so much switch the system with which Americans are complying today as it simply allows American companies to only have to comply with one system rather than two. As I said before, the first-to-file concept is clearer, faster, more transparent, and provides more certainty to inventors and manufacturers.

On the other hand, the first-to-invent concept would make it impossible, in many instances, to know who has priority and which of the competing patents is the valid one. To determine who has priority under first to invent, extensive discovery must be conducted and the Patent Office and courts must examine notebooks and other evidence to determine who conceived of the invention first and whether the inventor then diligently reduced it to practice.

Under first-to-file, on the other hand, an inventor can get priority by filing a provisional application. This is an important point. It is easy. It is not as if the first-to-file is hard to do. This provisional application, which only costs $110 for the small inventor, only requires you to write a description of what your invention is and how it works. That is all. That is the same thing that an inventor's notebook would have to contain under the first-to-invent concept if you are ever going to prevail in court by proving your invention date.

Because a provisional application is a government document, the date is clear. There is no opportunity for fraudulently backdating the invention date. There is no need for expensive discovery: What did the inventor know and when did he know it? You are essentially not requiring anything in addition. You file a provisional application. You have an entire year to get all of your work together and file your completed application, but your date is as of the time you file the provisional application.

As I said, for a small entity, the fee is only $110. That grace period makes it clear that the patent will not be invalid because of disclosures made by the inventor or someone who got information from an inventor during 1 year before filing. That is important.

A lot of academics and folks go to trade shows and begin talking about their concepts and what they have done. If you disclose this, you have a year to file after you disclose the information. And under the bill's second, enhanced grace period, no other disclosure, regardless of whether it was obtained from the inventor, can then invalidate the invention.

The bill has been very carefully written to protect the small inventor or the academic. That is what it is designed to do. This is not a case of big versus small, although people both big and small support the legislation. If anybody suggests the Feinstein amendment will protect the small inventor, it does not protect the small inventor. In fact, as I said, the legislation is very carefully crafted to give the small inventor a variety of ways to ensure that he or she is protected.

The first coalition to bring the whole idea of patent reform to the Congress, the Coalition for 21st Century Patent Reform, is very strongly in support of the legislation and in opposition to the Feinstein amendment. In fact, it noted in a statement released Wednesday that not only does it oppose the amendment, it would oppose the entire bill if the amendment were to be adopted and this first-to-file concept were stricken from the bill.

In fact, here is what they said:

The first-inventor-to-file provisions currently in S. 23 form the linchpin that makes possible the quality improvements that S. 23 promises.

Here is what the Obama Statement of Administration Policy says. It lays out exactly what is at stake:

By moving the United States to a first-to-file system, the bill simplifies the process of acquiring rights. This essential provision will reduce legal costs, improve fairness, and support U.S. innovators seeking to market their products and services in the global marketplace.

I am continuing the statement:

Most of the arguments in opposition to the bill and FITF appear to be decades-old contentions that have been fully and persuasively rebutted. As one example, the National Research Council of the National Academies assembled a group of leading patent professionals, economists, and academics who spent four years intensely studying these issues and concluded in 2004 that the move to FITF represented a necessary change for our patent system to operate fairly, effectively and efficiently in the 21st century.

They go on to say:

Without retaining S. 23's current FITF provisions, the bill would no longer provide meaningful patent reform.

Let me repeat that. If the Feinstein amendment would prevail, ''the bill would no longer provide meaningful patent reform.''

As an example, the new provisions on post-grant review of patents, an important new mechanism for assuring patent quality, could no longer be made to work. Instead of a patent reform bill, what would remain of S. 23 would be essentially an empty shell.

Let me finish the statement:

Thus, we could not continue our support of passage of S. 23 without the first-inventor-to-file provisions present in the bill. It would place us in the unfortunate position of opposing moving forward with a bill where we have been among the longest, most ardent supporters.

Just to conclude, the National Association of Manufacturers, which represents both large and small manufacturers in every industrial sector, has also made it clear that it strongly opposes the amendment. I will conclude by quoting from that group's statement in opposition to the Feinstein amendment.

The NAM supports transitioning the United States from a ''first-to-invent'' system to a ''first-to-file'' system to eliminate unnecessary cost and complexity in the U.S. patent system. Manufacturers large and small operate in the global marketplace and the United States needs to move toward a system that will provide more patent protection around the world for our innovative member companies. The ''first-to-file'' provision currently included in S. 23 achieves this goal.

Mr. President, I hope my colleagues will pay close attention to the arguments made by Chairman LEAHY and the arguments I have made in opposition to the Feinstein amendment. Whether intended or not, it would be a poison pill. It would kill the legislation if it were adopted. We need to move this important legislation forward, as the administration notes in its statement of policy, and therefore I urge my colleagues, when we have an opportunity to vote on the Feinstein amendment, to vote against it and to support the legislation as reported.

The ACTING PRESIDENT pro tempore. Morning business is closed.

PATENT REFORM ACT OF 2011

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 23, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 23) to amend title 35, United States Code, to provide for patent reform.

Pending:

Leahy amendment No. 114, to improve the bill.

Bennet amendment No. 116, to reduce the fee amounts paid by small entities requesting prioritized examination under Three-Track Examination.

Feinstein amendment No. 133, to strike the first inventor to file requirement.

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

AMENDMENT NO. 133, AS MODIFIED

Mr. LEAHY. Mr. President, I understand we have the Feinstein amendment No. 133 at the desk. I ask unanimous consent that the Feinstein amendment No. 133 be modified with the changes that are at the desk.

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

The amendment, as modified, is as follows:

On page 2, line 3, strike ''**FIRST INVENTOR TO FILE.**'' and insert ''**FALSE MARKING.**''

On page 2, strike line 4 and all that follows through page 16, line 21, and insert the following:

(a) FALSE MARKING.—

On page 17, line 18, strike ''(l)'' and insert ''(b)''.

On page 18, strike line 22 and all that follows through page 32, line 11.

On page 66, strike line 9 and all that follows through page 67, line 8.

On page 71, line 1, strike ''derivation'' and insert ''interference''.

On page 71, line 5, strike ''derivation'' and insert ''interference''.

On page 72, line 24, strike ''DERIVATION'' and insert ''INTERFERENCE''.

On page 72, lines 24 and 25, strike ''derivation'' and insert ''interference''.

On page 73, line 4, strike ''derivation'' and insert ''interference''.

On page 73, line 18, strike ''derivation'' and insert ''interference''.

On page 73, line 23, strike ''derivation'' and insert ''interference''.

On page 74, lines 2 and 3, strike ''derivation'' and insert ''interference''.

On page 74, between lines 20 and 21, insert the following:

(d) CONFORMING AMENDMENTS.—Sections 41, 134, 145, 146, 154, 305, and 314 of title 35, United States Code, are each amended by striking ''Board of Patent Appeals and Interferences'' each place that term appears and inserting ''Patent Trial and Appeal Board''.

On page 74, line 21, strike ''(d)'' and insert ''(e)''.

On page 95, strike lines 13 through 15, and insert the following: by inserting ''(other than the requirement to disclose the best mode)'' after ''section 112 of this title''.

Mr. LEAHY. Mr. President, I wish to thank the distinguished Senator from Arizona for his words here this morning. He is part of the small group of Republicans and Democrats who have worked very hard over the last couple of years on this bill with the idea of giving us something that would allow inventors, innovators, and entrepreneurs in America to be able to compete with the rest of the world.

I am one American who believes we can compete with anybody anywhere provided we get a level playing field. Other countries have set up enough barriers for us of their own. We shouldn't be setting up barriers here in the United States. One thing we can do is to make some major, long-overdue changes in the patent laws to give us that level playing field. Inventors and innovators in America who will take advantage of this will be better off for it and will create jobs, but most importantly, we will show the rest of the world that America is open for business.

Americans can be the innovators they have been from the time the first patent was issued—and I say this with pride—to a Vermonter back when then-Secretary of State Thomas Jefferson reviewed the application, which was then signed by the President of the United States, George Washington. Now, of course, they are not reviewed by the Secretary of State and signed by the President, thank goodness, because there are over 700,000 applications pending.

We need legislation to bring us up to date, and this act will promote innovation, it will create new businesses and, as a result, new jobs. This is bipartisan legislation that will allow inventors to secure their patents more quickly and to have better success commercializing them.

The pending amendment would gut the reforms intended by the bill. With all due respect, it would destroy all the work we have tried to do in this bill. It would eliminate a major piece of this effort—the transition to a first-inventor-to-file patent system. First-inventor-to-file is a necessary component of this legislation and enjoys support from every corner of the patent community.

The administration, the Secretary of Commerce, and the head of the Patent and Trademark Office all oppose this amendment. A vast array of individuals, independent small inventors, small businesses, and labor oppose this amendment. The four senior Republicans on the Judiciary Committee who have worked so hard on this bill—Senators GRASSLEY, HATCH, KYL, and SESSIONS—oppose this amendment. Needless to say, I oppose this amendment. It would be a poison pill to these legislative reform efforts.

Supporters of the legislation before us—ranging from high-tech and life sciences companies to universities and small businesses—place such a high importance on the transition to the first-inventor-to-file system that many of them, including those who reside in just about every State, would not support a bill without those provisions.

A transition to first-inventor-to-file has been part of this bill since its introduction four Congresses ago. Yet, until very recently, first-inventor-to-file was never the subject of even a single amendment in the Judiciary Committee over all those years. This legislation is the product of eight Senate hearings and three markups spanning weeks of consideration and numerous amendments. Never was first-inventor-to-file a contentious issue. Now some well-financed special interests that do not support the America Invents Act have decided to kill the bill by a last-minute campaign to strike these vital provisions.

I urge Senators to support the goals of the America Invents Act and vote against this amendment to strike first-inventor-to-file.

Mr. President, the United States is the only industrialized country still using a first-to-invent system, and there is a reason for that. A first-inventor-to-file system, by contrast, where the priority of a right to a patent is based on the earlier filed application, adds simplicity and objectivity into a very complex system. By contrast, our current outdated method for determining the priority right to a patent is extraordinarily complex, it is subjective, it is time-intensive, and it is expensive. The old system almost always favors the larger corporation and the deep pockets over the small independent inventor.

This past weekend, the Washington Post editorial board endorsed the transition, calling our first-inventor-to-file standard a ''bright line.'' They went on to say it would bring ''certainty to the process.'' The editorial also rightly recognizes the ''protections for academics who share their ideas with outside colleagues or preview them in public seminars'' that are included in the bill.

The transition to a first-inventor-to-file system will benefit small inventors and inventors of all sizes by creating certainty. Once a patent is granted, an inventor can rely on its filing date on the face of the patent.

The reduction in costs to patent applications that comes with a transition to this system should also help the small independent inventor. In the current outdated system where more than one application claiming the same invention is filed, the priority of a right to a patent is decided through an ''interference'' proceeding to determine which applicant can be declared to have invented the claimed invention first. It is lengthy, it is complex, and it can cost hundreds of thousands of dollars. Small inventors rarely, if ever, win interference proceedings. In a first-inventor-to-file system, however, the filing date of the application is objective and easy to determine, resulting in a streamlined and less costly process.

The bill protects against the concerns of many small inventors and universities by including a 1-year grace period to ensure the inventor's own publication or disclosure cannot be used against him as prior art but will act as prior art against another patent application. This encourages early disclosure of new inventions regardless of whether the inventor ends up trying to patent the invention.

The transition to first-inventor-to-file is ultimately needed to help American companies and innovators compete globally. As business and competition increasingly operate on a worldwide scale, inventors have to file patent applications in both the United States and other countries for protection of their inventions. Since America's current outdated system differs from the first-inventor-to-file system used in other patent-issuing jurisdictions—all our competitors—it causes confusion and inefficiencies for American companies and innovators. Harmonization will benefit American inventors.

Commerce Secretary Gary Locke highlighted the importance of the first-inventor-to-file provision to the bill in his column published in The Hill yesterday. He noted that it ''would be good for U.S. businesses, providing a more transparent and cost-effective process that puts them on a level playing field with their competitors around the world.''

Secretary Locke went on to confront the erroneous notion that the current outdated system is better for small independent inventors, and he did it head-on by explaining that in his ''strong opinion that the opposite is true.'' The first-inventor-to-file system is better for the small independent inventor. As the Secretary noted:

> The cost of proving that one was first to invent is prohibitive and requires detailed and complex documentation of the invention process. In cases where there's a dispute about who the actual inventor is, it typically costs at least $400,000 in legal fees, and even more if the case is appealed. By comparison, establishing a filing date through a provisional application and establishing priority of invention costs just $110.

Secretary Locke explained how the 125,000 provisional applications currently filed each year prove that early filing dates protect the rights of small inventors. He reiterated that during the past 7 years, under the current outdated, cumbersome, and expensive system, of almost 3 million applications filed, only 1 patent was granted to an individual inventor who was the second to apply.

Our reform legislation enjoys broad support. I have already mentioned some of those supporters, but let me highlight a few more:

Just yesterday, the National Association of Manufacturers urged every Senator to oppose the effort to strike the first-to-file transition, writing, ''The NAM supports transitioning the United States from a 'first-to-invent' system to a 'first-to-file' system to eliminate unnecessary cost and complexity in the U.S. patent system.''

The Small Business & Entrepreneurship Council has expressed its strong support for the first-inventor-to-file system, writing that ''small firms will in no way be disadvantaged, while opportunities in the international markets will expand.''

The Intellectual Property Owners Association calls the first-inventor-to file system ''central to modernization and simplification of patent law'' and ''very widely supported by U.S. companies.''

Independent inventor Louis Foreman has said the first-inventor-to-file transition will help ''independent inventors across the country by strengthening the current system for entrepreneurs and small businesses.''

Six university, medical college, and higher education associations have urged the transition to first-to-file, saying that it will ''add greater clarity to the U.S. system.''

And, in urging the transition to the first-to-file system, the Association for Competitive Technology, which represents small and mid-size IT firms, has said the current outdated system ''negatively impacts entrepreneurs'' and puts American inventors ''at a disadvantage with competitors abroad who can implement first inventor to file standards.'' That is why it is so important to move to a first-inventor-to-file system.

I ask unanimous consent copies of the Washington Post editorial, ''Patenting Innovation,'' be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. LEAHY. I also ask letters from the National Association of Manufacturers, higher education associations, the Small Business & Entrepreneurship Council be printed in the RECORD at the conclusion of my comments.

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

(See exhibit 2.)

Mr. LEAHY. I will conclude with this: If we are to continue to lead the globe in innovation and production, if we are to win the future through American ingenuity and innovation, we must have a patent system that is streamlined and efficient. The America Invents Act, and a transition to a first-inventor-to-file system in particular, is crucial to fulfill this promise. I urge all Senators on both sides of the aisle to oppose the Feinstein amendment and support the important provision of first-inventor-to-file, which is at the heart of the America Invents Act.

As I said, I submit the list of stakeholders across the spectrum from high-tech and life sciences to universities and small inventors in support of a transition to the first-to-file system, and ask unanimous consent that list be printed in the RECORD.

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

(See exhibit 3.)

Mr. LEAHY. Mr. President, I see the distinguished Senator from Delaware who has been so helpful on this legislation on the floor, so I yield the floor.

EXHIBIT 1

[From the Washington Post, Feb. 26, 2011]

PATENTING INNOVATION

More than 60 years have passed since a major overhaul of the U.S. patent system has taken place. And it shows.

The U.S. patent system lags woefully. One example: Patents in the United States are given to those ''first to invent.'' This approach is out of step with the rest of the world's ''first to file'' approach and is highly inefficient. It invites people to come out of the woodwork years after a product has been on the market to claim credit and demand royalties.

The secretive and lengthy U.S. process also too often results in patents for products that are neither novel nor innovative. It leaves manufacturers vulnerable to infringement lawsuits and damage awards long after their products have gone to market.

The Senate is poised to take up a bill on Monday that would eliminate these defects and bring the U.S. system into the 21st century.

The Patent Reform Act, introduced by Sens. Patrick J. Leahy (D-Vt.) and Orrin G. Hatch (R-Utah), would recognize the ''first inventor to file'' standard, creating a bright line—the date on which a patent application was filed—and bringing certainty to the process. Yet the bill is not inflexible and wisely keeps in place protections for academics who share their ideas with outside colleagues or preview them in public seminars.

The bill also would increase protections for those with legitimate gripes. Third parties, currently shut out of the process, would be given clear rules and time limits to challenge patents that have not yet been approved. They'd also have a chance to lodge objections after a patent has been granted; the U.S. Patent and Trademark Office (PTO) would resolve these disputes. This safety valve should reduce the litigation costs associated with court challenges.

The PTO has long been overwhelmed and underfunded. The bill would allow the agency to set the amount it charges for filings while providing discounts to solo inventors and small companies. An amendment likely to be introduced by Sen. Tom Coburn (R-Okla.) would allow the agency to keep all of its fees, thereby ensuring it the resources it needs to carry out the bill's mandates.

The president made much of ''winning the future'' in his State of the Union address. A patent system that protects innovators and encourages meaningful breakthroughs would help achieve that goal.

EXHIBIT 2

NATIONAL ASSOCIATION OF MANUFACTURERS,
Washington, DC, March 2, 2011.

U.S. SENATE,
Washington, DC.

DEAR SENATOR: The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states, urges you to oppose amendment 133 offered by Sen. Dianne Feinstein (D-CA) to S. 23,The America Invents Act.

The amendment would remove a key provision in S. 23, The America Invents Act, which is strongly supported by manufacturers, the creation of a ''first-inventor-to-file'' system.

The NAM supports transitioning the United States from a ''first-to-invent'' system to a ''first-to-file'' system to eliminate unnecessary cost and complexity in the U.S. patent system. Manufacturers large and small operate in the global marketplace and the United States needs to move toward a system that will provide more patent protection around the world for our innovative member companies. The ''first-to-file'' provision currently included in S. 23 achieves this goal.

Thank you for your consideration and your support for the ''first-to-file'' system.

Sincerely,

DOROTHY COLEMAN.

FEBRUARY 28, 2011.

Hon. PATRICK J. LEAHY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR LEAHY: We write as the presidents of six university, medical college, and higher education associations to express the strong support of our associations for S. 23, the Patent Reform Act of 2011, which was reported by the Senate Judiciary Committee on a 15–0 vote and is scheduled to be considered by the Senate this week. This bipartisan agreement represents the successful culmination of a thorough, balanced effort to update the U.S. patent system to support more effectively the nation's economic competitiveness and job creation in the increasingly competitive global environment of the 21st century.

Our universities and medical colleges are this nation's principal source of the fundamental research that expands the frontiers of knowledge, strengthening the nation's innovative capacity. The patent system plays a critical role in enabling these institutions to transfer the discoveries arising from university research into the commercial sector for development into products and processes that benefit society.

S. 23 will:

Harmonize the U.S. patent system with that of our major trading partners, enabling U.S. inventors to compete more effectively in the global marketplace;

Improve patent quality by allowing third parties to submit information to the USPTO concerning patents under examination, and by creating an efficient, effective post-grant opposition proceeding to challenge patents for nine months after they have been granted, allowing challengers to eliminate weak patents that should not have been granted

and strengthening those patents that survive the challenge;

Reduce patent litigation costs by establishing the new post-grant procedure noted above, and by significantly improving the current inter partes review procedure, which will provide a lower-cost alternative to civil litigation to challenge a patent throughout its lifetime, while significantly reducing the capacity to mount harassing serial challenges; and

Provide USPTO with increased resources by providing this fee-funded agency with critically needed fee-setting authority, subject to Congressional and Patent Public Advisory Committee oversight.

We wish to call your attention to two important amendments that may be offered during floor consideration:

Senator Coburn is expected to offer an amendment to prevent diversion of fees collective by USPTO. This amendment is a critical accompaniment to the fee-setting authority provided by S. 23, allowing this seriously under-resourced agency to maintain the fees necessary to carry out its critical functions and reduce the backlog of patent applications. We urge you to support the Coburn amendment.

Senators Feinstein, Boxer, and Reid are expected to offer an amendment to eliminate the transition to a first-inventor-to-file system. The National Academies, in its seminal report on patent reform, A Patent System for the 21st Century, strongly recommended moving from a first-to-invent to a first-inventor-to-file system. Adopting a first-inventor-to-file system will harmonize the U.S. patent law with that of our trading partners, add greater clarity to the U.S. system by replacing the subjective determination of the first inventor with the objective identification of the first filer, and eliminate the costs of interferences and litigation associated with determining the first inventor. We urge you to oppose the Feinstein, Boxer, and Reid amendment.

We believe S. 23 reforms current U.S. law in a way that balances the interests of the various sectors of the patent community and substantially improves the patent system overall, strengthening the capacity of this system to strengthen the nation's innovative capacity and economic competitiveness. We urge you to support this carefully crafted legislation.

Sincerely,

ROBERT M. BERDAHL,
President, Association of American Universities;
MOLLY CORBETT BROAD,
President, American Council on Education;
DARRELL G. KIRCH,
President and CEO, Association of American Medical Colleges;
PETER MCPHERSON,
President, Association of Public and Land-grant Universities;
ASHLEY J. STEVENS,
President, Association of University Technology Managers;
ANTHONY P. DECRAPPEO,
President, Council on Governmental Relations.

This letter was sent to all members of the U.S. Senate.

SMALL BUSINESS & ENTREPRENEURSHIP COUNCIL,
Oakton, VA, February 28, 2011.

Hon. PATRICK LEAHY,
U.S. Senate, Russell Senate Bldg., Washington, DC.

DEAR SENATOR LEAHY: The Small Business & Entrepreneurship Council (SBE Council) and its members across the nation have been strong advocates for patent reform. We are pleased that you have introduced the Patent Reform Act (S. 23), and we strongly endorse this important piece of legislation.

An effective and efficient patent system is critical to small business and our overall economy. After all, the U.S. leads the globe in entrepreneurship, and innovation and invention are central to our entrepreneurial successes. Indeed, intellectual property—most certainly including patents—is a key driver to U.S. economic growth. Patent reform is needed to clarify and simplify the system; to properly protect legitimate patents; and to reduce costs in the system, including when it comes to litigation and the international marketplace.

Make no mistake, this is especially important for small businesses. As the Congressional Research Service has reported: ''Several studies commissioned by U.S. federal agencies have concluded that individuals and small entities constitute a significant source of innovative products and services. Studies have also indicated that entrepreneurs and small, innovative firms rely more heavily upon the patent system than larger enterprises.''

The Patent Reform Act works to improve the patent system in key ways, including, for example, by lowering fees for micro-entities, and by shortening time periods for patent reviews by making the system more predictable.

During the debate over this legislation, it is expected that two important areas of reform will come under attack.

First, the U.S. patent system is out of step with the rest of the world. The U.S. grants patents on a first-to-invent basis, rather than the first-inventor-to-file system that the rest of the world follows. First-to-invent is inherently ambiguous and costly, and that's bad news for small businesses and individual inventors.

In a 2004 report from the National Research Council of the National Academies (titled ''A Patent System for the 21st Century''), it was pointed out: ''For those subject to challenge under first-to-invent, the proceeding is costly and often very protracted; frequently it moves from a USPTO administrative proceeding to full court litigation. In both venues it is not only evidence of who first reduced the invention to practice that is at issue but also questions of proof of conception, diligence, abandonment, suppression, and concealment, some of them requiring inquiry into what an inventor thought and when the inventor thought it.'' The costs of this entire process fall more heavily on small businesses and individual inventors.

As for the international marketplace, patent harmonization among nations will make it easier, including less costly, for small firms and inventors to gain patent protection in other nations, which is critical to being able to compete internationally. By moving to a first-inventor-to-file system, small firms will in no way be disadvantaged, while opportunities in international markets will expand.

Second, as for improving the performance of the USPTO, it is critical that reform protect the office against being a ''profit center'' for the federal budget. That is, the USPTO fees should not be raided to aid Congress in spending more taxpayer dollars or to subsidize nonrelated programs. Instead, those fees should be used to make for a quicker, more predictable patent process.

Thank you for your leadership Senator Leahy. Please feel free to contact SBE Council if we can be of assistance on this important issue for small businesses.

Sincerely,

KAREN KERRIGAN,
President & CEO.

EXHIBIT 3

RECORD SUBMISSIONS—FIRST-TO-FILE

Mr. President. We have heard from stakeholders from across the spectrum—from high tech and life sciences, to universities and small inventors—in support of the transition to the first-to-file system. These supporters include:

AdvaMed; American Bar Association; American Council on Education; American Intellectual Property Law Association; Association of American Medical Colleges; Association for Competitive Technology; Association of American Universities; Association of Public and Land-grant Universities; Association of University Technology Managers; Biotechnology Industry Organization; Business Software Alliance; Coalition for 21st Century Patent Reform, a coalition of 50 companies from 18 different industry sectors, such as General Electric, Procter & Gamble, 3M, Pfizer, and Cargill.

Council on Governmental Relations; Gary Michelson, Independent Inventor; Genentech; Intellectual Property Owners Association; Louis J. Foreman, Enventys, Independent Inventor; National Association of Manufacturers; The Native American Intellectual Property Enterprise Council; PhRMA; Small Business and Entrepreneurship Council; Software & Information Industry Association.

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

Mr. COONS. Mr. President, I thank the chairman for his leadership on this floor deliberation regarding S. 23, the America Invents Act.

I rise to speak in opposition to the Feinstein amendment, which would strike the first-to-file provision, which I think is one of the critical components of this act that will harmonize the patent system with that of the rest of the world, as I heard Chairman LEAHY speak to. This is the first comprehensive patent reform bill in 60 years. It is a key piece of our bipartisan work to make sure the United States remains a competitive country which can once again be in the forefront of world innovation.

As someone who, like you, Mr. President, is concerned about manufacturing, is concerned about employment, is concerned about jobs, one of the ways we can restrengthen, reinvigorate, reenergize manufacturing in this country is by making sure our Patent and Trademark Office is as capable, is as strong as it can possibly be. I take quite seriously that the Patent and Trademark Office under the very able leadership of Director Kappos is opposed to this amendment and has also raised concern, which I share, that this amendment would tear apart the very broad coalition that has worked so hard and has negotiated this particular act, the America Invents Act, over the last 6 years.

On an issue that is as important as this, as critical as this to the protection of American innovation and the resulting creation of jobs, I think it is important that we in the Senate not allow this bipartisan bill to fall apart over this issue.

Transition to first-to-file is an improvement over the current system because it provides increased predictability, certainty, and transparency. Patent priority will depend on the date of public disclosure and the effective filing date rather than on secret inventor notebooks, secret personal files which may or may not be admissible and often lead to long and contentious litigation, as the chairman mentioned in his floor comments as well.

This predictability, the predictability that the first-to-file system will bring, I believe will strengthen the hand of investors, inventors, and the public. All will know as soon as an application is filed whether it is likely to have priority over other patent applications.

In contrast, the current system with which we worked for many years does not provide an easy way to determine priority. That is why interference proceedings can be so contentious, so long, and so expensive. There are some small inventors in particular who I know are concerned that first-to-file will be used by larger companies to steal away their rightful invention. This bill contains critical protections for all inventors so the ultimate new system, once this is passed, will be more fair, more predictable, and transparent for all. For those inventors who publicly disclose an invention before anybody else, they have a 1-year grace period to claim priority for any patent application based on the subject matter they disclose. Smaller inventors as well as large inventors will be protected as soon as they publish or otherwise disclose under this America Invents Act.

In my view, that will increase the free flow of ideas while still protecting the IP rights of any inventor, large or small.

The Patent and Trademark Office commissioned a study of patent and trademark applications filed over the last 7 years. They found only 1 out of 300,000 filings would, under the new system, grant a patent to a large company that might otherwise have gone to a small company or individual inventor. By avoiding cost, the difficulty, the unpredictability of lengthy interference proceedings, transition to first-to-file will neutralize what I think is a big structural advantage to large companies in the current dispute system.

First of all, it also gives the holder of a new patent increased confidence in the strength and reliability of this patent, which I also think will accelerate venture capital investment, new company formation, and movement toward deployment of critical new technology.

I think experience has shown in other countries, in Europe and Canada, that transitioning from a first-to-invent to a first-to-file system will not lead directly to an increase in so-called junk applications and will, instead, make patent examination simpler, fairer, and more predictable. In short, my view is that it is crucial to the success of this legislation. It is crucial for the coalition that has come together over many years to support it. It is crucial for the progress this act will make in strengthening and streamlining the patent review and granting process in the United States. So I urge my colleagues to oppose the amendment, amendment No. 133.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BROWN of Ohio). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BENNET. Mr. President, I would like to speak briefly on the importance of passing the America Invents Act.

Chairman LEAHY and the Judiciary Committee have worked hard to put this product on the floor that will mark the biggest reforms to our patent system in 60 years. This bill will create jobs in Colorado and across the country by promoting innovation. By making our patent system more efficient, we are building the foundation for future economic growth.

In my State alone, nearly 20,000 patent applications have been granted between the years 2000 and 2009. These applications have created the foundation for our clean energy economy and emerging tech and bio industries.

Having a high quality U.S. Patent and Trademark Office is essential to maintaining American leadership in innovation. The America Invents Act will help us grow new industries and will help cure the backlog and delay that have stunted the ability of inventors to patent their ideas.

Right now, the average pendency period for a patent application is 36 months. That is unacceptable if we are to compete with the rest of the world. This does not even account for those patents that have been tied up in years of litigation after they are granted.

And we have improved the bill on the floor by helping solidify alternatives to litigation, provide for more efficient resolution of disputes and help create more certainty, which is essential to inventors.

It is hard to pass a jobs bill without spending money, but that is absolutely what we have done here. The bill does a good job of balancing the interests of innovators across the many sectors of our economy.

We have passed a number of bipartisan amendments that have improved this bill. We added amendments promoting the establishment of satellite USPTO offices in regions across the country; creating a discount for small entities to participate in the accelerated patent examination program of the USPTO; and addressing concerns with damages and venue provisions. I am proud to have worked with the chairman and the ranking member to get these issues resolved.

I also commend Senator MENENDEZ on his amendment to provide a fast track for patents that are critical for our national competitiveness, which I cosponsored.

The Senate has come a long way toward improving our patent system with this legislation and harmonizing our system with the rest of the world. There are a lot of people in my State who are interested in further improvements. I pledge to continue to work with them to help make sure we continue to fine tune this legislation where we can.

The America Invents Act represents significant progress for our patent system. We are moving our patent system into the new century, which is already being defined by the next wave of American innovation. The breadth of support for this legislation across industries and from large and small businesses, as well as our universities, has provided the momentum to complete this legislation.

I would like to close by again thanking the chairman and Judiciary Committee. I urge my colleagues to vote for patent reform.

I thank the Chair. I yield the floor.

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

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

Mr. DURBIN. Mr. President, I ask unanimous consent to be recognized as in morning business.

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

SETTING THE RECORD STRAIGHT

Mr. DURBIN. This morning the Republican leader came to the floor, Senator MCCONNELL, and made some pretty strong and sweeping statements about the state of the deficit and responsibility. I would like to have a chance to respond.

Senator MCCONNELL said for 2 years now Washington Democrats have taken fiscal recklessness to new heights. The amount of red ink Democrats plan to wrack up this year alone would exceed all the debt run up by the Federal Government since its inception through 1984.

I would like to set the record straight. Understand what the national debt of America was when President William Jefferson Clinton left office. We were running surpluses. We had not done that for decades—surpluses in the Federal Treasury.

What did we do with all this money? We put it in the Social Security trust fund. We bought more longevity and solvency for Social Security and, if you remember, the economy was never stronger.

William Jefferson Clinton left office, and at that moment in time, the national debt, the accumulated debt of

America, from George Washington until he left office, $5 trillion. Remember that number, $5 trillion. Fast forward 8 years after the end of President George W. Bush—8 years later—where were we? The national debt was now $12 trillion.

Fiscal recklessness by Democrats? Under President Bush, the national debt more than doubled. Instead of leaving a surplus for President Obama, he said: Welcome to an economy that is hemorrhaging hundreds of thousands of jobs lost every single month, and we anticipate next year's deficit—he told President Obama—to be $1.2 trillion. That was what President Bush handed to President Obama.

I do not mind a selective view of history. I guess we are all guilty of that, to some extent. But to ignore the fiscal mess created that more than doubled the national debt in 8 years, to ignore that we waged two wars without paying for them, to ignore that we cut taxes in the midst of a war, which is something no President in the history of the United States has ever done, is to ignore reality.

The reality is, we are here today, in the midst of this Titanic struggle, about whether we are going to continue to keep the Federal Government functioning. We are being asked whether, 2 weeks from now, we want to have security at our airports, air traffic controllers, whether we want to have Social Security checks sent out, people actually sending a check, answering questions at the Internal Revenue Service, whether we want the Securities and Exchange Commission still working on Wall Street 2 weeks from now.

We cannot lurch forward 2 weeks at a time without doing a great disservice to taxpayers of this country, as well as to the men and women who work hard for our government every single day.

What is the answer in the House of Representatives? Well, the House of Representatives says we need to cut $100 billion this year. They started at $60 billion, incidentally, and then decided that was not enough for bragging rights; let's get up to $100 billion this year.

You say: Well, out of a budget of $3.7 trillion, how big is that? Whoa. They did not look at the budget of $3.7 trillion. They looked at one 14-percent slice of the pie, domestic discretionary spending. That is it. Nothing to be taken out of the Department of Defense, nothing to be taken away in terms of tax breaks for the wealthiest corporations, the most successful corporations, nothing out of oil and gas royalties and the like—nothing out of that. We will take it all out of domestic discretionary.

So what did they take away? I looked in my State last week. I went up to Woodstock, IL. We have an office there with counselors who are bringing in unemployed people, sitting them in front of computers, with fax machines and copy machines. They are preparing resumes and trying to get back to work. These are people who want to work. They need a helping hand. This place has been successful. It places people in jobs. What would happen to that office under the House Republican budget resolution? It would close its doors—more unemployed people, more unemployment checks. Is that the answer to putting America's economy back on its feet? Is that how we are going to get 15 million Americans back to work?

How about the House Republicans' proposal to eliminate $850 a year in Pell grants. Senator LEAHY knows what that is all about. These are kids from the poorest families, many of them for the first time in their family have a chance to graduate from college, but they can't make it; they don't have enough money. We give them a helping hand. The Republicans take it away. What will that do? The President of Augustana College in Rock Island, IL, told me what it will mean. It will mean that 5 percent, 1 out of every 20 students, will not finish the school year. That is what the Republican cut means. To cut job training, to cut education when we have 15 million people out of work, what are they thinking?

Not bad enough, I went to a medical school in my hometown of Springfield, Southern Illinois University School of Medicine, and met with researchers. They get a few million a year to do medical research in fields of cancer therapy, dealing with heart issues, dealing with complaints of returning veterans. What do the House Republicans do? They virtually close down research for the remainder of the year, close down this medical research. Is that right? Is that what we want? Have we ever had a sick person in our family and we went to the doctor and asked: Is there anything, is there a drug, is there something experimental, a clinical trial, is there anything? Have we ever asked that question? If we did, we know this cut by House Republicans is mindless, to cut medical research at this moment in history.

Then I went to a national laboratory, the Argonne National Laboratory, on Monday. What do they do there? A lot of people can't answer that question. I learned specifically. Are Members aware of the Chevy Volt, a breakthrough automobile, all electric? Where did that battery in this automobile come from? The Argonne National Laboratory. How about the latest pharmaceutical breakthroughs? Virtually every one of them uses the advanced photon source at the Argonne National Laboratory. I met a man from Eli Lilly who was there experimenting with a new drug that can save lives. How about computers? Where is the fastest computer in the world today? I wish it was in the United States. It is in China. We are now working on the next fastest computer so we don't lose that edge. Where? At the Argonne National Laboratory. So what would the House Republican budget do to that laboratory and most every other laboratory? It would eliminate one-third of the scientists and support staff working there and cut their research by 50 percent for the rest of the year.

So what? So what if we don't move these pharmaceuticals forward to market sooner to save lives, if we don't compete with the Chinese on this computer, if we don't deal with battery technology so we don't lose that edge in the world? What will it mean? Lost jobs.

The House Republicans weren't thinking clearly. They were performing brain surgery with a hacksaw. As a result, they have cut what is essential for the future: infrastructure projects, education, research. To have the Republican leader come and tell us we have to accept that, that that is the future of America—no, it is not. Time and again, when we sit down to deal with budget challenges, whether it is in the deficit commission, on which I was honored to serve, or whether it is in past negotiations, we open the table to all Federal spending, not just 14 percent, that tiny slice of the pie.

Senator MCCONNELL can remember—and I can, too—under President George Herbert Walker Bush and under President Clinton, we put on the table tax breaks for some of these oil companies and corporations and said: Is it worth America's future for us to give them a tax break or to use the money to reduce the deficit? That is an honest question. Mandatory spending. All these things need to be brought to the table for conversation, but that is not the position of the Republicans. They would rather see us shut down the government than to open this conversation to the entire Federal budget. They would rather see us shut down the government than fight to make sure education, training, research and innovation and infrastructure are there to build a strong American economy for the future.

I say to my friend Senator MCCONNELL, we don't need any speeches from that side of the aisle about a national debt that more than doubled under the last Republican President. We have to work together in a bipartisan way, acknowledging the reality of history, that we all have had a hand in reaching the point we are at today, both positive and negative, and we all need to take a responsible position to move us forward.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I appreciate the comments of the Senator from Illinois. I recall great discussions during the administration of President Reagan. I happened to like President Reagan. We got along very well. But I remember discussions on a balanced budget and all that, as his budget tripled the national debt. I do recall he did veto one spending bill because it didn't spend as much as he wanted. Rhetoric is one thing, as the Senator

from Illinois points out. Reality is often different. I thank him.

AMENDMENT NO. 133, AS MODIFIED

I ask unanimous consent that at 12:30 p.m., the Senate proceed to a vote in relation to the Feinstein amendment No. 133, as modified, with no intervening action or debate; that the time until then be divided equally between the proponents and the opponents, and no amendments be in order to the Feinstein amendment prior to the vote.

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

Mr. LEAHY. I suggest the absence of a quorum and ask unanimous consent that the time be equally divided.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. CANTWELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. HAGAN). Without objection, it is so ordered.

Ms. CANTWELL. Madam President, am I correct there is a vote at 12:30?

The PRESIDING OFFICER. That is correct.

Ms. CANTWELL. The time is equally divided on the Feinstein amendment?

The PRESIDING OFFICER. Correct.

Ms. CANTWELL. Madam President, I rise to support the Feinstein amendment and to ask my colleagues, who I know have been working diligently on the legislation for several years now, to respect the very tough balance that has been sought in this legislation as this legislation came out of the Judiciary Committee.

I know we adopted a managers' amendment yesterday, and I know that managers' amendment now is catching a lot of people off guard because there are far more changes than people realized in that managers' amendment that I think upsets that apple cart of balance that was struck in the Judiciary Committee.

So I am urging my colleagues to support the Feinstein amendment and expressing my concern for the underlying bill that is something that, at this point in time, I cannot support.

I do not come to that decision lightly nor because of the fact that I have many high-tech companies in the State of Washington that might say we need patent reform and that this is good innovation. But large high-tech companies are not the only ones that know something about innovation. In fact, most of the people who have helped build those organizations were once the small inventors themselves of key technology.

What is at stake is unbalancing the apple cart as exists today to innovation—not just innovation in general but innovation in an information age. The meal ticket for all of us is going to be the invention and creation of new products and services. So that is the great time and age we live in.

But if in this legislation we all of a sudden upset that apple cart, where we are tilting the playing field in support of large corporations that have already made their mark and made their markets and made their success and have slowed down on the rate and progress of innovation within their companies and do a lot to acquire technology from smaller inventors—and now, all of a sudden in this underlying bill, particularly in the area of damages, make sure the big corporations can win in any kind of legal dispute against the technology holder or creator because they are able to outlast them in a legal battle because they are more well financed, more well heeled, with the ability to draw out this battle—because of that change in the underlying bill, we leave the small guy without many resources.

The only thing the small inventor has is their intellectual property and a fair day in court. If now we take that away from them, I guarantee you, they will have less success. Then, when you have less success of having 5,000 flowers bloom, we have a problem.

This is not about what five or six or seven large corporations can create. This is about what thousands and thousands of innovators are going to create in the future and whether they are going to be incented or disincented to do that.

The Feinstein amendment tries to protect the current process, to protect what are the rights of those inventors today under current law. I am sure my colleagues will say: Well, that is not the way the rest of the world does it. I would say to my colleagues: I am not sure the way the rest of the world does it is the mark we are trying to hit. What we are trying to preserve is the entrepreneurial spirit that has been created in the United States. I am not saying that is not based on just raw creativity of individuals—it is—but it is also based on financial incentive and the incentive those individuals have that their intellectual property can be protected.

But if this is going to be a game about the big boys coming to Washington and squashing the small inventors, count me out. This has to be a level playing field. I get it is tempting to want to, in the last minute, stick into the managers' amendment language you could not get out of committee. But if we want to get this legislation through this process, then we have to take into consideration the rights of the inventors along with the rights of those larger companies that are trying to acquire or integrate or be part of the manufacturing on a larger scale of that inventor's technology.

So I say to my colleagues, the Feinstein amendment, in keeping the rights of the inventors where they are, gives them at least a modicum of holding on to that. I think the underlying bill has changed so much in the managers' amendment that we are going down a road that is going to make it very difficult for us to finally get a piece of legislation. We have to respect the rights of the small individuals, and we can't have carve-outs for specific jurisdictions such as Wall Street who think they can have their cake and eat it too.

This has to be about how we move forward on a smoother patent process. We need to take into consideration that we have gotten to this great place in our country because we have had a balance and an empowerment of these technologies. We should not all of a sudden in one fell swoop take that away on the Senate floor and basically undermine what is the creative opportunity for the U.S. economy, which is an invention. We want thousands and thousands of inventors—not just inventors who work for big corporations—thousands of inventors who have their rights.

So I support the Feinstein amendment.

I thank the President, and I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Madam President, I thank the Senator from Washington for her comments. We welcome her support. I was pleased to be able to listen to her comments.

What is the current status of the time allocation?

The PRESIDING OFFICER. The proponents have 3½ minutes remaining, and the opponents have 10 minutes remaining.

Mrs. FEINSTEIN. I ask unanimous consent that our 3½ minutes be extended so that Senator RISCH, who will speak next, has the time he requires, and I have the time for a few brief closing remarks.

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

Mrs. FEINSTEIN. Thank you very much.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. RISCH. Madam President, I am proud to come to the floor today to speak on the amendment to which I am a cosponsor.

This is simply a matter of fairness. With all due respect to my colleague from Washington, referencing her comments about the big boys versus the small inventors and what have you, I don't view it as that at all. I view it as a fairness issue: The person who created the invention gets the benefits of that creation, not the person with the fastest tennis shoes. That is what we are doing.

We are creating what is called a race notice statute, which is similar to what is in place in many States on real estate filings. It has a legitimate place in the real estate market but not here. With so much on the line, with creativity on the line, it should be the person who actually does the invention who reaps the benefits of that invention, and that is all this does.

The other thing I think is so important is it preserves the situation we

have had for many years in place. I have heard people say: Oh, well, this is a poison pill. If you take this out, it kills the bill. That isn't the case at all. It simply preserves the situation we have in place today. It is the right thing to do. It is the fair thing to do.

I urge an affirmative vote for this amendment.

I yield the floor to my colleague from California, Senator FEINSTEIN.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Thank you very much, Madam President. I thank Senator RISCH for his cosponsorship, and, of course, I agree exactly with his statement.

At this time I wish to briefly summarize the arguments in favor of our amendment to strike the first-to-file provisions from this bill. This amendment is cosponsored, as I said, by Senator RISCH, Majority Leader REID, Senators CRAPO, BOXER, ENSIGN, and I ask unanimous consent to add Senator BEGICH.

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

Mrs. FEINSTEIN. Thank you, Madam President.

Proponents of the first-to-file argue that the rest of the world follows this system and making this change will harmonize our system with theirs, and that is true. But under our first-to-invent system, our Nation has been by far the leader in the field of innovation, the leader in the field of new patents, new discoveries, new inventions. The other first-to-file countries have been playing catchup with our technological advances. I wouldn't trade our record of innovation for any of theirs, and I doubt many Members of this body disagree with me if they really think about it.

Think about the history of innovation. What sets America apart is so many of our great inventions start out in small garages and labs, with driven, inspired people who have great ideas, develop them, and then they take off. I mentioned companies that have started this way yesterday, including Hewlett Packard, Apple, and Google, and there are hundreds and perhaps thousands of others. They started from humble beginnings, and they grew spectacularly, creating jobs for millions of Americans and lifting up our economy and standard of living.

I know an inventor who invented Skyy vodka. The vodka he drank disturbed his stomach, so he figured out biologically and chemically what it was, and he invented a vodka called Skyy vodka—a small inventor. I think that company was subsequently sold for a great deal of money. But it started with one man who had a stomachache from drinking vodka.

Now, this may be just one type of example, but Apple is certainly another example. It started in a garage many years ago in California, and out of that emerged this giant company. So these companies started from humble beginnings. They grew. This created jobs for millions of Americans. They lifted our economy and our standard of living.

The National Small Business Association is a supporter of this amendment, and just last week other small business inventor groups have joined them in saying that first-to-file ''disrupts the unique American start-up ecosystem that has led to America's standing as the global innovation leader.''

First-to-invent has served our country well. Here are the main problems, as I see them, with the bill's first-to-file system: First, the grace period. It ''guts'' the current grace period, in the words of a letter from 108 startups and small businesses that protect inventors' rights to their inventions for 1 year from offering them for sale or making a public use of them, among other things, before they have to file a patent application with the Patent Office. So there is this 1-year grace period for them to get their act together.

Now, under the present system, instead of preparing a costly patent filing, they can concentrate on developing their invention and obtaining necessary funding.

The majority leader just circulated a statement to Members which speaks to this grace period. I wish to quote one part of that statement:

> The grace period comports with the reality of small entity financing through friends, family, possible patent licensees, and venture capitalists. The grace period allows small inventors to have conversations about their invention and to line up funding before going to the considerable expense of filing a patent application.

The grace period allows them to not have to race to the Patent Office because they are afraid somebody else might have heard the conversation, might have stolen it from them, and moved on.

Senator REID goes on:

> In fact, in many ways, the one-year grace period helps improve patent quality—inventors find out which ideas can attract capital, and focus their efforts on those ideas, dropping along the way other ideas and inventions that don't attract similar interest and may not therefore be commercially meaningful.

So this first-to-file essentially replaces this critical innovation-protecting provision with a more limited and murky grace period that only runs from the undefined term of ''disclosure.'' There is no discovery. Litigation is sure to ensue as courts interpret this term, creating uncertainty that I believe will chill investment in startups which in turn will damper innovation and job growth.

Unfortunately, first-to-file incentivizes inventors to race to the Patent Office, to protect as many of their ideas as soon as possible, so that they are not beaten to the punch by a rival. Thus, first-to-file will likely result in significant overfiling of dead-end inventions, unnecessarily burdening both the Patent Office and especially small inventors.

The third reason, difficulty of proving copying. The third major problem with this bill's system is the difficulty of proving that someone copied an invention. Currently, you as a first inventor can prove that you were first by presenting evidence that is in your control—this is under first-to-invent—your own records contemporaneously documenting the development of your invention. But under this bill, to prove that someone else's patent application came from you, was derived from you, you would have to submit documents showing this copying. Because there is no discovery, you wouldn't have those documents in your possession, so it makes proving your invention much more difficult. The bill doesn't provide for any discovery in these ''derivation proceedings.'' Therefore, the first inventor can't prove his or her claim because he or she does not have access to the documents of the alleged copier.

Mr. LEAHY. Madam President, if the Senator will yield, how much time is remaining?

Mrs. FEINSTEIN. I will just take 2 minutes more.

The PRESIDING OFFICER. The Senator from California by consent is using the opponent's time.

Mr. LEAHY. Is using my time?

Mrs. FEINSTEIN. No. I have asked to extend our time.

Mr. LEAHY. Madam President, we are supposed to vote at 12:30. I realize the Senator couldn't be here when her amendment was brought up and couldn't be here when her amendment was modified. We did that for her. But I am in opposition to it, and I should at least have some of my time to be able to use.

Mrs. FEINSTEIN. I will be very happy to—I was here yesterday. I did speak on the floor, Mr. Chairman. I did, in a rather lengthy speech, indicate the arguments. I have asked for just a short period of time. My remarks are no more than five pages, which should take me 1½ more minutes to conclude. I hope I would be offered that time.

Mr. LEAHY. Madam President, at the hour of 12:30 we are supposed to vote. I would ask unanimous consent, so far as my time has been used by those in another position, that Senator GRASSLEY and I have 4 minutes back of our time.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator has consent.

Mrs. FEINSTEIN. Fine. Then I would ask that my time on this side be extended for another 1½ minutes.

The PRESIDING OFFICER. The Senator has that time.

Mrs. FEINSTEIN. Thank you very much.

So I have outlined the difficulty of proving copying under the first-to-file system.

Disputes about who is the first to invent are resolved by the Patent Office in what is called an interference proceeding, which number only about 50 a year out of 480,000 patent applications.

The opposition infers that this is a huge problem. Fifty a year out of 480,000 patent applications is a very small percentage.

As I said in the beginning, America leads the world under the first-to-invent system. I don't think we should fix what isn't broken. This works for people who have great ideas but don't have money, who begin in a garage or in a lab. It has worked well for our system.

I ask my colleagues to join Senator RISCH, Majority Leader REID, Senators CRAPO, BOXER, ENSIGN, BEGICH, and myself in voting yes on this amendment.

I yield the floor.

Mr. LEAHY. Madam President, as I said earlier, Secretary Locke confronted the notion that the current outdated system is better for small independent inventors. He said the cost of proving that one was first to invent is prohibitive and requires detailed, complex documentation of the invention process. In cases where there is a dispute about who the actual inventor is, it typically costs at least $400,000 in legal fees and even more if the case is appealed. By comparison, establishing a filing date through provisional application to establish priority of invention costs just $110.

I appreciate the work of the Senator from California, but her amendment is a killer amendment. It would kill this bill. Our bill is set up so that it will allow us to compete with the rest of the world. Right now, we are behind the rest of the world in our patent system. Our bill as it is written allows us to compete with the rest of the world. Her amendment would hold us back and give an advantage to those countries with which we have to compete.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I associate myself with the remarks of the chairman of the committee. I ask that people on my side of the aisle not support the Feinstein amendment.

At this point, I move to table the Feinstein amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion to table the Feinstein amendment, as modified.

The clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 87, nays 13, as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—87

Akaka	Bingaman	Burr
Alexander	Blumenthal	Cardin
Ayotte	Blunt	Carper
Barrasso	Boozman	Casey
Baucus	Brown (MA)	Chambliss
Bennet	Brown (OH)	Coats
Coburn	Johnson (WI)	Nelson (NE)
Cochran	Kerry	Paul
Collins	Kirk	Portman
Conrad	Klobuchar	Pryor
Coons	Kohl	Reed
Corker	Kyl	Roberts
Cornyn	Landrieu	Rubio
DeMint	Lautenberg	Sanders
Durbin	Leahy	Schumer
Enzi	Lee	Sessions
Franken	Levin	Shaheen
Gillibrand	Lieberman	Shelby
Graham	Lugar	Snowe
Grassley	Manchin	Stabenow
Hagan	McCain	Thune
Harkin	McCaskill	Toomey
Hatch	McConnell	Udall (CO)
Hoeven	Menendez	Udall (NM)
Hutchison	Merkley	Vitter
Inhofe	Mikulski	Warner
Isakson	Moran	Webb
Johanns	Murkowski	Whitehouse
Johnson (SD)	Murray	Wicker

NAYS—13

Begich	Feinstein	Rockefeller
Boxer	Inouye	Tester
Cantwell	Nelson (FL)	Wyden
Crapo	Reid	
Ensign	Risch	

The motion was agreed to.

Mr. LEAHY. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Michigan.

AMENDMENT NO. 126

Ms. STABENOW. Madam President, I will call up amendment No. 126. I understand it will be agreed to. I ask unanimous consent that the pending amendments be set aside and I call up amendment No. 126.

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

The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Ms. STABENOW], for herself and Mr. LEVIN, proposes an amendment numbered 126.

Mr. LEAHY. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To designate the satellite office of the United States Patent and Trademark Office to be located in Detroit, Michigan as the ''Elijah J. McCoy United States Patent and Trademark Office'')

On page 104, strike line 23 and insert the following:

SEC. 18. DESIGNATION OF DETROIT SATELLITE OFFICE.

(a) DESIGNATION.—The satellite office of the United States Patent and Trademark Office to be located in Detroit, Michigan shall be known and designated as the ''Elijah J. McCoy United States Patent and Trademark Office''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the satellite office of the United States Patent and Trademark Office to be located in Detroit, Michigan referred to in subsection (a) shall be deemed to be a reference to the ''Elijah J. McCoy United States Patent and Trademark Office''.

SEC. 19. EFFECTIVE DATE.

Mr. LEAHY. I ask that it be adopted.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 126) was agreed to.

Mr. LEAHY. Madam President, I move to reconsider the vote.

Ms. STABENOW. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. I yield to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Madam President, I thank the distinguished chairman of the Judiciary Committee and our ranking member and those who are working very hard on a very important jobs bill today. On behalf of the people of Detroit, the people of Michigan and Senator LEVIN and myself, I thank very much the Members for their support of this amendment.

Madam President, just few months ago, we learned that Detroit, MI, will be home to the first-ever satellite office of the U.S. Patent and Trademark Office. This office is such great news for Michigan, where we have a proud tradition of innovation and invention.

Every day, we are looking to innovate and create ''the next big thing.'' The decision to locate this satellite office in Detroit shows just how much new invention is happening in Michigan. Thanks to some of the best research universities in the country, with an incredibly skilled workforce, we have become third in the nation in terms of clean energy patents. And we are getting new patents every single day.

In addition to clean energy, Michigan is home to groundbreaking research in fields such as agriculture, defense technology, medical technology and pharmaceuticals, advanced batteries, and, of course, automobiles.

This patent office will help us continue that tradition of innovation, while reducing the backlog of patent applications so those new products can get to the market faster.

It makes perfect sense to locate this new satellite office in Detroit.

Today I am offering, along with Senator LEVIN, amendment No. 126 to the America Invents Act to name this new facility after a great Michigan inventor, Elijah McCoy.

His life captures the spirit of Michigan ingenuity and entrepreneurship. His parents escaped slavery and fled across the border to Canada. After training as an apprentice in Scotland, he came to Ypsilanti, Michigan and set up a home-based invention shop.

Over the course of his brilliant life, Elijah McCoy secured more than 50 patents, but he is best known for his inventions that revolutionized how our heavy-duty machinery, including locomotives, function today. In July of 1872, he invented the automatic lubricator, a device that kept steam engines working properly so trains could run faster and longer without stopping for service.

His invention was incredibly effective and many tried to copy his idea,

but nobody could match McCoy's idea. Machinists started asking if the engines were using the ''real McCoy'' technology, and people still use that phrase today when they want the best quality product.

He did not have an easy journey. As an African American, he was kept out of many of the histories of the industrial revolution. Despite his brilliance, he was only ever allowed to work in menial jobs on the railroad tracks.

But despite the racial prejudice, Elijah McCoy never gave up and continued inventing. In 1976, the city of Detroit celebrated Elijah McCoy day and dedicated his home as a historic site. In Detroit, Elijah McCoy Drive runs between Trumball and the Lodge, near Henry Ford Hospital. He is buried in Warren, MI.

It is a great honor for Michigan that the first-ever Patent and Trademark Satellite Office will be named for this great leader and great inspiration for Detroit.

It is a great honor for us to have this first-ever patent and trademark satellite office in Detroit and to have it named after a great leader who has provided great inspiration.

I thank my colleagues very much for supporting this amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COONS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

BLAMING WORKERS

Mr. BROWN of Ohio. Mr. President, we have all watched the news stories—from Madison, WI; Columbus, OH; Trenton, NJ, and other places around the country—where public employees, when you really analyze it, are paid more or less, including benefits and depending on the place, comparable to the private sector worker. Whether they are high school graduates or college graduates or whatever, the overall pay and benefits are pretty similar. We have seen around the country that these public employees are in most cases willing to share in the sacrifice of balancing budgets and share in the sacrifice of fighting back against this bad economy. In fact, we know that workers—teachers, police officers, nurses, people working at the unemployment bureaus, people working at the Department of the Interior, wherever—have taken pretty big hits already in terms of lost jobs, in terms of no raises, in terms of paying more for their health benefits.

So we know that even though these are not the people who caused the recession any more than the workers at Lordstown, OH, assembling cars or Defiance, OH, building engines or Northwood, OH, making bumpers for the Chevy Cruze are responsible for the failure of the automobile industry, there just seems to be, as we have seen from these ideological conservative Governors, an assault all over the country blaming workers, whether they are public or private workers, for the problems in this economy.

They continue to want to give tax cuts to the richest people on Wall Street, as they take their bonuses and make big dollars and see their incomes go like this, but as workers have pretty much had no real increase in the last 10 years—wages have been mostly stagnant—how can you blame the workers for this? That is what we have seen around the country.

It has been so interesting. Two days ago in Columbus, OH, 8,500 people demonstrated not against budget cuts, because they know those are coming, but against this direct assault by the government—by the Governor and legislative leaders—on the right to organize and bargain collectively. That is a right that has been part of Americana, a part of our values for 75 years.

Why do they think we have a middle class? We have a middle class because workers have been able to band together and say to a company that is very profitable: We should get some of that profit you are making because we are your workers and we have made your company more prosperous.

Management is important and crucial, but workers are important and crucial. As worker wages go up, management wages typically go up. But we have seen worker wages remain stagnant, in part because of a lack of unionization or a decline in unionization.

Now we are also seeing in Madison, Columbus, Trenton, Harrisburg, Indianapolis, Lansing, in these capital cities, especially in my part of the country, a real play on fear. They are trying to turn private sector workers against public sector workers. They blame the UAW—the auto workers—for the problems in the auto industry. Now they are blaming public workers for problems with State budgets and trying to work the private sector and union workers against each other, fighting with each other. That is the most base Karl Rove-type politics, to turn working-class people against one another. It is wrong. It is morally wrong, it is politically wrong, and it is very wrong for our country.

What has also been interesting about these protests is that they are not all steelworkers and electricians and American Federation of Government Employees and AFSCME and SCMU. There are people of faith also involved.

I did a roundtable at an Episcopal church right off statehouse square, and the leaders of the church and some of the volunteers of the church were there. Now, I don't preach or wear my Christianity on my sleeve, but these people of faith understand that the Bible talks a lot about poverty and a lot about fairness and equality and egalitarianism, if you will, but for them to go against workers on behalf of the richest people in our country—and that is really what they are doing in the Governors' offices in Columbus and Madison and Trenton and other places—runs counter at least to my faith. I will not judge their faith. They worship what God they worship and read what scripture they read. But when I look at what my faith means—and as I said, I am a Lutheran, I am not a Catholic—but when I look at Leo the XIII and what he said about what Catholicism means for workers and fairness, it is point, set, match. That clearly spoke definitively about this.

Mr. President, I have said this on the floor before today, but I wear this pin on my lapel. It is the depiction of a canary in a birdcage. One hundred years ago, miners took a canary down in the mines. If the canary died from lack of oxygen or from toxic gas, the miner got out of the mine. He only had himself to depend on. He didn't have a government that cared much in those days to write safety laws, particularly child safety laws, on the mines. He didn't have a union strong enough in those days to fight back.

Too many people who are ultraconservative—and there are many in both the Senate and the House—want to go back to those days. They want to eliminate worker safety laws, and they want to eliminate minimum wage. They are clearly going after collective bargaining and so many of the things we hold dear.

Again, it wasn't the UAW workers, it wasn't the Service Employees Union workers at the State capital who caused this financial crisis. They have been the victims of it, just as a whole bunch of nonunion workers have. This financial crisis was caused by greed, by people overreaching, by the richest in our society grabbing and grabbing and grabbing for more wealth. Yet they are going to turn this—let's change the subject—against those workers. That has happened far too many times in our country.

I am a new member of the Senate Appropriations Committee, and I am lucky enough to serve on Senator LEAHY's Subcommittee on State, Foreign Operations, and Related Programs. We brought the Secretary of State in—Secretary Clinton—to talk to us about the State Department's budget.

One of the things she said—and I mentioned Madison and Columbus after she said it—but one of the things she said is, it has been unions in Egypt, it has been workers in Egypt and Tunisia and around the world, it has been workers who so often, sometimes through their unions—if they are allowed to have unions, sometimes through a more informal collection of people in what might look like a union but is not formalized—fought for freedom, fought for equality. A lot of the problems in Tunisia and Egypt were because people were hungry—not just because they want freedom, but they also

want fairness and a chance to make a living.

But one of the things Secretary Clinton talked about is, yes, this administration is actually enforcing labor laws in Guatemala, this administration will enforce labor laws in the labor component of our trade agreements across the world because we as a country stand for a more egalitarian workforce. We stand for workers rights. We believe workers should organize and bargain collectively, if they choose. We believe in a minimum wage. We believe in workers' compensation. We believe in workers' safety. We believe in human rights. All of that is about the labor movement.

You can support labor rights in Guatemala, but you better be damned sure you are supporting labor rights in Wilmington and Columbus and Cleveland and Detroit and Dover, DE, and everywhere else. Those were some of the words Secretary Clinton said. I am obviously expanding on them.

I looked back in history and some of the worst governments we ever had, do you know the first thing they did? They went after the trade unions. Hitler didn't want unions. Stalin didn't want unions. Mubarak didn't want unions. These autocrats in history did not want independent unions. So when I see Egypt or I see old Soviet Russia and history tells me about Germany—I am not comparing what is happening to the workers in Madison or in Columbus to Hitler and Stalin. But I am saying, history teaches us that unions are a very positive force in society that creates a middle class and that protects our freedom.

So don't tell me you support unions internationally but you don't support unions here. Don't tell me you support collective bargaining in Poland but you oppose collective bargaining in Zanesville or Dayton, OH, because, frankly, that is inconsistent and ultimately it is not taking the side of people whom we are supposed to represent.

I am proud of my State. About two or three blocks from the capitol, in 1876, the capitol in Columbus, the American Federation of Labor was formed. What we know now as the AFL/CIO began in Columbus, OH, in 1876, when some workers got together thinking there was some strength and some safety in numbers and they were going to have a better standard of living and better country and more freedom for all if they began to coalesce in a group of people—not to bust a hole in the State budget, not to hurt companies but to make sure the workers were represented and get a fair shake in the society.

It is all pretty simple. We have a strong middle class in this country because we have the right to organize and bargain collectively. We have a strong middle class in this country because we are a democracy, because workers can share in some of the wealth they create for their employers. So I hope 10 years from now—I know in Delaware this is something we fought for with manufacturing and middle class and all—we will see, as productivity goes up and profits go up, that workers' wages will go up too. It is the American way. It is what we stand for. Nothing in our society, frankly, is more important than a prosperous middle class and what it brings to us in terms of freedom and equality.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SANDERS). Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senate will be in a period of morning business, with Senators permitted to speak therein for up to 10 minutes each, with the majority controlling the first hour and the Republicans controlling the next hour.

The Senator from Maryland.

EFFECTS OF H.R. 1 ON WOMEN AND CHILDREN

Ms. MIKULSKI. Mr. President, I am here representing 150 million women in the United States of America, and they are bewitched, bothered, and bewildered by what the Congress, particularly the House of Representatives, in H.R. 1, has done to women.

Women all over America have to balance their family budgets, so they know our United States of America needs to get its fiscal act together. They also know we need to live in a more frugal time. They understand that. But what they do not understand is that in H.R. 1, with what the House did, the entire burden has come from a very limited amount in discretionary spending. When you take off defense, homeland security, women and children are actually thrown under the bus. Well, they are mad as hell, and they don't want to take it anymore. So the Democratic women today, in the hour we have been given, are going to lay out the consequences of what H.R. 1 means.

Now, we in the Senate, and we, your appropriators—of which there are many women on the committee: LANDRIEU, FEINSTEIN, MIKULSKI, MURRAY—we know we have to bring about fiscal discipline. The Senate Appropriations Committee has already worked to reduce the appropriations in the Senate by $41 billion. Now that is really meat and potatoes. So we feel we have already given an option, but, my god, enough is enough.

Let me give you just the top 10 reasons why H.R. 1 is bad for women and children and examine why we are ready to negotiate so we do not have a shutdown of the government. We need a final settlement on the budget for 2011.

Let's just go through them. One, it defunds the entire health care reform law. That is bad for saving lives and saving money. It also eliminates title X family planning money. It jeopardizes breast cancer and cervical cancer screenings for more than 5 million low-income women. They even went after Head Start. Even little kids in Head Start had to take it on the chin. It is going to cause 218,000 children to be kicked off of it. But they go further. For the group who says they are pro family, family values, and that they have to defend life, yet they slash the nutrition programs for pregnant women by $747 million, affecting 10 million low-income pregnant women, new mothers, and children. They also cut funding for prenatal care, and they went after afterschool programs.

They cut funding for Pell grants. They terminate funding that helps schools comply with title IX. They cut funding for job training, which hurts over 8 million workers, many of them getting new training for the new jobs for the new economy. And something very near and dear, I know, to the Presiding Officer: they went not after Social Security in terms of the benefits but went after the people who work at Social Security—the Social Security offices where they work on everything from the regular Social Security benefit to the disability benefit. If H.R. 1 passes, over 2,500 people at Social Security will be laid off. In my home State, they were out in the streets in front of the Social Security headquarters saying: What about us? We come every day. We give you the actuarial information on how to keep it solvent. We make sure checks are out there on time, and in snowstorms we are showing up to make sure everything works. But at the end of the day, we are going to be told we are nonessential.

This whole nonessential drives me crazy because, ironically, Members of Congress are considered during a government shutdown. Well, if we are going to be essential, we need to get real about how we come to an agreement on this Continuing Resolution.

So, Mr. President, we in the Senate feel we have given $41 billion already, and we think H.R. 1 just goes too far. It goes too far by leaving so many things off the table.

Now I want to talk about health care reform. We had many goals during health care reform, one of which was to expand universal access. Again, the Presiding Officer has been a champion of that, a stalwart defender of the public option, and a stalwart defender of the single-payer system. As we worked on it and came up with a compromise, what was very clear was that there were certain things we just had to do. One was—whether you were for the public option or not, whether you are for a single-payer system or the system

we have now—we knew we had to end the punitive practices of insurance companies.

We knew in the health care reform bill we also had to improve quality measures that would actually save lives and save money. We also knew that if we had a strong preventive care benefit, we, once again, through early detection and screening, could minimize the cost to the insurance companies and the Federal budget and also the terrible cost to families who face all kinds of problems but particularly cancer. So that is why we passed the health care reform.

Over in the House, they thought it was going to be really cool to say: We could repeal health care—remember, they said ''repeal and replace.'' They have only talked about repeal because they do not know how to replace. So they decided, through H.R. 1, to defund it, to take the money away. So let me just outline very quickly what we think it means to women and children.

First of all, we ended gender discrimination by the insurance companies. Before we reformed health care, women were charged 40 percent more in many instances for health care premiums as compared to men of comparable age and health care status—40 percent more. There was a gender tax of 40 percent put on by the insurance companies. We ended that.

The second thing is that the insurance companies were treating simply being a woman as a preexisting condition. So we went to the floor, and with the great guys of the Senate we passed the preventive health care amendment. We wouldn't let them take our mammograms away from us. We also made sure our children could have early detection and screening in schools. And, because it is not about gender, it is about an agenda—we included men in these preventive health services as well.

Now, if we agree to that element in H.R. 1, we will take away the preventive health care benefits. They guarantee coverage of preventive care and screenings, such as mammograms for women under 50. We cannot go back.

It would also repeal the quality measures, such as the famous Pronovost checklist developed in Maryland by a Hopkins doc. When used at just Michigan hospitals alone, it is a simple, low-tech way to lower in-house infections in hospitals. In Michigan hospitals, it has saved 2,000 lives and has saved the State $200 million each year.

We can do this. There are so many things that are important in the health care reform bill. We cannot defund it.

As we move ahead in what we hope will be a negotiation and a settlement, we, the women of the Senate, will not surrender the women and children of this country. We will not let them be thrown under the bus and run over by H.R. 1.

Mr. President, I now yield the floor to one of our very able advocates, someone who has been a stalwart defender of childcare in our country, Senator PATTY MURRAY.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I thank the Senator from Maryland for being our fearless leader and making sure women have had a voice at the table for many years. I wish to thank her for leading this important debate and discussion today about how H.R. 1 will affect women and children in this country in a very dramatic and very troubling way.

Since Wall Street came crashing down on Main Street, I have been very proud to work with so many of my colleagues on efforts to get our economy back on track and our workers back on the job. We all know we have a long way to go. So many families in our country today are fighting to stay in their homes. Small businesses are struggling to keep their doors open. Many of our workers are still trying desperately to find work or they stay up at night wondering what would happen to them and their families if they are the next ones to get a pink slip. So that is why I am so disappointed that at the very moment we need to be working together to invest in our future, cut spending responsibly, and support those American families, House Republicans have decided to take a slash-and-burn approach to the budget that would devastate our economy and cost us hundreds of thousands of jobs.

While many Republicans came to this Congress this year promising to work with Democrats to focus on the economy, they have now chosen instead to push their extreme, antichoice agenda of a minority of Americans who want to go further than ever to restrict health care options for women and families. So I am here this afternoon with my women Senate colleagues to talk about that aspect of the budget proposal they sent to us because this assault on women's health will be truly devastating if it is acted, and this extreme agenda does nothing—nothing—to further our goals of getting our economy back on track.

The House Republican-proposed budget they sent to us completely eliminates title X funding. That is funding for family planning and teen pregnancy prevention. And it includes an amendment that completely denies funding for Planned Parenthood. That is so wrong. It would be absolutely devastating for 3 million men and women across the country who depend on those services.

I recently got a letter from a woman named Elizabeth. She lives in Bellingham, WA. She is 28 years old. Elizabeth told me she is uninsured, and she depends on her local Planned Parenthood for her annual checkups and for family planning. She told me that cervical and breast cancer run in her family, and she does not know what she and her husband would do if she was not able to access this care that Planned Parenthood provides.

Elizabeth is not alone. I have received hundreds of letters just like hers, women telling me about the health care they got at Planned Parenthood and the critical services title X allows them to access.

Title X supports cancer screenings, family planning, and preventive services for more than 5 million low-income men and women and families across this country. In my home State of Washington, more than 100,000 patients who otherwise would not have access to care are able to receive treatment thanks to these services. The House Republican plan would devastate this for women, and honestly, it just does not make sense. In my home State alone, family planning services at title X-funded health care centers prevent over 21,000 unintended pregnancies every year. Without these services, our States and the Federal Government would end up spending far more in services for low-income families over the long run. So cutting off these important programs would be wrong, and I am going to do everything I can to stop it right here in the Senate by fighting alongside my women colleagues.

That is not all the House Republicans are proposing in their extreme budget. They want to slash nutrition programs for women and children by $747 million. That would end support for close to 10 million pregnant women, new moms, and infants in the country. That is not what we stand for.

They want to cut funding for prenatal care by $50 million. That is going to jeopardize care for 2.5 million women and 31 million children. That is not what we stand for.

They want to cut $39 million from the childcare and development block grant that would end the child support many low-income families need so the parents can go out and work and put food on the table. That is not what this country stands for.

They want to slash $1 billion from Head Start. That not only cuts off comprehensive early childhood services for nearly 1 million children, but it puts tens of thousands of teachers and staff out of a job. Guess what. Most of them are women.

The House antifamily agenda is wrong, and we are not going to stand for it. We do need to cut the budget. We do need to work together to bring down the deficit. But we are not going to do it on the backs of women and children. We are going to do it responsibly. We are going to do it right. I have said many times on this floor a budget is a statement of our values. It is a reflection of our priorities as a nation. I feel very strongly that we do need to work together to invest in our future and get our economy back on track, put people back to work, and make sure families get the support they need so they feel secure again. The House Republican spending fails to meet those goals. It

fails our women, it fails our families, it fails our communities, and it fails our Nation.

So I urge my colleagues to reject the House Republican slash-and-burn approach on the backs of women and children and families and work with us to propose a responsible long-term budget reduction plan that reflects the values for which this country stands.

Thank you, Mr. President. I yield the floor.

Ms. MIKULSKI. Mr. President, I yield to the Senator from New York, Mrs. GILLIBRAND. Although our newest Democratic Senator, she has been a strong advocate, and she is not new to being a strong advocate. I yield her 5 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mrs. GILLIBRAND. Mr. President, I thank the Senator for her leadership.

I rise today to join my colleagues and speak out about the failure that is taking place on the other side of Capitol Hill right now in the Republican-controlled House. The election last November was not a mandate for any one political party or extreme ideology. It was a mandate for action—for solutions that will create jobs and get our economy moving again. But rather than focusing on jobs and responsible budgeting, House Republicans have engaged in an all-out assault on the health and well-being of women, children, and families in America.

The American people voted overwhelmingly for debate on economic solutions that will create jobs. That is what many of my colleagues and I have been trying to focus on during this Congress. But what are the House Republicans focused on? Not creating jobs, not creating ideas for how we are going to create economic growth, but undermining the health care rights of millions of American women and families.

We have an undeniable job crisis on our hands and they are ignoring it. Unemployment is still far too high. Having a national rate of close to 10 percent means real unemployment is closer to 15 or 20 percent when we look at all of those who are underemployed, working less hours, or who are no longer looking for work. Twenty-two percent of our youngest veterans coming back from Iraq and Afghanistan are unemployed. That is more than one in five. What are they doing to address those problems?

Rather than debating the solutions for how we create this economic growth or how we spur growth among small businesses and how we help our middle-class families, they are focused on degrading women's rights—basic privileges and health care priorities and safety nets for the women and children who are most at risk in this country. They have shown a heinous disregard for the health and safety of women and young girls, and they have worked to undermine their ability to buy affordable, accessible health care.

Republicans lament at length that government is too intrusive, too large, too overblown. But tell me: What is more intrusive than telling every woman in America that their decisions are going to be made in Congress, not by them, not by their doctors, not by their families?

Let's look at the facts. The temporary budget bill that came out of the House slashes critical funding for prenatal care, that unbelievably important care when a woman is expecting. They have cut nearly $750 million from nutrition programs for pregnant women and their children. They have cut access to lifesaving breast and cervical cancer screenings for more than 5 million American women. Their budget destroys early childhood education, taking nearly $1 billion from Head Start and nearly $40 million from childcare, robbing nearly 370,000 American children of early childhood learning. They have even cut more than $2 billion from job training programs that we need to prepare America's workforce for the jobs of today and the jobs of tomorrow.

What kind of priorities does that demonstrate? It demonstrates a disregard for the future of this country—for our children, for our women, for their health, their well-being, their education, for job training, for the future. This debate is much more than about where the dollar figures lie. It is about what will happen to the women and children they are now disregarding.

Let's look at the single mother who has two jobs and needs this support to feed her children. Let's look at the young women in every State of this country who will now get cancer because they were denied those precancer screenings. Let's look at the children who will never walk through the door of a university because they were denied access to the early childhood education that would have prepared them so that they could achieve their God-given potential.

We cannot slash and burn our way to a healthy and growing economy. It is time these Members of the House get serious about economic growth, about our small businesses, creating access to lending, creating a tax policy that is going to create economic growth. Those are where the solutions lie, not undermining the health, well-being, and future of our women and our children and America's prosperity.

I now yield the floor to my colleague from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, Senator MIKULSKI has asked that I control the time for our side, so I will stay on the Senate floor. What time does that time expire?

The PRESIDING OFFICER. The Senator controls 37½ more minutes.

Mrs. BOXER. Thank you very much.

Mr. President, I am here today to speak out along with my colleagues for the women and children in our Nation who would be gravely harmed by the House budget, H.R. 1. I hope we get the chance to vote on that House budget because I think the American people need to look at what is going on with my Republican friends who are in charge of the House of Representatives.

We all know we need to reduce the deficit, but we also know the right way to do it. We did it with President Bill Clinton. We did it with a mix of revenue-raisers and smart cuts, plus investments that paid dividends. We did it in such a way that we actually had a surplus at the end of the day, and 23 million new jobs.

When George W. Bush took over, the surplus was gone and the job creation was gone. Compared to 23 million new jobs, under President George W. Bush there were 1 million jobs created, and he left us with soaring deficits and the deepest recession since the Great Depression. That is the story. It has a beginning, a middle, and we are about to write the end.

I will be honest. I will stand with my colleagues on both sides of the aisle who are willing to fight for the people of this country and the middle class of this country.

According to leading experts, the budget bill, H.R. 1, would destroy 700,000 jobs, hurt our families, and, to me—this is my personal opinion—it looks as though they have a political vendetta against women, children, and a healthy environment on which they rely because they need to breathe clean air and drink clean water. All of this is on the chopping block in the House.

Let's look at the title X family planning program. It is zeroed out. It is zeroed out in H.R. 1, the House Republican budget. What does title X do? Title X provides contraceptive services for 4.7 million women nationwide, almost 5 million women nationwide. It helps prevent almost 1 million unintended pregnancies. Now, here are my friends on the other side joining with us. We are all saying let's make sure we cut down on the number of abortions. What is one proven way to do it? Contraception. They would prevent almost 1 million people from getting that kind of service.

Planned Parenthood operates 800 health care centers nationwide. I know my colleagues are very aware of health centers. They provide 720,000 breast exams nationwide, 730,000 pap tests. What does this mean? Hundreds of thousands of women just in California, and millions nationwide, go to Planned Parenthood to make sure they don't have breast cancer, they don't have cervical cancer, they don't have an STD, they don't have AIDS. And if, God forbid, it turns out they have any of these things, they can get treated. Without this, they are in deep trouble. Everyone in America knows early detection is where it is at. So if I said the impact of the Republican budget would mean more abortions, more breast cancer, more cervical cancer, more STDs,

more AIDS left untreated, that is not hyperbole. It is not an understatement. That is a fact.

I wish to talk about Nicole Sandoval from Pasadena, CA. She wrote to me and said: Please support Planned Parenthood because—by the way, our colleagues eliminate Planned Parenthood getting $1 of Federal funding. What are they implying? That the funds are used for abortion services. That is an outright lie. Since the 1970s, the Hyde amendment has said not one penny of Federal funds may be used for providing abortions, so they know that is an untruth. Yet they let it hang out there. The money Planned Parenthood gets is for just what I said: cancer prevention, sexually transmitted disease prevention, and contraception.

So what does Nicole say? She was 23 years old. She had no insurance. Planned Parenthood was there for her and caught her cervical cancer early enough to save her life. So I stand with Nicole Sandoval.

I am here to stand with Leah Garrard from Torrance. She wrote to me about a horrific incident in which a member of her family was raped. This young woman went to Planned Parenthood. She didn't know where else to go. She wrote and said: Planned Parenthood directed her family member to a local hospital, got in touch with the local sexual assault nurse examiner, and contacted her family to come and take care of her. Had her family member not gone to Planned Parenthood, she truly, she wrote, would not have survived that experience. I stand with Leah and her family and with Planned Parenthood.

Zero out Planned Parenthood? Where are we going? We are certainly not going forward. We are going backward. I remember the years when George Herbert Walker Bush was on the board of Planned Parenthood. Planned Parenthood is a bipartisan operation. If you walk in the door, they don't ask whether you are a Democrat, Republican, registered voter, or who you are. You get taken care of, and the community is healthier.

Now, in the remaining time I wish to talk about the attack on the environment in which women and children have to live. The attack on the Environmental Protection Agency is the biggest cut of any agency in the Federal Government by our Republican friends over in the House.

Seventy percent of the American people say the Environmental Protection Agency should do its job. Sixty-nine percent think the EPA should update EPA Clean Air Act standards with stricter air pollution limits. Sixty-eight percent believe Congress should not stop EPA from enforcing Clean Air Act standards.

Sixty-nine percent believe that EPA scientists—not Congress—should set pollution standards. Look at this. In this tough time, when the country is divided, almost 70 percent of our people say leave EPA alone. But, no, our Republican friends whack that agency by one-third—billions of dollars—and not only that, instruct that agency with riders telling them they can't enforce air pollution standards for soot. We know what happens when you are exposed to soot. We are looking at other exposures as well—small particulate matter which gets into our lungs and is lodged in our lungs.

They say we can't look at cement manufacturing and go after the mercury that comes out of those stacks—the mercury and arsenic. Do we think the American people want dirtier air? Is that what the election was about? I just came out of a tough election. I have to tell you that not one person ever came up to me and said: Please, I want more soot. I need more smog. It is missing out of my life. Oh my God, when my kids drink water, I want them to get contaminated.

Forget it. That is not what the election was about. It was about jobs, jobs, jobs. OK. Let's look at a photo of a child who pays the price when the air is dirty. Children's exposure to air pollution worsens asthma attacks and causes lost days at school, emergency room visits, and for older people, it causes heart attacks, stroke, cancer, and premature death. According to the American Lung Association—and we have another picture—asthma is one of the most common chronic diseases in children. It affects 7 million children. Here is a photo of another beautiful baby. I am showing you this as a grandma. I am going to take another 2 minutes and then turn it over to Senator SHAHEEN.

Look at this picture, this face. Look at those eyes. I wish to say to our friends in the House, what are you doing? You are throwing women and children under the bus. You are throwing the middle class under the bus. I, for one, am going to tell the truth. During my campaign, people would say: What are you going to do to win? How are you going to win? I said: I have a secret plan. I am going to tell the truth. I am going to just lay it out there.

Look, the truth is, EPA released a new report that was asked for by Congress. Congress demanded to know the benefit of the clean air law. They said that, in 2010 alone, 160,000 cases of premature deaths were avoided. Can you believe that? They want to turn all this back. The American Lung Association says H.R. 1 is toxic to the public health. They say it would result in millions of Americans, including kids, seniors, and people with chronic disease, such as asthma, being forced to breathe air that is unhealthy. It can cause asthma, heart attacks, strokes, cancer, and shorten lives.

A Republican President set up the EPA—a Republican President—Richard Nixon. What are you doing over there? I already said that George Herbert Walker Bush was on the board of Planned Parenthood. Richard Nixon signed the Clean Air Act. They don't either seem to have a sense of history or they have moved so far away from some of the proud traditions of their party that they have lost total touch.

In closing, we have to stop this war against women and against children. We are going to have to stop this war against the environment. We are going to come forward with deficit reduction that will equal what they do, but we will do it in a way that doesn't hurt job creation and doesn't hurt our kids, our families, and the environment we all depend upon.

Mrs. FEINSTEIN. Mr. President, I rise to discuss the devastating impact that H.R. 1, the House Republican continuing resolution, would have on women, children, and families nationwide.

House Republicans would eliminate the $317 million title X Family Planning Program, which provides critical health care services to over 5 million Americans each year, including 1.2 million in California.

House Republicans would also exclude Planned Parenthood, which serves over 2.9 million women annually, from Federal funds. These services provide necessary preventive health care including: contraceptive services, education, cancer screening, annual exams, STD and HIV testing, smoking cessation, flu vaccines, and well baby care.

It is ironic for people who do not believe in abortion to propose these cuts, when in fact, through family planning, contraception, and education, title X programs prevented 406,000 abortions nationwide in 2008 alone; 83,600 of those were prevented in California. So by cutting these programs, the numbers of unplanned pregnancies and abortions will increase.

How does this make sense? These cuts are not about deficit reduction. They are biased, politically motivated cuts that will result in increased Federal spending. These cuts hurt women. In California alone, these programs helped save $581 million in public funds in 2008.

Nationwide, title-X supported family planning centers saved taxpayers $3.4 billion in 2008. Every dollar invested in helping women avoid unintended pregnancies is estimated to save taxpayers $4.02. Some might not think these programs are important, but I judge they are.

In the past 3 weeks alone, I have received 28,000 letters urging me to oppose eliminating title X and Planned Parenthood.

Over 153,000 Californians have signed a petition to express their opposition towards defunding Planned Parenthood.

I have heard from uninsured college students, who only make $10,000 a year and cannot afford basic preventive care without title X and Planned Parenthood.

I have heard from outraged constituents who point out title X family planning programs have been in place since

1970, and have provided cancer screening, annual exams, and prenatal care for millions of women.

I have heard from young women who went to Planned Parenthood for STD screening and birth control, when they had no other place to go. Half of all pregnancies in the United States every year—about 3 million pregnancies—are unplanned.

I have heard from women pleading with me to preserve Federal funding to Planned Parenthood; telling me that the cancer screenings they received saved their lives. I have heard from women all over my State, whose primary source of health care is a women's health center like Planned Parenthood.

Eliminating this funding will also cause a rise in another epidemic: teen pregnancy. Teen pregnancy costs taxpayers an estimated $9.1 billion annually. Without title X programs in California, teen pregnancy levels would have been almost 40 percent greater.

House Republicans would also eliminate the $110 million Teen Pregnancy Prevention Program, which has the potential to serve 800,000 teens by 2014. In California, the estimated cost from teen pregnancy to taxpayers in 2004 was at least $896 million. From 1991–2004, unintended teen births in California cost taxpayers a total of $17.3 billion.

California has managed, through programs like the Teen Pregnancy Prevention Program, to reduce the rate of teen birth in the State by 46 percent from 1991 to 2004. This saved California taxpayers an estimated $1.1 billion in 2004 alone. The House Republicans plan to slash funding all but guarantees the rate of teen pregnancy will go up, and costs for taxpayers will increase.

Almost 9 in 10 adults believe there should be direct efforts in communities to prevent teen pregnancy. Once again, this is not about deficit reduction; it is about harming women's health, and taking away comprehensive education.

House Republicans would also cut $1.3 billion from Community Health Centers, which is 45.8 percent below fiscal year 2010 levels. Community Health Centers serve over 20 million patients nationwide, who otherwise cannot receive care.

Almost one-third of patients are women of childbearing age, 37 percent are age 19 and under, and 13 percent are children under 6. Ninety two percent of this patient population is low income, meaning they may not have anywhere else to go. With these cuts, 11 million patients are at risk of losing access to primary and preventive care provided by these health centers.

In California, almost 458,000 patients would immediately lose access to care, and $31.8 million in funding would be immediately lost. By defunding the health reform law, House Republicans block critical consumer protections in the law.

The health reform law will decrease costs for everyone, but particularly for women who have been charged more for insurance, simply because of gender. In 2014, insurers will not be able to charge women higher premiums than they charge men. Additionally, the medical loss ratio requires insurance companies to spend at least 80 or 85 percent of premium dollars on actual medical care, not on profits. With these and other benefits in the law, women make great strides towards equality in the insurance market.

The House Republicans plan would allow women to be charged more for insurance than men, and prohibit enforcement of this medical loss ratio requirement. This would allow insurance companies to discriminate against women, charging more for health premiums simply because of gender, while companies continue to rake in enormous profits.

The assault on women's health from Republicans in the House is astounding to me. Obliterating family planning services that have been around for 40 years, slashing teen pregnancy prevention, prohibiting funds for primary health services is nothing short of irresponsible.

We need to look carefully at our spending and we need to make cuts, but those cuts can't be politically motivated and they shouldn't put us at risk of another recession. I do not support any biased cuts that harm women and children.

Mrs. BOXER. It is my honor to yield to Senator SHAHEEN for 5 minutes.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mrs. SHAHEEN. Mr. President, I thank Senator BOXER for her leadership. I thank Senator MIKULSKI for the work she has done to organize us this afternoon, to point out just what is being proposed by our colleagues in the other Chamber.

We need to address our long-term deficit. We all know that. We need to make some hard choices to balance the budget. But there is a right way and a wrong way to do that. The right way is to first look at things such as eliminating the billions of dollars in duplicative programs that were identified just this week by the GAO. The wrong way is to address the deficit by doing what our colleagues in the House did when they slashed funding for services that are critical to middle-class families and our future prosperity.

The House Republican budget cuts include a $1.1 billion cut to Head Start and childcare. This is money that is critical to so many working families in New Hampshire and across the country. Let me put it into perspective. A cut this size would mean that nationally over 200,000 children would be kicked out of Head Start and an additional 360,000 children would lose childcare opportunities.

I have three daughters and seven grandchildren. So I understand, like so many mothers do, how difficult it is to juggle work and family obligations. I appreciate how important it is for working parents to understand that their children are being supervised by quality caregivers. I also understand that a working parent can be a productive member of the workforce only when they know their children are safe.

When I was Governor, we asked for a report to be done on childcare in New Hampshire. We found in that report that there is a direct result between quality childcare and the productivity of their parents in the workforce. Childcare is expensive. Quality childcare can easily top $10,000 per child per year—an amount that is out of reach for so many working families who are trying to make ends meet—especially in this economy.

The unemployment rate in this country is 9 percent. We should be putting our focus on creating jobs today and helping to build a strong workforce for the future. The proposed budget that the House Republicans have done would do the opposite.

Research shows that the quality care and early childhood development is critical to preparing our children for tomorrow's jobs. We know that the first 5 years are the most important in the development of a child's brain. During these years, children develop their cognitive, social, emotional, and language skills that form a solid foundation for their lives.

Economists point to the strong return on investment we get for intervention early in life. For every $1 we spend on quality early learning, we return up to $17. These same experts cite an increase in productivity, workforce readiness, and in graduation rates among children who are in quality early childhood programs. In addition, they have also found out that for those children there is a decrease in special education, crime rates, welfare dependency, and in other behavioral problems.

One of the things that made me aware of this direct relationship was going to my first Governors' conference after I got elected. I heard a presentation on brain development. The presenter showed that the brain scan of a child who had quality early learning looked very different than the brain scan of those children who did not. They showed a graph that demonstrated that the way a child's brain develops is inversely proportional to our investment. In other words, we are making the smallest investments in the years when it would make the most impact on how a child develops. This made such an impression on me that I went back home to New Hampshire and focused so much of my time as Governor on the importance of early learning.

When I became chair of the education commission of the State in my second term as Governor, this became the top priority for me and for ECS. There is no doubt—and we can look at all the

data—that helping working families afford quality childhood care and education programs has immediate and long-term benefits.

I urge my colleagues to reject the shortsighted, reckless cuts that have been made in the House Republican budget and, instead, invest in our future and the future of our children and families.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I thank my colleague from New Hampshire. I yield 5 minutes to Senator KAY HAGAN.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mrs. HAGAN. Mr. President, I also rise to speak for women and children across this country but especially in North Carolina.

Prenatal and postnatal maternal care translates into healthy moms and healthy families.

Children who receive regular well-child visits to their doctors and recommended immunizations live healthier lives. They can go to school and just be kids.

But the House-passed continuing resolution for the remainder of fiscal year 2011 makes draconian cuts to community health centers and the title V maternal child health block grant—two programs that are vital in reducing maternal and child mortality.

If these cuts go through, nearly 4 and a half million women and children under age 6 are at risk of losing care.

Consider that community health centers account for 17.2 percent of all low-income births, but prenatal patients at health centers are less likely to give birth to low birth weight babies compared to their counterparts nationally. It is because they are getting good prenatal care.

Moreover, rates of vaccination among children receiving regular care at a health center are uniformly higher than those of children with another source of care.

With the House-proposed cuts, pregnant women and children, who rely on community health centers for care, will be left with literally nowhere to turn for health care.

By slashing $50 million in funding from the maternal child health block grant program, the House bill would dramatically curtail services to the 35 million women and children across this country, including the nearly half a million women and children in North Carolina who receive such services as newborn hearing screenings and postnatal care.

In North Carolina, infants born to minorities are twice as likely to die as those born to Caucasians. However, the Healthy Beginnings Program is working to reverse infant mortality and low birth weights among minorities in North Carolina.

Healthy Beginnings provides case management, general health education, and other support for at-risk women throughout their pregnancy and until their child turns two. In 3 years, this initiative reduced infant mortality by 60 percent in participating communities.

Also, early detection of permanent hearing loss is essential for children to progress at age-appropriate rates.

Research shows that by the time a child with hearing loss graduates from high school, more than $400,000 per child can be saved in special education costs if the child is identified early and given appropriate educational, medical, and audiological services.

The North Carolina Early Hearing Detection and Intervention, EHDI, Program was established in 1999 as part of the State's title V Maternal and Child Health Program.

Since the establishment of the EHDI Program, there has been a remarkable increase in the percentage of infants screened in the State. All neonatal facilities in North Carolina offer initial newborn hearing screening prior to infant discharge.

In 2009, 96 percent of infants completed newborn hearing screening—about 100,000; 450 children receive hearing aids or cochlear implants annually through a contract funded by the maternal and child health block grant.

I heard from three families in North Carolina—all whose children failed the screening tests. Their stories were heartwrenching as they described their hours-old babies not being able to hear their parents' first words to them.

But in all three families, the hearing loss was detected as part of the newborn screening, and the North Carolina EHDI program immediately provided them with followup and hearing aids or cochlear implants. As a result of these programs, in each of these families, the child is ahead of their peers verbally.

These are just two critical programs that are funded by the title V maternal and child health block grant. As we can see, these are not just statistics but real women and kids and families who benefit from this important program.

I strongly believe we have to work together to get our country back on solid fiscal ground. I am very much concerned about it and want to work on it. But the path we are on is obviously unsustainable. In fact, I was one of the Senators who advocated for the creation of the Bowles-Simpson fiscal commission. But our fiscal challenges require a thoughtful bipartisan solution that gets us on the right track and encourages economic growth. These cuts are simply counterproductive. We cannot balance the budget on the backs of our Nation's future—our children.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank Senator HAGAN for her remarks. She is one of the leaders in the Senate in finding solutions to the deficit that do not kill jobs and do deficit reduction in the right way. I thank her.

She made the point that when we attack kids and pregnant women, at the end of the day it is morally reprehensible, but in addition to that it costs money. That point was made beautifully.

It is an honor to yield 10 minutes to a great colleague, Senator MARIA CANTWELL from Washington State.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Mr. President, I thank the Senator from California for her leadership and her articulation on the floor earlier about the rider that is on H.R. 1 that would undo what the Supreme Court said EPA should do, which is to make sure the Clean Air Act is enforced.

I thought the comments of the Senator from California about no one in California telling her they wanted more smog was a very profound statement because that is what people are saying when they try to do a rider: EPA, do not enforce the law the Supreme Court told you to enforce. It is as if they are jamming down small children across the country air and air quality that is something less than sufficient. We know that. We know that because it is based on science. That is what EPA has said, and that is what the Supreme Court has said they should enforce. Yet here we are, in the middle of all of this, the solution to our economy is to have a rider on legislation basically saying: Do not enforce what the Supreme Court says is the Clean Air Act.

I thank the Senator from California for her leadership on this issue.

I come to the floor to join my other colleagues because I think the American people sent a clear message. They want us to focus on creating jobs, promoting innovation, and putting people back to work. That is what we are trying to do in the Senate.

But in the House, the Republicans seem to be saying: Let's cut programs and vital services to working women and families, and somehow that will generate economic growth. Instead of creating jobs, all they have done is launched a war on women.

H.R. 1 would eliminate funding for title X, which would provide health services, including family planning, breast and cervical cancer screenings, and other preventive health care. This certainly would impact low-income women. It does not create jobs. There is nothing in what I just said with regard to these cuts that would create jobs. How are jobs created out of cutting those services? It is actually an attack on access to health care. When we do not have healthy people, I guarantee you, Mr. President, we end up with bad economic consequences.

The bill also cuts funding for teen pregnancy prevention programs and funding for Planned Parenthood centers that serve more than 3 million women each year, jeopardizing, again, access to critical preventive health services.

Just in the State of Washington, we have 39 centers and serve over 130,000

patients annually and administer over 170,000 tests for sexually transmitted infections. One of my constituents was diagnosed at age 22 with abnormal cell growth on her cervix wall. She went to a Planned Parenthood clinic. Why? Because she did not have health insurance. In fact, quoting her, she said:

I would not have scheduled an annual exam on my own. Without Planned Parenthood, I may have died or lost my ability to have children in the future. . . . Aside from these personal effects, as an uninsured student, I would have been a huge financial burden to my family and my community.

There it is. Planned Parenthood has been effective in preventing over 40,000 pregnancies and diverting $160 million back to the State, which we need in these tough economic times.

Instead of supporting women and families so they can be productive parts of our economy, Republicans are continuing to turn the clock back on hard-fought access to healthy services and attacking a woman's right to choose. Their proposal would deny women using flexible spending accounts, from using pretax dollars for insurance to cover a wide range of reproductive choices; deny small businesses their tax credits if they choose employee health coverage that includes reproductive health care; and would disallow tax deductions for health insurance for the self-employed if the insurance included reproductive health care.

The Republican answer to the economy is attack reproductive health care? It seems to me that these proposals are just about attacking the most vulnerable in our society, including the elderly where they would have an impact on services for the elderly, including meals, housing, and employment services.

Women comprise two-thirds of our elderly, and they would be harmed most by these cuts. For example, in 2009, 25 percent of all families with children were female head of households, and 78 percent of mothers with children between the ages of 6 and 17 were in the labor force. That is a big percentage. Therefore, cutting programs that support working mothers, such as job training, childcare, education, and health care will impact those families' ability to be productive members of our economy.

I personally do not understand why in the world at this point in time, with this high unemployment rate, we would ever cut job training programs. I can tell you, I travel the State of Washington and I constantly hear, even in these hard economic times, employers who cannot find the workforce they need to do the jobs. When one thinks about that, when a company cannot find the workforce it needs because there is a skills gap, that is holding that company back from producing higher revenues, from meeting their goals, and from adding stimulus to the economy, all because they cannot find the workforce.

Yet we in the Senate are trying to promote workforce training and to have programs that have been tested successes, such as the Workforce Investment Act. For every dollar invested by the Workforce Investment Act, it is $10 in stimulating our economy. It is a 1-to-10 ratio. Why would we cut such a program?

In Washington State, our local WorkSource Centers have helped over 78 percent of job seekers find jobs. It is a high percentage of helping people and placing them.

I look at the example of this big decision on Boeing winning the refueling tanker decision. Here we are with 11,000 jobs in Washington State and a supply chain that is going to also have more jobs created. Yet if we do not make an investment in workforce investment that supply chain will not be able to find the people to fill those jobs to help fulfill this contract. Something as big as a $35 billion contract we are involved in because it is the Department of Defense, and yet at the same time the Republicans in the House are saying: Let's cut the Workforce Investment Act—even though we know we have a plane to deliver, even though we know it has a military purpose we support, and we are going to say let's cut programs because somehow that is going to make our economy healthier.

I can give an example. General Plastics would not have been able to keep its current staff level or grow its business in the past year without the help of workforce investment dollars. They were in partner with Tacoma Community College and trained a workforce in improvement techniques that allowed the company to streamline its production and grow its business effectively.

In the last year, they grew 10 to 15 percent and became more competitive. They also added about 22 new employees because of additional new business.

These are programs that would be cut by the proposal in H.R. 1 that the House Republicans are trying to push. I do not think it would improve our economy. I think it would stall what is a very fragile recovery. Workforce development is economic development, and when people are trained and skilled, the employers get what they need, the community prospers, and everybody truly wins—what the President has called for in winning the future.

We need to make sure that we in the Senate stand and say no to these cuts, such as in the Workforce Investment Act, in family health, cuts in the Pell Grant Program which would be cut by more than $800 per student or Head Start or Early Start that, again, would impact thousands of children in Washington State.

In addition, we should not cut what are the healthy elements of our economy but make sure we are helping women and families do what will help them survive and help them help us with economic recovery.

I know some people think this is the way to get our economy going again. But I can tell my colleagues, our economy certainly hit the iceberg in 2008. But what H.R. 1 does, instead of saying women and children first, they are basically cutting them off the lifeline they need and cutting off what are essential programs to help us grow jobs and have a healthy economy.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, after consulting with my friends, Senator COLLINS and Senator SESSIONS, I give Senator LAUTENBERG until 6 minutes after the hour and then add 6 minutes to the time of the Republicans.

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

The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I hope it is noted that I stand here as a male Member with my colleagues who comprise a significant part of the women Members of the Senate. They do the mothering, they do the family raising, but it is pretty obvious to all of us that fathers and grandfathers have an active interest in what happens with our children, what it takes to make sure they grow up healthy, that they grow up with the tools they will need in their future lives for them to contribute to themselves, their families, and the country at large.

What we are witnessing in America today is an assault by House Republicans in trying to ram through a reckless, unhealthy spending plan that will ultimately bring shame to our country as it causes pain for little children who come from families who do not have the means, who do not have the stability of family life, in many cases, that will give them an opportunity to establish themselves with a cycle that will bring them to successful lives later on, to be able to hold jobs of significance and create a family environment.

It is hard when we look at this to figure out the mission. I come from the business community. I have been here a lot of years—27—but I spent 30 years in the business community. I learned something about financial statements. I learned you have to sometimes cut costs here or there and that sometimes you have to make investments so you can expand your business, you can make it more competitive.

As we look at the plan that is being offered, to cut, cut, cut, it causes us to rethink what is taking place, to think outside the box, as they say. There is a lot of applause for cutting costs. There is a whole group of people in the House of Representatives who have targets for cost cutting that will leave America without the tools in the future to remain competitive and to remain a place where great things can happen. Why is that? A lot of it is because they are cutting education programs—Head Start, for one thing.

I think every Senator ought to pledge to take a trip through a Head Start facility and see what it is like.

See what it is like when you have children, even 1 and 2 years old, in the early Head Start Program or 3, 4 and 5 in the full Head Start Program. See the enthusiasm that exists with these children.

I have an indication of that here—this card. It was Valentines Day when I went to the city of Perth Amboy. Oddly enough, Perth Amboy is where the first signature on the Bill of Rights was made, in New Jersey—the Bill of Rights. Here is an opportunity that is certainly a right, to be able to learn. I get notes from these children—flattering, by the way, and not because of my looks. They say:

Dear Representatives: We love coming to school. We learn languages. We can be scientists. We can be artists. We can be authors and illustrators. We are lifetime learners.

Here they talk in less precise handwriting about how nice it is to be able to come to school. The design of this makes it a little tougher presentation:

Dear Mr. Representative: We love our preschool class. We learn to write. We explore science. We explore changing things in the world. We love to be here in school.

We love it when they are there because we know that not only are their lives going to be improved substantially, but also they are going to be contributing citizens to the society we live in.

So this is amazing and often neglected. I asked for some indication of what happens at Head Start. But let me say, first of all, all those children are beautiful. I never saw so many beautiful children in my life. I am a professional grandfather. I have 13 grandchildren. My wife brought 3 to the marriage and I had 10. There is nothing like seeing a 1½-year-old learning, a 2-year-old learning.

What we have found is that by the age of 1, most children begin linking words to meanings. They understand the names used to label familiar objects—body parts, arms, legs, animals, and people. At about 18 months, they add new words to their vocabulary at the astounding rate of one every 2 hours. By age 2, most children have a vocabulary of several hundred words and can form simple sentences, such as ''Go outdoors'' or the traditional ''All gone.'' Between 24 to 30 months, children speak in longer sentences, and from 30 to 36 months kids can usually recite the alphabet and count from 1 to 10. The fact is, they are learning something.

By kindergarten, kids are beginning to turn the pages of the book, and they start learning to read by about 5 years of age. There is a real reward for the country when they do that. Our society receives nearly $9 in benefits for every $1 invested in Head Start children. It leads to an increase in achievement and lots of good things.

I learned a little bit the hard way about what Head Start means when I and a business partner of mine went back to a school we went to as kids. We went to the sixth grade and offered a scholarship program to youngsters in the sixth grade to pick up a large part of their college tuition. For 28 young people in our class, we would contribute toward a large part of their college tuition if they were accepted at any one of 30 colleges picked at random. We had counselors, and we brought them down here. I was able to take them on a visit to the White House, where Vice President Dan Quayle was very generous with his time, and I took them to the company I was running so they could see.

The PRESIDING OFFICER (Mrs. MCCASKILL). All time dedicated to the majority has expired.

Mr. LAUTENBERG. Madam President, you say there is no time left on our side for a presentation?

I will wrap this up very quickly, if I might. Just a couple words.

The PRESIDING OFFICER. Is there objection to the Senator continuing?

Ms. COLLINS. Madam President, if the Senator is truly going to wrap it up, I don't object.

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

Mr. LAUTENBERG. I thank my colleague and friend from Maine.

Very simply, we now see what the problem was. We analyzed it thoroughly. The problem was we started too late. In the sixth grade, it was too late to get a learning habit. Now we see these little tots and how quickly they are learning, how quickly they talk, and how quickly they adapt.

These children will suffer the pain created by Republicans' cuts—and shame on us if we don't stop them. You have to wonder why children are their No. 1 target? Did children cause the financial crisis? Were Head Start kids engaging in credit default swaps with mortgage-backed securities?

You have to wonder if House Republicans think this is the case. They want to decimate Head Start by cutting its funding by $1 billion. If they have their way, roughly one-quarter of all children in Head Start will be kicked out of the program. This includes 3,700 kids in my State of New Jersey, like the kids at the Head Start Center I visited last week and the kids who sent these Valentines Day cards. How can we tell these children: Forget about getting a head start. You must go to the back of the line.

The fact is, the House Republican budget will poison our future. Their prescription for America's kids is toxic. If we want our country to succeed, we must invest in its future—and that means protecting and inspiring our children. So let's reject shame and pain. Let's reject the disastrous House Republican budget plan. Let's invest in our kids and win the future. Our country's children deserve nothing less.

Madam President, I thank my colleague from Maine for the courtesy, and I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

DOD FUNDING AMENDMENT

Ms. COLLINS. Madam President, I rise to express my deep concern that the Senate has yet to consider the Defense appropriations bill for fiscal year 2011.

As the Presiding Officer is well aware, we should have completed work on this bill and every other appropriations bill before October 1 of last year. But with the Department of Defense, this is becoming increasingly problematic. For this reason, along with two members of the Republican leadership, Senator ALEXANDER and Senator BARRASSO, I have filed an amendment to the patent reform bill that would fund the Department of Defense for the remainder of this fiscal year.

Just think what we have done the last 3 weeks. We took up an FAA reauthorization bill. Then we went on recess for a week. And now we are on a patent reform bill. I don't mean to suggest that FAA and patent reform are not important—certainly we could have gone without having a recess—but both of those bills pale in comparison to the urgency of providing our service men and women with the resources they need to carry out their mission.

Secretary Gates, Admiral Mullen, and other military leaders have repeatedly and clearly warned us about the dangers of failing to pass a full-year Defense funding bill. It is hurting our national security and harming our readiness. Secretary Gates' put it bluntly, saying: ''The continuing resolution represents a crisis at our doorstep.'' Deputy Secretary of Defense William Lynn testified that ''a yearlong CR will damage national security.''

At no time in recent memory has Congress failed to pass a Defense appropriations bill. Even when there was a year-long continuing resolution for most of the government during fiscal year 2007, the Congress passed a separate bill funding the Department of Defense. With troops in harm's way, now is not the time to break with that precedent.

If we do not provide the authority for the Air Force to buy unmanned aerial vehicles to fly combat air patrols over Afghanistan, the fighting there will not be halted until we do so. If we do not act to provide the $150 million that has been requested to meet the very specific and urgent requirements of our special forces, we will be failing those who are truly on the frontlines.

Secretary Gates has made it clear, military readiness will suffer because of fewer flying hours for our pilots, fewer steaming days for our ships, and cutbacks in training for home-stationed forces.

A full year's CR will also delay much needed modernization of our military equipment. This would come at a time when our Navy is at its smallest size since 1916 and at a time when the aircraft and our Air Force inventory are older than at any time since the Air Force was created. The Navy will not

be able to procure a second Virginia class submarine nor a DDG–51 destroyer needed to keep costs down and to achieve the minimum size fleet—313 ships—that the Navy has stated is the absolute minimum.

Operating under a full-year's CR also means that the taxpayers are going to end up paying more for less. The Navy would likely have to renegotiate some of its procurements. The Army has already shut down work on the Stryker Mobile Gun System that will likely incur additional costs to restart.

It is also important to recognize that at a time when the American public is most concerned about jobs and the economy, the Defense appropriations bill provides funds that are the source of thousands of jobs in the United States—jobs that will be lost or at least deferred.

The Secretary of the Navy has said that the combined effects of failing to fund the Defense Department will directly affect the strength of the industrial base and that more than 10,000 private sector jobs at shipyards, factories, and Navy and Marine Corps facilities across the country will be jeopardized.

I could go on and on listing the ways our servicemembers and our DOD civilian workforce and the private sector contractors will be affected by our failure to act. There is simply no excuse for this Senate not to have acted last year on a Defense appropriations bill. Surely, we should turn our attention to focusing on the needs of our military immediately, and we should heed the warning of Secretary Gates, who said:

> That is how you hollow out a military—when your best people, your veterans of multiple combat deployments, become frustrated and demoralized and, as a result, begin leaving military service.

Let's do what is most important and let's do it now. Let's pass the Defense appropriations bill.

I wish to thank the ranking member of the Budget Committee, Senator SESSIONS, for yielding me time.

The PRESIDING OFFICER. The Senator from Alabama.

THE BUDGET

Mr. SESSIONS. Madam President, I wish to share some remarks about the budget. I note how pleased I have been to work in this past year with the Presiding Officer on some legislation that I think, had we had just a couple more votes, we would have made progress and done something worthwhile to help ensure that our spending does not range above our budget, as too often has been the case in our country.

The fact is the American people, by large numbers from polling data, believe we are on the wrong track, and the intelligentsia, the witnesses we have had before the Budget Committee—I am ranking member of that committee—keep telling us we are on an unsustainable path. Witnesses called by the Democrats or Republicans, the professional CBO witnesses from all walks of intellectual and business life, say we are on an unsustainable debt path. They are not kidding. They meant that, and the words mean something. We cannot continue what we are doing.

Admiral Mullen, the Chairman of the Joint Chiefs of Staff, recently said:

> I believe that our debt is the greatest threat to our national security. If we as a country do not address our fiscal imbalances in the near-term, our national power will erode and the costs to our ability to maintain and sustain influence could be great.

He said if we do not address it in the near term—not just in the long term, in the near term.

Recently, on February 17, Secretary Geithner, the Secretary of the Treasury, appeared before the Budget Committee, and we went over the President's budget. He was, I will have to say, more candid than was OMB Director Jack Lew. I was asking him about the situation we are in and the effect of the budget that allows the debt to double in the next 10 years—causes the debt to do so. He said, ''It is an excessively high interest burden.''

I was asking about the fact that the money we borrow, the debt we assume we have to pay interest on.

> It is unsustainable . . . with the President's plan, even if the Congress were to enact it, and even if Congress were to hold to it and reduce those deficits as a percentage of GDP over the next 5 years, we would still be left with a very large interest burden and unsustainable obligations over time.

It is pretty clear we are on an unsustainable path, and it is pretty clear the American people are exactly correct—we are on the wrong track. We are headed the wrong way. We need to get off of that.

So what is it that we have been presented with? We are presented with a plan. We call it a budget, but it is really the administration's plan for what we are going to collect and spend over the next 10 years. They can plan to raise taxes, they can plan to cut spending, they can plan to increase spending and borrow more money. They can plan. That is their plan.

So we got a plan 2 weeks ago. In that, the President told us this:

> What my budget does is put forward some tough choices, some significant spending cuts, so that by the middle of this decade our annual spending will match our annual revenues. We will not be adding more to the national debt.

That is a pretty clear statement, right? It is actually a breathtaking statement to me because I know how hard it is to do that, but he said it flatly and plainly:

> Our annual spending will match our annual revenues. We will not be adding more to the national debt.

Jake Tapper, the ABC reporter, at a White House press briefing a couple of weeks ago asked Mr. Carney, the press flack, about this dramatic statement. He asked him if he thought ''we will not be adding to the national debt'' is a statement that will withstand scrutiny.

''Mr. Carney: Absolutely.''

I don't know what world people are living in. Are we communicating in English or some other language? This budget that is presented to us comes nowhere close to living within our means, matching expenditures and revenues, and not adding more to the debt.

Look at this chart. These are the President's numbers, the numbers that have been put out here, and this is what we have been asked to pass. It is before the Budget Committee. I wish it were not so, what we have. I know it is not easy to offer these numbers. I know Senator MCCASKILL knows that. She has looked at that. But I think we have to begin to alter them a lot.

Look, in 2010 our total debt, the gross debt of the United States, is $13.5 trillion. In 10 years, under the President's budget—these are numbers in his budget document that he submitted to us—it goes to $26.3 trillion. Not projecting a war, not projecting another recession, both of which, I guess, could occur during that time. We are living on the absolute edge—actually, almost over the edge, what we are doing and spending. It is $13 trillion in new debt.

Let me make this point. Not 1 year between now and 2021, the 10th year, does the annual deficit fall below $600 billion. This is an unbelievable number. President Bush was hammered when he had a $450 billion budget, his highest, and he was correctly criticized for that. The lowest that is projected over 10 years is $26.3 trillion. Last year's budget deficit was $1.3 trillion. The deficit we expect this year is going to be—on September 30, when September 30 rolls around, the estimates are that the total annual deficit this year will be $1.6 trillion, the highest we have ever had in the history of the Republic. Nothing was ever seen like it. It does project down some. All the projections are showing it will show some drop down, but they are heading back up in these outyears of 2019, 2020, 2021. The budget deficits are going up there. So this is not a sustainable budget. It is not a sustainable path for us to be on as a nation. We cannot continue on this path. It is a great threat to us.

This week, Chairman CONRAD, the very able Democratic chairman of the Budget Committee, knowledgeable and fair, has been having hearings. We have had the Secretary of Education, the Secretary of Energy, and the Secretary of Transportation testify to us about their portion of this overall budget, this budget that would double the debt in 10 years.

What do you think Education is asking for? What are they asking for?

Think about, back in your States, what you have been reading about cities' school systems and county school systems in States cutting budgets, having to do with less, reducing costs, reducing teachers—reducing costs in any way they can. They have been doing a lot of things they have had to do. Some of them are probably going to make that system stronger in the future, but

they are not easy. You would rather not have to make tough choices, but they are doing it all over America.

Our U.S. Department of Education, however, demands an 11-percent increase this year, after two substantial increases the previous 2 years. I think it is a 38-percent increase in 3 years for the Department of Education. This cannot be contained? We cannot have level funding for the Department of Education? We have to have an increase of 11 percent on, what, 2 percent inflation? Five times the inflation rate after 2 previous years? This is living within our means when we are going to have, next year, a deficit of over $1 trillion?

Energy came in yesterday, Dr. Chu. He wants a 9.5-percent increase in spending. Basically, all I can see that the Department of Energy does is take money, try to mandate programs to require people to use more expensive energy, and participate, I guess with the Interior Department, in locking up energy sources in the United States that we ought to be unlocking, creating jobs and prosperity and wealth for America. They need to get their act together.

The price of gasoline is going up. I traveled in my State last week. I finished a talk, and a hand would go up about gasoline prices. You know, you learn something when you are out traveling around. This is on people's minds, and they do not think it is going to stop at $3.40.

Senator MURKOWSKI, the former chairman of the Energy Committee, now ranking on that committee, knows more than I.

Transportation today, Secretary LaHood—you have to like Secretary LaHood. He is a likable man. He believes in roads and transportation. Hold your hat. Do you know how much the transportation is going to increase this year if the President's budget is approved? It is 62 percent. I am flabbergasted. Sixty-two percent? Is there a State in America that is not showing hardly any increase in their budgets, and we are having a 62-percent increase? No, it is an investment in the future—investment, investment, investment. Give me a break. It is spending, spending, spending and debt, debt, debt, debt.

It is a pretty serious problem we are dealing with. I think the Education Department needs to be doing some different things instead of just spending money. They need to figure out how children learn. We have to quit defining our commitment to education on how much money we throw at the problem, how many new buildings we build. We have to ask are children actually improving? Are they learning better? And too often that is not the case. Canada, our neighbor to the north, spends $7,500 per year, per pupil. We spend $11,500, and they get better results. Is that an investment? It is not a good investment if we are spending more and getting substantially less. We need the Secretary of Education to be figuring out how to help education get better, not see how much more money we can spend, because we do not have the money. This year we will spend $3.5 trillion.

We will bring in, in income to the United States, $2.2 trillion. That is almost unbelievable, but it is an absolute fact. It is undisputed—$3.5 trillion we spend, we bring in $2.2 trillion, and 40 cents of every dollar that is spent this year is borrowed. That is why the experts tell us we have a potential debt crisis.

Moody's, the bond rating agency, in December wrote a letter warning that they could downgrade our debt within the next 2 years if we do not get off this unsustainable path. So we need Education to help get better education, not see how much more money they can spend. We need Energy to help produce energy. They are the Energy Department. We need Transportation to figure out how to use their money wisely.

All of this is about the economic health and growth and future of America. The fact is, according to the great study by Rogoff and Reinhart—which Secretary of Treasury Geithner said he agreed with—that study has been completed. They advised their main finding is that across both advanced countries and emerging markets, high debt-to-GDP levels, 90 percent or above, are associated with notably lower growth outcomes. Seldom do countries simply grow their way out of deep debt burdens.

Well, their study says that it is, on average, 1 percent less growth. Well, if we are looking for 3 percent growth this year and we get 2, that makes a lot of difference. Three percent would be good growth. If we get 2 percent, we are now going to get 1 because we are being dragged down by our debt.

In addition, Mr. Geithner said this to us. Not only does he agree it reduces growth, he says it puts us in a position where we could more readily have a debt crisis. If something happened around the world, another debt crisis could spread here and we could slip back into a recession.

That is why we have to do this, to create a healthy, growing economy and get this debt burden off us, to create jobs, empower the private sector. By the way, what percent of GDP are we? We are 94 now and are projected to be 100 percent of GDP by September 30 this year.

Our gross debt will be 100 percent of GDP by September 30 this year. That puts us way into the danger zone. It is unacceptable. What do we have from the President's budget? A budget that increases spending every year, that has its lowest annual deficit $600 billion, which I think $600 billion would be the lowest deficit—the highest deficit ever achieved prior to President Obama becoming President.

It will double the debt in 10 years, and interest on our debt will go from under $200 billion last year—hold your hats—to $844 billion in the 10th year. We will be paying interest this year, $844 billion. How much is that? People say they do not know. What does that mean?

Well, the Federal highway budget this year, the baseline budget, was 40, education, I think, is 60. You see, we are going to $800 billion in interest for which we get nothing, and much of that is sent to people around the world, places such as China and Saudi Arabia, who are buying our bonds and we are having to pay them interest.

Not good. So we are on the wrong path. It is true, we have to change. I appreciate the House of Representatives, which is going to send us a continuing resolution that begins to take some steps toward reducing the dangerous path we are on. That is just a first step. We have to do a lot more things.

If we work together, we can do them. But we are going to have an effort in which all of us join together, first in recognition that we are facing a grave threat to our national security, and, second, a grave threat to our economy but one we can meet. I have looked at the numbers. I know it is not going to be easy. But if we take a tougher path, the harder path, maybe the path less traveled, it is the path to prosperity and to a rebound in American strength and vitality.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. PAUL. Madam President, we had an election a few months ago. In that election, the American people sent a message, a message that they were concerned about the debt, concerned about our kids and our grandkids and how this debt is going to be handed down to future generations.

I am not only concerned about that, I am concerned about the imminent threat that this debt poses for our economy and for our people. We are spending about $10 billion a day. Of the $10 billion a day we are spending, we are borrowing about $4 billion.

How big is one billion? It is hard for most of us to fathom how big one billion is. One billion seconds ago I was in high school. One billion minutes ago, Jesus was alive. One billion hours ago, we were in the Stone Age. But $1 billion ago, at the rate the government spends it, was only a few minutes ago.

The government is spending money like there is no tomorrow. We had an election and we thought as voters we sent a message to this place. But it is not getting through. The President gave us a budget. His proposal for 10 years is to spend $46 trillion. How big is $1 trillion?

I mean, it is hard to fathom $1 billion, much less $1 trillion. One trillion dollars, it is hard to imagine. It boggles the mind. If we had thousand-dollar bills and I stacked them in my hand, a stack of thousand-dollar bills 4 inches high would be $1 million. But if I want to have $1 trillion in hundred-dollar bills, it would be 67 miles high.

Why do these numbers mean anything to us? Why does the deficit or the debt mean anything to us? Because it is stealing from our future. We have to do something about it. I think I agree with the Senator from Alabama, that it is a threat to our future, that we could have a crisis come upon us where we cannot manage our debt.

How do we pay for our debt? We can either tax people—most of us think we are already taxed enough already. We are not willing to pay more than 40 percent of our income for taxes. We can borrow. But we borrowed an enormous amount. We now owe the Chinese $800 billion, the Japanese $700 billion. The list goes on and on. We owe the Russians nearly $200 billion. We owe Mexico $20 billion. The list goes on and on.

Where we were once a great nation that exported goods to the world, our No. 1 export is our debt. But what happens when foreign countries quit buying our debt or when the interest we have to pay them exceeds what we are able to pay? Most of the estimates on what we will be paying or the President's estimates are saying we will have a 3½-percent interest rate. I remember 1979, though, when interest rates went to 21 percent.

If that happens, interest will consume the budget, and we will have very little left for anything else. As it is, the course we are on, if we do nothing, if we just keep spending the way we are spending, entitlements and interest consume the whole budget within a decade. That is with conservative estimates on interest. Imagine what happens if interest rates begin to rise such as they did in the 1970s, and some are predicting this can happen.

Recently, we have been hearing in the newspapers that some members on the other side of the aisle, members of their leadership, are saying: Well, this is all well and good, but those over here, we are mistaken that there is any problem with Social Security. They say Social Security is not adding anything to the debt. They say Social Security is not adding one penny to the debt.

I am pretty new here. But Washington math that says we are not adding to the debt with Social Security is flatly wrong. I have a couple charts with me. Over here is what we bring in, in Social Security taxes, payroll taxes, FICA taxes. Here is what we spend on Social Security recipients. This is what we bring in, this is what we spend.

We are now, for the first time, spending more than we take in. Well, the other side will tell us, they will say: Well, it is not so bad. We have interest payments that fill in the difference. They say Social Security is fine, has all these surpluses. If we go to the Social Security Office, we will find a stack of paper. These are Treasury bills. They are nonnegotiable. They cannot be traded to anyone. We own them, and we pay ourselves interest on the Social Security surplus.

How do we pay the interest? We borrow it from China. So to make up this difference, for them to say Social Security is on solid footing and that we are simply paying and spending the interest it brings in, it is a lie. The interest is paid by borrowing from China. We are borrowing nearly $2 trillion a year.

The Senator from Alabama showed us the statistics. Even though the deficit, official deficit, will be like $1.5 or $1.6 trillion, the debt limit, if we watch closely, in a month, will go up $2 trillion—all kinds of things they do not count, off-budget items, money they borrowed from places.

The truth is, we have to wake up and say our entitlements are unsound. Nobody wants to hear that. People say: You cannot be elected by saying that. Well, guess what. It is the truth. If we do not speak the truth to our problems, we will eventually and ultimately encounter a crisis in our country, and I am for averting that crisis.

I think the President has abdicated in his leadership. We have this enormous problem, and he is giving us $46 trillion worth of spending, annual deficits of $1 trillion that go to the end of time, and he has abdicated his duty. The entitlement system is broken. I did not break it. I am not responsible for the baby boom. We have all those people who were born after the war, and they are retiring.

It just happened. We have fewer workers. Once upon a time, we had over 50 workers for every retiree. It worked. Once upon a time, people lived with an average life expectancy of 65. Social Security worked in the beginning, worked for many years. We are now down to less than three workers for one retiree. It is not working. We have a huge number of people retiring.

It is nobody's fault. But what we want is leadership. Where is the leadership in Washington to say the entitlements are broken and we have to do something about it? It may not be popular, but can we not say someone should lead? The President is failing us and is not leading. We need leadership. How do we fix Social Security? Here is what happens if we do nothing. Look at the red ink. It piles on. This year alone, we will have to borrow $37 billion to pay for Social Security. It goes up to over $100 billion within a decade.

How do we fix Social Security? It is very simple. Everybody knows it, but everybody wants to be quiet. No one wants to say it. I will say it. The age for Social Security will have to gradually rise. I have said it. I have said it repeatedly. I do not want it, necessarily. I do not want to have to do the things we have to do. But someone has to stand and say it has to be done.

We can do it gradually. We can raise the age or allow the age to rise slowly for those 55 and under, and we can fix Social Security by doing that. That alone fixes at least half or more of the problem. We let it rise gradually on the younger people.

There is an alternative. If we stick our heads in the sand and say: Do nothing; we are not touching Social Security; we are not touching Medicare; we are afraid to lead; Wait and let the President lead someday, if we do that, the system is run into the ground. It is a problem.

What happened in Greece when they ran into a debt crisis? They changed the age of eligibility for their entitlements overnight. That is much more difficult. When you are 67 and all of a sudden someone tells you, you do not get it for another year, and you planned on it, that is very difficult.

But what if we say gradually, to those my age and younger, tell them they will have to make adjustments because we do not have enough money. You know what, I think young people already realize it. These young people here, if they are listening to this debate, they know Social Security is broken, Medicare is broken. It will not be there for them unless we fix it. So we need to be the responsible adults. We need to fix these problems and they can be.

Next week, I and a couple other Senators will present a fix for Social Security that fixes Social Security in perpetuity. That is a long time, forever. We will fix Social Security by allowing the age to rise gradually on younger people, and, by saying to those who will retire, the younger people, again, that they may not get as much out of it as some other people get. Basically, there will have to be some testing that says, when you are in a higher income bracket, your Social Security payments will not rise as rapidly as some others will.

It is the only way we fix it. But those two changes fix Social Security forever, if we are willing to do it. The question is, If we speak boldly, if we lead, is that a detriment or an asset? I, personally, think it is the right thing to do, but I also think it is an asset. I think the people will understand, when we lead, we have to make difficult choices.

We have been kicking the can down the road, borrowing and borrowing and borrowing. I think we are coming to a point in time where it has to end. It is going to end either voluntarily and gradually, if we can promote a solution, or it can end with a bang. A bang is a crisis. I do not want that to happen. I want it to happen gradually, in a very rational and reasonable manner. I think we can do it.

But I think what we are finding from the other side and from the President is a failure to lead. I propose that we have new leadership, and we are going to need new leadership if we are going to get this debt under control.

At the very least, we need to have this conversation. I am glad we are having it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

ENERGY

Ms. MURKOWSKI. Madam President, clearly some very serious subjects are

being discussed today. I applaud my colleague from Kentucky for bringing up the tough stuff. We cannot escape reality. Our reality is in the entitlements; that we will finally grapple with the insurmountable debt we are faced with as a nation, some very difficult issues in front of us with equally difficult solutions. As we stand and present them, try to educate one another, much less those we represent, this is a critical time for us to be talking about all the issues that need to be on the table.

One of the issues being discussed around family dinner tables is what is happening in this country as it relates to the price of oil and how that translates more personally to American families who, every time they go to fill up the tank, it is costing them more and more. Every time we pick up a newspaper, every time we turn on the TV, we see a story about the rising prices of oil. They are asking: What is going on. They look at the situation in the Middle East and the combination of international events that is driving it. It is also domestic policies that have helped to push oil above $100 a barrel.

All of us are concerned about what those higher prices mean for us as a nation. We are committed to protecting the American people and our businesses and ensuring we have an ability to deal with rising prices at the same time we are trying to emerge from this difficult recession period. This is a tough time for us.

I have come to floor to outline several steps I believe we can and should take to improve our energy policy.

First, I wish to touch on how we again find ourselves in this situation. The civil unrest we are seeing, the political instability in other nations is certainly not new. They are facts of life in many nations that provide this Nation's imports. Iran now holds OPEC's presidency. They are perfectly comfortable with $100-a-barrel oil. It is far from guaranteed that OPEC is even capable of moderating any prices in the way it claims it can with spare capacity.

With Libya's supply either offline or unreliable, any other disruption anywhere in the world can likely spike global oil prices to levels that will swamp our economic recovery and result in a genuine hardship for America's families.

It is not only the situation internationally that has brought us to this point. The costs and consequences associated with our dependence on foreign oil are largely our own fault. We have brought this upon ourselves. Over the years our lands have been locked up. Many of our most promising opportunities have been put out of reach. In this country we sit on tremendous oil reserves in the offshore, whether it is up in Alaska, in the Chukchi or Beaufort Seas, or whether it is in the Gulf of Mexico. We have onshore opportunities in my home State that are considerable. We have them in the Rocky Mountain West. We have massive shale formations that are not even accessible for research and development. We can't even begin to look.

Charles Krauthammer, the columnist, wrote last year:

> We haven't run out of safer and more easily accessible sources of oil. We've been run off them. . . .

I couldn't agree more. Today our energy policy has gone beyond frustrating. It is irresponsible. The American people expect their government to help keep energy affordable and to see to it that we can benefit from our natural resource development in a responsible way. That is what they are asking for. They expect us to take an honest look at where increased domestic production is possible, how it can protect against the higher prices we are seeing now, how it can protect against potential supply disruption, and what domestic production will do to increase our security and restore our trade balance.

That is what we are talking about today: generating government revenues, creating jobs. Right now when we import oil, we are exporting those benefits. It is our loss, and it is their gain.

We ignore the positive benefits of domestic production at our own peril. About a month ago we had a hearing in the Energy Committee where there was a statement presented by the Bipartisan Policy Center. It is a pretty sobering reminder to us all. The statement was:

> A one-dollar, one-day increase in a barrel of oil takes $12 million out of the U.S. economy. If tensions in the Mideast cause oil prices to rise by $5 for even just three months, over $5 billion will leave the U.S. economy. Obviously, this is not a strategy for creating new jobs.

That was about a month ago. Think about what has happened in the course of a month and where we have seen the price go. About a month ago, it was sitting at about $82 a barrel. We are now over $100 a barrel. We are looking at a rise of 20 bucks in the past month. What that means to us in terms of dollars that have been sent outside of our economy is about $15 billion.

Last year, putting it in context of what went on at that time, we spent an estimated $337 billion on oil imports, a huge amount of money. As we are talking about how we deal with budget matters and decide which programs and services to continue, to terminate, this has an incredible impact on the discussion.

Today I am renewing my call for a realistic and aggressive approach to our energy challenges. For the sake of our national security, for the sake of our economy, and for the sake of the world's environment, America should produce as much oil as it uses as possible. It is this balance, in concert with the resulting revenues we will see, the benefits to manufacturing and transportation industries, that will allow us to take control of our energy future.

I have five concepts that will support greater domestic oil production. I will speak very briefly because we will have time to develop this.

First, look north, north to Alaska. We used to have that on our license plates. We have an incredible supply of oil waiting to be tapped for the good of the Nation. The National Petroleum Reserve-Alaska is sitting there waiting. Two thousand acres of the nonwilderness portion of the Arctic National Wildlife Refuge and the Chukchi and Beaufort Seas hold at least 40 billion barrels of recoverable oil. That is enough to replace crude imports from the Persian Gulf for over 65 years. We can do this in one State. We have those opportunities in Alaska. All three areas right now, as we speak, are effectively off-limits to new development because of decisions made by this administration or prior administrations. We have an opportunity if we just look north.

Second, end the ''permitorium'' and bring back production in the Gulf of Mexico. This administration has slowed permits for new deepwater development to practically a crawl. The Secretary of the Interior announced one new permit a couple days ago. That is a start, but we are just barely crawling. This could cost the United States an estimated 200,000 barrels of new supply if left in place for a year, far more if left in place longer, and tens of thousands of jobs in the meantime. Courts have also ruled repeatedly that the administration's ''permitorium'' is unlawful. A district court judge ruled last year that it was ''arbitrary and capricious.'' More recently the Interior Department was actually held in contempt for its ''dismissive conduct'' and ''determined disregard''—the words of the court—of previous orders to end this de facto moratorium.

The third item we can do is cut redtape. Let's make this work. In January the President ordered his executive agencies to review their regulations to ensure that they are cost-effective, that they are not unduly damaging economic growth and job creation. A great task. The Interior Department, though, is sitting in a situation where they have an awful lot of work to do.

In late 2008, the Interior Department stated that ''the number of required plan and permit approvals is on the order of about 25 to 30'' for a typical oil lease. Yet over the past 2 years, instead of reducing that, this administration has sought to add even more layers to these already significant requirements which are a major reason leaseholders need years to begin production. We just can't get to it.

Fourth, we need to look at how we as a nation consider this all-of-the-above energy policy. The alternatives to conventional oil, to natural gas, to coal should not be limited to the favored sources: wind, solar, geothermal. We have so much we can be doing. We recognize that. I have stood before this body on many occasions talking about the different ways we can build our energy portfolio, how we can work to

move the transportation fleet to that next generation, whether it is electric vehicles or fleets powered by natural gas.

The final item in terms of what we can do to help address our Nation's energy policy is to shelve bad ideas. There is an awful lot of bad ideas holding us up. This is the stop-the-bleeding element of the proposal. With oil prices on the rise, the administration and many in Congress seem to have forgotten that the oil industry actually provides Americans with energy and jobs. Yet sometimes they are viewed as an untapped source of government revenues.

Proposals to take more from oil companies have included a range of tax increases, the use-it-or-lose-it proposal and similar fees, and substantially shorter lease terms. All of these antiproduction efforts deprive companies of stable operating environments and reduce their willingness to invest in America. We need to look at what we are doing. If they are bad ideas, let's set the bad ideas aside. Let's adopt a constructive approach instead of seeking to punish. Let's figure out a better way forward so we can tap into more of America's vast resources and then make good use of the resulting revenues.

We clearly do have options. I look forward to discussing them more in detail, how we can develop these goals of a national energy policy. For today, I emphasize that responsible domestic production will reduce our energy prices, create jobs, improve security, raise revenue to pay down debt, and allow America to invest in technologies for the future. We cannot afford to wait on any of these benefits.

I urge Members, as we talk about ways to reduce our budget, ways to create more jobs for the country, we need to look critically at what is happening with our energy policy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

THE BUDGET

Mr. ISAKSON. Madam President, on June 27, 2010, President Obama made the following statement:

> I hope some of those folks who are hollering about deficits and debt will step up, because I'm calling their bluff.

I am stepping up. At the same time, I also want to call the President's bluff. I think we are at a serious point in time in our history, and we need to be realistic about what confronts us ahead of time.

The biggest bluff this year in the Congress was the 2012 budget presented by the President which did not take any of the recommendations from his own deficit commission—by the way, I was one of the Republicans who supported that—and instead locked in a 25.4-percent increase in spending over the last 2 years and made it permanent by calling it a freeze. It raises taxes in the outyears and dedicates a higher regulatory environment in the United States of America. None of that does anything to reduce the debt or the deficit. In fact, the President's budget actually makes it worse.

But it is fair to ask people to step up. The American people are asking us to step up. They want us to do what they have been doing in the last 3 years: sit around their kitchen table, reorganize their priorities, spend within their means, and reduce their debt and the deficit. The very least they should ask of their country is their country to do the same thing they have had to do. In large measure, we have been the contributor to the protracted nature of the current recession.

Now, everybody knows there are two ways to reduce the deficit in the short run and the debt in the long run. One way is to cut spending. But that is not the only way. Another way is to raise revenue and increase income. And that is not just by raising a tax, that is by improving business opportunity and the expansion of opportunity in America. There is a third way: by changing the processes by which we regulate and make decisions, by looking at reforms that in the outyears make a difference for all of us.

On the spending side, the spending cuts are going to be difficult. They are going to be modest compared to what our deficit really is. But they are going to send a signal to the world that we are finally going to get serious about our spending level, and the majority of the rest of the world already has—whether it is Great Britain or many of the other countries in the European Union.

So spending cuts are important. But spending cuts in and of themselves will not solve the entire problem. In fact, H.R. 1, in the House, which made reductions of $61 billion, was a modest start at a long-term process. But it sent us in the right direction, and it called the bluff the President was talking about by making real, significant proposals.

Secondly, in terms of raising revenue, we raise revenue by expanding opportunity, not by raising the rate of tax, but, as his deficit commission said, by lowering the rate of tax, doing away with deductions that are specialized and targeted in nature and giving business the encouragement to expand.

A funny thing happened to me on January 3 of this year in Atlanta, GA, right after the first of January. I went to the OK Cafe in downtown Buckhead, GA, for a breakfast. That is the gathering place for most Atlanta businesspeople on the north side of town. I was going to have a business meeting, and Steve Hennessy walked in, one of the largest automobile dealers in the United States. He happened to come up to me. He rushed toward me. He had his arms open. I thought I was going to get a good luck hug, a ''go to Washington and do a good job'' type speech. Instead, he put his finger right on my nose and said: JOHNNY, I just had to hire two compliance officers to comply with Dodd-Frank, and I lost a salesman. I am spending more money complying and less money producing.

That is one of the things this administration has done in tremendous quantity to put us in a very difficult situation. Every agency is promulgating rules and regulations at a rapid rate—regulations that to comply with cost new employees, more expense in operating a business, and less capital investment in what that business does.

It is very important that the President understand what happens; that is, regulation has consequences. Right now the regulatory volume of the United States being proposed by this administration is unsustainable. It is costly, and it increases the debt and the deficit of the United States of America. Quite frankly, it is a reach far beyond where government should go.

I am the first person to support occupational safety, the first person to support financial security, the first person to support transparency. I will always fight to see that our government is transparent and our rules are fair and our occupational safety is good. But to overreach, to go beyond our reach, is just wrong.

I will give you a couple of examples. Georgia is a large agricultural State. Yesterday I was with some cotton farmers who were bemoaning the fact of the most recent proposal to regulate agricultural dust. The EPA actually wants to regulate the dust created by a plow or a tractor or a truck on a dirt road on a farm, to say that the farmer must make sure that dust stays within the confines of his hedge row or his fence line—meaning we are going to try to control nature? Well, how is he going to do it? By hiring water trucks to follow behind his tractor to tamp down the dust? That is a reach too far.

To categorize milk as oil and to say farmers who run dairies have to have storage tanks for milk that are equivalent to storage tanks for petroleum, that is just crazy. It is a reach too far, and it makes the ability to do business tougher, the ability to make a profit more impossible, the amount of revenue produced less because it is less profitable, and it protracts our debt and our deficit problem.

So when the President talks about calling bluffs, I am willing to do it. I am willing to sit down and talk about the hard issues. In fact, I am willing to tell the story about how in certain measure myself and everybody else born after 1943 in America is an example of some of the things we need to do.

In 1983, I was 39 years old. Social Security sent out their annual report on the stability of the Social Security fund and said it was going broke; that if we did not do something we were going to run out of Social Security benefits in the early 2000s.

Well, that worried everybody. But Tip O'Neill, a great Speaker and a

Democrat, and Ronald Reagan got together at the White House, and they said: We have a problem.

Ronald Reagan said: Well, I don't want to raise the payroll tax.

Tip O'Neill said: I don't want to lower the amount of the benefit.

They looked at the actuary and said: What do we do? And he said: Recast the eligibility. Push it into the outyears, and that will get the system calibrated and back to actuarial soundness.

So they sat down with the actuaries at the table and said: I tell you what we are going to do. We are going to preserve everybody's Social Security eligibility today. But for those people born after 1943 and before 1947, we are pushing them out from age 65 to age 66. I was born in 1944. With a stroke of a pen, Ronald Reagan and Tip O'Neill changed my eligibility by 1 year. But they changed mine and millions of other Americans at the lead of the baby boomers, recalibrated the system, and put Social Security in actuarial soundness until 2050. Then they added 2-month increments for eligibility beyond, where eventually the law now takes Social Security eligibility to 67.

The President's commission recommended doing a similar thing over the next 50 to 75 years to push eligibility out so that benefits are not cut. Eligibility is changed but taxes do not go up. Eligibility is only changed, and when you become eligible to collect.

We already know that when Social Security was formed originally, most people did not live to the eligibility age of 65, and today most everybody does. Our lifespans are a longer time, and that is what has gotten the system actuarially unsound.

So I do not think it is right to say that nobody has answered the call on debt and deficit reduction. I do not think it is right to say that our bluff—we have not been bluffing anybody, neither did the President's debt and deficit commission. They called our hand by giving us consequential recommendations that work and in the long term make the future of America bright.

This problem is not a partisan problem; it is a bipartisan problem. The parties have contributed each to the other to cause the problem. We need to sit down together and begin solving it but not making it a political issue for the 2012 election with no solutions. Instead of bluffs, we ought to make constructive proposals. Instead of speeches on the floor that run time, we ought to be offering amendments on the floor that make a difference in terms of the debt and the deficit of the United States of America.

This is the greatest country on the face of this Earth, and it is because people trust it. But if we continue to look the other way as our debt and our deficit increases, that trust will dissipate and our interest rates will go up, the cost of goods and services will be inflated, and America will be in trouble.

I close by telling a brief story about a speech I made in Albany, GA, last year in November, when I was talking about the debt and the deficit, talking about some of the solutions we have talked about. I kept talking about a trillion this and trillion that, and saying one day soon we are going to owe $14 trillion.

A farmer at the back of the room at the rotary club raised his hand and said: Senator, I only went to Dougherty County High School. I don't know how much $1 trillion is. How much is it?

Well, I stumbled and I stammered, and finally, I said: Well, it is a lot. I could not think of how to quantify it.

I got home that night, and my wife said: What is wrong? I said: Well, I got stumped today.

She said: What was the question?

I said: The question was, how much is a trillion?

She said: What did you say?

I said: Well, it is a lot.

She said: Well, that was stupid.

I said: Well, give me a suggestion.

And she is always right.

She said: Well, why don't you just figure out how many years have to go by for 1 trillion seconds to pass. Then people will understand how much $1 trillion is.

So I did the math. I multiplied 60 seconds times 60 minutes times 24 hours times 365 days. I got on the calculator, and the calculator only went to 12 digits. So I had to go to the computer to get something that would go to 13 digits, which is a trillion. I divided that product into 1 trillion.

Do you know how many years have to pass for 1 trillion seconds to go by? Madam President, 31,709. And we owe $14 trillion. At a dollar a second, for over 400,000 years, we could solve our problem. That is a huge problem. But we have the benefit of the time value of money and the hope and opportunity of the greatest country on the face of this Earth.

So I call the President's bluff. Let's sit down together and talk about the tough things. Let's talk about the shared sacrifice. Let's talk about the benefit that comes from responsibility, frugality, and a commitment to the principles of our Founding Fathers and always remember the principle that less debt is better, and we should never be a country controlled by those we owe. Instead, we ought to be a country loved by those we protect.

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

The PRESIDING OFFICER (Ms. KLOBUCHAR). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Madam President, I understand there are questions about what the tax strategies portion of the bill does and who it impacts. So I want to take a few minutes to address those questions.

In simple terms, a tax strategy is any method for reducing, avoiding, or deferring tax liability based upon the tax law—including interpretations and applications of the Internal Revenue Code, regulations, and related guidance.

A tax strategy can be as simple as a plan to buy tax-exempt bonds or invest in an IRA to reduce your tax liability or as complex as some sort of sale-leaseback tax shelter involving multiple domestic and foreign corporations and partnerships.

A tax strategy patent, which is what we are talking about in this bill, is just that—a patent on a particular tax strategy.

Madam President, I ask unanimous consent to have printed in the RECORD an article from a publication called the Tax Adviser. This article provides some examples of tax strategies that should not be patented.

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

[From the Tax Advisors, Aug. 1, 2007]

PATENTING TAX IDEAS

(By Justine P. Ransome, J.D., MBA, CPA; and Eileen Sherr, CPA, M.Tax)

EXECUTIVE SUMMARY

TSPs have been issued in many areas, and many applications are currently pending.

Such patents thwart Congressional intent and undermine the integrity of, and the public's confidence in, the tax system.

AICPA will continue to work with the IRS, USPTO, Treasury and Congress to handle—and hopefully resolve—this emerging issue.

One of the greatest challenges tax practitioners face in providing quality tax services to clients is to keep abreast of the ever-changing complexity of the tax law. Added to this challenge is the burden of determining whether the chosen advice is another party's exclusive property. While this may seem absurd, in the real world of tax consulting, tax advisers must now contend with certain practitioners and companies seeking patents to protect their exclusive right to use various tax planning ideas and techniques they claim to have developed.

Tax practitioners may be surprised to find that tax strategies they have used routinely in practice are now patented and unavailable for use without the patent holder's permission. The trend of patenting tax strategies is on the rise. This article explores tax-strategy patenting. It provides an overview of the issue and discusses the AICPA's concerns and activities to keep its members informed, as well as its attempts to seek a legislative remedy that will stem the tide of these types of patents.

BACKGROUND

The Patent Act of 1952 provided that patents may be granted for innovations that are useful, novel and nonobvious. Under 35 USC Section 271, a patent gives its holder the exclusive right to make, use and sell the patented idea. The consequences of infringing a patent can be substantial. The remedies for patent infringement under 35 USC Sections 283 and 284 include injunctive relief and money damages equal to lost profits or a reasonable royalty. Money damages can be tripled in cases of willful infringement, as authorized under 35 USC Section 284; under 35

USC Section 285, attorneys' fees can be awarded to the prevailing party in exceptional cases. Issued patents are presumed valid; under 35 USC Section 282, an accuser must overcome this presumption with clear and convincing evidence to invalidate a patent. Even if an accused is not found liable, defending a lawsuit can be costly.

In 1998, the Federal Circuit, in State Street Bank & Trust, held that business methods are patentable. Since this decision, patents for business methods have flourished. In some cases, these patents involve processes that would seem to be neither novel nor nonobvious (i.e., other reasonably intelligent people would come to the same or a similar conclusion when confronted with the same or similar issue).

Recently, the Supreme Court held that the long-standing test used by the lower courts to determine whether an idea was nonobvious was not being applied correctly (and, in fact, was being applied too strictly). The opinion stated that for an idea to be nonobvious, it must be (1) one that would not have occurred to persons of ordinary skill and intelligence in the field of endeavor involved; or (2) previously available knowledge that would have caused a person of ordinary intelligence to affirmatively believe that the idea would not work. Since this decision was just handed down, it remains to be seen what effect it will have on the proliferation of patents for business methods in the future.

The patenting of business methods has recently crept into the practice of tax planning. At press time, 60 tax-strategy patents (TSPs) have been granted; 86 are pending. There may be additional TSPs; about 10% are generally unpublished, because applicants can elect not to publish a patent if no protection is being sought in a foreign jurisdiction. Also, it can take up to 18 months for a patent application to be published and listed on the USPTO website. As discussed below, many of these patents deal with planning techniques routinely used by tax practitioners in delivering tax services to clients.

Reasons for Concern

SOGRAT patent: The primary catalyst for the concern of the AICPA and other tax practitioners was a 2006 infringement suit over the ''SOGRAT patent.'' Awarded by the USPTO on May 20, 2003, to Robert C. Slane of Wealth Transfer Group LLC, the SOGRAT patent describes an estate planning technique that uses grantor retained annuity trusts (GRATs) to transfer nonqualified stock options (NQSOs) to younger generations, with few or no gift tax consequences.

GRATs are permitted under Sec. 2702 and the regulations there under. Many estate planners are familiar with, and routinely use, GRATs to shift a variety of different types of assets to younger generations. Thus, it came as quite a surprise to many estate planners when an article touting the estate tax benefits of placing NQSOs into a GRAT noted that the technique had been patented by one of that article's authors. This surprise grew into concern when the patent holder instituted the above-mentioned patent infringement suit against a taxpayer who implemented the technique without its permission.

Warning letters: As previously stated, money damages can be tripled in cases of willful infringement (which requires knowledge of the patent). Some patent holders have resorted to mail campaigns and/or press releases touting their patents and warning other tax practitioners that they may be infringing on said patents. For example, one patent infringement warning letter addressed a method for financing future needs of an individual or future intentions on the death of such person, and a method for investing long-term assets of tax-exempt charities. The letter noted that the allowed claims in the patent involve investments used for charitable remainder trusts, pooled-income funds, charitable gift annuities, charitable lead trusts and permanent endowment funds.

Part of this patent resembles the facts and results of Letter Ruling 90090471 and TAM 9825001. In those rulings, the IRS permitted a net-income charitable remainder unitrust to invest in a tax-deferred annuity contract for the purposes of controlling the timing and amount of income distributions and to otherwise provide a guaranteed death benefit payable to the charitable remainder interest holder. The patent purports to achieve a similar result through the use of tax-deferred arrangements.

The patent holder also sent a press release to the Planned Giving Design Center (PGDC), a professional organization that provides advice on charitable planning and taxation. An article written by the PGDC's editor noted that the letter ruling and TAM are well known to members of the insurance community in particular, ''which have since facilitated thousands of annuity invested charitable remainder trusts since 1990.'' The article further noted that these rulings are also well known to the IRS, which issued them and subsequently discussed such arrangements in its 1999 Continuing Professional Education text. The IRS also added these rulings to its annual ''no-ruling'' list as it studied whether they conveyed an inappropriate tax benefit to taxpayers. The article noted that all of these events occurred well in advance of the date the holder applied for his patent (2004).

In light of that patent, the AICPA and American Bar Association (ABA) asked the USPTO whether IRS rulings were considered ''prior art'' (and, thus, not novel) if they were not listed in the ''Other References'' section of a patent application. The patent application did not contain a reference to either ruling. The USPTO replied that, although it had not required such information in the past, it would start requesting it for financial-type patents under its Rule 105 (which is used to ask applicants for more information).

Sec. 1031: A patent relying heavily on Sec. 1031 has also drawn tax advisers' attention. The ''Section 1031 deedshare patent'' involves a method and investment instruments (deedshares) for performing tax-deferred real estate exchanges. The patent follows the result in Rev. Proc. 2002–22. Its exclusive licensee, CB Richard Ellis Investors, L.L.C., has publicized and warned that it will aggressively pursue patent enforcement.

Deferred compensation: A patent on hedging liabilities associated with a deferred-compensation plan was granted and assigned to Goldman Sachs & Company. The patent purports to provide a mechanism to hedge the compensation expense liabilities of an employer providing deferred compensation to one or more employees.

IRAs: A patent has been granted to evaluate the financial consequences of converting a traditional IRA to a Roth IRA. It describes a computer-implemented process for computing the tax consequences of converting to a Roth IRA and various options for funding the taxes, such as term insurance to fund the Federal tax liability of early withdrawal for premature death, calculating the entire rollover amount and financing the tax and insurance premium.

FSAs: A patent has been granted on flexible spending accounts (FSAs). The patent sets forth a method to calculate costs using a ''health cost calculator'' and ''flexible spending account calculator.''

FOLIOfn: The trend to patent tax ideas is only in its infancy; however, several individuals and companies already have applied for multiple patents. For example, FOLIOfn, Inc., a brokerage and investment solutions company, holds three TSPs. It has developed methods for tracking and organizing investments and has patented mechanisms and processes that allow users to view and manipulate potential tax consequences of investment decisions. Several of FOLIOfn's other business-method patents are in practice via large licensing agreements. The company is similarly looking for licensing opportunities for its three TSPs but has not yet secured any deals.

As far as the AICPA is aware, only one of its members (a sole practitioner) has applied for a TSP. The AICPA Tax Division staff discussed the issue with that member. The AICPA has confirmed that, currently, none of the ''Big Four' accounting firms holds TSPs.

AICPA ISSUES

In a Feb. 28, 2007, letter to Congress, the AICPA outlined its concerns and position on patenting tax strategies. Its position is that TSPs:

Limit taxpayers' ability to use fully tax law interpretations intended by Congress;

May cause some taxpayers to pay more tax than Congress intended or more than others similarly situated;

Complicate the provision of tax advice by professionals;

Hinder compliance by taxpayers;

Mislead taxpayers into believing that a patented strategy is valid under the tax law; and

Preclude tax professionals from challenging the validity of a patented strategy.

The AICPA is concerned about patents for methods that taxpayers use in arranging their affairs to minimize tax obligations. TSPs may limit taxpayers' ability to use fully interpretations of law intended by Congress. As a result, they thwart Congressional intent and, thus, undermine the integrity of, and the public's confidence in, the tax system. TSPs also unfairly cause some taxpayers to pay more tax than (1) intended by Congress or (2) others similarly situated. The AICPA believes that the conflict with Congressional intent highlights a serious policy reason against allowing patent protection. Allowing a patent on a strategy for complying with a law or regulation is not sound public policy because it creates exclusivity in interpreting the law.

The AICPA is also concerned with tax law simplicity and administration. TSPs greatly complicate tax advice and compliance. Tax law is already quite complex. The AICPA believes that the addition of rapidly proliferating patents on tax-planning techniques and concepts will render tax compliance much more difficult.

Because TSPs are granted by the Federal government, the AICPA is concerned that they pose a significant risk to taxpayers. Taxpayers may be misled into believing that a patented tax strategy bears the approval of other government agencies (e.g., the IRS) and, thus, is a valid and viable technique under the tax law. However, this is not the case; the USPTO does not consider the viability of a strategy under the tax law. The USPTO is authorized only to apply the criteria for patent approval as enacted by Congress and as interpreted by the courts. The IRS is not involved in the USPTO's consideration of a TSP application.

The AICPA is concerned that tax professionals also may be unable, as a practical matter, to challenge the validity of TSPs as being obvious or lacking novelty, due to their professional obligations of client confidentiality. Tax advisers may also find it difficult to defend patent-infringement lawsuits due to client confidentiality. The

USPTO will also find it difficult, if not impossible, to determine whether proposed tax strategies meet the statutory requirements for patentability because tax advice is generally provided on a confidential basis.

The usefulness of TSPs is also questionable. The AICPA believes that some of these patents may be sought to prevent tax advisers and taxpayers from using otherwise legally permissible tax-planning techniques, unless they pay a royalty.

The AICPA is concerned that both tax practitioners and taxpayers may be sued for patent infringement, whether or not the infringer knew about the patent. A taxpayer can infringe a patent without intent or knowledge of it; ignorance of an applicable patent is not a defense. Practitioners must be aware that once they know that a particular tax strategy is patented, using that strategy without the patent holders permission may expose them to claims of willful infringement and triple damages. Unfortunately, the current environment may leave some practitioners with no recourse, other than engaging patent counsel to review and monitor techniques they routinely use.

Advocacy Efforts and Communications

Background: In November 2005 and February 2006, the AICPA Trust, Estate & Gift Tax TRP discussed this emerging issue with IRS representatives. In addition, AICPA President Barry Melancon discussed this issue with then-IRS Commissioner Mark Everson on Oct. 17, 2006, advising him of the AICPA's concern and desire to take legislative action.

In January 2006, the AICPA Tax Division's Tax Executive Committee (TEC) decided to form the PTF. This article's authors chair and staff that task force, respectively. The PTF was formed with both large- and small-firm members, from various technical areas of the AICPA Tax Division, including individual, international, partnership, S corporation, tax policy and legislation, and trust, estate and gift taxes. The task force held several conference calls and meetings, including one call with a patent expert who explained the basis for patents and the application process.

In June 2006, the TEC authorized some PTF members to participate in a joint multi-professional organization task force (including the AICPA, the ABA's Real Property, Probate and Trust Law Section and Tax Section, the American College of Trust and Estate Counsel and the American Bankers Association) on the issue. The joint task force had several conference calls; its chair attended a PTF meeting in November 2006.

In July 2006, prior to the Congressional hearings on the issue, the PTF discussed its concerns with Capitol Hill staff. This article's authors attended the hearing, then updated AICPA Tax Division members about the issue and hearing via an electronic alert (e-alert) in August 2006.

In October 2006, the AICPA up-dated members via an update to state CPA societies. In February 2007, the AICPA sent to the leadership of the House and Senate tax-writing and judiciary committees its position on tax-strategy patenting, including legislative proposals. E-alerts went out to the AICPA membership and were included in the April 2007 issue of the AICPA's The CPA Letter. In addition, PTF members authored Journal of Accountancy articles on the subject.

In March 2007, the PTF drafted and submitted comments to Treasury on the regulations for ''reportable transactions.'' These comments recommended that Treasury not require taxpayers to report patented transactions as reportable transactions, but require the patent holder or USPTO to disclose when the patent is issued.

The AICPA Congressional and Political Affairs group has made TSPs a top priority and is in discussions with Congress and its staffs, as well as the USPTO's General Counsel and Director of Business Method Patents, to develop and enact legislation designed to bar grants of, or provide immunity for taxpayers and practitioners from liability related to, such patents. Currently, the AICPA's legislative efforts are focused on the judiciary committees, which consider and vote on any patent legislation.

Action: The AICPA has taken a pro-active role against the patenting of tax ideas. Most of its efforts are reflected in a website it has created on the subject, which contains:

AICPA comments to Congress, Treasury and the IRS, updates to members, and its PTF roster;

Comments of other groups and the Joint Committee on Taxation;

USPTO links;

Information on specific TSPs;

Related articles and other information; and

Links to additional resources.

RECOMMENDED STEPS

To minimize potential liability until a legislative solution is enacted, tax practitioners should take the following steps, as appropriate, in response to TSPs:

Stay current on matters regarding TSPs by continually visiting the AICPA website on the subject.

Read articles and attend conferences about TSPs.

Continually visit the USPTO website to determine if a tax idea, technique or strategy that a tax practitioner intends to recommend to a client has been issued a patent or if one is pending.

If a strategy is either already patented or is similar to a patented strategy:

Advise the client about the patent's existence, the options available and the associated risks;

Determine whether patent counsel is needed to further investigate the patent; and

If there is a relevant patent, determine whether to negotiate with the patent holder to be able to use the strategy.

PROPOSED LEGISLATIVE SOLUTION

The AICPA has considered various administrative solutions to this issue and concluded that they are insufficient. In its Feb. 28, 2007, letter, it encouraged Congress to develop legislation to eliminate the harmful consequences of TSPs by either (1) restricting the issuance of such patents or (2) providing immunity from patent infringement liability for taxpayers and tax practitioners.

HR 2365, legislation sought by the AICPA to limit damages and other remedies with respect to patents for tax-planning methods, was introduced by Rep. Rick Boucher (D–VA) on May 17, 2007, with initial co-sponsors Reps. Bob Goodlatte (R–VA) and Steve Chabot (R–OH). Reps. Boucher, Goodlatte and Chabot are senior members of the House Judiciary Committee, which has jurisdiction over patent legislation. The bill was referred to that committee. As of May 30, 2007, 14 co-sponsors had signed onto the bill. AICPA efforts and discussions continue with other members of Congress, including members of the Senate Judiciary Committee. On May 16, 2007, Reps. Lamar Smith (R–TX), Boucher and Goodlatte sent a letter requesting a hearing on the issue to Howard Berman (D–CA), chairman of the House Judiciary Committee Subcommittee on Courts, the Internet, and Intellectual Property.

The Future

The AICPA continues to work with Congress to make legislative changes regarding the patenting of tax strategies. It is also currently working with the USPTO to determine how both organizations might work together to better scrutinize such patent applications. The AICPA will continue to focus its legislative efforts on the judiciary committees and to work with the USPTO, IRS and Treasury, as well as other professional groups, to educate tax advisers on TSPs and to enhance the flow of information among the groups. The PTF and the AICPA will continue to update its website with additional resources for members, develop other educational and practice-oriented tools and study and address related professional ethical issues.

CONCLUSION

Practitioners and taxpayers need to (1) be aware that TSPs are being granted and (2) review planning approaches and consider consulting with patent counsel, if appropriate. Tax advisers should ask clients about their use of tax strategies, as they may be unknowingly using patented ones. The AICPA will continue to work with the IRS, USPTO, Treasury and Congress to handle—and hopefully resolve—this emerging issue.

Mr. GRASSLEY. Tax strategies are bad because they allow the tax law to be patented. A patent gives the holder the exclusive right to exclude others from using the patented invention. A tax strategy patent makes taxpayers choose between paying more than legally required in taxes or providing a windfall to a tax strategy patentholder by paying a royalty to comply with the tax law.

Tax strategy patents add another layer of complexity to the tax laws by requiring taxpayers or their advisers to conduct patent searches and exposing them to potential patent infringement lawsuits.

If a tax strategy patent is granted for a tax shelter designed to illegally evade taxes, the fact that a patent was granted may mislead unknowing taxpayers into believing the obvious: That the strategy is valid under the tax law when, in fact, it might not be.

Tax strategies are not like other inventions because everyone wants to pay less tax. Tax strategy patents are on the rise, which then means more and more legal tax strategies are unavailable or, obviously, more expensive for more and more taxpayers.

Madam President, I ask unanimous consent to have printed in the RECORD a letter. This letter, which is from a coalition of 15 consumer groups, including the umbrella group for public accountants, the Tax Justice Center, and the U.S. Public Interest Research Group, provides more information on why tax strategy patents are bad for taxpayers.

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

FEBRUARY 2, 2011.

Re Tax Strategy Patents.

Hon. PATRICK J. LEAHY,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

Hon. CHARLES GRASSLEY,
Ranking Member, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR GENTLEMEN: On behalf of our 15 national organizations representing consumer, taxpayer, charitable, financial planning, and

tax advisor groups, we commend you for including a provision in S. 23, The Patent Reform Act of 2011, to address the serious problem of tax strategy patents. Similar to legislation recently introduced by Senators Baucus and Grassley, S. 139, we believe that this pro-taxpayer measure is a critical component of any comprehensive patent reform effort. The ongoing, serious concerns associated with tax strategy patents pose a significant threat to American taxpayers and businesses, and we believe that Congress must prioritize fixing this problem as soon as possible.

As the Senate Judiciary Committee moves to mark up S. 23, we ask you specifically to champion this provision, and aggressively oppose any efforts to weaken or remove it. There is too much at stake to allow special interests to try to monopolize methods of Federal tax compliance, leaving American taxpayers potentially subject to lawsuits. royalties, and a much more complicated, expensive tax code.

As you know, the problems associated with tax strategy patents are multiple and quite complex. First, such patents may limit the ability of taxpayers to utilize fully interpretations of tax law intended by Congress—effectively creating a monopoly for the patent holders to determine who can and cannot utilize parts of the tax code. Furthermore, tax advisors, who generally are not patent experts, have the burden to be aware of such patents, and either provide tax advice that complies with the patent holder's requirements, risk a lawsuit for themselves and their clients, or potentially not provide the most advantageous advice to clients. Not surprisingly, these patents create a highly burdensome level of cost ultimately borne by taxpayers.

These patents already affect a myriad of tax planning vehicles, including retirement plans, real estate transactions, deferred compensation, financial investments, charitable giving, and estate planning transfers. We are concerned that the U.S. Patent Office may permit the expansion of these types of patents into additional areas broadly affecting average taxpayers. For example, there are pending patents that would affect taxpayers' ability to create a financial plan for funding college education, utilize incentive programs for health care savings account cards, insure against tax liabilities, and use life insurance to generate income.

As of now, the numbers of tax strategy patents have grown to over 130 issued and more than 150 pending. We fear this trend is likely to continue to grow exponentially without your leadership. Legislation must be passed quickly if we are to provide taxpayers with equal access to all available avenues of federal tax compliance.

As you know, there is broad, bipartisan, and growing support for this legislation. In the 111th Congress, Congressmen Rick Boucher and Bob Goodlatte introduced H.R. 2584, a similar initiative which ended the Congress with 45 cosponsors. That legislation built off of the passage of comprehensive patent reform legislation, passed by the House in the 110th Congress, which included its own tax strategy patents provision. In addition, Senators Baucus and Grassley previously introduced legislation on this topic in the 110th Congress, garnering 30 cosponsors, including then-Senator Barack Obama. The National Taxpayer Advocate, Nina Olsen, has also publicly stated her support for a legislative solution to this problem. Clearly, with such overwhelming support and momentum over the last several years, the time has come to finally enact this proposal and send it to the President.

Thank you again for your leadership on behalf of American taxpayers. Please contact any of us if we can assist you as you move forward on this important matter.

Sincerely,

Barry C. Melancon, CPA, President and Chief Executive Officer, American Institute of Certified Public Accountants; Nicole Tichon, Executive Director, Tax Justice Network USA; Jo Marie Griesgraber, Executive Director, New Rules for Global Finance; Richard M. Lipton, Chair, American College of Tax Counsel; Linda Sherry, National Priorities Director, Consumer Action; Karen M. Moore, President, The American College of Trust and Estate Counsel; Tanya Howe Johnson, President and CEO, Partnership for Philanthropic Planning; Raymond W. Baker, Director, Global Financial Integrity; Edwin P. Morrow, CLU, ChFC, CFP®, RFC®, Chairman and Chief Executive Officer, International Association for Registered Financial Consultants; H. Stephen Bailey, President, International Association for Registered Financial Consultants; Michael Nelson, Executive Vice President & Chief Executive Officer, National Association of Enrolled Agents; Gary Kalman, Director, Federal Legislative Office, USPIRG; Kevin R. Keller, Chief Executive Officer, Certified Financial Planner Board of Standards; Marvin W. Tutle, CAE, Executive Director/CEO, Financial Planning Association; John Akard Jr., JD, CPA, President, American Association of Attorney-Certified Public Accountants; Robert S. McIntyre, Director, Citizens for Tax Justice.

Mr. GRASSLEY. Section 14 of the bill, which has been before the Senate for the last week or more, prevents patenting of tax law. It provides that a strategy that relies on the tax law to reduce, to avoid, or to defer tax liability cannot be novel or nonobvious.

So a strategy for reducing, avoiding, or deferring tax liability will be deemed insufficient to differentiate a claimed invention from the prior art for purposes of evaluating an invention under section 102 or section 103 of the bill that is before us. This ensures that taxpayers and their advisers will then be guaranteed equal access to the tax laws, and that is obviously the fair way to do it. It is the commonsense way to do it.

So I wish to be clear that tax preparation software is not a tax strategy. Senior policy and examination staff from the Patent and Trademark Office agree that such software is not a tax strategy.

I also have letters from H&R Block, KPMG LLP, and Grant Thornton that state that the underlying language does not impact their software patents. Again, I ask unanimous consent to have these letters printed in the RECORD.

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

H&R BLOCK,
Washington, DC, February 10, 2011.

Hon. CHARLES E. GRASSLEY,
Ranking Member, Senate Judiciary Committee, Dirksen Senate Office Building, Washington, DC.

DEAR RANKING MEMBER GRASSLEY, Our company has reviewed the language in Section 14 of the Patent Reform Act of 2011, now pending in Congress. Although H&R Block holds and is seeking numerous patents pertaining to methods of delivering tax advice and tax return preparation, H&R Block's inventions do not, by their nature, reduce, avoid, or defer tax liability. Therefore, at this time, we do not have any major concerns regarding the language in the Act that statutorily deems that all strategies for reducing, avoiding, or deferring tax liability are 'in the prior art' and not patentable. Nonetheless, we should mention that H&R Block is concerned about the precedent that this bill will set. Our fear is that Congress is going down the path where, in the future, it will simply declare ''not patentable'' any subject matter it deems to be unpopular or politically unfavorable.

Sincerely,

BRIAN DONOHUE,
AVP, Government Relations.

KPMG LLP,
Washington, DC, February 25, 2011.

Hon. PATRICK LEAHY, *Chairman,*
Hon. CHARLES GRASSLEY, *Ranking Member,*
U.S. Senate Committee on the Judiciary 224 Dirksen Senate Office Building Washington, DC.

DEAR CHAIRMAN LEAHY AND RANKING MEMBER GRASSLEY: We would like to commend you on the inclusion of section 14—a ban on the patenting of tax strategies—in S. 23, the Patent Reform Act of 2011, recently approved and reported by the Committee.

We agree with the sentiments expressed by Sen. Grassley on February 3rd that ''[i]f firms or individuals were able to hold patents for these strategies, some taxpayers could face fees simply for complying with the tax code.'' Taxpayers should not be forced to choose between paying more tax than they are legally obligated to pay or paying royalties to a third party with a patent on a legal method of complying with tax law. Tax strategy patents create higher costs and produce confusion for taxpayers and their advisors.

As noted by the AICPA in its letter to you, tax strategy patents undermine Congressional authority, intent, and control of tax policy, and would create inequalities among taxpayers. No person should hold exclusive rights over how to comply with the Tax Code.

We are a firm with extensive experience in the provision of tax advice to clients, and we are a firm that develops its own proprietary tax tools, including computer software. We therefore appreciate the proper balance between the protection of intellectual property rights and the public policy concerns implicated by extending that protection to patents on tax planning. This bill gives proper deference to the rights of the taxpayer and the already complex requirements of a tax advisor. We therefore urge inclusion of section 14 by the Senate in the final version of S. 23.

Respectfully yours,

KPMG LLP.

GRANT THORNTON,
Washington, DC, February 24, 2011.

Re: Tax strategy patent legislation.

Hon. PATRICK J. LEAHY,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

Hon. CHARLES GRASSLEY,
Ranking Member, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR GENTLEMEN: I am writing to offer Grant Thornton's strong support for the tax strategy patent provision included in the patent reform legislation (S. 23) recently approved by the Senate Judiciary Committee and now poised for full Senate consideration. I would like to commend you for your commitment to addressing the problems created

by tax strategy patents and for including the tax strategy patent provision in S. 23.

Patents on tax strategy methods threaten the integrity, fairness, and administration of the tax system, and Grant Thornton believes resolving this problem must be an essential component of any patent reform legislation. Grant Thornton wants to encourage you to aggressively oppose efforts to remove or weaken the tax strategy patent provision in S. 23.

Tax strategy patents grant private legal parties virtual 20-year monopolies over particular methods of compliance with U.S. tax laws. Taxpayers cannot satisfy their legal obligations using a patented interpretation of the tax code, allowing patent holders to privatize tax provisions that Congress intended for everyone. This makes a uniform application of the U.S. Tax Code impossible, potentially forcing taxpayers to pay more tax than Congress intended and more tax than similarly situated taxpayers. Tax strategy patents threaten to undermine public confidence in the nation's tax laws, hinder compliance, and mislead taxpayers into believing that a patented strategy has been approved by the IRS solely because a patent was granted. In addition, tax strategy patents increase the costs and burdens of compliance. Preparers and taxpayers must not only determine the proper tax treatment of an item, but also whether that treatment is covered by a patent, whether the patent might be infringed by properly reporting the item, and whether the patent is valid.

Grant Thornton believes that no one should have a patent on the application of the law to the facts and that the granting of tax strategy patents should be prohibited by legislation. Grant Thornton supports the provision in Section 14 of S. 23, which is based on the freestanding legislation S. 139. The new provision builds on previous legislative efforts that enjoyed wide bipartisan support in both chambers. In the 110th Congress, the House passed a patent reform bill that would have barred tax strategy patents.

The new language in S. 23 would designate any claim on a patent application for a ''strategy for reducing, avoiding, or deferring tax liability'' as indistinguishable from prior art, and thus preclude applicants from using a tax strategy as the point of novelty. Grant Thornton believes this provision needs to be enacted quickly. Over 130 tax strategy patents have already ben approved and more than 150 are currently pending.

Grant Thornton agrees that patents should continue to be available for tax preparation software, so long as the patent does not extend to tax strategies embedded in the software. Grant Thornton believes the bill sufficiently addresses the serious concerns raised by tax strategy patents without infringing on the rights of others to copyright, trademark or patent software that assists in the implementation of tax planning.

Grant Thornton is the U.S. member firm of Grant Thornton International, one of the six global accounting, tax and business advisory organizations. Through member and correspondent firms in over 100 countries, including 49 offices in the United States, the partners and employees of Grant Thornton member firms provide personalized attention and the highest quality service to public and private clients around the globe.

Sincerely yours,

DAVID B. AUCLAIR,
Managing Principal, Washington National Tax Office.

Mr. GRASSLEY. However, now, in order to allay the concerns of Intuit, makers of Turbo Tax, I have worked with Senator BAUCUS to make clear that tax preparation software such as Turbo Tax is not a tax strategy.

Financial management software, however, is a little murkier. While products such as Quicken and QuickBooks are not tax strategies, tax strategies can be embedded in financial management products and software. The investment banks and the law firms that have patented tax strategies often use software that could be deemed financial management software. The Tax Adviser article I mentioned earlier and got unanimous consent to have printed in the RECORD describes some of these. With financial management software, patent claims that include inventions that are severable from tax strategies may be entitled to patent protection, but the tax strategy itself will remain available to all taxpayers.

So it is important to protect intellectual property rights for true tax preparation and financial management software. However, we must be sure to protect the rights of taxpayers to have equal access to legal tax strategies.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

SURFACE TRANSPORTATION EXTENSION ACT OF 2011

Mr. LEAHY. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 662, the surface transportation extension bill; that the bill be read three times and the Senate proceed to a vote on passage of the bill; and that the motion to reconsider be considered made and laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (H.R. 662) to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a multiyear law reauthorizing such programs.

Mrs. BOXER. Madam President, I am so pleased the Senate has passed H.R. 662, the Surface Transportation Extension Act of 2011. This legislation provides a clean extension of Federal surface transportation programs through the end of the fiscal year.

H.R. 662 was passed by the House of Representatives yesterday by an overwhelming bipartisan vote of 421–4. This legislation had previously been approved by voice vote in the House Transportation and Infrastructure Committee.

Under this extension, States will receive $23.1 billion for the remainder of fiscal year 2011. This equates to over 800,000 jobs nationwide that would be created or saved.

As chairman of the Senate Environment and Public Works Committee, I am working with my colleagues on both sides of the aisle and both sides of the Capitol to move forward on a transportation authorization that will put people to work, bring our Nation's highways, bridges, and transit systems up to a state of good repair, and reduce congestion and its impacts on commerce and communities.

The committee is planning to mark-up a new authorization by spring. However, this extension is necessary in order to give Congress time to enact this authorization.

I have letters from several organizations who urged Congress to pass H.R. 662. These letters were signed by AAA; American Association of State Highway and Transportation Officials, AASHTO; American Bus Association; American Highway Users Alliance; American Motorcyclist Association; Americans for Transportation Mobility, which includes 12 organizations; American Trucking Associations; Owner-Operator Independent Drivers Association; and U.S. Chamber of Commerce.

This broad and diverse coalition composed of businesses, workers, and users of the highways, recognized the need to enact this legislation today.

Investments in transportation infrastructure are an important part of the solution to the serious economic challenges we are facing. This is especially true in the construction industry, which has been hit hard by the economic downturn. According to January data released by the U.S. Bureau of Labor Statistics, the construction industry has an unemployment rate of over 22 percent.

Not only will this extension of SAFETEA–LU save jobs in the short term, an extension through the end of the fiscal year will provide the opportunity for Congress to enact a new surface transportation bill.

I am so pleased that my colleagues did the right thing and approved this legislation that will save hundreds of thousands of jobs, improve our nation's infrastructure, and provide a solid foundation for economic recovery.

I ask unanimous consent that several letters be printed in the RECORD.

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

FEBRUARY 28, 2011.

Hon. GARY L. ACKERMAN,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE ACKERMAN: Our organizations represent drivers, riders, and businesses that pay the federal highway user fees that fund the Highway Trust Fund (HTF). One of our top goals is to ensure that user fees are properly dedicated to federal programs that improve our nation's highway safety and mobility.

This year, Congress is expected to consider a major long-term transportation bill that will reform and streamline federal highway

programs, adopt new performance standards, and take steps to ensure that users of the system see real value and benefit for their investment. We look forward to working with you on this critical legislation over the course of the year.

In the interim, Congress must pass an extension of the existing authorization act, SAFETEA–LU. Congressmen Mica, Rahall, Duncan, DeFazio, and Hanna, have introduced H.R. 662, the Surface Transportation Extension Act of 2011, which extends current highway funding through the end of the fiscal year. Two weeks ago, the bill was reported out of the House Transportation & Infrastructure Committee by unanimous voice vote.

We hope that H.R. 662 will pass unanimously and we ask for your strong support when it is considered this week. The extension does not include any funding for earmarks and is consistent with the highway spending level proposed in the Continuing Resolution. Moreover, the Highway Trust Fund has more than enough revenue to fully fund this extension of authority. After H.R. 662 is enacted, the continuing resolution on appropriations will continue to set a spending limit on the various authorized accounts.

Failure to enact H.R. 662 would create more problems than simply a shutdown of government agencies. It would also halt highway projects from coast-to-coast because contractors would not be able to be reimbursed for their work. As highway users, we'd like to see these projects completed on-time and under budget.

Thank you for your support. If you have any questions about H.R. 662, please do not hesitate to contact us prior to the vote.

Sincerely,

ROBERT L. DARBELNET,
President and CEO, AAA.

EDWARD MORELAND,
Senior Vice President, Government Relations, American Motorcyclist Association.

PETER J. PANTUSO,
President and CEO, American Bus Association.

BILL GRAVES,
President and CEO, American Trucking Associations.

GREGORY M. COHEN,
President and CEO, American Highway Users Alliance.

TODD SPENCER,
Executive Vice President, Owner-Operator Independent Drivers Association.

AMERICANS FOR TRANSPORTATION MOBILITY,
Washington, DC, February 28, 2011.

TO THE MEMBERS OF THE UNITED STATES CONGRESS: The Americans for Transportation Mobility (ATM) Coalition strongly urges you to pass H.R. 662, the ''Surface Transportation Extension Act of 2011,'' that would extend the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA–LU) as well as expenditure authority for the Highway Trust Fund through the end of FY2011. While the ATM Coalition continues to support Congressional efforts to enact a well-funded, long-term surface transportation bill, the absence of such a bill makes this extension essential to creating and sustaining jobs and maintaining America's transportation infrastructure. Furthermore, this extension provides much needed certainty for the construction industry, states, and localities as they begin the 2011 construction season.

SAFETEA–LU expired September 30, 2009, and has since been operating on a series of short-term extensions—the latest of which expires at the end of this week. The uncertainty created by the lack of a multi-year federal commitment to improving America's highway and public transportation facilities is contributing to a slowdown in transportation development activity in many states. The jobs impact of this situation has rippled throughout the economy. Workers at design and engineering firms, construction companies, equipment manufacturers, and materials providers have lost their jobs and even more positions are on the line due to uncertainty in federal funding, at a time in which the U.S. unemployment rate remains at record highs.

Congress must not delay in passing a robust, multi-year highway and transit reauthorization in the 112th Congress. While reauthorization entails a host of challenging policy and revenue issues, this effort should be viewed as a key opportunity to move U.S. infrastructure into the 21st century, bolster economic recovery efforts, and improve all Americans' way of life. If local, state, and national leaders continue to ignore this important issue, commerce will suffer, fatalities will rise, congestion and pollution with grow unabated, and the United States will find itself further and further behind its rapidly expanding international competitors.

To help prevent further job loss and ensure vital transportation investments continue, the ATM Coalition strongly urges you to extend SAFETEA–LU and expenditure authority for the Highway Trust Fund through the end of fiscal year 2011.

Sincerely,

AMERICANS FOR TRANSPORTATION MOBILITY.

CHAMBER OF COMMERCE
OF THE UNITED STATES OF AMERICA,
Washington, DC, February 28, 2011.

TO THE MEMBERS OF THE UNITED STATES CONGRESS: The U.S. Chamber of Commerce, the world's largest business federation, representing the interests of more than three million businesses and organizations of every size, sector and region, strongly supports H.R. 662, the ''Surface Transportation Extension Act of 2011.''

The Chamber recognizes that Congress needs time to formulate a long-term reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA–LU reauthorization). At the same time, the 2011 construction season is imminent and unemployment in the construction sector is at a staggering 22.5 percent. States, localities, and other project sponsors need clarity now regarding the federal funding commitments for this construction season.

An extension shorter than the remainder of the fiscal year would delay the job-creating capacity, safety, and connectivity projects that are needed to address the transportation challenges that cost our economy in wasted fuel, lost productivity, and delayed shipments of manufacturing inputs, consumer goods, and other items critical to the underlying growth of our businesses.

The Chamber urges Congress to approve H.R. 662 so that agencies and project sponsors can provide highway and public transportation investments during the 2011 construction season that contribute to much-needed economic growth, and support the backbone of business supply chains.

Sincerely,

R. BRUCE JOSTEN,
Executive Vice President, Government Affairs.

AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS,
Washington, DC.

TO THE MEMBERS OF THE UNITED STATES CONGRESS: The American Association of State Highway and Transportation Officials (AASHTO) supports passage of H.R. 662, the ''Surface Transportation Extension Act of 2011,'' that would extend the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA–LU) as well as expenditure authority for the Highway Trust Fund through the end of FY 2011. While AASHTO continues to support Congressional efforts to enact a well-funded, long-term surface transportation bill, the absence of such a bill makes this extension essential to creating and sustaining jobs and maintaining America's transportation infrastructure. Furthermore, this extension provides much needed certainty for the construction industry, states, and localities as they begin the 2011 construction season.

SAFETEA–LU expired September 30, 2009, and has since been operating on a series of short-term extensions—the latest of which expires at the end of this week. The uncertainty created by the lack of a multi-year federal commitment to improving America's highway and public transportation facilities will contribute to a slowdown in transportation development activity in many states. The jobs impact of this situation has rippled throughout the economy. Workers at design and engineering firms, construction companies, equipment manufacturers, and materials providers have lost their jobs and even more positions are on the line due to uncertainty in federal funding, at a time in which the U.S. unemployment rate remains at record highs.

Congress must not delay in passing a robust, multi-year highway and transit reauthorization in the 112th Congress. While reauthorization entails a host of challenging policy and revenue issues, this effort should be viewed as a key opportunity to move U.S. infrastructure into the 21st century, bolster economic recovery efforts, and improve all Americans' way of life. If local, state, and national leaders continue to ignore this important issue, commerce will suffer, fatalities will rise, congestion and pollution with grow unabated, and the United States will find itself further and further behind its rapidly expanding international competitors.

To help prevent further job loss and ensure vital transportation investments continue, AASHTO strongly urges you to extend SAFETEA–LU and expenditure authority for the Highway Trust Fund through the end of fiscal year 2011.

Sincerely,

JOHN HORSLEY,
Executive Director.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H.R. 662) was ordered to a third reading, was read the third time, and passed.

Mr. LEAHY. Madam President, I move to reconsider the vote, and I move to lay that motion on the table.

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

Mr. LEAHY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. LEAHY. Madam President, what is the pending business?

PATENT REFORM ACT OF 2011—Continued

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (S. 23) to amend title 35, United States Code, to provide for patent reform.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, since this debate began, we have heard a lot about how the America Invents Act will help unleash the American inventive spirit. As a matter of personal pride, I point out that Vermonters have a long history of innovation and invention, and it is that creative spirit which has given rise to some interesting and even revolutionary inventions.

Few people may know that Vermont is issued the most patents per capita of any State in the country. Fewer still may know that the first-ever patent issued in the United States, which was reviewed by Secretary of State Thomas Jefferson and signed by George Washington, was granted to a Vermonter in 1790. It was Samuel Hopkins of Pittsford who began the great tradition of American innovation.

Throughout America's history, Vermont has contributed to our economic prosperity with inventive ideas. Thaddeus Fairbanks of St. Johnsbury patented the platform scale in 1830, which revolutionized the way in which large objects were weighed. Charles Orvis, of Manchester, the founder of the well-known sporting goods retailer Orvis, patented the open fly fishing reel in 1874. Many other inventions originated from Vermont in the early years of America, including an electric motor, an internal combustion engine, and the paddle wheel steamship.

Today, that innovative Vermont spirit continues. Vermonters have been contributing to the American economy through innovation and invention every year.

Exploring new ways to modify existing products to limit the environmental impact is a quintessentially Vermont idea. Researchers at the University of Vermont have developed and are now seeking a patent for a wood finish that releases fewer toxins into the air than standard finishes. They do it by utilizing whey protein instead of petroleum. In the State of the Union Address, President Obama noted that advances in green technology will be a key driver of our economy in the 21st century. Vermont inventors have been and will continue to be out in front in this area.

Computer technology will also be a driver of our 21st-century economy. Vermonters are active in producing the next generation of this technology as well. Viewers across the country were fascinated by the recent appearance of IBM's Watson supercomputer on ''Jeopardy.'' Components used to power Watson were invented by IBM researchers in Vermont, and I am sure those Vermonters watched proudly as Watson defeated Jeopardy legends Ken Jennings and Brad Rutter in the recent man-versus-machine matchup.

Modernizing the patent system will help to ensure Vermont inventors will still be able to compete, not just on a national stage but in the international marketplace.

Much has changed since Samuel Hopkins received the first U.S. patent in 1790, but the need for a flexible and efficient patent system has remained constant. Inventors from Burlington to the Bay Area require the appropriate incentives to invest in the research required to create the next platform scale or the next Watson computer or the next lifesaving medical device.

Over the last 6 years, I have worked on meaningful, comprehensive patent reform legislation. During that time, I have kept in mind the tradition of great Vermont innovators such as Thaddeus Fairbanks and Charles Orvis. I was also pleased that we had key Republicans and Democrats working together to get this legislation before the Senate.

The next generation of Vermonters is as eager as the last to show America and the world what they can produce. Vermont may be one of the smallest States in our Nation, but it is busting with creativity. The America Invents Act will ensure that the next Samuel Hopkins can flourish well into the 21st century.

Senator GRASSLEY and I had a couple of matters we were going to take care of. I see a distinguished colleague seeking recognition. Before I yield the floor, might I ask my friend how much time he may need?

Mr. CORKER. I will speak briefly. I apologize. The chairman has done such a wonderful job working this bill through. I came down earlier, but I wasn't able to speak.

Mr. LEAHY. I will yield so my colleague can speak, and then the Senator from Iowa will be back, and we can continue with our other business.

The PRESIDING OFFICER. The Senator from Tennessee.

FUNDING THE GOVERNMENT

Mr. CORKER. Madam President, as in morning business, I rise to speak on another topic that is actually related to us being competitive.

I think everybody understands that we had another bipartisan event that just occurred recently where we kept government funded, if you will, for another couple of weeks beyond the deadline that was coming in the next day or so. I applaud the efforts of both sides to work together to make that happen.

Speaking of competitiveness, it is very difficult for a government to function having short-term CRs every 2 weeks. What I urge, while this work is going on on the floor, is that the House and the Senate, both sides of the aisle, work toward a longer term CR. I know we are working on reductions in spending which have to take place to keep our government in check and keep our country in the place it needs to be, but the work we need to do to fund the government for the rest of the year is actually the easy work we are going to be facing as it relates to spending.

Today, I saw where Vice President BIDEN has been asked by the White House—the President—to take the lead on this issue. I take that as a good sign. I saw Secretary Geithner today. He is planning on engaging on this issue.

I urge that we do the work we need to do. We all know there are going to be painful and tough decisions coming. A lot of people have been arguing and debating against spending cuts and are talking about the havoc it is going to create for government. I imagine that Secretary Gates over at the Defense Department is trying to deal with overseas operations and trying to deal with investing in the future, and other agencies of government would much rather see what these cuts are going to be and plan accordingly versus working on a 2-week CR.

I am just urging that we do the tough work we have to do. All of us know it will be painful. All of us know we are going to have to prioritize. All of us know there will be a number of constituencies around the country that will be less than happy. But for the good of our country, let's go ahead and together, Democrats and Republicans, Independents and the administration, work together toward a solution.

I know the House sent over a continuing resolution bill that takes us through the rest of the year. We have not yet seen what the Democratic majority in the Senate might offer. It is my hope that something is being worked on. I think the American people in the functioning of this government—those who cause this government to function—need to know what those cuts will be, where we are going.

Speaking on that note—and I will close with this—one of the things most frustrating to me as a Senator who came from the world of business is that we never know where we are going. We debate the current issues. We never plan for the future.

I hope that as a part of all we are doing this spring, this incredible opportunity we have in this body to deal with the issue of spending, with the issue of deficits, it is my hope that as a part of this, what we will do is pass a global cap on spending, a comprehensive cap that takes us from where we are today into a place that has been a 40-year historic average. Senator MCCASKILL and many others have joined me in something called the CAP Act. It is the type of responsible legislation we need to pass to get our country back where it needs to be.

We know we have a huge spending problem today. There are many explanations for that. But as a country, to

make ourselves competitive, as the Senator from Vermont talked about and I am sure the Senator from Iowa is getting ready to talk about, we also need to make sure we keep our fiscal house in order.

Let's deal with these tough issues and solve this problem for this year and move on to the longer term issues.

I thank the Chair, and I thank the Senator from Vermont.

I yield the floor.

Mr. LEAHY. Madam President, I ask unanimous consent to set aside the pending amendment.

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

Mr. LEAHY. I ask unanimous consent to bring up and agree to amendment No. 132, the Cardin-Landrieu amendment.

The PRESIDING OFFICER. The clerk will report.

Mr. GRASSLEY. Mr. President, do we report it first and then object or do we object even to the reporting of it? I heard the Presiding Officer say report the amendment.

The PRESIDING OFFICER. The Senator can object to laying aside the pending amendment.

Mr. GRASSLEY. OK. I object on behalf of Senator COBURN of Oklahoma.

The PRESIDING OFFICER. Objection is heard.

Mr. LEAHY. Madam President, I ask unanimous consent that we revert to the pending amendment, which I believe was the Leahy amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LEAHY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. MANCHIN). Without objection, it is so ordered.

DELIVERY SYSTEM REFORM

Mr. WHITEHOUSE. Mr. President, I am here to speak about a report that was released by the Centers for Disease Control, which I think is instructive for the American health care system. We are currently in a process of change in health care. Changing the way health care is delivered in our country is going to take years of hard work, of experimentation, and of learning. There are stakeholders on both the Federal and State level who are out there right now, working to implement models of care that increase the coordination and efficiency with which health care is delivered, improve the quality of the care that is delivered, improve the outcomes that patients experience, and control costs—bring down costs. This delivery system reform is the real issue of health care reform in our time. I emphasize, it is a win-win for system—improving the quality of care while lowering the cost for the system.

This report, called ''Vital Signs,'' released this week by the Centers for Disease Control, illustrates how just one type of quality reform, reducing hospital-acquired infections, has already improved health outcomes and resulted in significant cost savings. Hospital-acquired infections are a tragic reality of our health care system. Nearly 1 in every 20 hospitalized patients in the United States is affected by a hospital-acquired infection each year. The most deadly of these infections occurs when a tube inserted into a patient's vein is either not put in properly or not kept clean. Bloodstream infections resulting from these tubes—what are called central line infections—kill as many as 1 in 4 patients who become infected.

I suspect, if we sat all the Members of the Senate down, there would be very few of us who could not identify a friend, a loved one, a family member, somebody we knew who had been exposed to a hospital-acquired infection.

The deaths from hospital-acquired infections are not only numerous but tragic and particularly tragic because they are largely preventable. These are what should be considered a zero event.

Studies have shown that when providers follow a strict checklist of very basic instructions, including things as simple as washing your hands with soap, cleaning a patient's skin with antiseptic, and placing full sterile drapes over the patient, those rates of hospital-acquired infection plummet.

The CDC's ''Vital Signs'' report is further evidence of how effective these guidelines are at reducing and in some cases nearly eliminating central line bloodstream infections from intensive care units. The report's findings show that from 2001 to 2009, State and Federal efforts to promote and adopt CDC guidelines and best practices for preventing hospital-acquired infections contributed to a 58-percent decrease in the number of central line bloodstream infections among ICU patients—58 percent decrease in just 8 years, from 2001 to 2009.

A percentage is a fine thing, it is a statistic, but it does not have a lot of meat on its bones. What does this 58 percent mean? It represents up to 27,000 lives saved, 27,000 families who got their loved one home from the hospital instead of having that terrible conversation with the doctor, explaining to them why their loved one passed away. If that were not enough, it also represents approximately $1.8 billion in cost savings to our health care system—27,000 lives and $1.8 billion saved from reductions in just one type of hospital-acquired infection in just one type of care setting.

The promising news from the CDC report is that the steps health care providers are taking to prevent this type of infection are working. The bad news is, we are not doing enough to reduce the occurrence of bloodstream infections in other health care settings. The report found that in 2009, approximately 60,000 central line bloodstream infections occurred in nonintensive care unit settings such as hospital wards or kidney dialysis clinics. This should not be acceptable to us, especially given the tools we know we have to prevent these infections from happening.

Simply put, we can do better. We can save more lives. We can improve the quality of care people receive and, in the process, save billions of dollars in our health care system. The CDC is already working to support partnerships between health care providers to more broadly implement these now-proven quality reforms. This is a good start.

In my home State, I have very proudly watched the Rhode Island Intensive Care Unit Collaborative, a partnership of health care stakeholders led by an organization called the Rhode Island Quality Institute, take the lead in implementing similar quality reforms to reduce the rate of hospital-acquired infections in our intensive care units. Rhode Island is the only State in the country to have 100 percent of its adult intensive care units participating in a collaborative of this kind, and I commend it to any one of my colleagues. It began years ago in Michigan with the Keystone Project and it spread across the country to the Pronovost principles, and in Rhode Island we have run with it. It has only been a few years, but the results, much like those reported by the CDC, are eye-opening. I will quantify this by saying we began with very first-rate hospitals in Rhode Island. We are in that high-tech Northeast corridor. We are near the Boston medical centers, so we are starting from a very high base of care in Rhode Island hospitals. But even from that good base, the collaborative reported significant improvements in two types of deadly infections: central line bloodstream infections and pneumonia, among patients on ventilators.

The collaborative estimates from 2007 to June 2010, just over 7 years, the effort had saved 73 intensive care unit lives—73 lives of intensive care unit patients—it eliminated the need for over 3,200 expensive hospital days, and it saved hospitals, patients, and insurers $11.5 million.

This evidence underscores the potential for similar types of delivery system reforms which, by improving the quality of care, lower the cost. An array of different strategies can lead to these savings, quality reforms such as this that avoid errors and adverse consequences; prevention programs that save lives and money by getting in there before the disease takes off; a robust health information infrastructure that allows for safer and better coordinated care between your primary health care provider, your specialists, your imaging place, the laboratory, the hospital where you had to be admitted; payment policies that reward better results, not just more procedures; and, finally, better administrative efficiency

so more health care dollars actually go to health care instead of being burned up on bureaucracies and battles over who gets paid and all the rest that weighs down our health care system.

The President's Council of Economic Advisers noted recently that up to 30 percent of health care costs, or about 5 percent of GDP, could be saved without compromising health outcomes. Five percent of GDP is around $700 billion. Mr. President, $700 billion a year saved through this kind of win-win is a target worth fighting hard to achieve. I agree with the Council's observation, but from my experience, I think we can achieve these savings not just without compromising health outcomes, I think we can achieve these savings while improving health outcomes.

Implementing these reforms and achieving these reforms will not be easy. It is not just flipping a switch, it is a journey and that journey will have turns and it will have obstacles. It is a process, as very expert reviewers have said, of learning, of experimentation, of adaptation. But we have been down paths such as that before with great success, and the evidence I presented today shows how well it can work in health care.

So I urge my colleagues, I urge the administration and State leaders to continue working together in all of these areas to make reforming our health care delivery system a priority. The future of our health care system and the good health of our constituents and the good health of our country's fisc all depend on it.

I will conclude by saying something I have said before, which is that I give great credit to the Obama administration for working in this area. I believe our health care reform bill put every possible pilot, experiment program, and model for testing these different types of delivery reform systems on the table. Very expert reviewers have looked at it and said: I cannot think of a thing they did not try. Everything is in there. On top of that, the Obama administration has put first-rate people who really get this side of the equation, people such as Don Berwick and David Blumenthal, in charge. So a lot of very good things have lined up to take full advantage of these kinds of win-win savings.

The only thing that I think is missing is that the administration has not yet set a hard goal for itself to hit. It still talks about bending the health care cost curve. Well, fine, but that is not a measurable goal.

We are coming up on the anniversary of President Kennedy's pledge to put a man on the Moon. Way back then, when we feared losing the space race to the Soviet Union, if the President of the United States had said: I am committed to bending the curve of the rate of America's space exploration, that would have been an unmemorable and an ineffective Presidential intervention. Instead, President Kennedy put a hard benchmark out there that everybody in the world would know we had failed at if we missed it. That was to put a man on the Moon within a decade and bring him home safely. We did not know then how we could do it. We believed we could. We are optimists. We are innovators.

This is a country of innovation and of the ''big idea.'' By putting that marker out there, President Kennedy drove what was then a smaller Federal bureaucracy toward that goal. I believe we need an equally specific goal from the administration on this front in order to make sure our considerably larger Federal bureaucracy is fully purposed toward achieving that because the goals are going to be so significant.

I congratulate the CDC on their report. I wish to remind my colleagues how valuable this kind of health care reform is. It is not what we yell about here, but it is out there right now saving lives and saving money. We need to encourage it and we need to expand it, and the more the administration can put a hard goal out there for itself, the quicker we will get where we need to be, to the great benefit of ourselves as a country and our individual fellow American citizens.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

(The remarks of Mr. WHITEHOUSE pertaining to the introduction of S. 486 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

AMENDMENT NO. 142

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent to set aside the pending amendments and, on behalf of Senator BINGAMAN, call up amendment No. 142.

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

The clerk will report.

The assistant editor of the Daily Digest read as follows:

The Senator from Rhode Island [Mr. WHITEHOUSE], for Mr. BINGAMAN, proposes an amendment numbered 142.

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

AMENDMENT NO. 142

(Purpose: To require the PTO to disclose the length of time between the commencement of each inter partes and post-grant review and the conclusion of that review)

On page 50, between lines 2 and 3, insert the following:

''(c) DATA ON LENGTH OF REVIEW.—The Patent and Trademark Office shall make available to the public data describing the length of time between the commencement of each inter partes review and the conclusion of that review.''.

On page 65, between lines 9 and 10, insert the following:

''(c) DATA ON LENGTH OF REVIEW.—The Patent and Trademark Office shall make available to the public data describing the length of time between the commencement of each post-grant review and the conclusion of that review.''.

Mr. WHITEHOUSE. Mr. President, it is my understanding that this amendment is agreeable to both sides; therefore, I ask for its adoption.

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

The amendment (No. 142) was agreed to.

Mr. WHITEHOUSE. I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

BUDGET CHOICES

Mr. SANDERS. Mr. President, as you well know, Congress is now engaged in a debate of huge consequence; that is, the budget. The budget of a nation, like the budget of a family, expresses who we are as a people and what our priorities are. Where you spend your money, where you make your investments tells you everything about what we believe in.

I am more than aware that this country faces a $1.6 trillion deficit and a $14 trillion national debt. And these are enormously important issues, but they are issues that have to be dealt with in a sensible way, and they are issues that have to be dealt with within a broader context.

So I think the very first question we have to ask is, How did we get to where we are today? Is the problem, in fact, that we spend too much money on Head Start and childcare, that we just shower so much on our children, or is the converse the truth in that we have the highest rate of childhood poverty of any major country on Earth?

How did we get into the deficit? Well, let me tick it off. And when we discuss how we got into the deficit situation, the irony here is that those people who are yelling loudest about the deficit, who are fighting hardest to make savage and Draconian cuts on basic programs, are precisely the people who led us to where we are today.

I voted against the war in Iraq for a number of reasons, one of them being that it was not paid for. Do you happen to recall that as we went into the war in Iraq—which will end up costing us about $3 trillion by the time we take care of our last veteran—do you recall much discussion about how that war was going to be paid for? In fact, do you remember one word of how that war was going to be paid for? I don't remember that. I was in the middle of that debate. Mr. President, $3 trillion, and no one said: Oh, we cannot afford it.

When the crooks on Wall Street, through their illegal behavior, their reckless behavior, drove this country into the recession we are in right now and they came begging to the Congress for their welfare check of some $800 billion, do you recall too many of the people who voted for that saying: Gee, we cannot afford to do it. It is going to drive up the deficit. How are we going to provide Wall Street with an $800 billion bailout? I don't recall that discussion.

When I was in the House a number of years ago, Congress passed an initiative from President Bush for a Medicare Part D prescription drug program. I believe seniors must have prescription drugs, but that legislation, which was written by the insurance companies and the drug companies, was not paid for.

When our Republican friends fought vigorously for tax breaks for billionaires, which would result in significantly less money coming into the Treasury, driving up the deficit, do you recall much discussion about how we were going to pay for that? I don't recall that discussion.

I find it ironic that when we give tax breaks to billionaires, no worry about the deficit. When we bail out Wall Street, no worry about the deficit. But suddenly when we provide childcare to low-income children who are in desperate need of help in the midst of a recession, suddenly everybody is concerned about the deficit. Frankly, I call that absolute hypocrisy. It is hypocrisy to say we can give tax breaks to billionaires and not worry about the deficit, but we have to cut back on the needs of working families, the middle class, the sick, the poor, and the elderly.

This country, at this particular moment, has to make some very basic decisions. The decision we must make is whether, in the midst of this horrendous recession, when the middle class is hurting, when poverty is increasing, do we go after, as our Republican friends in the House want us to, programs that are virtually life and death for millions and millions of working-class and lower income people.

I don't know about West Virginia, but I can tell my colleagues that in Vermont it is very hard for working families to get adequate, affordable, and good-quality childcare, early education for their children. It is a major problem all over the country. Yet our Republican friends say we should balance the budget by cutting Head Start $1.1 billion, a 20-percent cut from 2010, and throwing over 200,000 kids off Head Start. If you are a working mom who sends her kids to Head Start now, it feels pretty good that your kid is getting a good quality, early childhood education, getting nourishment. They watch these kids for health care problems. We are going to throw over 200,000 kids off Head Start.

I worked very hard to expand the community health center program, which I know is so important in West Virginia and Vermont. The Presiding Officer and I argue about which State has the greater coverage. It is enormously important. A few years ago, about 20 million people accessed the community health center program. We are now working so that in 5 years 40 million Americans will be able to walk in the door, regardless of their income, get health care, dental care, low-cost prescription drugs, and mental health counseling. It is working. President Obama has been very strong on this issue. Secretary of HHS Kathleen Sebelius has been very strong on this issue. It is working.

Here is the irony. When we give people good quality primary health care, they don't have to go to the emergency room. The emergency room costs 10 times more than treatment at a community health center. When we open the doors for primary health care, people do not get very sick. They don't end up in the hospital. Study after study shows that when we invest in community health centers, we save the taxpayers money. We save Medicaid money and Medicare money because people have access to medical care when they need it. The Republican House wants to cut community health centers by $1.3 billion, denying 11 million Americans the opportunity to receive the health care they need.

In my State—and I am sure all over the country—people who are applying for disability help, for Social Security are upset about how long the process takes. Our Republican friends want to make major cuts in the Social Security Administration, which means that half a million people are going to find delays in getting their claims processed.

Everybody in America knows that one of the great problems we face is the expense of college. We know hundreds of thousands of bright young people can't even afford to go to college. We know that many people are graduating deeply in debt. One of the accomplishments we have managed to bring about in the last few years is to significantly expand the Pell grant program so low- and moderate-income families will find it easier to send their children to college. Our Republican friends in the House have decided, in their wisdom, that what they want to do is reduce by 17 percent Pell grants, which means that 9.4 million lower income college student would lose some or all of their Pell grants. Here we are, trying to compete with the rest of the world. We are falling, in many cases, further and further behind in terms of the percentage of our young people graduating college. The costs of college are soaring. The Republican solution is to cut the major program which makes it easier for working families to send their kids to college.

The Community Services Block Grant Program is the infrastructure by which we get emergency services, food, help to pay for emergency services for lower income people, housing needs, making sure people keep the electricity on. That would be decimated by the Republicans.

In the midst of a recession, what they want to do is to cut $2 billion from the Workforce Investment Act and other job training programs when we desperately need that job training to make sure our people can get the jobs that are out there and available. Often they don't have the skills to do that.

My point is a pretty simple one. As a nation, we have to make some choices. The top 1 percent today are doing phenomenally well. That is a fact. Our friends on Wall Street whom we bailed out are now making more money than they did before they caused this recession. The top 1 percent now earns about 23 percent of all income in America, more than the bottom 50 percent. The top 1 percent, the richest people in terms of their effective tax rate, what they pay is now lower than at any time in memory. So we have the wealthy doing phenomenally well, tax rates going down. We have showered huge tax breaks on them. Then we say, to balance the budget, we have to cut nutrition programs for our kids, Social Security Administration, Pell grants, Head Start, and many other programs which millions of people depend upon.

The question we as Americans have to decide is, When the rich get richer, do we give them more tax breaks while the poor get poorer and we cut programs for them? I don't think, frankly, that is what the American people want.

There was a poll that came out yesterday or today. It was an NBC News and Wall Street Journal poll. The questions dealt with the deficit and how the American people think we should go forward in dealing with the deficit. Here are some interesting results. When asked what do Americans want the Federal Government to do to reduce the deficit, the highest percentage said it is totally acceptable or mostly acceptable to impose a surtax on millionaires to reduce the deficit. Eighty-one percent of the people said that for obvious reasons. The rich are getting richer. Given the choice of asking people who are already doing well to pay a little more in taxes or to cut programs that working families need, the choice is not terribly hard.

Seventy-four percent of the American people believe it is totally acceptable or mostly acceptable to eliminate tax credits for the oil and gas industry. Sixty-eight percent of the public believe it is totally acceptable or mostly acceptable to phase out the Bush tax cuts for families earning over $250,000 a year.

What the American people are saying in this poll, and I believe all over the country, is obvious. Given the choice of decimating programs that working families depend upon or asking the wealthiest people who have been receiving huge amounts of tax breaks to start paying their fair share, it ''ain't'' a tough answer. The answer the American people are saying is: We cannot move toward a balanced budget just by cutting, cutting, and cutting. A budget has two parts. Everybody in America understands that. It is the money we spend; it is the money that comes in. In the case of the U.S. Government, we have to address our budget deficit in both ways. We have to raise revenue. We do that primarily by asking the wealthiest to pay a little bit more in taxes. Yes, we do have to cut some programs. There is waste out there. There

are programs that can and should be cut. That is what we do. We don't just cut, cut, cut and then give tax breaks to the very wealthiest people.

The Senate has, along with our friends in the House, the responsibility, the constitutional responsibility of coming up with a budget. I certainly hope the President intends to play an active role. I hope the President is prepared to do the right thing and to understand that revenue, asking the wealthiest to start paying their fair share of taxes, is one important component of how we move forward toward a balanced budget. But if the President chooses not to participate or if the President chooses not to take that avenue, that does not mean to say that we in the Senate should not go forward. I intend to work as hard as I can to come up with a deficit reduction program which is fair but responsible. Being responsible means it includes revenue and not only cuts. There are a whole lot of ways to bring in revenue in a fair and progressive way. It is not only asking the wealthiest to pay their fair share of taxes, it is ending abusive and illegal offshore tax shelters. According to a number of studies, we will lose $100 billion this year because corporations and wealthy individuals are stashing their money in tax havens in the Cayman Islands and in Bermuda. Before we cut nutrition programs for pregnant women, maybe we do away with those tax havens.

We have to begin the process of ending tax breaks for big oil and gas companies. ExxonMobil, the most profitable corporation in the history of the world, not only paid nothing in Federal income taxes in 2009, but they received a $156 million tax refund from the IRS, according to their own shareholders report. Maybe before we start cutting the Social Security Administration or Pell grants for college students, we might want to ask the most profitable corporation in America to start paying some Federal income tax.

On and on it goes. My point is, now is the moment when we have to do the right thing for working families. There is a lot of pain out there. A lot of people are hurting. This recession has taken a heavy toll. In the middle of these tough times, we don't stick a knife into the people and make it even worse. We have to move toward deficit reduction. I believe that. But I believe we don't do it on the backs of the sick, the elderly, the poor, and the most vulnerable. I think we need shared sacrifice. Some of the wealthiest people are going to have to play their part in deficit reduction as well.

Mr. President, on behalf of the majority leader, there will be no further rollcall votes today. The next rollcall vote is expected on Monday at 5:30 p.m.

Mr. KYL. Mr. President, I rise to submit for the RECORD some of the materials I have quoted from during the Senate's debate on the first-to-file provisions of the America Invents Act. These materials are produced by the National Association of Manufacturers and by the 21st Century Coalition for Patent Reform, an industry group that has been the leading advocate for the bill. They offer a detailed explanation of and case for the bill's shift from the current first-to-invent system to a first-to-file system of establishing patent priority.

I ask unanimous consent that the following materials be printed in the RECORD.

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

[From the Coalition for 21st Century Patent Reform, Mar. 2, 2011]

S. 23 AMERICA INVENTS ACT REQUIRES FIRST-INVENTOR-TO-FILE PROVISIONS

Any language that dilutes, delays or deletes FITF will gut meaningful patent reform.

An amendment to dilute, delay or delete the first-inventor-to-file provisions of S. 23 would effectively gut the substance of the America Invents Act. The Coalition opposes any such amendment and, were such an amendment to pass, we would oppose passage of the stripped- down bill that would result.

The first-inventor-to-file provisions currently in S. 23 form the lynchpin that makes possible the quality improvements that S. 23 promises. The Statement of Administration Policy lays out precisely what is at stake: ''By moving the United States to a first-to-file system, the bill simplifies the process of acquiring rights. This essential provision will reduce legal costs, improve fairness, and support U.S. innovators seeking to market their products and services in a global marketplace.''

Most of the arguments in opposition to the bill and FITF appear be to decades-old contentions that have been fully and persuasively rebutted. As one example, the National Research Council of the National Academies assembled a group of leading patent professionals, economists and academics who spent four years intensely studying these issues and concluded in 2004 that the move to FITF represented a necessary change for our patent system to operate fairly, effectively and efficiently in the 21st century.

Without retaining S. 23's current FITF provisions, the bill would no longer provide meaningful patent reform. As an example, the new provisions on post-grant review of patents, an important new mechanism for assuring patent quality, could no longer be made to work. Instead of a patent reform bill, what would remain of S. 23 would be essentially an empty shell.

Thus, we could not continue our support for passage of S. 23 without the first-inventor-to-file provisions present in the bill. It would place us in the unfortunate position of opposing moving forward with a bill where we have been among the longest, most ardent supporters.

After yesterday's 97 to 2 vote, it is time to move this excellent vehicle for comprehensive patent reform—in its current form—through to final Senate passage.

S. 23 MEANS NEW IDEAS CREATING NEW PRODUCTS CREATING NEW MANUFACTURING JOBS

Let S. 23 Make the Patent System Work for the 21st Century U.S. Economy

Keep the first-inventor-to-file provisions of S. 23 in the bill to afford all inventors the benefits for a more transparent, objective, predictable and simple patent law:

The first-inventor-to-file provisions of S. 23 protect independent inventors—they will particularly benefit from the simplicity of the first-inventor-to-file rule and actually gain patents that they otherwise would forfeit.

Eliminate the potential prejudice to U.S. patent inventors arising from the 1994 law that opened our patent system to foreign-origin invention date proofs.

Simplify the rules for patent applications so they can be processed more rapidly, at reduced cost, and become more effective patents for investing in new products:

Limit ''prior art'' used to bar a patent from issuing to only those disclosures made available to the public before the patent was sought and disclosures in earlier-filed patent applications.

Remove all arcane and subjective tests for deciding whether to issue a patent.

Repeal the ''patent interference'' provisions that inject delay, cost and uncertainty into the patenting process.

Let members of the public provide patent examiners with relevant publications and other public documents, before deciding whether a patent can be granted.

Keep and apply rigorous standards for issuing patents, but assure that they are simple, transparent and objective—making patenting rules more predictable.

Assure the highest possible quality for patents that have been granted:

Permit members of the public to challenge whether newly issued patents meet each of the rigorous standards for patenting—and require the United States Patent and Trademark Office to promptly cancel any patents that do not.

Authorize supplemental examination proceedings, before a patent is enforced, to allow patent owners to present the USPTO with information that may be used to assure the scope of the patent is commensurate with its contribution.

Allow the USPTO to set fees for the services it performs for processing patent applications sufficient to cover the costs of promptly completing a high-quality examination.

Make patent lawsuits fair and just for both patent owners and accused infringers.

Limit the ability of a party to recover false patent marking to the amount of the party's actual competitive injuries.

S. 23 PROTECTS INVENTORS ONCE THEY PUBLICLY DISCLOSE THEIR WORK

Protections the 1994 WTO Agreement Took Away, S. 23 Puts Back.

After inventors publicly disclose their work, competitors should not be able to take advantage of those disclosures by filing for patents on the disclosed work.

Once inventors have published on their work—or have made it available to the public using any other means—their competitors should not be able to run off to the USPTO and seek patents on the work that the inventor has already publicly disclosed. The same goes for permitting a competitor to belatedly seek a patent on a trivial or obvious variation of what the inventor had earlier disclosed publicly. This common-sense truth should apply even if competitors can lay claim to having themselves done the same work, but elected to keep secret the work that other inventors have publicly disclosed.

In a word, a competitor seeking a patent on what such an inventor has already published can be thought of as being akin to interloping. The competitor who is spurred into action by another inventor's publication can be regarded as interfering with the understandable and justifiable expectation of inventors who have promptly disclosed their work: they expect that they themselves should be the ones able to secure patents on

the disclosed work or, by publishing without later seeking patents, that they (as well as other members of the public) should remain free to continue to use what they have publicly disclosed.

S. 23 would increase the protection for inventors once they make their inventions available to the public by cutting off the potential for any sort of interloping. S. 23 operates to solidify an inventor's ''grace period'' that applies after the inventor has published or otherwise made available to the public his or her work. In brief, under S. 23, interloping in any form is prohibited—an inventor who elects to publish an invention will no longer need to have any concern that the publication will spur a competitor into a subsequent patent filing that could preclude the inventor from obtaining a patent or—even worse—from continuing to use his or her published work.

S. 23 better protects inventors than does current U.S. patent law in addressing interloping—by making the one-year ''grace period'' bulletproof.

Today, inventors enjoy a one-year ''grace period'' under U.S. patent law. What this means is that inventors themselves can still seek patents on their inventions even if they have made those inventions available to the public before seeking any patents on them. When inventors file for patents during the one-year period after making a public disclosure, their own disclosures are not useable as ''prior art'' against their patents.

However, the ''first to invent'' principle of current U.S. patent law makes relying on the one-year ''grace period'' fraught with some significant risk. The risk comes from the ability of a competitor who learns of the inventor's work through the public disclosure to race off to the USPTO and seek a patent for itself on the disclosed invention. The competitor can interlope in this manner by filing a patent application and alleging its own ''date of invention'' at some point before the inventor's public disclosure was made.

This makes relying on the current ''grace period'' a risky hit or miss. If an inventor waits until the end of the one-year ''grace period'' to seek a patent on the invention he or she made available to the public, an interloping competitor, spurred into quickly filing a patent application, may be issued a patent before the USPTO acts on the ''grace period'' inventor's patent application. The ''grace period'' inventor may be forced to fight to get into a patent interference against a competitor's already-issued patent, hoping to get the USPTO to cancel the competitor's patent so the inventor's own patent can be issued.

Interferences are notoriously difficult to win for an inventor who is not the ''first to file.'' The number of situations where someone other than the first to file for a patent on an invention actually succeeds in proving an earlier invention date are very few and very far between. Indeed, the most recent estimate is that striking down a competitor's earlier filed application or patent in a patent interference is less likely than the competitor being struck down by lightning.

What does S. 23 do about this defect in the ''grace period'' under current U.S. patent law? Quite simply, it wholly excises the defect—it will be gone in its entirety. It makes an inventor's public disclosure of the inventor's own work a bar to anyone thereafter seeking to patent that work itself, as well as any obvious variations of what the inventor made available to the public. In short, it is a complete fix to the risk a competitor will use the inventor's public disclosure as a spur to filing its own patents based on its own work.

S. 23 closes the door to interloping by foreign-based competitors that was opened in 1995 when the WTO agreement forced changes to U.S. law.

Under the World Trade Organization agreement reached in 1994, the United States was forced to change its patent law to benefit foreign-based entities seeking U.S. patents. This change allowed foreign-based entities to take advantage of their secret activities, undertaken outside the United States, in order to establish ''invention dates'' that could be used under U.S. patent law to obtain valid patents. Specifically—and for the very first time—foreign-based competitors could seek U.S. patents on products that had already been publicly disclosed by U.S.-based inventors. The Uruguay Round Agreements Act, which took effect in 1995, implemented this treaty obligation.

Before this change in U.S. patent law, foreign-based competitors could not use their secret activities outside the United States as a basis for showing that they had made an invention before its publication by a U.S.-based inventor. Up until 1995, once a U.S. inventor published information on a new product or otherwise publicly disclosed an invention, foreign-based competitors were barred from obtaining U.S. patents on the disclosed product and any aspect of it, including trivial and obvious modifications of it.

S. 23, if enacted, would put foreign-based entities back into the position they were in prior to 1995—once a U.S. inventor publishes or makes any other type of public disclosure of a new product, the ability for a foreign-based competitor to then file patent applications seeking to patent the disclosed product would be totally cut off.

Congress should act promptly to end the potential for interloping by foreign-based competitors once U.S.-based inventors have published on their work.

With each passing year, the percentage of U.S. patent filings made by foreign-based entities increases. In 1966, 1 in 5 U.S. patent filings was by a foreign-based entity. That ratio became 1 in 4 in 1969, and 1 in 3 in 1974, before reaching 1 out of every 2 in 2008. Since 2008, the majority of patent filings in the United States came from foreign-based entities. Given the rapid growth in patent filings by Asian (especially Chinese) inventors, this trend may well accelerate in the decade ahead.

As foreign-based entities become more sophisticated in their use of the U.S. patent system, U.S. inventors are put at an ever-greater risk that patenting strategies by foreign-based entities will disadvantage U.S.-based inventors, either in electing to use the ''grace period'' or even when they file for a patent before making a public disclosure.

How S. 23 operates to protect inventors once they make their work public

S. 23 puts an end to any use of ''dates of invention'' in order to determine whether a U.S. patent is valid or not. In addition, S. 23 strips out of the U.S. patent law any grounds for invalidating a U.S. patent based on any type of secret activity undertaken by inventors themselves, such as secret ''offers for sale'' of their inventions before seeking patents. Finally, it further secures the benefits of the one-year ''grace period'' by preventing the contemporaneous work of an inventor's co-workers or research partners from being cited as a basis for barring the inventor from obtaining a patent.

The consequence of placing this collection of inventor-friendly features into S. 23 is that, once a U.S. inventor publishes or otherwise makes a public disclosure of his or her inventions, the potential for interloping is entirely removed and the ability of the publicly-disclosing inventor to patent the disclosed invention is fully preserved during a one-year ''grace period.'' The public disclosure by U.S. small business or other U.S.-based small entity, for example, is a bar to anyone else seeking a patent, not only on the publicly disclosed subject matter, but on any trivial or obvious variations of it. Similarly, once a U.S. inventor initially files a patent application (even a provisional one) that subsequently forms the basis for a published patent application or patent, the same protections against competitor efforts to patent the inventor's prior-disclosed work apply.

How can Congress accomplish all of this good for the country? Enact S. 23!

Reverse the WTO's impact, end interloping threats, and protect U.S. inventors.

NATIONAL ASSOCIATION
OF MANUFACTURERS,
March 2, 2011.

U.S. SENATE,
Washington, DC.

DEAR SENATOR: The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states, urges you to oppose amendment 133 offered by Sen. Dianne Feinstein (D-CA) to S. 23, The America Invents Act.

The amendment would remove a key provision in S. 23, The America Invents Act, which is strongly supported by manufacturers, the creation of a ''first-inventor-to-file'' system.

The NAM supports transitioning the United States from a ''first-to-invent'' system to a ''first-to-file'' system to eliminate unnecessary cost and complexity in the U.S. patent system. Manufacturers large and small operate in the global marketplace and the United States needs to move toward a system that will provide more patent protection around the world for our innovative member companies. The ''first-to-file'' provision currently included in S. 23 achieves this goal.

Thank you for your consideration and your support for the ''first-to-file'' system.

Sincerely,

DOROTHY COLEMAN.

Mr. COBURN. Mr. President, I want to thank all of the cosponsors who joined in support of my amendment, particularly Senators BOXER and GRASSLEY, who recognized the importance of this amendment for the proper functioning of the PTO and for the underlying legislation. Furthermore, I want to thank Chairman LEAHY and Ranking Member GRASSLEY for including my amendment in the managers' amendment to the patent reform legislation.

Our Founding Fathers recognized the value that intellectual property provides to this country and sought to protect innovation as they did physical property. Article I, section 8 of our Constitution states ''The Congress shall have power . . . to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.''

It is necessary for the Federal Government to protect and enforce intellectual property rights domestically and internationally. Intellectual property is important to our country, businesses and individual rights holders, and I believe a strong patent system is one crucial element in maintaining our

country's leadership in innovation, invention and investments. While I do believe it is the goal of this patent reform legislation to strengthen and improve our patent system, I do not believe that such goals are possible without reform to the financial crisis facing the patent office.

My amendment would provide an immediate solution to this crisis. The amendment creates a lockbox—a new revolving fund at the Treasury—where user fees that are paid to the PTO for a patent or a trademark go directly into the revolving fund for PTO to use to cover its operating expenses. Congress would not have the ability to take those fees and divert them to other general revenue purposes.

I do not think everyone in this body understands what it means for the PTO to be a wholly fee-supported agency. PTO does not receive any taxpayer funds. PTO receives fees through the payment of patent and trademark user fees—fees paid by small inventors, companies and universities to protect their ideas and technology. While those that pay these fees expect efficiency and quality from the PTO, they do not receive it. Because of the current PTO funding structure—where PTO user fees are deposited into the Treasury, but PTO is then required to ask for annual appropriations—Congress, who only has authority over taxpayer funds, maintains control over the user-funded PTO. When PTO's fee income is greater than what Congress provides via appropriations, we spend the ''excess'' on other general revenue purposes. As a result, those that pay to use the patent system are not receiving the quality service they deserve.

It is more than mere coincidence that the two major problems at the PTO, (1) the growing number of unexamined patent applications or ''backlog,'' and (2) the increased time it takes to have a patent application examined or ''pendency,'' are the result of a ''lack of connection between the monies flowing into the agency and those available for expenditure.'' In fact, the latest data from the PTO shows that the patent processing backlog is almost 26 months. That is, it takes 26 months for the patent examiner to even pick up the application to take his ''first action.'' Total overall pendency—from filing to final action—is approximately 35 months. The PTO also states the total number of patent applications pending is over 1.16 million, with over 718,000 of those waiting for a patent examiner to take his first action. One of the primary reasons for these incredibly long waiting periods is a lack of resources at the PTO. By providing a permanent end to fee diversion, Congress has the ability to contribute greatly to the enhanced efficiency of this agency.

This is not the first time Congress has been confronted with its diversion of PTO user fees. Since the early 1980s, Congress has addressed issues related to this issue. Beginning in the late 1990s, our own congressional reports have documented the problems with fee diversion from the PTO, and the domino effect it has on PTO's efficient operation.

In 1997, the House Report on the Patent and Trademark Office Modernization Act stated: ''Unfortunately, experience has shown us that user fees paid into the surcharge account have become a target of opportunity to fund other, unrelated, taxpayer-funded government programs. The temptation to use the surcharge, and thus a significant portion of the operating budget of the PTO, has proven increasingly irresistible, to the detriment and sound functioning of our nation's patent and trademark systems . . . this, of course, has had a debilitating impact on the [PTO].''

It is disturbing to me, and should be to all Members, that many of the same practices that this 1997 report notes as those that suffer from lack of consistent PTO funding still occur today—14 years later.

Yet Congress continued to grapple with PTO's funding problem into the early 2000s. In 2003, the House noted in its report on the Patent and Trademark Fee Modernization Act that ''by denying PTO the ability to spend fee revenue in the same fiscal year in which it collects the revenue, an equivalent amount may be appropriated to some other program without exceeding their budget caps. Although the money is technically available to PTO the following year, it has already been spent.'' In 2007, I offered a different version of my current amendment to patent reform legislation considered by the Judiciary Committee. My amendment passed without opposition. Last year, I offered this amendment in the Judiciary Committee, and it was tabled by a vote of 10–9. Yet, in 2008, this body adopted by unanimous consent an amendment by Senator HATCH to the fiscal year 2009 budget resolution that condemns the diversion of funds from the PTO.

Clearly, for more than a decade, both Houses of Congress have recognized that many of the efficiency and operational problems at the PTO could be remedied by giving the PTO authority over its own fee collections. However, we have yet to take the responsibility to relinquish the control over these user fees that we think we deserve. In fact, in the current arrangement, Congress cannot resist the temptation to take what is not ours and divert it to nonpatent related functions. This is especially tempting during bad economic times, which we have recently been experiencing. Such an arrangement flies in the face of logic, commonsense budgeting and overwhelming support from the entire patent industry for providing the PTO with a consistent source of funding. Ending fee diversion is one of the only areas of 100 percent agreement within an industry that has often been divided on other issues in this bill. My amendment is supported by: PTO; Intellectual Property Owners Association, IPO; American Intellectual Property Law Association, AIPLA; International Trademark Association, INTA; The 21st Century Coalition; Coalition for Patent Fairness, CPF; Innovation Alliance; American Bar Association, ABA; U.S. Chamber of Commerce; Wisconsin Alumni Research Foundation, WARF; BIO; Intellectual Ventures; National Treasury Employees Union, NTEU; Intel; and IBM.

The PTO cannot effectively manage the changes made in this legislation without permanent access to its user fees. I agree that there are aspects of the patent system that need to be updated and modernized to better serve those that use the PTO, and this bill makes reforms to the current patent system. In fact, one of those changes involves giving the PTO fee setting authority. Section 9 of the bill states that the PTO shall have authority to set or adjust any fee established or charged by the office provided that the fee amounts are set to recover the estimated cost to the PTO for its activities. This is a great provision to put in the bill, but it is only one side of the funding story. In fact, providing the PTO with fee setting authority alone is at odds with the way Congress currently funds the PTO. If I were the PTO director, why would I take advantage of this provision by increasing fees to a point where I think they would cover my operational costs, when I know that Congress has the ability to take whatever it wants of those increased fees and spend it on something other than what I budgeted those fees to cover?

In fact, PTO Director Kappos has specifically commented on fee diversion at the PTO. During his confirmation hearing in 2009, Director Kappos stated in his testimony that the PTO faces many challenges and one of the most immediate is ''the need for a stable and sustainable funding model.'' In his private meeting with me prior to his hearing, he discussed his experience as a high-level manager, officer and counsel at IBM. He acknowledged that, despite the vast knowledge and experience that he can bring to the PTO, he could not run PTO efficiently without access to sustainable funding.

In March 2010, Director Kappos appeared before the House CJS Appropriations Subcommittee and stated the PTO was likely to collect at least $146 million more than its 2010 appropriation. He was right, and in July 2010, the PTO had to ask for more funds from Congress in separate legislation, but it was only given $129 million. As a result, PTO ended up collecting at least $53 million above that amount, which it could not access.

In April 2010, Director Kappos made similar comments at a meeting in Reno, NV. When discussing the pending Senate legislation, Director Kappos stated, ''I am going to make USPTO much better whether we get new legislation or not . . . There is more than

one way to solve our problems. Lack of funding is a real issue . . . It's very hard to cut down on a huge backlog with a lack of funding . . . Lack of funding hits you at every corner at the USPTO. Just do the math . . . We'll all be dead and gone by the time we get rid of the backlog of appeals at the current rate. It is so overwhelming and it all comes down to the resources you need. It comes down to money.''

In January 2011, Director Kappos appeared at a House Judiciary Committee PTO Oversight hearing. He stated, ''uncertainty about funding constrained our ability to hire or allow examiners to work overtime on pending applications during the last year.''

It baffles me that these comments have not been heeded by Congress. Director Kappos believes much progress can be made without legislation as long as there is a sustainable funding model.

Similar words appear in the House Report on the 2003 Patent and Trademark Fee Modernization Act: ''While the agency has demonstrated a commitment to embrace top-to-bottom reform consistent with congressional mandates, it is equally clear that PTO requires additional revenue to implement these changes.'' Yet, our PTO director, who has incredible plans for this agency, cannot accomplish those due to revenue shortfalls that have plagued the agency for decades—a problem Congress has the ability to permanently fix.

Congress has not ended its diversion of fees from the PTO.

On a regular basis, from 1992 to 2004, the amount Congress ''allowed'' the PTO to keep via appropriations was less than the fees PTO collected. At the height of this problem in 1998, Congress withheld $200 million from the PTO and diverted it to other general revenue purposes. As recently as 2004, Congress diverted $100 million from the PTO, in 2007, it was $12 million, and in 2010, it was $53 million. In total, since 1992, Congress has diverted more than $800 million that the PTO will never be able to recover.

Now, beyond the concern that appropriators have with relinquishing control over PTO funding, some might say that the practice of fee diversion has ended in recent years, making this amendment unnecessary. Under public pressure from numerous sectors of the American innovation industry, in 2005 and 2006 and 2008 and 2009, it is true Congress gave PTO all of the funds it estimated in its budget request. So, some argue that no permanent solution to PTO fee diversion is necessary because of Congress's proven restraint.

However, it is not entirely true that all fee diversion has ended. First, it is inaccurate to say there has been no fee diversion since 2004. According to the PTO, $12 million was diverted in 2007, and $53 million in 2010—a type of diversion slightly different from the past. From 1992–2004, PTO provided an estimate of its fees, but appropriators diverted funds by appropriating to the PTO less than its estimate and applying the difference to other purposes. In 2007 and 2010, PTO provided its estimate and, it is true, appropriators provided an amount equal to that estimate. But, PTO collected more than what appropriators gave them, and those fees were diverted to other purposes rather than being returned to PTO the following year. Without access to those funds, PTO lost $12 million in 2007 and $53 million 2010, for a total of $65 million.

Second, Congress has engaged in ''soft diversion'' of PTO funds through earmarking PTO fees. From 2005–2010, appropriators directed PTO to spend its user fees on specific, earmarked items in appropriations bills totaling over $29 million. Such items included: $20 million for ''initiatives to protect U.S. intellectual property overseas;'' $1.75 million for the National Intellectual Property Law Enforcement Coordination Council, NIPLECC; $8 million for PTO to participate in a cooperative with a nonprofit to conduct policy studies on the activities of the UN and other international organizations, as well as conferences. While we all agree it is important to protect intellectual property rights abroad, PTO should be able to have discretion to decide how much of its budget should be directed for those purposes.

Third, the PTO faces a huge backlog of unexamined patents, as well as an enormous patent pendency problem for those applications already being processed. Fee diversion from the PTO has exacerbated these waiting periods through a congressional Ponzi-scheme. Even if we were to accept that fee diversion stopped in 2005, CBO states that approximately $750 million was diverted from 1992–2007. With the addition of the $53 million diverted last year, the PTO has lost over $800 million due to fee diversion. Thus, PTO has been constantly trying to recover from years of a ''starvation funding diet.''

So, when the PTO presents a budget of what it needs to process applications in the next 1-year period, that money is actually going towards processing applications sitting in the backlog. As a result, Congress is really not providing PTO with what it needs for the year in which it receives appropriations. Rather, it is giving short-shrift to the current year's needs because PTO must apply its fees not to the inventor who submitted his application this year, but to those who paid and submitted applications years ago.

Lack of funding is exacerbated under a continuing resolution. In fact, PTO's lack of access to its user fees is further amplified in a year with a continuing resolution, such as this fiscal year. Under this CR, the PTO can only spend at the level given to it by the Appropriations Committee in 2010, which is approximately $1.5 million per day less than the President's fiscal year 2011 budget request.

PTO already has to wait on year-to-year funding that may not materialize, and under a CR the problem is worse since PTO cannot get access to their fees until the CR is lifted. In January, the PTO Director noted at the House Judiciary PTO oversight hearing, ''our spending authority under the continuing funding resolutions and the lack of a surcharge assessment through early March, however, represent foregone revenue of approximately $115 million as compared to what was proposed in the President's fiscal year 2011 budget request.''

Thus, under the House-proposed CR, without a specific provision inserted to allow the PTO to collect all of the fees it collects, PTO will not be able to access its future fee collections. My amendment would solve this problem of constantly using time and resources at both the PTO and Congress to ensure the PTO receives the funding it deserves and does not suffer from Congress's inability to properly fund the government.

As the above problems show, even without direct diversion, PTO still faces the possibility of having its fees diverted by other means. Thus, while I recognize that some effort has been made by Congress, it is no consolation to me or to the PTO Director that, in recent years, appropriators have ''restrained'' themselves and provided the PTO with all of the fees that it collected. ''But, such recent restraint does not guard against future diversion.''

In 2007, the American Intellectual Property Law Association stated in a letter to House Speaker NANCY PELOSI, ''there is nothing to prevent the devastating practice of fee diversion from returning . . . While everyone wishes for a more rapid recovery by the Office, it must be remembered that the current situation is the result of a 12 year starvation funding diet. It will take permanent, continued full funding of the USPTO . . . to overcome these challenges.''

An amendment to permanently end fee diversion is the only effective remedy. The only true solution to the problem of PTO fee diversion that will give solace to those in the patent community and to the PTO Director is a permanent end to fee diversion so the PTO can effectively and efficiently budget for its future operational needs.

The President's fiscal year 2012 Budget also supports a sustainable funding model for the PTO. It states, ''another immediate priority is to implement a sustainable funding model that will allow the agency to manage fluctuations in filings and revenues while sustaining operations on a multi-year basis. A sustainable funding model includes: (1) ensuring access to fee collections to support the agency's objectives; [and] (2) instituting an interim patent fee increase. . . .''

In fact, as I stated earlier, in 2008, this body approved, by unanimous consent, an amendment to the 2009 budget resolution by Senator HATCH that condemns the diversion of funds from the

PTO. My amendment is in the same vein—if we will vote to condemn fee diversion, we should also vote to remedy the problem.

I believe we cannot have true patent reform without ending fee diversion and providing the PTO with a permanent, consistent source of funding, which is why I believe very strongly that this amendment should be adopted. As my colleague Senator HATCH so effectively stated in Judiciary Committee markup this year, ''fee diversion is nothing less than a tax on innovation.''

Finally, I would like to point out that nothing in this amendment allows the PTO to escape congressional oversight and accountability. You have all heard me talk about the need for more transparency in all areas of our government, and this is no exception. Enacting this amendment will not put the PTO on ''auto-pilot'' or reduce oversight of PTO operations. In fact, the amendment requires extensive transparency and accountability from the PTO, giving Congress plenty of opportunities to conduct vigorous oversight.

My amendment provides four different methods by which Congress will hold PTO accountable: (1) an annual report, (2) an annual spending plan to be submitted to the Appropriations Committees of both Houses, (3) an independent audit, and (4) an annual budget to be submitted to the President each year during the budget cycle. Furthermore, nothing in this amendment changes the current jurisdiction of any congressional committee, Appropriations or Judiciary, to call PTO before it to demand information, answers and accountability. In fact, it has the potential to yield more information to Congress via the four reporting requirements than provided by other agencies.

This amendment is not about authorizers versus appropriators, but rather it is about giving the PTO and its very capable and experienced director the opportunity to improve the agency and provided top-notch service to PTO applicants. It is also about making oversight of the PTO a priority for all committees of jurisdiction. It is about stimulating our economy because when the PTO is fully funded, patents are actually granted, which creates jobs in new companies and in the development and marketing of innovative new products. It is about fulfilling our responsibility to ensure efficiency, accountability and transparency in our government so that we reduce our deficit and provide our grandchildren relief from the immense financial burden they currently bear.

Thus, to truly reform the patent system in this country, more than any legislation, it is necessary for the PTO to be able to permanently and consistently access the user fees—not taxpayer funds—it collects. Therefore, I urge my colleagues to support this amendment.

Mr. BAUCUS. Mr. President, I want to take a few minutes to explain in detail the tax strategy patent provision in the pending patent reform legislation that was drafted jointly by Judiciary Committee Ranking Member CHUCK GRASSLEY and me. As chairman of the Senate Finance Committee, I am concerned by the growth in the number of patents that have been sought and issued for tax strategies for reducing, avoiding, or deferring a taxpayer's tax liability. Section 14 of S. 23 would prevent the granting of patents on these tax strategies so that the Internal Revenue Code can be applied uniformly while balancing the critical need to protect intellectual property.

Let me explain. Our Federal tax system relies on the voluntary compliance of millions of taxpayers. In order for the system to work, the rules must be applied in a fair and uniform manner. To that end, everyone has the right to arrange financial affairs so as to pay the minimum amount legally required under the Internal Revenue Code.

Patents granted on tax strategies take away this right and undermine the integrity and fairness of the tax system. These patents have been on ideas as simple as funding a certain type of tax-favored trust with a specific type of financial product or calculating the ways to minimize the tax burden of converting to an alternative retirement plan. Rather than allowing these tax planning approaches to be available to everyone, these patents give the holder the exclusive right to exclude others from the transaction or financial arrangement. As a result, they place taxpayers in the undesirable position of having to choose between paying more than legally required in taxes or paying a royalty to a third party for use of a tax planning invention that reduces those taxes.

The patentability of tax strategies also adds another layer of complexity to the tax laws by requiring taxpayers or their advisors to conduct patent searches and exposing them to potential patent infringement suits. And, in situations where a patent is obtained on a tax shelter designed to illegally evade taxes, the fact that a patent was granted may mislead unknowing taxpayers into believing that the strategy is valid under the tax law.

Section 14 of S. 23 addresses these concerns by providing that any strategy for reducing, avoiding, or deterring tax liability, whether known or unknown by anyone other than the inventor at the time of the invention or application for patent, will be deemed insufficient to differentiate a claimed invention from the prior art for purposes of evaluating an invention under section 102 or under section 103 of the Patent Act. Applicants will not be able to rely on the novelty or nonobviousness of a tax strategy embodied in their claims in order to distinguish their claims from prior art. The ability to interpret the tax law and implement such interpretations remains in the public domain, available to all taxpayers and their advisers.

Under the provision, the term ''tax liability'' refers to any liability for a tax under any Federal, State, or local law, or law of any foreign jurisdiction, including any statute, rule, regulation, or ordinance that levies, imposes, or assesses such tax liability.

Generally, tax strategies rely on tax law to produce the desired outcome; that is, the reduction, avoidance, or deferral of tax liability. Tax law can include regulations or other guidance, as well as interpretations and applications thereof. Inventions subject to this provision would include, for example, those especially suitable for use with tax-favored structures that must meet certain requirements, such as employee benefit plans, deferred compensation arrangements, tax-exempt organizations, or any other entities or transactions that must be structured or operated in a particular manner to obtain certain tax consequences. The provision applies whether the effect of an invention is to aid in satisfying the qualification requirements for the desired tax-favored entity status, to take advantage of the specific tax benefits offered in a tax-favored structure, or to allow for tax reduction, avoidance, or deferral not otherwise automatically available to such entity or structure.

Inventions can serve multiple purposes. In many cases, however, the tax strategy will be inseparable from any other aspect of the invention. For example, a structured financial instrument or arrangement that reduces the after-tax cost of raising capital or providing employee benefits is within the scope of the provision, even if such instrument or arrangement has utility to issuers, investors, or other users that is independent of the tax benefit consequences. No taxpayer should be precluded from using such an instrument or arrangement to obtain any reduction, avoidance, or deferral of tax that attends it.

At the same time, there may be situations in which some aspects of an invention are separable from the tax strategy. For example, a patent application may contain multiple claims. In this case, any claim that encompasses a tax strategy will be subject to the provision and the novelty or nonobviousness of the tax strategy will be deemed insufficient to differentiate that claim from the prior art. However, any other claim that does not involve a tax strategy would not be subject to the provision. In such a case, if the invention includes claims that are separable from the tax strategy, such claims could, if otherwise enforceable, be enforced.

The mere fact that any computations necessary to implement an invention that is a strategy for reducing, avoiding, or deferring tax liability are done on a computer, or that the invention is claimed as computer implemented, does not exclude the strategy from the provision. In such a case, the claims, if separable from the tax strategy, would be evaluated under sections 102 and 103

without regard to the tax strategy. If those nontax related and separable claims still met the requirements for patentability, a patent would issue, but not on the tax strategy.

The provision is not intended to deny patent protection for inventions that do not comprise or include a business method. For example, an otherwise valid patent on a process to distill ethanol would not violate the rule set forth in this provision merely because a tax credit for the production of ethanol for use as a fuel may be available. Similarly, the mere fact that implementation of an otherwise patentable invention could result in reduced consumption of products subject to an excise tax would not make the invention subject to this provision.

The provision is also not intended to deny patent protection for tax return preparation software that is used solely for preparing a tax or information return or other tax filing, including one that records, transmits, transfers, or organizes data related to such filing. Similar to the review of computer-implemented strategies, such software would still be entitled to patent protection to the extent otherwise patentable. Such patents, however, could not preclude non-users of such software from implementing any tax strategy. No inference is intended as to whether any software is entitled under present law to patent protection as distinct from copyright protection. Nor is an inference intended as to whether any particular strategy for reducing, avoiding, or deferring tax liability is otherwise patentable under present law.

In general, the U.S. Patent and Trademark Office may seek advice and assistance from Treasury and the IRS to better recognize tax strategies. Such consultation should help ensure that patents do not infringe on the ability of others to interpret the tax law and that implementing such interpretations remains in the public domain, available to all taxpayers and their advisors.

The practical result of this provision is that no one can be granted an exclusive right to utilize a tax strategy. The provision is intended to provide equal access to tax strategies.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FRANKEN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CLOTURE MOTION

Mr. REID. Mr. President, I have a cloture motion at the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 23, the America Invents Act.

Harry Reid, Patrick J. Leahy, Debbie Stabenow, John F. Kerry, Jeanne Shaheen, Christopher A. Coons, Tom Harkin, Mark Begich, Jeff Bingaman, Al Franken, Kay R. Hagan, Michael F. Bennet, Richard Blumenthal, Sheldon Whitehouse, Amy Klobuchar, Bill Nelson, Benjamin L. Cardin, Richard J. Durbin.

Mr. REID. Mr. President, I ask unanimous consent that the vote on the motion to invoke cloture occur immediately upon disposition of the judicial nominations in executive session on Monday, March 7; further, that the mandatory quorum under rule XXII be waived.

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

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

RECOGNIZING THE GOVERNMENT PRINTING OFFICE

Mr. REID. Mr. President, I rise today to recognize the Government Printing Office, GPO, on the occasion of its 150th anniversary. GPO opened its doors on March 4, 1861, the same day President Abraham Lincoln took the oath of office. Since then GPO has used ever changing technologies to produce and deliver government information for Congress, Federal agencies, and the public. GPO plays a vital role in providing the printed and electronic documents necessary for Congress to conduct its legislative business.

I ask my colleagues to join me in congratulating the GPO on its 150th anniversary.

REMEMBERING LEONARD TRUMAN ''BUCK'' FERRELL

Mrs. MCCASKILL. Mr. President, today I pay tribute to a patriot, a businessman, a loyal father, and an American hero. Though Leonard Truman Ferrell—''Buck'' to his many family and friends—was laid to rest at Arlington Cemetery this morning, I know that his legacy lives on in the community that he helped build, the family that he nurtured, and the soldiers with whom he served. Today I would like to take a few moments to honor Buck's life and the contributions he made to his community.

Born and raised in southeast Missouri, Buck was imbued from an early age with those quintessential American values so prevalent among the members of the Greatest Generation: integrity, service to others, determination, and an undying sense of patriotism. Since Buck's family didn't have much money growing up, he learned at a young age to live within his means and to place little value on worldly possessions. ''My father didn't have a lot of worldly goods,'' Buck once said, ''but he was a rich man in character.'' I know I speak for many when I say that Buck, first and foremost, was also a man rich in character.

Buck was also a patriot of the highest order. Having served in the U.S. Army during the Korean war, he fought for 2 years on the Korean Peninsula and earned, among other decorations, the Combat Infantry Badge, the Presidential Unit Citation, two Silver Stars, and two Purple Hearts. Wounded multiple times, Buck never faltered and steadfastly manned his post, whether in a frontline foxhole or as a heavy weapons trainer for new recruits. In light of his outstanding service, Buck was even offered a battlefield commission. Though he chose not to accept the commission, Buck returned home and remained an active member in a number of veterans' organizations, like the American Legion and the Veterans of Foreign Wars, for the rest of his life. Never forgetting the country that he fought to protect, he raised—every morning—an American flag in his front yard.

As you can guess, Buck's dedication to others and stalwart work ethic continued long after his military service ended. For 25 years, he worked at the McCrate Equipment store in Caruthersville, MO, and retired as the general manager. As a member and former deacon at First Baptist Church, Buck helped sustain a thriving congregation, and he also took on a number of leadership roles in the local Masonic Lodge and Kiwanis Club. His extensive community involvement earned him the Pioneer Heritage Award from the Pemiscot County Historical Society and recognition by the Missouri State Legislature for his enduring impact in southeast Missouri.

But even with all of these commitments, Buck always had time for family. He and his wife Patsy Malin Ferrell raised four wonderful children, were the beloved grandparents to four grandchildren, and one great-granddaughter. In fact, I can personally attest to the great job the Ferrells did with their children—their talented daughter Christy is currently an invaluable member of my staff and is seated along with many other members of the Ferrell family, in the gallery today. My prayers are with them all in this time of loss.

Mr. President, I ask today that my fellow Senators join me in recognizing Buck Ferrell, not only because he was a great Missourian, but also because he embodied the true American values that have cemented American society for generations. Buck worked hard, served God, fought for his country, and loved his family. In short, he lived a life worth living.

100TH ANNIVERSARY OF THEODORE ROOSEVELT DAM

Mr. KYL. Mr. President, the story of human settlement in Arizona is in many respects the story of the extraordinary efforts people have made to harness water supplies for their use and benefit. Early Arizonans were keenly aware of the importance of the State's many rivers. Recognizing the immense power and unpredictability of those river flows, settlers devised an ambitious water system known as the Salt River Project, SRP. The keystone of their efforts, the Theodore Roosevelt Dam, celebrates its centennial this month.

More than a century ago, Arizonans understood that water reclamation is crucial to life in the Salt River Valley. Arizona farmers organized to lobby the U.S. Congress for a Federal reclamation law that would throw the weight of the Federal Government behind local projects. Together with the vision of President Theodore Roosevelt and the persuasive power of private citizens, Congress passed the National Reclamation Act in 1902. The Salt River Valley Water Users' Association was incorporated the following year.

SRP was the first major undertaking authorized by the National Reclamation Act, and Roosevelt Dam was a critical component of SRP's development. Upon its completion on March 18, 1911, the Roosevelt Dam was the largest masonry structure in the world. The dam captured the Salt River's flows, providing a secure water supply, flood control, and irrigation to communities in central Arizona. In addition to water management, the Roosevelt Dam generated power for mining, agriculture, and Arizona's growing population.

Today, economic growth in the region continues to depend on Roosevelt Dam and its ability to provide a reliable water storage and delivery system, as well as power. The dam is still in operation and provides 70 percent of the surface water available to SRP water shareholders and customers in and around Phoenix. While SRP's mission has evolved with Arizona's population growth, its core function has remained constant to provide a sustainable water resource for central Arizona.

As Arizona continues to develop, we will need the same foresight and entrepreneurial spirit to serve the water needs of a new generation of Arizonans. Mr. President, that is why today I honor those who made SRP and the Roosevelt Dam a reality 100 years ago.

THE CONTINUING RESOLUTION

Mr. KERRY. Mr. President, I voted in favor of the continuing resolution to keep our government and all its essential services open and operating for the next 2 weeks. I cast this vote because I believe a government shutdown is in no one's interests, but I am deeply disappointed in the political process that has put us in this position and my patience is nearly exhausted with yet another short-term solution and band-aid approach. A 2-week extension that merely defers tough decisions on funding the fiscal year that started more than 5 months ago is hardly progress. A 2-week extension is preferable to a government shutdown, but it does not provide the certainty that is needed. The American people deserve better than a stalled process which delays important decisions of how we can reduce our Federal budget deficit while maintaining our important investments in infrastructure, research, education, technology, and clean energy which will result in new jobs and will bolster our long-term competitiveness.

The American people deserve a serious dialogue and adult conversation within the Congress about our fiscal situation, discretionary spending, entitlements, and revenues. We need to work towards a long-term solution to reduce both our current budget deficit and our staggering debt. We will need to reduce Federal spending and make appropriate changes to our entitlement programs to meet the fiscal challenges facing our country. To do this appropriately, everything—revenue, tax reform, spending and entitlements—needs to be on the table.

As we make these difficult decisions, we must keep in mind that this cannot be done by just eliminating programs which protect vulnerable citizens or simply by increasing taxes on our wealthiest citizens. Instead, we must find a way to share the sacrifices necessary to bring our budget into balance over the long-term while continuing to invest in scientific and medical research, education, infrastructure and energy that will help create new industries and jobs in the future.

I want to be crystal clear about what is wrong with today's dialogue. For the last months we have heard the sound bites. We have heard elected officials say they are for small government, lower taxes, and more freedom. But what do they really mean?

Do they want a government too limited to have invented the Internet, now a vital part of our commerce and communications? A government too small to give America's auto industry and all its workers a second chance to fight for their survival? Taxes too low to invest in the research that creates jobs and industries and fills the Treasury with the revenue that educates our children, cures disease, and defends our country? We have to get past slogans and sound bites, reason together, and talk in real terms about how America can do its best.

If we are going to balance the budget and create jobs, we can't pretend that we can do it by just eliminating earmarks and government waste. We have to look at the plain facts of how we did it before, and by the way, you don't have to look far. In the early 1990s, our economy was faltering because deficits and debt were freezing capital. We had to send a signal to the market that we were capable of being fiscally responsible. We did just that and as a result we saw the longest economic expansion in history, created over 22 million jobs, and generated unprecedented wealth in America, with every income bracket rising. But we did it by making tough choices. The Clinton economic plan committed the country to a path of discipline that helped unleash the productive potential of the American people. We invested in the workforce, in research, in development. We helped new industries. Then, working with Republicans, we came up with a budget framework that put our nation on track to be debt free by 2012 for the first time since Andrew Jackson's administration.

How we got off track is a story that doesn't require retelling. But the truth of how we generated the 1990s economic boom does need to be told. We didn't just cut our way to a balanced budget; we grew our way there. The question now is, What are the tough decisions we are going to make today? What are the issues we are going to wrestle with together at a moment of enormous challenge?

This process cannot be done in two weeks, but it should have already begun—and it needs to begin today. The American people deserve no less.

THANKING THE PEOPLE OF AUSTRALIA

Mr. LIEBERMAN. Mr. President, on the morning of March 7, the Prime Minister of Australia, Julia Gillard, will take the stage in front of the Lincoln Memorial to announce a $3 million donation on behalf of the Australian Government to the Vietnam Veterans Memorial Fund to help build the Education Center at the Vietnam Wall. This generous contribution is a testament to the strength of the United States' relationship with the Australian people and is critical to our continuing efforts to honor the men and women who served in Vietnam.

As one who strongly supported legislation to establish the Education Center, I want to recognize and commend the Prime Minister, the legislature and the Australian people for their deep commitment to helping it come to fruition. Australian soldiers made terrible sacrifices during the Vietnam war. More than 500 Australian servicemen lost their lives, andsome 3,000 were wounded, injured, or struck ill.

For years, Australia has been a steadfast ally and friend of the United States. Besides Vietnam, Australian soldiers fought alongside Americans during many of our struggles in the 20th century, including World War I, World War II, the Korean war, and more recently in Iraq. Currently, over 1500 Australian troops are fighting alongside our Armed Forces in Afghanistan, working to train Afghan troops.

The Vietnam Veterans Memorial bears the names of the more than 58,000

brave men and women who gave their lives in service to our great country during the Vietnam war. It is a memorial, built by the American people, designed to ensure that names of those who made the ultimate sacrifice would never be lost to history.

By telling the stories of the men and women who fought and died in Vietnam, the Education Center will help visitors understand their courage, sacrifice and devotion.

And through interactive exhibits and primary source materials, visitors will be able to better understand the profound impact the Vietnam war had on their family members, their home towns, their communities and the Nation. Visitors will understand the importance of The Wall and the role it continues to play in healing the wounds left by the war.

The Vietnam Memorial has always been profoundly meaningful to me, both as a moving way to honor those who died and a remarkably effective means of healing the terrible national wounds from that war. The Education Center will be an important complement for both of those efforts. I hope to continue to play a role in making the Education Center a reality and look forward to the day that the United States can share the rich stories there with all visitors. When that time comes, I will be grateful to the Australian people and mindful of their kind generosity.

I wish to thank the Prime Minster, the government of Australia, and the Australian people for their strong support for this worthy endeavor.

ADDITIONAL STATEMENTS

RECOGNIZING FORT LUPTON MIDDLE SCHOOL

● Mr. BENNET. Mr. President, today I wish to honor the students and staff at Fort Lupton Middle School, whose relentless hard work and dedication to improving student achievement and setting students on the course toward success has earned the school the title of National Middle School of the Year.

The award is presented by the National Association of Middle School Principals to schools that go the extra mile to address the needs of students at the middle school level through academics and activities. And Fort Lupton Middle School's teachers and students are willing to go that extra mile and then some.

In a story published earlier this year in the Fort Lupton Press, sixth-grade language arts teacher Liz McCachren said that most people assume that her job as a middle school teacher isn't very fun. ''I want people to know that it's not scary,'' she said. ''There's nothing scary about these kids or this building. It's a really good middle school. . . . The students just make my day brighter. Every day, I can't wait to be here. That's why this school is unique. Because we like each other. We work together.''

By working together, the teachers at Fort Lupton created Power Hour, giving students time to do their homework while teachers are available to assist. And it is not just teachers working together. Students are taking ownership of their education and helping one another succeed. Through the program ''Where Everybody Belongs,'' Fort Lupton eighth graders serve as mentors for incoming sixth graders, so they adjust to their new school and surroundings and are better equipped for success.

Programs like these help lay the groundwork for student success, and they have built a sense of pride and community at Fort Lupton Middle School. These kids are excited and eager to learn, and they are setting a wonderful example for their peers across the state of Colorado and the country.

As we continue to push forward to do the important work of improving public education and make sure our public schools prepare our kids to be leaders in the 21st century economy, we must continue to listen to the voices, ideas and aspirations of principals, parents and students, like those at Fort Lupton Middle School.

I join all members of the Fort Lupton community and the State of Colorado in congratulating these bright kids and their teachers for a job well done and look forward to their continued success.●

50TH ANNIVERSARY OF WEST VIRGINIA UNIVERSITY, PARKERSBURG

● Mr. ROCKEFELLER. Mr. President, today I recognize and celebrate the 50th anniversary of the founding of West Virginia University at Parkersburg. For five decades now, West Virginia University at Parkersburg has provided affordable and accessible higher education opportunities to the citizens of the Mid-Ohio Valley and the State of West Virginia.

West Virginia University at Parkersburg began with humble roots. In 1961, the college opened in an abandoned elementary school as the Parkersburg Branch of West Virginia University. One hundred and four students enrolled that fall.

West Virginians believed in the ability of West Virginia University at Parkersburg to grow and succeed. In 1965, the citizens of Wood County passed a bond levy to build the college's campus at its present location, making it the only state-supported school to be funded by a local initiative. Truly, West Virginia University at Parkersburg is a college built by its community.

In 1971, it became one of the State's first freestanding community colleges. It developed a solid reputation—which continues today for—its quality technical programs and transfer degrees. In 1989, when the State legislature restructured higher education in West Virginia, it was reestablished as a regional campus of West Virginia University.

Today, West Virginia University at Parkersburg is a WVU-affiliated institution, and is the only community college in West Virginia accredited to offer bachelor's degrees. Growing from its modest beginnings with 104 students, the commuter campus now has more than 4,500 area residents enrolled in classes, making it the fourth-largest public college in West Virginia.

Its students are a blend of traditional and nontraditional students pursuing more than 40 programs of study. Most are the first in their family to attend college. Many juggle classes, work, and often families as well. They may ''stop out,'' and later return. Throughout the campus, you can see pride in pursuing the dream and the reality of completing a college degree.

And, throughout its growth and many changes, the college has stayed true to its mission and reinvented itself to serve changing educational needs and deliver workforce-ready graduates prepared to excel in a global economy. As it marks its 50th anniversary, West Virginia University at Parkersburg remains committed to serving the Mid-Ohio Valley region as an accessible, student-centered learning community that is recognized as an exceptional place to learn.

Thousands of West Virginians have started or resumed their college educations at West Virginia University at Parkersburg. It truly is ''the community's college.'' I salute Dr. Marie Gnage and the past presidents at West Virginia University at Parkersburg for a half century of excellence in education, training, and community engagement.●

RECOGNIZING LOST VALLEY SKI AREA

● Ms. SNOWE. Mr. President, outdoor recreational activities are a staple of Maine's winter, past and present. From skiing to snowmobiling, visitors have flocked to Maine for decades to get a chance to enjoy the mounds of fresh snow our State enjoys every year. I rise today to recognize Lost Valley Ski Area, located in the city of Auburn, which this year is celebrating its 50th year of operation.

Lost Valley has been an Auburn staple since it was founded by Otto Wallingford and Dr. Camille Gardner in 1961, when it first began enticing people from the Twin Cities and the surrounding areas to its slopes to learn how to ski. It was then that a 700-foot tow rope was installed in a little known area named Perkins Ridge, where children used to navigate through the trees to a clearing, or ''The Lost Valley,'' as it was called. That clearing now holds ''the Lodge,'' where after a long day on the slopes, newly minted skiers can enjoy a hot cup of cocoa by the stone hearth. Additionally, the 55 acres of trails are now

co-owned by Linc Hayes and Connie King, two small business owners who have dedicated their time to continue the mountain tradition.

Mr. Wallingford is not only known for opening Lost Valley for Mainers and tourists alike, but is also considered one of the fathers of snowmaking and grooming. He was the originator of the ''fan gun,'' a piece of snowmaking equipment that sprays a mist that is fanned to cover a large area. His first attempts created more ice than snow, but that was eventually remedied by removing water from the snowmaking system. He then developed, 30 years before they became a fad, snow guns on elevated poles.

It was not, however, Mr. Wallingford's penchant for creating snow, but his dedication to improving skiing conditions that brought him to the forefront of the ski industry. In order to create a more skiable terrain, Otto transformed old farm equipment into the predecessor of the modern ''snow groomer.'' An agricultural engineering graduate from the University of Maine, Mr. Wallingford used a tractor and attached a roller with a chain-like material that pulverized the snow. His ''Powder Maker'' was so successful that he crafted and sold them to other ski resorts both in the U.S. and abroad. A majority of his original snowmaking equipment is still in use at Lost Valley today! Following the tradition of providing a mountain that caters to all ages and skill levels, Lost Valley Ski Area offers the Central Maine Adaptive Sports Program, or CMAS. The CMAS provides a disabled person the chance to ski, and ''focuses on student's abilities rather than their disabilities.'' The program is staffed by volunteers who coach skiers one-on-one in order for them to learn the basic skills. It is both the physical activity and the focus on gaining self confidence that keeps students coming back. Through this and other programs at Lost Valley, students are able to train for the Olympics and ''Go for the Gold,'' like famed skier and three-time Olympian Julie Parisien, who grew up skiing at Lost Valley.

Maine is home to scores of innovators and philanthropists. Linc Hayes and Connie King are following in that tradition by keeping Lost Valley Ski area a beacon of history, learning, and fun. Their commitment of providing a place for all to enjoy snow sports is what makes Lost Valley such a special place. I thank them and everyone at Lost Valley for their efforts, and wish them 50 more years of success.●

REMEMBERING RAYMOND ''BUTCH'' SWANSON

● Mr. TESTER. Mr. President today I wish to pay tribute to Raymond ''Butch'' Swanson, of Anaconda, MT.

Butch passed away last evening. People in Anaconda say that Butch had the biggest heart of anyone they had ever known. He always put others' needs ahead of his own. He was the first one to show up with chicken noodle soup if a neighbor was sick. He was the nephew who helped an ailing uncle. He was the man who walked to his mother's house to wind her antique clock each week until her death.

He was an extraordinary teacher. He taught first grade and loved it. Every student was like his own son or daughter, and he always pushed them, letting them know that their dreams were possible. It was his life's work.

That devotion to his students came through in his love for his family. He was a proud and loving father and grandfather, who engaged fully in the raising of his four children. He doted on his two grandchildren.

Most important, he was a proud, loving, and great husband. His wife Kathy serves in the Montana House of Representatives. Butch was so proud of Kathy and her incredible work in the legislature for Montanans.

He not only served his family and his community, he served the State and the country he loved so much in the Montana National Guard.

Anaconda will miss Butch Swanson. To the generations of students he taught, to his family and to his community, Butch Swanson was a caretaker who always put other people first. He lived a quiet, humble life and is a lesson to us all on what it means to be a fine person, a fine Montanan, and a fine American. ●

MESSAGE FROM THE HOUSE

At 5:27 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4. An act to repeal the expansion of information reporting requirements for payments of $600 or more to corporations, and for other purposes.

ENROLLED BILL SIGNED

At 5:49 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 662. An act to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a multiyear law reauthorizing such programs.

The enrolled bill was subsequently signed by the President pro tempore (Mr. INOUYE).

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 4. An act to repeal the expansion of information reporting requirements for payments of $600 or more to corporations, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–778. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Revision of Class E Airspace; Shungnak, AK'' ((RIN2120–AA66) (Docket No. FAA–2010–1104)) received in the Office of the President of the Senate on March 1, 2011; to the Committee on Commerce, Science, and Transportation.

EC–779. A communication from the Deputy Assistant Administrator for Operations, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Steller Sea Lion Protection Measures for the Bering Sea and Aleutian Islands Groundfish Fisheries Off Alaska'' (RIN0648–BA31) received in the Office of the President of the Senate on March 1, 2011; to the Committee on Commerce, Science, and Transportation.

EC–780. A communication from the Policy Advisor/Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Review of Part 87 of the Commission's Rules Concerning the Aviation Radio Service'' (FCC 11–2) received during adjournment of the Senate in the Office of the President of the Senate on February 18, 2011; to the Committee on Commerce, Science, and Transportation.

EC–781. A communication from the Policy Advisor/Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Review of Part 87 of the Commission's Rules Concerning the Aviation Radio Service'' (FCC 10–103) received during adjournment of the Senate in the Office of the President of the Senate on February 18, 2011; to the Committee on Commerce, Science, and Transportation.

EC–782. A communication from the Chief of Staff, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Enfield, New Hampshire; Hartford and White River Junction, Vermont; and Keesville and Morrisonville, New York)'' (MB Docket No. 05–162) received during adjournment of the Senate in the Office of the President of the Senate on February 18, 2011; to the Committee on Commerce, Science, and Transportation.

EC–783. A communication from the Secretary of the Federal Maritime Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendments to Commission's Rules of Practice and Procedure'' (RIN3072–AC41) received in the Office of the President of the Senate on February 28, 2011; to the Committee on Commerce, Science, and Transportation.

EC–784. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; The Boeing Company Model MD–90–30 Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–1043)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–785. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation,

transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; The Boeing Company Model 737–100, –200, –200C, –300, –400, and –500 Series Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–0761)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–786. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Bombardier, Inc. Model CL–215–1A10 (CL–215), CL–215–6B11 (CL–215T Variant), and CL–215–6B11 (CL–415 Variant) Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–1108)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–787. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Bombardier, Inc. Model CL–600–2C10 (Regional Jet Series 700 , 701, and 702) Airplanes, Model CL–600–2D15 (Regional Jet Series 705) Airplanes, and Model CL–600–2D24 (Regional Jet Series 900) Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–1109)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–788. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Hawker Beechcraft Corporation (Type Certificate Previously Held by Raytheon Aircraft Company; Beech Aircraft Corporation) Model 400A and 400T Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–0954)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–789. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A300 B4–600 and A300 B4–600R Series Airplanes, Model A300 F4–605R Airplanes, and Model A300 C4–605R Variant F Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–0801)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–790. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A330–200 and –300 and A340–200 and –300 Series Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–0852)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–791. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; The Boeing Company Model 767 Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–0377)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–792. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Fokker Services B.V. Model F.28 Mark 0070 and 0100 Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–1038)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–793. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Bombardier, Inc. Model CL–600–2B19 (Regional Jet Series 100 and 440) Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–1113)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–794. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A340–200, –300, –500, and –600 Series Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2011–0040)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–795. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A340–200, –300, –500, and –600 Series Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2011–0039)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–796. A communication from the Senior Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Fokker Services B.V. Model F.28 Mark 0070 and 0100 Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–1112)) received during adjournment of the Senate in the Office of the President of the Senate on February 25, 2011; to the Committee on Commerce, Science, and Transportation.

EC–797. A communication from the Director of National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the 2010 Report on Apportionment of Membership on the Regional Fishery Management Councils; to the Committee on Commerce, Science, and Transportation.

EC–798. A communication from the Chief of Staff, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Implementation of Section 304 of the Telecommunications Act of 1996: Commercial Availability of Navigation Devices; Compatibility Between Cable Systems and Consumer Electronics Equipment'' (FCC 10–181) received in the Office of the President of the Senate on March 2, 2011; to the Committee on Commerce, Science, and Transportation.

EC–799. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Potassium benzoate; Exemption from the Requirement of a Tolerance'' (FRL No. 8863–2) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Agriculture, Nutrition, and Forestry.

EC–800. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Peroxyacetic Acid; Amendment to an Exemption from the Requirement of a Tolerance'' (FRL No. 8865–3) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Agriculture, Nutrition , and Forestry.

EC–801. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Fomesafen; Pesticide Tolerances'' (FRL No. 8858–5) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Agriculture, Nutrition, and Forestry.

EC–802. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting, pursuant to law, a report relative to the Family Subsistence Supplemental Allowance Program for the period October 1, 2009, through September 30, 2010; to the Committee on Armed Services.

EC–803. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Panama; to the Committee on Banking, Housing, and Urban Affairs.

EC–804. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Final Flood Elevation Determinations'' ((44 CFR Part 67) (Docket No. FEMA–2010–0003)) received in the Office of the President of the Senate on March 2, 2011; to the Committee on Banking, Housing, and Urban Affairs.

EC–805. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Changes in Final Flood Elevation Determinations'' ((44 CFR Part 65) (Docket No. FEMA–2011–0002)) received in the Office of the President of the Senate on March 2, 2011; to the Committee on Banking, Housing, and Urban Affairs.

EC–806. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Changes in Final Flood Elevation Determinations'' ((44 CFR Part 65) (Docket No. FEMA–2010–0002)) received in the Office of the President of the Senate on March 2, 2011; to the Committee on Banking, Housing, and Urban Affairs.

EC–807. A communication from the Associate General Counsel for Legislation and Regulations, Office of Public and Indian Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Public Housing Evaluation and Oversight: Changes to the Public Housing Assessment System (PHAS) and Determining and Remedying Substantial Default'' (RIN2577–AC68) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Banking, Housing, and Urban Affairs.

EC–808. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Definition of Readily Tradable on an Established Securities Market'' (Notice 2011–19) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Banking, Housing, and Urban Affairs.

EC–809. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled ''Report on Federal Agency Cooperation on Permitting Natural Gas Pipelines''; to the Committee on Energy and Natural Resources.

EC–810. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Indiana; Kentucky; Louisville Nonattainment Area; Determination of Attainment of the 1997 Annual Fine Particle Standard'' (FRL No. 9277–2) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Environment and Public Works.

EC–811. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines'' (FRL No. 9277–3) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Environment and Public Works.

EC–812. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Protection of Stratospheric Ozone: New Substitute in the Motor Vehicle Air Conditioning Sector under the Significant New Alternatives Policy (SNAP) Program'' (FRL No. 9275–8) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Environment and Public Works.

EC–813. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; Tennessee; Redesignation of the Knoxville 1997 8-Hour Ozone Nonattainment Area to Attainment for the 1997 8-Hour Ozone Standards'' (FRL No. 9277–1) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Environment and Public Works.

EC–814. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Updating Cross-References for the Oklahoma State Implementation Plan'' (FRL No. 9275–7) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Environment and Public Works.

EC–815. A communication from the Director of the Regulatory Management Division, Office of Policy, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Final Authorization of State-initiated Changes and Incorporation by Reference of State Hazardous Waste Management Program'' (FRL No. 9274–4) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Environment and Public Works.

EC–816. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''2011 Census Count'' (Notice 2011–15) received in the Office of the President of the Senate on March 2, 2011; to the Committee on Finance.

EC–817. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Super Completed Contract Method IDD No. 3'' (LBandI–4–2020–029) received in the Office of the President of the Senate on March 2, 2011; to the Committee on Finance.

EC–818. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Annual Price Inflation Adjustments for Passenger Automobiles First Placed in Service or Leased in 2011 Pursuant to Section 280F'' (Rev. Proc. 2011–21) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Finance.

EC–819. A communication from the Secretary of Health and Human Services, transmitting a report relative to the Federal Coordinated Health Care Office, established by section 2602 of the Patient Protection and Affordable Care Act; to the Committee on Finance.

EC–820. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to U.S. military personnel and U.S. civilian contractors involved in the anti-narcotics campaign in Colombia; to the Committee on Foreign Relations.

EC–821. A communication from the Department of State, transmitting, pursuant to law, an annual report relative to the defense articles and defense services that were licensed for export under Section 38 of the Arms Export Control Act during fiscal year 2009; to the Committee on Foreign Relations.

EC–822. A communication from the Deputy Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medical Devices; Medical Device Data Systems'' ((21 CFR Part 880) (Docket No. FDA–2008–N–0106)) received in the Office of the President of the Senate on March 3, 2011; to the Committee on Health, Education, Labor, and Pensions.

EC–823. A communication from the Secretary of Education, transmitting, pursuant to law, the Fiscal Year 2010 Annual Performance Report; to the Committee on Health, Education, Labor, and Pensions.

EC–824. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, two reports entitled ''The National Healthcare Quality Report 2010'' and ''The National Healthcare Disparities Report 2010''; to the Committee on Health, Education, Labor, and Pensions.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of nominations were submitted:

By Mr. LEAHY for the Committee on the Judiciary.

Mae A. D'Agostino, of New York, to be United States District Judge for the Northern District of New York.

Timothy J. Feighery, of New York, to be Chairman of the Foreign Claims Settlement Commission of the United States for a term expiring September 30, 2012.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. KERRY (for himself and Mr. ROCKEFELLER):

S. 467. A bill to amend the Internal Revenue Code of 1986 to strengthen the earned income tax credit; to the Committee on Finance.

By Mr. MCCONNELL (for himself, Mr. PAUL, and Mr. INHOFE):

S. 468. A bill to amend the Federal Water Pollution Control Act to clarify the authority of the Administrator to disapprove specifications of disposal sites for the discharge of, dredged or fill material, and to clarify the procedure under which a higher review of specifications may be requested; to the Committee on Environment and Public Works.

By Mr. TESTER:

S. 469. A bill to rescind amounts made available for water treatment improvements for the city of Kalispell, Montana, and make the amounts available for Federal deficit reduction; to the Committee on Appropriations.

By Mr. CASEY (for himself, Mr. DURBIN, Mrs. MURRAY, Mr. COONS, and Mr. FRANKEN):

S. 470. A bill to establish an Early Learning Challenge Fund to support States in building and strengthening systems of high-quality early learning and development programs and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Ms. STABENOW (for herself, Mr. DURBIN, Mr. BROWN of Ohio, Mr. SCHUMER, Ms. KLOBUCHAR, Mr. LEVIN, and Mrs. GILLIBRAND):

S. 471. A bill to require the Secretary of the Army to study the feasibility of the hydrological separation of the Great Lakes and Mississippi River Basins; to the Committee on Environment and Public Works.

By Mr. BEGICH (for himself, Mrs. MURRAY, Ms. MURKOWSKI, and Mrs. BOXER):

S. 472. A bill to increase the mileage reimbursement rate for members of the armed services during permanent change of station and to authorize the transportation of additional motor vehicles of members on change of permanent station to or from nonforeign areas outside the continental United States; to the Committee on Armed Services.

By Ms. COLLINS (for herself, Mr. PRYOR, Mr. PORTMAN, and Ms. LANDRIEU):

S. 473. A bill to extend the chemical facility security program of the Department of Homeland Security, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Ms. SNOWE (for herself, Mr. COBURN, Ms. AYOTTE, Mr. ENZI, and Mr. BROWN of Massachusetts):

S. 474. A bill to reform the regulatory process to ensure that small businesses are free to compete and to create jobs, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. COBURN:

S. 475. A bill to enact President Obama's recommendations for program terminations; to the Committee on Appropriations.

By Mr. PRYOR:

S. 476. A bill to discontinue the Voice of America: Radio Marti and Television Marti broadcasts to Cuba; to the Committee on Foreign Relations.

By Mr. PRYOR:

S. 477. A bill to limit Government printing, Government travel costs, and Federal vehicle costs; to the Committee on Homeland Security and Governmental Affairs.

By Mr. PRYOR:

S. 478. A bill to amend the Internal Revenue Code of 1986 to apply a 100 percent continuous levy to Medicare providers and certain Federal contractors with delinquent tax debt; to the Committee on Finance.

By Mr. PRYOR:

S. 479. A bill to amend title 40, United States Code, to enhance authorities with regard to real property that has yet to be reported excess, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mrs. GILLIBRAND (for herself, Mr. KERRY, Mr. LAUTENBERG, and Mr. LEAHY):

S. 480. A bill to temporarily expand the V nonimmigrant visa category to include Haitians whose petition for a family-sponsored immigrant visa was approved on or before January 12, 2010; to the Committee on the Judiciary.

By Mr. HARKIN (for himself, Ms. KLOBUCHAR, and Mr. FRANKEN):

S. 481. A bill to enhance and further research into the prevention and treatment of eating disorders, to improve access to treatment of eating disorders, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. INHOFE (for himself, Mr. ALEXANDER, Ms. AYOTTE, Mr. BARRASSO, Mr. BLUNT, Mr. BOOZMAN, Mr. BURR, Mr. CHAMBLISS, Mr. COATS, Mr. COBURN, Mr. COCHRAN, Mr. CORKER, Mr. CORNYN, Mr. CRAPO, Mr. DEMINT, Mr. ENSIGN, Mr. ENZI, Mr. GRAHAM, Mr. GRASSLEY, Mr. HATCH, Mr. HOEVEN, Mrs. HUTCHISON, Mr. ISAKSON, Mr. JOHANNS, Mr. JOHNSON of Wisconsin, Mr. KYL, Mr. LEE, Mr. LUGAR, Mr. MCCONNELL, Mr. MORAN, Ms. MURKOWSKI, Mr. PAUL, Mr. PORTMAN, Mr. RISCH, Mr. ROBERTS, Mr. RUBIO, Mr. SESSIONS, Mr. SHELBY, Mr. THUNE, Mr. TOOMEY, Mr. VITTER, Mr. WICKER, Mr. MCCAIN, and Mr. MANCHIN):

S. 482. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from promulgating any regulation concerning, taking action relating to, or taking into consideration the emission of a greenhouse gas to address climate change, and for other purposes; to the Committee on Environment and Public Works.

By Ms. SNOWE (for herself and Mr. BINGAMAN):

S. 483. A bill to amend title XVIII of the Social Security Act to provide for the treatment of clinical psychologists as physicians for purposes of furnishing clinical psychologist services under the Medicare program; to the Committee on Finance.

By Mr. BENNET (for himself and Mr. UDALL of Colorado):

S. 484. A bill to direct the Secretary of Education to pay to Fort Lewis College in the State of Colorado an amount equal to the tuition charges for Indian students who are not residents of the State of Colorado; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LEVIN (for himself and Ms. STABENOW):

S. 485. A bill to expand the boundaries of the Thunder Bay National Marine Sanctuary and Underwater Preserve, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. WHITEHOUSE (for himself, Mr. REED, Mr. MERKLEY, Mr. SANDERS, and Mr. TESTER):

S. 486. A bill to amend the Servicemembers Civil Relief Act to enhance protections for members of the uniformed services relating to mortgages, mortgage foreclosure, and eviction, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MCCAIN:

S. 487. A bill to ensure that private property, public safety, and human life are protected from flood hazards that directly result from post-fire watershed conditions that are created by wildfires on Federal land; to the Committee on Energy and Natural Resources.

By Mr. CARDIN:

S. 488. A bill to require the FHA to equitably treat homebuyers who have repaid in full their FHA-insured mortgages, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. REED (for himself, Mr. DURBIN, Mr. MERKLEY, Mr. WHITEHOUSE, Mr. FRANKEN, and Mr. LEAHY):

S. 489. A bill to require certain mortgagees to evaluate loans for modifications, to establish a grant program for State and local government mediation programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. AKAKA:

S. 490. A bill to amend title 38, United States Code, to increase the maximum age for children eligible for medical care under the CHAMPVA program, and for other purposes; to the Committee on Veterans' Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. JOHNSON of South Dakota (for himself, Mr. COCHRAN, Mr. KOHL, Mr. ENZI, Ms. COLLINS, Mr. FRANKEN, Mr. TESTER, Mr. GRASSLEY, Ms. KLOBUCHAR, Mr. WICKER, Mrs. MCCASKILL, Mr. ROBERTS, Mr. PRYOR, Mr. CONRAD, Mr. BROWN of Ohio, Mr. SCHUMER, Mrs. MURRAY, Mrs. BOXER, Mr. BAUCUS, Ms. STABENOW, Ms. CANTWELL, and Mr. NELSON of Nebraska):

S. Res. 87. A resolution designating the year of 2012 as the ''International Year of Cooperatives''; to the Committee on the Judiciary.

By Ms. SNOWE:

S. Res. 88. A resolution expressing the sense of the Senate that businesses of the United States should retain the option to organize as those businesses choose, including as flow-through entities, and not be forced to reorganize as C corporations; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself, Mr. BURR, Mr. MANCHIN, Mr. UDALL of Colorado, Mr. BEGICH, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. BROWN of Ohio, Mr. LIEBERMAN, Mr. NELSON of Florida, Mr. KERRY, Mr. WYDEN, Ms. LANDRIEU, Mr. BROWN of Massachusetts, Mr. MCCAIN, and Mr. BINGAMAN):

S. Res. 89. A resolution relating to the death of Frank W. Buckles, the longest surviving United States veteran of the First World War; considered and agreed to.

By Mrs. SHAHEEN (for herself, Mr. CARDIN, Ms. SNOWE, Ms. COLLINS, Mr. DURBIN, Ms. MIKULSKI, Mr. LAUTENBERG, Mrs. BOXER, Mr. BEGICH, Mr. WHITEHOUSE, and Mrs. MURRAY):

S. Res. 90. A resolution supporting the goals of ''International Women's Day'' and recognizing this year's centennial anniversary of International Women's Day; considered and agreed to.

By Mr. CASEY (for himself, Ms. SNOWE, and Mrs. HAGAN):

S. Res. 91. A resolution supporting the goals and ideals of Multiple Sclerosis Awareness Week; considered and agreed to.

By Mr. SCHUMER (for himself and Mr. ALEXANDER):

S. Res. 92. A resolution to authorize the payment of legal expenses of Senate employees out of the contingent fund of the Senate; considered and agreed to.

By Mr. ROCKEFELLER (for himself, Mr. BURR, Mr. MANCHIN, Mr. UDALL of Colorado, Mr. BEGICH, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. BROWN of Ohio, Mr. LIEBERMAN, Mr. NELSON of Florida, Mr. KERRY, Mr. WYDEN, Ms. LANDRIEU, Mr. BROWN of Massachusetts, and Mr. MCCAIN):

S. Con. Res. 10. A concurrent resolution authorizing the remains of Frank W. Buckles, the last surviving United States veteran of the First World War, to lie in honor in the rotunda of the Capitol; to the Committee on Rules and Administration.

ADDITIONAL COSPONSORS

S. 89

At the request of Mr. VITTER, the name of the Senator from Nebraska (Mr. JOHANNS) was added as a cosponsor of S. 89, a bill to repeal the imposition of withholding on certain payments made to vendors by government entities.

S. 222

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 222, a bill to limit investor and homeowner losses in foreclosures, and for other purposes.

S. 228

At the request of Mr. BARRASSO, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 228, a bill to preempt regulation of, action relating to, or consideration of greenhouse gases under Federal and common law on enactment of a Federal policy to mitigate climate change.

S. 242

At the request of Mr. ROCKEFELLER, the name of the Senator from Delaware (Mr. COONS) was added as a cosponsor of S. 242, a bill to amend title 10, United States Code, to enhance the roles and responsibilities of the Chief of the National Guard Bureau.

S. 254

At the request of Mr. FRANKEN, the name of the Senator from North Carolina (Mrs. HAGAN) was added as a cosponsor of S. 254, a bill to reduce the rape kit backlog and for other purposes.

S. 282

At the request of Mr. COBURN, the name of the Senator from Colorado (Mr. UDALL) was added as a cosponsor of S. 282, a bill to rescind unused earmarks.

S. 310

At the request of Mr. COBURN, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 310, a bill to end unemployment payments to jobless millionaires.

S. 344

At the request of Mr. REID, the name of the Senator from Mississippi (Mr.

COCHRAN) was added as a cosponsor of S. 344, a bill to amend title 10, United States Code, to permit certain retired members of the uniformed services who have a service-connected disability to receive both disability compensation from the Department of Veterans Affairs for their disability and either retired pay by reason of their years of military service or Combat-Related Special Compensation, and for other purposes.

S. 387

At the request of Mrs. BOXER, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 387, a bill to amend title 37, United States Code, to provide flexible spending arrangements for members of uniformed services, and for other purposes.

S. 388

At the request of Mrs. BOXER, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 388, a bill to prohibit Members of Congress and the President from receiving pay during Government shutdowns.

S. 425

At the request of Mr. UDALL of Colorado, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 425, a bill to amend the Public Health Service Act to provide for the establishment of permanent national surveillance systems for multiple sclerosis, Parkinson's disease, and other neurological diseases and disorders.

S. 434

At the request of Mr. COCHRAN, the names of the Senator from Maine (Ms. COLLINS), the Senator from Nebraska (Mr. JOHANNS) and the Senator from Mississippi (Mr. WICKER) were added as cosponsors of S. 434, a bill to improve and expand geographic literacy among kindergarten through grade 12 students in the United States by improving professional development programs for kindergarten through grade 12 teachers offered through institutions of higher education.

At the request of Ms. MIKULSKI, the names of the Senator from Vermont (Mr. SANDERS) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 434, supra.

S. CON. RES. 4

At the request of Mr. SCHUMER, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. Con. Res. 4, a concurrent resolution expressing the sense of Congress that an appropriate site on Chaplains Hill in Arlington National Cemetery should be provided for a memorial marker to honor the memory of the Jewish chaplains who died while on active duty in the Armed Forces of the United States.

S. CON. RES. 7

At the request of Mr. BARRASSO, the names of the Senator from Maine (Ms. COLLINS), the Senator from Idaho (Mr. RISCH), the Senator from Mississippi (Mr. WICKER) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. Con. Res. 7, a concurrent resolution supporting the Local Radio Freedom Act.

AMENDMENT NO. 133

At the request of Mrs. FEINSTEIN, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of amendment No. 133 proposed to S. 23, a bill to amend title 35, United States Code, to provide for patent reform.

AMENDMENT NO. 135

At the request of Ms. COLLINS, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of amendment No. 135 intended to be proposed to S. 23, a bill to amend title 35, United States Code, to provide for patent reform.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KERRY (for himself and Mr. ROCKEFELLER):

S. 467. A bill to amend the Internal Revenue Code of 1986 to strengthen the earned income tax credit; to the Committee on Finance.

Mr. KERRY. Mr. President, today Senator ROCKEFELLER and I are reintroducing the Strengthen the Earned Income Tax Credit Act of 2011. Since 1975, the earned income tax credit, EITC, has been an innovative tax credit which helps low-income working families. President Reagan referred to the EITC as ''the best antipoverty, the best pro-family, the best job creation measure to come out of Congress.'' According to the Center on Budget and Policy Priorities, the EITC lifts more children out of poverty than any other government program. It lifted 6.5 million people, including 3.3 million children, above the poverty line in 2009.

Last Congress, we were successful in making temporary improvements to the EITC by providing marriage penalty relief and increasing the credit rate for families with three or more children. Both of these provisions have been part of our legislation.

It is time for us to reexamine the EITC and determine where we can strengthen it. The Finance Committee of which I am a member has started a series of hearings on tax reform. I believe the tax code should be thoroughly reviewed to see what is working and not working and what can be made simpler. This legislation expands the EITC permanently, but as part of tax reform I would be open to changing the program. However, those currently benefiting from the EITC should not be harmed in tax reform and there should still be tax relief which encourages work and helps low-income families with children.

We need to help the low-income workers who struggle day after day trying to make ends meet. They have been left behind in the economic policies of the last eight years. We need to begin a discussion on how to help those that have been left behind. The EITC is the perfect place to start.

The Strengthen the Earned Income Tax Credit Act of 2011 strengthens the EITC by making the following changes: makes permanent marriage penalty relief; makes permanent the credit for families with three or more children; expands the credit for individuals with no children; simplifies the credit; and increases the penalty for tax preparers.

The legislation would make the marriage penalty relief included in the American Recovery and Reinvestment Act permanent. Under the American Recovery and Reinvestment Act, the phase-out income level for married taxpayers that file a joint return would be $5,000 higher than the income level for unmarried filers starting in 2009 and in 2010. This level would be indexed for inflation after 2009. The Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 extended this provision through 2012. Without this provision, many single individuals that marry find themselves faced with a reduction in their EITC. In Massachusetts, approximately 100,500 children a year benefit from the EITC because of this provision.

Second, the legislation makes permanent the credit for families with three or more children. Under prior law, the credit amount is based on one child or two or more children. The American Recovery and Reinvestment Act created a third child category for 2009 and 2010 and Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 extended this provision through 2012. This change benefits approximately 116,000 children a year in Massachusetts.

Third, this legislation would increase the credit amount for childless workers. The EITC was designed to help childless workers offset their payroll tax liability. The credit phase-in was set to equal the employee share of the payroll tax, 7.65 percent. However, in reality, the employee bears the burden of both the employee and employer portion of the payroll tax. A typical single childless adult will begin to owe Federal income taxes in addition to payroll taxes when his or her income is only $10,655, which is below the poverty line. These changes will result in a full time worker receiving the minimum wage to be eligible for the maximum earned income credit amount.

This legislation doubles the credit rate for individual taxpayer and married taxpayers without children. The credit rate and phase-out rate of 7.65 percent is doubled to 15.3 percent. For 2007, the maximum credit amount for an individual would increase from $457 to $929. In addition, the legislation would increase the credit phase-out income level from $7,590 to $12,690 for individuals and from $12,670 to $17,770 for married couples. This increase is indexed for inflation and includes the marriage penalty relief. Under current law, workers under age 25 are ineligible for the childless workers EITC. The Strengthen the Earned Income Tax Credit Act of 2011 would change the age

to 21. This age change will provide an incentive for labor for less-educated younger adults.

Fourth, the Strengthen the Earned Income Tax Credit Act of 2011 simplifies the EITC by modifying the abandoned spouse rule, clarifying the qualifying child rules, and repealing the disqualified investment test.

Finally, the legislation includes a provision which increases the penalty imposed on paid preparers who fail to comply with EITC due diligence requirements from $100 to $500. Unfortunately, about a quarter of EITC returns include errors and more than a majority of EITC returns are prepared by a preparer. This should help ensure that preparers comply with the due diligence requirements.

This legislation will help those who most need our help. It will put more money in their pay check. We need to invest in our families and help individuals who want to make a living by working. I urge my colleagues to support an expansion of the EITC.

By Mr. MCCONNELL (for himself, Mr. PAUL, and Mr. INHOFE):

S. 468. A bill to amend the Federal Water Pollution Control Act to clarify the authority of the Administrator to disapprove specifications of disposal sites for the discharge of, dredged or fill material, and to clarify the procedure under which a higher review of specifications may be requested; to the Committee on Environment and Public Works.

Mr. MCCONNELL. Mr. President, my friend and colleague from Kentucky, Senator PAUL, and I would like at this time to address the Senate about a bill we are introducing.

Coal is an enormously vital sector of Kentucky's economy. More than 200,000 jobs in my State depend on it, including the jobs of approximately 18,000 coal miners. Coal is tremendously important to our country as well. One-half of the country's electricity comes from coal. Yet, as we are faced with a weakened economy and high unemployment, an overreaching Environmental Protection Agency in Washington is blocking new jobs for Kentuckians and Americans by waging a literal war on coal.

To mine for coal, coal operators must receive what are called 404 permits. Those come from the EPA in order to operate. One such mine in southern West Virginia followed all of the proper procedures and got the green light from EPA to proceed with operations back in 2007.

But now, 3½ years later, in an unprecedented reversal, the EPA has retroactively ''reinterpreted'' its authority, withdrawn the permit it issued, and shut down the mine. The EPA's reinterpretation cost 280 Americans their jobs.

The EPA also announced that 79 of the 404 permit applications still being considered would be subject to ''enhanced environmental review''—''enhanced environmental review''—effectively putting them in limbo along with the jobs and economic activity they could create. Some of those permits are for jobs in Kentucky.

The EPA's action simply defies logic. Not only are they changing the rules in the middle of the game, they are retroactively changing the rules to shut down mines they already approved. No mine, regardless of whether it has been operating for years in full compliance of every rule and regulation, can be assured that Uncle Sam will not come along and shut them down.

Thousands of Kentuckians who work in coal mining or have jobs dependent on mining are literally in jeopardy. Other industries are at risk also. Farmers, developers, the transportation industry, and others also need permits from the EPA to continue to operate. They, too, could see these permits revoked.

The EPA has turned the permitting process into a backdoor means of shutting down coal mines by sitting on permits indefinitely, thus removing any regulatory certainty. What they are doing is outside the scope of their authority and the law and represents a fundamental departure from the permitting process as originally envisioned by Congress.

That is why I rise today to introduce, along with my good friends, Senator RAND PAUL and Senator JAMES INHOFE, the Mining Jobs Protection Act in the Senate.

This bill will tell the EPA to ''use it or lose it'' when deciding whether to invoke its veto authority of a 404 permit within a reasonable timeframe, giving permit applicants the certainty they need to do business.

The bill would ensure that all 404 permits move forward to be either approved or rejected, so applicants are not left in limbo, unsure how to act.

The bill also ensures that EPA cannot use its veto retroactively.

While being fair to permit applicants, the bill still preserves the EPA's full veto authority to protect human health and the environment.

Here is how the legislation would work. Once the EPA receives the 404 permit, it will have 30 days to determine if it is considering using its veto authority. If the Agency is considering doing so, it must publish that fact in the Federal Register, cite any potential concerns, and detail what must be done to address those concerns within the initial 30 days. The EPA then has an additional 30 days, for a total of 2 months, to invoke its veto authority. If the Agency does not use its veto authority within 60 days, the permit automatically moves forward and EPA's veto authority expires. All permits that have already been applied for would go through this process, ensuring every permit gets a fair shake.

Any permits vetoed prior to the passage of the bill would be reconsidered by the Army Corps of Engineers. It was important to me that this legislation address every 404 permit, not just one or a few.

This is a fair process that allows the EPA to act as vigorously as necessary to protect the environment and those of us living in it while also giving permit applications the certainty of knowing within a reasonable timeframe whether to proceed with mining operations and knowing that once they have the green light, it is not going to be subsequently revoked. More important, this legislation will allow my State and others to protect the coal and related industry jobs we already have and grow new ones in the future.

I wish to thank my colleague from Kentucky and Senator INHOFE for standing alongside me on this matter that is so important to our States but also to the country as a whole. This is not just a Kentucky issue. We think our bill strikes a fair balance toward conserving the best of America's natural beauty while also building toward a brighter future.

The EPA's mission is important but so is job creation. Particularly when unemployment is higher than all of us would like, both sides of the equation must be considered. So I look forward to working with my colleagues on both sides of the aisle to make the Mining Jobs Protection Act a law.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 468

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 ''Mining Jobs Protection Act''.

SEC. 2. PERMITS FOR DREDGED OR FILL MATERIAL.

Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended by striking subsection (c) and inserting the following:

''(c) AUTHORITY OF ADMINISTRATOR TO DISAPPROVE SPECIFICATIONS.—

''(1) IN GENERAL.—The Administrator, in accordance with this subsection, may prohibit the specification of any defined area as a disposal site, and may deny or restrict the use of any defined area for specification as a disposal site, in any case in which the Administrator determines, after notice and opportunity for public hearings and consultation with the Secretary, that the discharge of those materials into the area will have an unacceptable adverse effect on—

''(A) municipal water supplies;

''(B) shellfish beds and fishery areas (including spawning and breeding areas);

''(C) wildlife; or

''(D) recreational areas.

''(2) DEADLINE FOR ACTION.—

''(A) IN GENERAL.—The Administrator shall—

''(i) not later than 30 days after the date on which the Administrator receives from the Secretary for review a specification proposed to be issued under subsection (a), provide notice to the Secretary of, and publish in the Federal Register, a description of any potential concerns of the Administrator with respect to the specification, including a list of

measures required to fully address those concerns; and

''(ii) if the Administrator intends to disapprove a specification, not later than 60 days after the date on which the Administrator receives a proposed specification under subsection (a) from the Secretary, provide to the Secretary and the applicant, and publish in the Federal Register, a statement of disapproval of the specification pursuant to this subsection, including the reasons for the disapproval.

''(B) FAILURE TO ACT.—If the Administrator fails to take any action or meet any deadline described in subparagraph (A) with respect to a proposed specification, the Administrator shall have no further authority under this subsection to disapprove or prohibit issuance of the specification.

''(3) NO RETROACTIVE DISAPPROVAL.—

''(A) IN GENERAL.—The authority of the Administrator to disapprove or prohibit issuance of a specification under this subsection—

''(i) terminates as of the date that is 60 days after the date on which the Administrator receives the proposed specification from the Secretary for review; and

''(ii) shall not be used with respect to any specification after issuance of the specification by the Secretary under subsection (a).

''(B) SPECIFICATIONS DISAPPROVED BEFORE DATE OF ENACTMENT.—In any case in which, before the date of enactment of this subparagraph, the Administrator disapproved a specification under this subsection (as in effect on the day before the date of enactment of the Mining Jobs Protection Act) after the specification was issued by the Secretary pursuant to subsection (a)—

''(i) the Secretary may—

''(I) reevaluate and reissue the specification after making appropriate modifications; or

''(II) elect not to reissue the specification; and

''(ii) the Administrator shall have no further authority to disapprove the modified specification or any reissuance of the specification.

''(C) FINALITY.—An election by the Secretary under subparagraph (B)(i) shall constitute final agency action.

''(4) APPLICABILITY.—Except as provided in paragraph (3), this subsection applies to each specification proposed to be issued under subsection (a) that is pending as of, or requested or filed on or after, the date of enactment of the Mining Jobs Protection Act''.

SEC. 3. REVIEW OF PERMITS.

Section 404(q) of the Federal Water Pollution Control Act (33 U.S.C. 1344(q)) is amended—

(1) in the first sentence, by striking ''(q) Not later than'' and inserting the following:

''(q) AGREEMENTS; HIGHER REVIEW OF PERMITS.—

''(1) AGREEMENTS.—

''(A) IN GENERAL.—Not later than'';

(2) in the second sentence, by striking ''Such agreements'' and inserting the following:

''(B) DEADLINE.—Agreements described in subparagraph (A)''; and

(3) by adding at the end the following:

''(2) HIGHER REVIEW OF PERMITS.—

''(A) IN GENERAL.—Subject to subparagraph (C), before the Administrator or the head of another Federal agency requests that a permit proposed to be issued under this section receive a higher level of review by the Secretary, the Administrator or other head shall—

''(i) consult with the head of the State agency having jurisdiction over aquatic resources in each State in which activities under the requested permit would be carried out; and

''(ii) obtain official consent from the State agency (or, in the case of multiple States in which activities under the requested permit would be carried out, from each State agency) to designate areas covered or affected by the proposed permit as aquatic resources of national importance.

''(B) FAILURE TO OBTAIN CONSENT.—If the Administrator or the head of another Federal agency does not obtain State consent described in subparagraph (A) with respect to a permit proposed to be issued under this section, the Administrator or Federal agency may not proceed in seeking higher review of the permit.

''(C) LIMITATION ON ELEVATIONS.—The Administrator or the head of another Federal agency may request that a permit proposed to be issued under this section receive a higher level of review by the Secretary not more than once per permit.

''(D) EFFECTIVE DATE.—This paragraph applies to permits for which applications are submitted under this section on or after January 1, 2010.''.

Mr. PAUL. Mr. President, I rise in support of this legislation. I think this is a good first step to reining in an out-of-control, unelected bureaucracy. I think the EPA has gone way beyond its mandated duty and is now at the point of stifling industry in our country. We see this and hear this across the State of Kentucky, as well as across the country. The President doesn't seem to understand why the country thinks he is against business and against progress. One can't be for job creation if one is against the job creators.

As the minority leader indicated, we have nearly 100,000 jobs and hundreds of thousands of other jobs connected to coal. This really applies to the rest of the country as well. Over half of the electricity in our country comes from coal. Over 90 percent of the electricity in Kentucky comes from coal. Yet we have mining operations that went through the process, some of them taking up to 10 years. I think the mine in question went through a 10-year process, spent millions of dollars to try to get started to provide electricity for the rest of us. Yet then the EPA comes in at the last minute.

There is said to be nearly 200 permits out there languishing. I asked the question of my staff this morning: How many have been applied for and how many have been granted? The EPA won't even tell us that. But from talking to those trying to produce the coal, to produce the electricity for our country, they said they can't get permits. In fact, there is one coal company in Kentucky that is now suing the Federal Government, saying they have taken his property. They have effectively taken his property because he can't get a permit. This is a real problem. The average expectancy for getting a permit in our country now for all mines is 7 years.

We wonder why we are languishing as we depend on everyone else for our energy. We want to be energy independent, and we sit on top of some of our country's most natural resources in oil and coal. Yet we won't produce our own. We have to become so involved and there are so many justifications for war across the world and this and that. Yet we refuse to use our own resources.

This is a very good step in trying to make the process better. All it is saying is that the EPA cannot have unlimited time to sit on our permits. This is saying there have to be rules.

I say this is a first step because I think the last election was about saying that unelected bureaucrats should not write law. That is what has happened. The President and many of his supporters have indicated they can't get cap and trade through the elected body, so they are going to go through the back door, through regulations. The American people need to stand up and say that unelected bureaucrats should not and cannot be allowed to write law. That is essentially what is happening now. I think this is a great first step. I compliment the minority leader for bringing this forward, and I wholeheartedly support it.

By Mr. BEGICH (for himself, Mrs. MURRAY, Ms. MURKOWSKI, and Mrs. BOXER):

S. 472. A bill to increase the mileage reimbursement rate for members of the armed services during permanent change of station and to authorize the transportation of additional motor vehicles of members on change of permanent station to or from nonforeign areas outside the continental United States; to the Committee on Armed Services.

Mr. BEGICH. Mr President, last week I had the privilege to travel to the Army's National Training Center to see the 1st Stryker Brigade Combat Team from Alaska train. I was amazed at what our soldiers do to prepare for the defense of our country.

Despite their upcoming deployment to Afghanistan in May, these Arctic Warriors were not thinking about themselves. They were thinking about their families. Over and over I heard how important their family's security and support system was to them, especially as they prepared to deploy.

To help out our military families today I am pleased to introduce the Service Members Permanent Change of Station Relief Act with my cosponsors Senator PATTY MURRAY, Senator BARBARA BOXER, and Senator LISA MURKOWSKI. This bill will improve financial security for our military families by increasing reimbursement for out-of-pocket expenses they often incur during government directed moves.

First, the bill will provide reimbursement to military families for costs incurred transporting a second car on a change of permanent duty station to or from Alaska, Hawaii or Guam. As with their counterparts in civilian life, many military families today own and rely on a second vehicle to work, take care of their children and meet day-to-day needs of the family. By doing this, we can save our military families $2,000 in personal expenses they pay to transport a second car.

Additionally, the bill increases the gas mileage reimbursement rate to $.51 per mile during a move to allow for compensation of all costs and depreciation resulting from use of a personal vehicle for a government move.

Our military families make great personal sacrifices for our country. Providing the Arctic Warriors and other military members a little peace of mind about the financial security of their families is the least we can do. I ask my colleagues to cosponsor this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 472

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 ''Service Members Permanent Change of Station Relief Act''.

SEC. 2. MILEAGE REIMBURSEMENT RATE FOR MEMBERS OF THE UNIFORMED SERVICES FOR TRAVEL RELATED TO CHANGE OF PERMANENT STATION.

Section 404(d)(1)(A) of title 37, United States Code, is amended by striking ''monetary allowance'' and all that follows through the period at the end and inserting the following: ''monetary allowance in place of the cost of transportation—

''(i) in the case of a member for whom travel has been authorized in connection with a change of a change of permanent station or for travel described in paragraph (2) or (3) of subsection (a), at the business standard mileage rate set by the Internal Revenue Service pursuant to section 1.274.5(j)(2) of title 26, Code of Federal Regulations; and

''(ii) in the case of a member's dependent for whom such travel has been authorized, at the rate provided in section 5704 of title 5.''.

SEC. 3. TRANSPORTATION OF ADDITIONAL MOTOR VEHICLE OF MEMBERS ON CHANGE OF PERMANENT STATION TO OR FROM NONFOREIGN AREAS OUTSIDE THE CONTINENTAL UNITED STATES.

(a) AUTHORITY TO TRANSPORT ADDITIONAL MOTOR VEHICLE.—Subsection (a) of section 2634 of title 10, United States Code, is amended—

(1) by striking the sentence following paragraph (4);

(2) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively;

(3) by inserting ''(1)'' after ''(a)''; and

(4) by adding at the end the following new paragraph:

''(2) One additional motor vehicle of a member (or a dependent of the member) may be transported as provided in paragraph (1) if—

''(A) the member is ordered to make a change of permanent station to or from a nonforeign area outside the continental United States and the member has at least one dependent of driving age who will use the motor vehicle; or

''(B) the Secretary concerned determines that a replacement for the motor vehicle transported under paragraph (1) is necessary for reasons beyond the control of the member and is in the interest of the United States and the Secretary approves the transportation in advance.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Such subsection is further amended—

(1) by striking ''his dependents'' and inserting ''a dependent of the member'';

(2) by striking ''him'' and inserting ''the member'';

(3) by striking ''his)'' and inserting ''the member)'';

(4) by striking ''his new'' and inserting ''the member's new''; and

(5) in paragraph (1)(C), as redesignated by subsection (a)—

(A) by striking ''clauses (1) and (2)'' and inserting ''subparagraphs (A) and (B)''; and

(B) by inserting ''or'' after the semicolon.

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall take effect on January 1, 2012, and apply with respect to a permanent change of station order issued on or after that date to a member of the uniformed services.

By Ms. COLLINS (for herself, Mr. PRYOR, Mr. PORTMAN, and Ms. LANDRIEU):

S. 473. A bill to extend the chemical facility security program of the Department of Homeland Security, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Ms. COLLINS. Mr. President, the law granting the Federal Government, for the first time, the authority to regulate the security of the Nation's highest risk chemical facilities is due to expire on March 18. We cannot allow this to occur. Given the success of this law and its vital importance to all Americans, I am introducing legislation today with Senators PRYOR, PORTMAN, and LANDRIEU to extend and improve the law.

More than 70,000 products are created through the use of chemicals, helping to supply the consumer, industrial, construction, and agricultural sectors of our economy. The United States is home to thousands of facilities that manufacture, use, or store chemicals.

This industry is vital to our economy, with annual sales of $725 billion, exports of $171 billion, and more than 780,000 employees.

After September 11, 2001, we realized that chemical facilities were vulnerable to terrorist attack. Given the hazardous chemicals present at many locations, terrorists could view them as attractive targets, yielding loss of life, significant injuries, and major destruction if successfully attacked.

In 2005, as Chairman of the Senate Homeland Security and Governmental Affairs Committee, I held a series of hearings on chemical security. Following these hearings, Senators LIEBERMAN, CARPER, LEVIN, and I introduced bipartisan legislation authorizing the Department of Homeland Security to set and enforce security standards at high-risk chemical facilities. That bill was incorporated into the homeland security appropriations act that was signed into law in 2006.

To implement this new authority, DHS established the Chemical Facility Anti-Terrorism Standards program, or CFATS. The program sets 18 risk-based performance standards that high-risk chemical facilities must meet. These security standards cover a range of threats, such as perimeter security, access control, theft, internal sabotage, and cyber security.

High-risk chemical facilities covered by the program must conduct mandatory vulnerability assessments, develop site security plans, and invest in protective measures.

The Department must approve these assessments and site security plans, using audits and inspections to ensure compliance with the performance standards. The Secretary has strong authority to shut down facilities that are non-compliant.

This risk-based approach has made the owners and operators of chemical plants partners with the Federal Government in implementing a successful, collaborative security program.

This landmark law has been in place slightly more than four years. Taxpayers have invested nearly $300 million in the program, and chemical plants have invested hundreds of millions more to comply with the law. As a direct result, security at our Nation's chemical facilities is much stronger today.

Now we must reauthorize the program. Simply put, the program works and should be extended.

Changing this successful law, as was proposed last year by the House of Representatives in partisan legislation, would discard what is working for an unproven and burdensome plan.

We must not undermine the substantial investments of time and resources already made in CFATS implementation by both DHS and the private sector. Worse would be requiring additional expenditures with no demonstrable increase to the overall security of our Nation.

In the 111th Congress, the Senate and the House of Representatives debated a provision that would alter the fundamental nature of CFATS. The provision would have required the Department to completely rework the program. It would have mandated the use of so-called ''inherently safer technology,'' or IST.

What is IST? It is an approach to process engineering. It is not, however, a security measure.

An IST mandate may actually increase or unacceptably transfer risk to other points in the chemical process or elsewhere in the supply chain.

For example, many drinking water utilities have determined that chlorine remains their best and most effective drinking water treatment option. Their decisions were not based solely on financial considerations, but also on many other factors, such as the characteristics of the region's climate, geography, and source water supplies, the size and location of the utility's facilities, and the risks and benefits of chlorine use compared to the use of alternative treatment processes.

According to one water utility located in an isolated area of the northwest United States, if Congress were to force it to replace its use of gaseous

chlorine with sodium hypochlorite, then the utility would have to use as much as seven times the current quantity of treatment chemicals to achieve comparable water quality results. In turn, the utility would have to arrange for many more bulk chemical deliveries, by trucks, into a watershed area. The greater quantities of chemicals and increased frequency of truck deliveries would heighten the risk of an accident resulting in a chemical spill into the watershed. In fact, the accidental release of sodium hypochlorite into the watershed would likely cause greater harm to soils, vegetation, and streams than a gaseous chlorine release in this remote area.

Currently, DHS cannot dictate specific security measures, like IST. Nor should it. The Federal Government should set performance standards, but leave it up to the private sector to decide precisely how to achieve those standards.

Forcing chemical facilities to implement IST could cost jobs at some facilities and affect the availability of many vital products.

Last year, the Society of Chemical Manufacturers and Affiliates testified that mandatory IST would restrict the production of pharmaceuticals and microelectronics, hobbling these industries. The increased cost of a mandatory IST program may force chemical companies to simply transfer their operations overseas, costing American workers thousands of jobs.

To be clear, some owners and operators of chemical facilities may choose to use IST. But that decision should be theirs—not Washington's. Congress should not dictate specific industrial processes under the guise of security when a facility could choose other alternatives that meet the Nation's security needs.

Last July, the Homeland Security Committee unanimously approved bipartisan legislation I authored with Senators PRYOR, VOINOVICH, and LANDRIEU to extend CFATS for three more years.

Additionally, the bill would have established voluntary exercise and training programs to improve collaboration with the private sector and state and local communities under the CFATS program; created a voluntary technical assistance program; and created a chemical facility security best practices clearinghouse and private sector advisory board at DHS to assist in the implementation of CFATS.

Today, along with Senators PRYOR, PORTMAN, and LANDRIEU, I am reintroducing this bill. The Continuing Chemical Facilities Antiterrorism Security Act of 2011 is a straight-forward, common-sense reauthorization of the CFATS program.

I am conscious of the risks our Nation faces through an attack on a chemical facility. That is why I authored this law in the first place and battled considerable opposition to get it enacted. We should support the continuation of this successful security program without the addition of costly, unproven Federal mandates. I urge my colleagues to support this important bill.

By Ms. SNOWE (for herself, Mr. COBURN, Ms. AYOTTE, Mr. ENZI, and Mr. BROWN, of Massachusetts):

S. 474. A bill to reform the regulatory process to ensure that small businesses are free to compete and to create jobs, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Ms. SNOWE. Mr. President, I rise today, with Senators COBURN, AYOTTE, ENZI, and BROWN of Massachusetts, to introduce the Small Business Regulatory Freedom Act of 2011, a vital measure that will help ensure that the federal government fully consider small business job creation in the bills we pass here in Congress and in the rules and regulations that agencies promulgate.

As the former Chair and now Ranking Member of the Senate Committee on Small Business and Entrepreneurship, I believe there is no more urgent imperative than job creation in our country. For the past 21 months, the unemployment rate has stood at 9 percent or above. We cannot allow these outrageous levels of unemployment to become the new normal. Therefore, it is essential that we focus like a laser on jumpstarting our economy. Now is the time to tear down barriers to job creation, not build them higher.

Unfortunately, recent data suggests that not only is this administration failing to tear down barriers to small business job creation, but rather is actively constructing new obstacles. In fiscal year 2010 alone, this administration embarked on nothing short of regulatory rampage, stampeding over small business, through the promulgation of 43 new major regulations promulgated in fiscal year 2010, imposing $26.5 billion in new regulatory compliance costs, and that's on top of the $1.75 trillion in annual compliance costs that the SBA Office of Advocacy recently reported.

Simply put, this is unacceptable. Too often, the Federal Government considers the regulatory impact on small firms merely as an afterthought rather than a top priority. In my recent street tours and meetings in Maine, aside from taxes, small businesses complain most about the onerous regulations emanating from every agency, every sphere of Washington, DC. Consider that, according to the U.S. Chamber of Commerce, the health reform law, which I opposed, mandates 41 separate rulemakings, at least 100 additional regulatory guidance documents, and 129 reports. What's most alarming, small firms with fewer than 20 employees bear a disproportionate burden of complying with federal regulations, paying an annual regulatory cost of $10,585 per employee, which is 36 percent higher than the regulatory cost facing larger firms.

This must change, and the ''Small Business Regulatory Freedom Act of 2011,'' aims to do just that. Our bill reforms the flawed rulemaking process to ensure that federal agencies consider small business impact before a rule is promulgated, not after. Our legislation, which is strongly supported by the National Federation of Independent Business, NFIB, would amend the Regulatory Flexibility Act, RFA, the seminal legislation enacted in 1980 that requires Federal agencies to conduct small business analyses for any proposed or final regulation that would impose a significant impact on a substantial number of small firms.

The first provision in our bill would enhance these small business analyses, by requiring agencies to draw in rules with foreseeable ''indirect'' economic effects under the definition of rules covered by the RFA. Such rules are currently exempt from the RFA, which currently only applies to ''direct'' economic impact. The RFA has already saved billions for small businesses by forcing government regulators to be sensitive to their direct impact on small firms. If billions of dollars can be filtered out of direct regulatory mandates upon small business while improving workplace safety and environmental conditions, even more can be saved by filtering out unnecessary or duplicative costs to those small businesses indirectly impacted by regulation.

The bill would also expand judicial review requirements currently in the RFA to allow small entities to seek review and an injunction at the proposed rule stage if agencies fail to fully consider small business impact as they are required to by law. This will help to ensure that federal agencies complete meaningful initial analyses under the RFA. Currently, small entities can only seek review on the date of the final regulatory action.

In addition, our legislation would amend and clarify the requirements under the RFA for the periodic review of rules. Many questions have arisen as a result of the ambiguous language in the RFA that have caused some confusion as to what rules require periodic review and when. Our bill clarifies the requirements for ''periodic review'' under Section 610 of the RFA so that both existing rules and rules that are promulgated after enactment of the Small Business Regulatory Freedom Act of 2011 are periodically reviewed within 10 years and every ten years thereafter. Along with each review, an agency must also create and update small business compliance guides to assist small businesses comply with that agencies regulations. The requirements of periodic review would also apply to these compliance guides and must be updated when the rule is reviewed.

Unfortunately, past efforts to encourage agencies to periodically review their regulations have failed because of

the lack of an enforcement mechanism. Our bill rectifies this issue. To ensure agency compliance the bill includes a sunset provision. If the Chief Counsel for the SBA Office of Advocacy determines that an agency has failed to conduct the necessary periodic review of a rule, then that rule will sunset and cease to have effect.

Moreover, the bill would expand the small business review panel process requirement, SBREFA panels, to apply to all agencies. These panels currently only apply to the Environmental Protection Agency, EPA, Occupational Safety and Health Administration, OSHA, and, thanks to an amendment that I included in the Wall Street Reform legislation, the new Consumer Financial Protection Bureau, CFPB. These panels have worked well at EPA and OSHA since 1996, so why not apply this stipulation to every federal agency, so small businesses are considered first, and not as an afterthought?

Furthermore, our bill would extend the RFA to informal agency guidance documents, so that Federal agencies must conduct small business economic analyses before publishing informal guidance documents. Many agencies, including the OSHA, have repeatedly subverted the rulemaking process through the use of guidance documents or ''reinterpretations'' so that they don't have to adhere to their RFA obligations, including small business review panels—this provision will help to end that practice.

This legislation also seeks to clarify language included in the RFA that has led to a great deal of confusion regarding RFA applicability to the IRS, and would once and for all ensure that indeed the IRS is covered under the RFA ending the longstanding practice of the IRS utilizing some unprecedented interpretations to circumvent compliance with the RFA—this bill closes those loopholes. For example, the IRS has argued that paperwork requirements are mandated by Congress and thus it is Congress that is creating the requirement, not the IRS. Our bill would clarify the definitions so the IRS and other agencies can no longer dodge conducting its RFA obligations.

Our bill will also update a dormant provision of the Small Business Regulatory Enforcement Fairness Act, SBREFA, by requiring that federal agencies review existing penalty structures within 6 months of enactment and every two years thereafter to mitigate penalty provisions on small firms. Too often agencies, like OSHA, set or update their penalty structures without considering small business economic impact. Our provision should end this practice.

Strengthening how Federal agencies execute their small business analyses is also a central requirement for real reform. This legislation will accomplish this goal through three fundamental reforms:

First, it would require a calculation of the additional cumulative impact the proposed rule will impose on small entities, including job creation and employment effects, beyond what is already imposed on small firms by the agency.

Second, the bill would require federal agencies to notify the Chief Counsel for the SBA Office Advocacy about any draft rule that will trigger an RFA analysis when the agency submits the draft rule to OMB's Office of Information and Regulatory Affairs, OIRA.

Third, our legislation would strengthen final regulatory flexibility analyses under RFA. Currently, small business analyses in final rules are only required to produce a summary analysis, general statement, or explanation regarding a rule's effect on small entities. In practice this has allowed agencies to avoid an in depth analysis of a rule's effect. Our legislation would enhance reporting so an agency must include a detailed analysis. It also would require the promulgating agency to publish the entire final analysis on its web site and in the Federal Register.

Our bill will also ensure that before an agency certifies that a proposed rule will not impose an economic impact on small business, it must first determine the average cost of the rule for small entities affected or reasonably presumed to be affected; the number of small firms affected or presumed to be affected; and the number of affected small entities for which the cost of the rule will be significant. Also, before a certification statement can be published the agency must send a copy of the certification to, and consult with, the Chief Counsel for Advocacy on the accuracy of the certification and statement.

Finally, the bill will clarify that the Chief Counsel for the SBA Office of Advocacy to be an attorney with expertise or knowledge of the regulatory process. This will ensure that the President nominates a qualified individual who will be the most effective advocate for small business possible. We also provide additional powers to the Chief Counsel by allowing him or her to comment on any regulatory action, not just during the notice and comment rulemaking process. In the past, the Office of Advocacy has refused to weigh in on matters outside the rulemaking process—e.g., guidance documents—citing a lack of authority to do so.

In a November 2010 Senate Small Business Committee hearing, it was noted that if there were a 30 percent cut in regulatory costs, an average 10-person firm would save, on average nearly $32,000, enough to hire one additional person. There is no doubt, reducing the regulatory burden on American small businesses will create jobs. After 21 straight months with unemployment at or above nine percent, it is more imperative than ever that we finally liberate American small businesses from the regulatory burden holding them down.

It is essential that we pass this legislation. I urge my colleagues to support my bill so we can ensure that our nation's small businesses and their employees are provided with much needed relief.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 474

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Small Business Regulatory Freedom Act of 2011''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. FINDINGS.

Congress finds the following:

(1) A vibrant and growing small business sector is critical to the recovery of the economy of the United States.

(2) Regulations designed for application to large-scale entities have been applied uniformly to small businesses and other small entities, sometimes inhibiting the ability of small entities to create new jobs.

(3) Uniform Federal regulatory and reporting requirements in many instances have imposed on small businesses and other small entities unnecessary and disproportionately burdensome demands, including legal, accounting, and consulting costs, thereby threatening the viability of small entities and the ability of small entities to compete and create new jobs in a global marketplace.

(4) Since 1980, Federal agencies have been required to recognize and take account of the differences in the scale and resources of regulated entities, but in many instances have failed to do so.

(5) In 2009, there were nearly 70,000 pages in the Federal Register, and, according to research by the Office of Advocacy of the Small Business Administration, the annual cost of Federal regulations totals $1,750,000,000,000. Small firms bear a disproportionate burden, paying approximately 36 percent more per employee than larger firms in annual regulatory compliance costs.

(6) All agencies in the Federal Government should fully consider the costs, including indirect economic impacts and the potential

for job creation and job loss, of proposed rules, periodically review existing regulations to determine their impact on small entities, and repeal regulations that are unnecessarily duplicative or have outlived their stated purpose.

(7) It is the intention of Congress to amend chapter 6 of title 5, United States Code, to ensure that all impacts, including foreseeable indirect effects, of proposed and final rules are considered by agencies during the rulemaking process and that the agencies assess a full range of alternatives that will limit adverse economic consequences, enhance economic benefits, and fully address potential job creation or job loss.

SEC. 3. INCLUDING INDIRECT ECONOMIC IMPACT IN SMALL ENTITY ANALYSES.

Section 601 of title 5, United States Code, is amended by adding at the end the following:

''(9) the term 'economic impact' means, with respect to a proposed or final rule—

''(A) any direct economic effect of the rule on small entities; and

''(B) any indirect economic effect on small entities, including potential job creation or job loss, that is reasonably foreseeable and that results from the rule, without regard to whether small entities are directly regulated by the rule.''.

SEC. 4. JUDICIAL REVIEW TO ALLOW SMALL ENTITIES TO CHALLENGE PROPOSED REGULATIONS.

Section 611(a) of title 5, United States Code, is amended—

(1) in paragraph (1), by inserting ''603,'' after ''601,'';

(2) in paragraph (2), by inserting ''603,'' after ''601,'';

(3) by striking paragraph (3) and inserting the following:

''(3) A small entity may seek such review during the 1-year period beginning on the date of final agency action, except that—

''(A) if a provision of law requires that an action challenging a final agency action be commenced before the expiration of 1 year, the lesser period shall apply to an action for judicial review under this section; and

''(B) in the case of noncompliance with section 603 or 605(b), a small entity may seek judicial review of agency compliance with such section before the close of the public comment period.''; and

(4) in paragraph (4)—

(A) in subparagraph (A), by striking '', and'' and inserting a semicolon;

(B) in subparagraph (B), by striking the period and inserting ''; or''; and

(C) by adding at the end the following:

''(C) issuing an injunction prohibiting an agency from taking any agency action with respect to a rulemaking until that agency is in compliance with the requirements of section 603 or 605.''.

SEC. 5. PERIODIC REVIEW AND SUNSET OF EXISTING RULES.

Section 610 of title 5, United States Code, is amended to read as follows:

''§ 610. Periodic review of rules

''(a)(1) Not later than 180 days after the date of enactment of the Small Business Regulatory Freedom Act of 2011, each agency shall establish a plan for the periodic review of—

''(A) each rule issued by the agency that the head of the agency determines has a significant economic impact on a substantial number of small entities, without regard to whether the agency performed an analysis under section 604 with respect to the rule; and

''(B) any small entity compliance guide required to be published by the agency under section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note).

''(2) In reviewing rules and small entity compliance guides under paragraph (1), the agency shall determine whether the rules and guides should—

''(A) be amended or rescinded, consistent with the stated objectives of applicable statutes, to minimize any significant adverse economic impacts on a substantial number of small entities (including an estimate of any adverse impacts on job creation and employment by small entities); or

''(B) continue in effect without change.

''(3) Each agency shall publish the plan established under paragraph (1) in the Federal Register and on the Web site of the agency.

''(4) An agency may amend the plan established under paragraph (1) at any time by publishing the amendment in the Federal Register and on the Web site of the agency.

''(b)(1) Each plan established under subsection (a) shall provide for—

''(A) the review of each rule and small entity compliance guide described in subsection (a)(1) in effect on the date of enactment of the Small Business Regulatory Freedom Act of 2011—

''(i) not later than 8 years after the date of publication of the plan in the Federal Register; and

''(ii) every 8 years thereafter; and

''(B) the review of each rule adopted and small entity compliance guide described in subsection (a)(1) that is published after the date of enactment of the Small Business Regulatory Freedom Act of 2011—

''(i) not later than 8 years after the publication of the final rule in the Federal Register; and

''(ii) every 8 years thereafter.

''(2)(A) If an agency determines that the review of the rules and guides described in paragraph (1)(A) cannot be completed before the date described in paragraph (1)(A)(i), the agency—

''(i) shall publish a statement in the Federal Register certifying that the review cannot be completed; and

''(ii) may extend the period for the review of the rules and guides described in paragraph (1)(A) for a period of not more than 2 years, if the agency publishes notice of the extension in the Federal Register.

''(B) An agency shall transmit to the Chief Counsel for Advocacy of the Small Business Administration and Congress notice of any statement or notice described in subparagraph (A).

''(c) In reviewing rules under the plan required under subsection (a), the agency shall consider—

''(1) the continued need for the rule;

''(2) the nature of complaints received by the agency from small entities concerning the rule;

''(3) comments by the Regulatory Enforcement Ombudsman and the Chief Counsel for Advocacy of the Small Business Administration;

''(4) the complexity of the rule;

''(5) the extent to which the rule overlaps, duplicates, or conflicts with other Federal rules and, unless the head of the agency determines it to be infeasible, State and local rules;

''(6) the contribution of the rule to the cumulative economic impact of all Federal rules on the class of small entities affected by the rule, unless the head of the agency determines that such a calculation cannot be made;

''(7) the length of time since the rule has been evaluated, or the degree to which technology, economic conditions, or other factors have changed in the area affected by the rule; and

''(8) the impact of the rule, including—

''(A) the estimated number of small entities to which the rule will apply;

''(B) the estimated number of small entity jobs that will be lost or created due to the rule; and

''(C) the projected reporting, recordkeeping, and other compliance requirements of the proposed rule, including—

''(i) an estimate of the classes of small entities that will be subject to the requirement; and

''(ii) the type of professional skills necessary for preparation of the report or record.

''(d)(1) Each agency shall submit an annual report regarding the results of the review required under subsection (a) to—

''(A) Congress; and

''(B) in the case of an agency that is not an independent regulatory agency (as defined in section 3502(5) of title 44), the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget.

''(2) Each report required under paragraph (1) shall include a description of any rule or guide with respect to which the agency made a determination of infeasibility under paragraph (5) or (6) of subsection (c), together with a detailed explanation of the reasons for the determination.

''(e) Each agency shall publish in the Federal Register and on the Web site of the agency a list of the rules and small entity compliance guides to be reviewed under the plan required under subsection (a) that includes—

''(1) a brief description of each rule or guide;

''(2) for each rule, the reason why the head of the agency determined that the rule has a significant economic impact on a substantial number of small entities (without regard to whether the agency had prepared a final regulatory flexibility analysis for the rule); and

''(3) a request for comments from the public, the Chief Counsel for Advocacy of the Small Business Administration, and the Regulatory Enforcement Ombudsman concerning the enforcement of the rules or publication of the guides.

''(f)(1) With respect to each agency, not later than 6 months after each date described in subsection (b)(1), the Chief Counsel for Advocacy of the Small Business Administration shall determine whether the agency has completed the review required under subsection (b).

''(2) If, after a review under paragraph (1), the Chief Counsel for Advocacy of the Small Business Administration determines that an agency has failed to complete the review required under subsection (b), each rule issued by the agency that the head of the agency determined under subsection (a) has a significant economic impact on a substantial number of small entities shall immediately cease to have effect.''.

SEC. 6. REQUIRING SMALL BUSINESS REVIEW PANELS FOR ALL AGENCIES.

(a) AGENCIES.—Section 609 of title 5, United States Code, is amended—

(1) in subsection (b), by striking ''a covered agency'' each place it appears and inserting ''an agency''; and

(2) in subsection (e)(1), by striking ''the covered agency'' and inserting ''the agency''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) SECTION 609.—Section 609 of title 5, United States Code, is amended—

(A) by striking subsection (d), as amended by section 1100G(a) of Public Law 111–203 (124 Stat. 2112); and

(B) by redesignating subsection (e) as subsection (d).

(2) SECTION 603.—Section 603(d) of title 5, United States Code, as added by section 1100G(b) of Public Law 111–203 (124 Stat. 2112), is amended—

(A) in paragraph (1), by striking ''a covered agency, as defined in section 609(d)(2)'' and inserting ''the Bureau of Consumer Financial Protection''; and

(B) in paragraph (2), by striking ''A covered agency, as defined in section 609(d)(2),'' and inserting ''The Bureau of Consumer Financial Protection''.

(3) SECTION 604.—Section 604(a) of title 5, United States Code, is amended—

(A) by redesignating the second paragraph designated as paragraph (6) (relating to covered agencies), as added by section 1100G(c)(3) of Public Law 111–203 (124 Stat. 2113), as paragraph (7); and

(B) in paragraph (7), as so redesignated—

(i) by striking ''a covered agency, as defined in section 609(d)(2)'' and inserting ''the Bureau of Consumer Financial Protection''; and

(ii) by striking ''the agency'' and inserting ''the Bureau''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of enactment of this Act and apply on and after the designated transfer date established under section 1062 of Public Law 111–203 (12 U.S.C. 5582).

SEC. 7. EXPANDING THE REGULATORY FLEXIBILITY ACT TO AGENCY GUIDANCE DOCUMENTS.

Section 601(2) of title 5, United States Code, is amended by inserting after ''public comment'' the following: ''and any significant guidance document, as defined in the Office of Management and Budget Final Bulletin for Agency Good Guidance Procedures (72 Fed. Reg. 3432; January 25, 2007)''.

SEC. 8. REQUIRING THE INTERNAL REVENUE SERVICE TO CONSIDER SMALL ENTITY IMPACT.

(a) IN GENERAL.—Section 603(a) of title 5, United States Code, is amended, in the fifth sentence, by striking ''but only'' and all that follows through the period at the end and inserting ''but only to the extent that such interpretative rules, or the statutes upon which such rules are based, impose on small entities a collection of information requirement or a recordkeeping requirement.''.

(b) DEFINITIONS.—Section 601 of title 5, United States Code, as amended by section 3 of this Act, is amended—

(1) in paragraph (6), by striking ''and'' at the end; and

(2) by striking paragraphs (7) and (8) and inserting the following:

''(7) the term 'collection of information' has the meaning given that term in section 3502(3) of title 44;

''(8) the term 'recordkeeping requirement' has the meaning given that term in section 3502(13) of title 44; and''.

SEC. 9. MITIGATING PENALTIES ON SMALL ENTITIES.

Section 223 of the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121; 110 Stat. 862) is amended by adding at the end the following:

''(d) REVIEW OF POLICIES AND PROGRAMS.—

''(1) REVIEW REQUIRED.—Not later than 6 months after the date of enactment of this subsection, and every 2 years thereafter, each agency regulating the activities of small entities shall review the policy or program established by the agency under subsection (a) and make any modifications to the policy or program necessary to comply with the requirements under this section.

''(2) REPORT.—Not later than 6 months after the date of enactment of this subsection, and every 2 years thereafter, each agency described in paragraph (1) shall submit a report on the review and modifications required under paragraph (1) to—

''(A) the Committee on Small Business and Entrepreneurship and the Committee on Homeland Security and Governmental Affairs of the Senate; and

''(B) the Committee on Small Business and the Committee on the Judiciary of the House of Representatives.''.

SEC. 10. REQUIRING MORE DETAILED SMALL ENTITY ANALYSES.

(a) INITIAL REGULATORY FLEXIBILITY ANALYSIS.—Section 603 of title 5, United States Code, as amended by section 1100G(b) of Public Law 111–203 (124 Stat. 2112), is amended—

(1) by striking subsection (b) and inserting the following:

''(b) Each initial regulatory flexibility analysis required under this section shall contain a detailed statement—

''(1) describing the reasons why action by the agency is being considered;

''(2) describing the objectives of, and legal basis for, the proposed rule;

''(3) estimating the number and type of small entities to which the proposed rule will apply;

''(4) describing the projected reporting, recordkeeping, and other compliance requirements of the proposed rule, including an estimate of the classes of small entities which will be subject to the requirement and the type of professional skills necessary for preparation of the report and record;

''(5) describing all relevant Federal rules which may duplicate, overlap, or conflict with the proposed rule, or the reasons why such a description could not be provided; and

''(6) estimating the additional cumulative economic impact of the proposed rule on small entities, including job creation and employment by small entities, beyond that already imposed on the class of small entities by the agency, or the reasons why such an estimate is not available.''; and

(2) by adding at the end the following:

''(e) An agency shall notify the Chief Counsel for Advocacy of the Small Business Administration of any draft rules that may have a significant economic impact on a substantial number of small entities—

''(1) when the agency submits a draft rule to the Office of Information and Regulatory Affairs of the Office of Management and Budget under Executive Order 12866, if that order requires the submission; or

''(2) if no submission to the Office of Information and Regulatory Affairs is required—

''(A) a reasonable period before publication of the rule by the agency; and

''(B) in any event, not later than 3 months before the date on which the agency publishes the rule.''.

(b) FINAL REGULATORY FLEXIBILITY ANALYSIS.—

(1) IN GENERAL.—Section 604(a) of title 5, United States Code, is amended—

(A) by inserting ''detailed'' before ''description'' each place it appears;

(B) in paragraph (2)—

(i) by inserting ''detailed'' before ''statement'' each place it appears; and

(ii) by inserting ''(or certification of the proposed rule under section 605(b))'' after ''initial regulatory flexibility analysis'';

(C) in paragraph (4), by striking ''an explanation'' and inserting ''a detailed explanation''; and

(D) in paragraph (6) (relating to a description of steps taken to minimize significant economic impact), as added by section 1601 of the Small Business Jobs Act of 2010 (Public Law 111–240; 124 Stat. 2251), by inserting ''detailed'' before ''statement''.

(2) PUBLICATION OF ANALYSIS ON WEB SITE, ETC.—Section 604(b) of title 5, United States Code, is amended to read as follows:

''(b) The agency shall—

''(1) make copies of the final regulatory flexibility analysis available to the public, including by publishing the entire final regulatory flexibility analysis on the Web site of the agency; and

''(2) publish in the Federal Register the final regulatory flexibility analysis, or a summary of the analysis that includes the telephone number, mailing address, and address of the Web site where the complete final regulatory flexibility analysis may be obtained.''.

(c) CROSS-REFERENCES TO OTHER ANALYSES.—Section 605(a) of title 5, United States Code, is amended to read as follows:

''(a) A Federal agency shall be deemed to have satisfied a requirement regarding the content of a regulatory flexibility agenda or regulatory flexibility analysis under section 602, 603, or 604, if the Federal agency provides in the agenda or regulatory flexibility analysis a cross-reference to the specific portion of an agenda or analysis that is required by another law and that satisfies the requirement under section 602, 603, or 604.''.

(d) CERTIFICATIONS.—Section 605(b) of title 5, United States Code, is amended, in the second sentence, by striking ''statement providing the factual'' and inserting ''detailed statement providing the factual and legal''.

(e) QUANTIFICATION REQUIREMENTS.—Section 607 of title 5, United States Code, is amended to read as follows:

''§ 607. Quantification requirements

''In complying with sections 603 and 604, an agency shall provide—

''(1) a quantifiable or numerical description of the effects of the proposed or final rule, including an estimate of the potential for job creation or job loss, and alternatives to the proposed or final rule; or

''(2) a more general descriptive statement regarding the potential for job creation or job loss and a detailed statement explaining why quantification under paragraph (1) is not practicable or reliable.''.

SEC. 11. ENSURING THAT AGENCIES CONSIDER SMALL ENTITY IMPACT DURING THE RULEMAKING PROCESS.

Section 605(b) of title 5, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

(2) by adding at the end the following:

''(2) If, after publication of the certification required under paragraph (1), the head of the agency determines that there will be a significant economic impact on a substantial number of small entities, the agency shall comply with the requirements of section 603 before the publication of the final rule, by—

''(A) publishing an initial regulatory flexibility analysis for public comment; or

''(B) re-proposing the rule with an initial regulatory flexibility analysis.

''(3) The head of an agency may not make a certification relating to a rule under this subsection, unless the head of the agency has determined—

''(A) the average cost of the rule for small entities affected or reasonably presumed to be affected by the rule;

''(B) the number of small entities affected or reasonably presumed to be affected by the rule; and

''(C) the number of affected small entities for which that cost will be significant.

''(4) Before publishing a certification and a statement providing the factual basis for the certification under paragraph (1), the head of an agency shall—

''(A) transmit a copy of the certification and statement to the Chief Counsel for Advocacy of the Small Business Administration; and

''(B) consult with the Chief Counsel for Advocacy of the Small Business Administration on the accuracy of the certification and statement.''.

SEC. 12. QUALIFICATIONS OF THE CHIEF COUNSEL FOR ADVOCACY AND AUTHORITY FOR THE OFFICE OF ADVOCACY.

(a) QUALIFICATIONS OF CHIEF COUNSEL FOR ADVOCACY.—Section 201 of Public Law 94–305 (15 U.S.C. 634a) is amended by adding at the end the following: ''The Chief Counsel for Advocacy shall be an attorney with business experience and expertise in or knowledge of the regulatory process.''.

(b) ADDITIONAL POWERS OF OFFICE OF ADVOCACY.—Section 203 of Public Law 94–305 (15 U.S.C. 634c) is amended—

(1) in paragraph (5), by striking ''and'' at the end;

(2) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(3) by inserting after paragraph (6) the following:

''(7) at the discretion of the Chief Counsel for Advocacy, comment on regulatory action by an agency that affects small businesses, without regard to whether the agency is required to file a notice of proposed rulemaking under section 553 of title 5, United States Code, with respect to the action.''.

SEC. 13. TECHNICAL AND CONFORMING AMENDMENTS.

(a) HEADING.—Section 605 of title 5, United States Code, is amended in the section heading by striking ''**Avoidance**'' and all that follows and inserting the following: ''**Incorporations by reference and certification.**''.

(b) TABLE OF SECTIONS.—The table of sections for chapter 6 of title 5, United States Code, is amended—

(1) by striking the item relating to section 605 and inserting the following:

''605. Incorporations by reference and certifications.''; and

(2) by striking the item relating to section 607 inserting the following:

''607. Quantification requirements.''.

By Mr. HARKIN (for himself, Ms. KLOBUCHAR, and Mr. FRANKEN):

S. 481. A bill to enhance and further research into the prevention and treatment of eating disorders, to improve access to treatment of eating disorders, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. HARKIN. Mr. President, today I am pleased to join with Senators KLOBUCHAR and FRANKEN to reintroduce the Federal Response to Eliminating Eating Disorders Act, or the FREED Act. The FREED Act is a comprehensive legislative effort to confront eating disorders in the United States, to learn more about their devastating impact, and to offer support and care to those who suffer from these illnesses.

Eating disorders such as anorexia nervosa, bulimia nervosa, and binge eating disorder are widespread, insidious, and too often fatal. Today, at least 5 million Americans suffer from eating disorders. Because these conditions often go undiagnosed and unreported, the actual number may be closer to 11 million Americans, including 1 million males. These disorders don't discriminate by gender, race, income, or age.

Eating disorders are dangerous conditions, though their consequences are often underestimated. Eating disorders are associated with serious heart conditions, kidney failure, osteoporosis, infertility, gastrointestinal disorders, and even death. The National Institute of Mental Health estimates that one in 10 people with anorexia nervosa will die of starvation, cardiac arrest, or some other medical complication. Let me repeat that—one in 10. That is deeply disturbing, and demands a much more aggressive federal response. Moreover, fatalities resulting from eating disorders are grossly underreported, because deaths are typically recorded by listing the immediate cause of death, such as cardiac arrest, rather than the underlying cause, which is the eating disorder.

Nonetheless, despite the prevalence and very serious health impacts of eating disorders, we simply do not know enough about the causes of eating disorders, or how to stop them from developing in the first place. Research suggests a genetic component to eating disorders, but we must learn more in order to effectively prevent these deadly conditions before they start.

The good news is that eating disorders are treatable. With appropriate nutritional, medical, and psychotherapeutic interventions, those who suffer from eating disorders can be successfully and fully treated and go on to live full and healthy lives. But right now, only one in 10 people receive treatment. We know how to help people with eating disorders and we need a renewed commitment to do just that.

The FREED Act takes an important step forward in authorizing resources for research, screening, treatment, and prevention of eating disorders.

First, the FREED Act expands research efforts at the National Institutes of Health to examine the causes and consequences of eating disorders. In order to effectively prevent and treat these conditions, it is imperative that we understand them. The FREED Act also improves surveillance and data collection systems at CDC so that we will have accurate information and epidemiological data on eating disorders. Such surveillance will provide us with the necessary information to be as effective as possible with our interventions.

Second, the FREED Act expands access to treatment services and screening for eating disorders for Medicaid beneficiaries, and authorizes funds for a patient advocacy network that will help individuals with eating disorders find treatment. Furthermore, the FREED Act improves the training and education of health care providers and educators so they know how to identify and treat individuals suffering from eating disorders. Too often, eating disorders go undiagnosed when health care providers lack the necessary training to identify these illnesses.

Finally, we need to step up crucial efforts to prevent these disorders from occurring in the first place. As I have said so many times, we don't have a genuine health care system in America; we have a sick care system. In other words, if you get sick, you get treatment. But we spend just pennies on the dollar to prevent disease and illness in the first place and need to place a much more robust emphasis on wellness, nutrition, physical activity, and public health. With this in mind, the FREED Act authorizes funds to develop and implement evidence-based prevention programs and promote healthy eating behaviors in schools, athletic programs, and other community-based programs, where we can reach Americans at risk of developing these conditions.

Eating disorders touch the lives of so many of us and our families and friends; nearly half of all Americans personally know someone with an eating disorder. We must do a better job at the federal level of conducting research, understanding treatment, and preventing these conditions. The FREED Act builds on the investments we made in prevention, wellness, and mental health in the Affordable Care Act and mental health parity. Millions of American will benefit from our attention to this significant public health problem.

I thank Senators KLOBUCHAR and FRANKEN for partnering with me on the reintroduction of this bill, and urge our colleagues to join us in supporting this important federal response to eating disorders.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 481

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 Response to Eliminate Eating Disorders Act''.

SEC. 2. FINDINGS.

Congress finds as follows:

(1) Estimates, based on current research, indicate that at least 5,000,000 people in the United States suffer from eating disorders including anorexia nervosa, bulimia nervosa, binge eating disorder, and eating disorders not otherwise specified (referred to in this Act as ''EDNOS'').

(2) Anecdotal evidence suggests that as many as 11,000,000 people in the United States, including 1,000,000 males, may suffer from eating disorders.

(3) Eating disorders occur in all nations and in all populations, and among people of all ages and races and of both genders.

(4) Eating disorders are diseases with grave health consequences and high rates of mortality.

(5) Health consequences associated with eating disorders include heart failure and other serious cardiac conditions, electrolyte imbalance, kidney failure, osteoporosis, debilitating tooth decay, and gastrointestinal disorders, including esophageal inflammation and rupture, gastric rupture, peptic ulcers, and pancreatitis.

(6) Anorexia nervosa has one of the highest overall mortality rates of any mental illness. According to the National Institute of Mental Health, 1 in 10 people with anorexia nervosa will die of starvation, cardiac arrest, or another medical complication.

(7) The risk of death among adolescents with anorexia nervosa is 11 times greater than in disease-free adolescents.

(8) Anorexia nervosa has the highest suicide rate of all mental illnesses.

(9) New research suggests that bulimia nervosa has a much higher rate of mortality than is reflected in current statistics, because of the failure to identify the underlying eating disorder.

(10) Binge eating disorder is the most common eating disorder, with an estimated 3.5 percent of American women and 2 percent of American men expected to suffer from this disorder in their lifetime. Binge eating disorder is characterized by frequent episodes of uncontrolled overeating and is associated with obesity, heart disease, gall bladder disease, and diabetes.

(11) Research demonstrates that there is a significant genetic component to the development of eating disorders.

(12) Certain populations, including adolescent females and athletes of both genders, are at higher risk of developing an eating disorder.

(13) Different types of eating disorders may affect certain races and genders disproportionately.

(14) Despite the serious health consequences and the high risk of death, Federal research funding for eating disorders has lagged behind research concerning other diseases, when compared by the number of individuals affected by, and the relative health consequences of, the diseases.

(15) The ability of individuals suffering from eating disorders, particularly bulimia nervosa, binge eating disorder, and EDNOS to access appropriate treatment is unacceptably low.

(16) The development of an eating disorder is frequently preceded by unhealthy weight control behaviors commonly identified as disordered eating, including skipping meals, using diet pills, taking laxatives, self-induced vomiting, and fasting. Such disordered eating behaviors should be included in enhanced research prevention and training efforts.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to expand research into the prevention of eating disorders;

(2) to expand research on effective treatment and intervention of eating disorders and to support evidence-based programs designed to prevent eating disorders;

(3) to expand research on the causes, courses, and outcomes of eating disorders;

(4) to increase the number of people properly screened and diagnosed with an eating disorder;

(5) to improve training and education of health care and behavioral care providers and of school personnel at all levels of elementary and secondary education;

(6) to improve surveillance and data systems for tracking the prevalence, severity, and economic costs of eating disorders; and

(7) to enhance access to comprehensive treatment for eating disorders.

TITLE I—EATING DISORDER DETECTION AND RESEARCH

SEC. 101. EXPANSION AND COORDINATION OF THE ACTIVITIES OF THE NATIONAL INSTITUTE OF HEALTH AND THE NATIONAL INSTITUTE OF MENTAL HEALTH WITH RESPECT TO RESEARCH ON EATING DISORDERS.

Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended by adding at the end the following:

"SEC. 409K. EXPANSION AND COORDINATION OF ACTIVITIES WITH RESPECT TO RESEARCH ON EATING DISORDERS.

''(a) IN GENERAL.—The Director of NIH, pursuant to the general authority of such director, shall expand, intensify, and coordinate the activities of the National Institutes of Health with respect to research on eating disorders.

''(b) GRANTS.—The Director of NIH may award grants to public or private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for such entities to establish consortia in eating disorder research and to carry out the activities described in subsection (e).

''(c) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall—

''(1) be public or nonprofit private entity (including a health department of a State, a political subdivision of a State, or an institution of higher education); and

''(2) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(d) REQUIREMENTS OF CONSORTIA.—

''(1) IN GENERAL.—Each consortium established as described in subsection (b) may use the facilities of a single lead institution, or may be formed from several cooperating institutions, meeting such requirements as may be prescribed by the Director of NIH.

''(2) COORDINATION OF CONSORTIA.—The Director of NIH—

''(A) may, as appropriate, provide for the coordination of information among consortia established under subsection (b); and

''(B) shall ensure regular communication between members of the various consortia established using grants awarded under this section.

''(3) REPORTS.—The Director of NIH shall require each consortium to prepare and submit to such director annual reports on the activities of such consortium.

''(e) ACTIVITIES.—Each consortium receiving a grant under subsection (b) shall conduct basic, clinical, epidemiological, population-based, or translational research regarding eating disorders, which may include research related to—

''(1) the identification and classification of eating disorders and disordered eating;

''(2) the causes, diagnosis, and early detection of eating disorders;

''(3) the treatment of eating disorders, including the development and evaluation of new treatments and best practices;

''(4) the conditions or diseases related to, or arising from, an eating disorder; and

''(5) the evaluation of existing prevention programs and the development of reliable prevention and screening programs.

''(f) COLLABORATION.—The Secretary, acting through the Director of NIH and the Director of the National Institute of Mental Health, shall identify relevant Federal agencies (including the other institutes and centers of the National Institutes of Health, the Centers for Medicare & Medicaid Services, the Centers for Disease Control and Prevention, the Agency for Healthcare Research and Quality, the Substance Abuse and Mental Health Services Administration, the Health Resources and Services Administration, and the Office on Women's Health) that shall collaborate with respect to activities conducted under subsection (d).

''(g) PUBLIC INPUT.—The Director of NIH shall provide for a mechanism—

''(1) to educate and disseminate information on the existing and planned programs and research activities of the National Institutes of Health with respect to eating disorders; and

''(2) through which the Director of NIH may receive comments from the public regarding such programs and activities.

''(h) DISSEMINATION OF INFORMATION.—The Director of NIH shall provide for a mechanism for making the results and information generated by the consortia publicly available, such as through the Internet.

''(i) DEFINITION.—For purposes of this section, the term 'eating disorder' has the meaning given such term in section 399OO(e).

''(j) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2012 through 2016.''.

SEC. 102. INTERAGENCY COORDINATING COUNCIL; SURVEILLANCE AND RESEARCH PROGRAM; STUDY ON ECONOMIC COST.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

"PART W—PROGRAMS RELATING TO EATING DISORDERS

"SEC. 399OO. INTERAGENCY EATING DISORDERS COORDINATING COUNCIL.

''(a) ESTABLISHMENT.—There is established within the Department of Health and Human Services the Interagency Eating Disorders Coordinating Council (referred to in this section as the 'Coordinating Council').

''(b) RESPONSIBILITIES.—The Coordinating Council shall—

''(1) develop and annually update a summary of advances in eating disorder research concerning causes of, prevention of, early screening for, treatment and access to services related to, and supports for individuals affected by, eating disorders;

''(2) monitor Federal activities with respect to eating disorders;

''(3) make recommendations to the Secretary regarding any appropriate changes to such activities, and to the Director of NIH, with respect to the strategic plan developed under paragraph (4);

''(4) develop and annually update a strategic plan for the conduct of, and support for, eating disorder research, including proposed budgetary recommendations; and

''(5) submit annually to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives the strategic plan developed under paragraph (4) and all updates to such plan.

''(c) MEMBERSHIP.—

''(1) CHAIRPERSON.—The Director of NIH shall serve as the chairperson of the Coordinating Council and shall be responsible for the leadership and oversight of the activities of the Coordinating Council.

''(2) MEMBERS IN GENERAL.—The Coordinating Council shall be composed of—

''(A) representatives of—

''(i) the Agency for Healthcare Research and Quality;

''(ii) the Substance Abuse and Mental Health Administration;

''(iii) the research institutes at the National Institutes of Health, as the Director of NIH determines appropriate;

''(iv) the Health Resources and Services Administration;

''(v) the Centers for Medicare & Medicaid Services;

''(vi) the Office on Women's Health;

''(vii) the Centers for Disease Control and Prevention;

''(viii) the Department of Education; and

''(ix) any other Federal agency that the chairperson determines is appropriate; and

''(B) the additional members appointed under paragraph (3).

''(3) ADDITIONAL MEMBERS.—Not fewer than ⅓ of the total membership of the Coordinating Council shall be composed of non-Federal public members to be appointed by the Secretary, including representatives of—

''(A) academic medical centers or schools of medicine, nursing, or other health professions;

''(B) health care professionals who are actively involved in the treatment of eating disorders;

''(C) researchers with expertise in eating disorders; and

''(D) at least 2 individuals with a past or present diagnosis of an eating disorder or parents of individuals with a past or present diagnosis of an eating disorder.

''(d) ADMINISTRATIVE SUPPORT; TERMS OF SERVICE; OTHER PROVISIONS.—

''(1) ADMINISTRATIVE SUPPORT.—The Coordinating Council shall receive necessary and appropriate administrative support from the Secretary.

''(2) TERMS OF SERVICE.—Members of the Coordinating Council appointed under subsection (c)(2) shall serve for a term of 4 years, and may be reappointed for one or more additional 4 year-terms. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office.

''(3) MEETINGS.—

''(A) IN GENERAL.—The Coordinating Council shall meet at the call of the chairperson or upon the request of the Secretary. The Coordinating Council shall meet not fewer than 2 times each year.

''(B) NOTICE.—Notice of any upcoming meeting of the Coordinating Council shall be published in the Federal Register.

''(C) PUBLIC ACCESS.—Each meeting of the Coordinating Council shall be open to the public and shall include appropriate periods of time for questions by the public.

''(4) SUBCOMMITTEES.—In carrying out its functions the Coordinating Council may establish subcommittees and convene workshops and conferences.

''(e) EATING DISORDER.—In this part, the term 'eating disorder' includes anorexia nervosa, bulimia nervosa, binge eating disorder, and eating disorders not otherwise specified, as defined in the fourth edition of the Diagnostic and Statistical Manual of Mental Disorders or any subsequent edition.

''(f) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2012 through 2016.

''SEC. 399OO–1. EATING DISORDER SURVEILLANCE AND RESEARCH PROGRAM.

''(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall award grants or cooperative agreements to eligible entities for the purpose of improving the collection, analysis and reporting of State epidemiological data on eating disorders.

''(b) ACTIVITIES.—An eligible entity shall assist with the development and coordination of eating disorder surveillance efforts within a region and may—

''(1) provide for the collection, analysis, and reporting of epidemiological data on eating disorders through the existing surveillance programs;

''(2) develop recommendations to enhance existing surveillance programs to more accurately collect epidemiological data on disordered eating and eating disorders, including the prevalence, incidence, trends, correlates, mortality, and causes of eating disorders and the effects of eating disorders on quality of life;

''(3) develop recommendations to improve requirements for ensuring that eating disorders are accurately recorded as underlying and contributing causes of death; and

''(4) assist with the development and coordination of surveillance efforts within a region.

''(c) ELIGIBLE ENTITIES.—To be eligible to receive an award under this section, an entity shall—

''(1) be a public or nonprofit private entity (including a health department of a State, a political subdivision of a State, or an institution of higher education); and

''(2) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(d) TECHNICAL ASSISTANCE.—In making awards under this section, the Secretary may provide direct technical assistance in lieu of cash.

''(e) REPORTS.—Each entity awarded a grant or cooperative agreement under this section shall annually submit to the Secretary a report describing the activities conducted using grant funds and providing recommendations for improving the collection, analysis, and reporting of epidemiological data on eating disorders.

''(f) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2012 through 2016.

''SEC. 399OO–2. STUDY REGARDING ECONOMIC COSTS OF EATING DISORDERS.

''Not later than 18 months after the date of enactment of the Federal Response to Eliminate Eating Disorders Act, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall conduct a study evaluating the economic costs of eating disorders. Such study may examine years of productive life lost, missed days of work, reduced work productivity, costs of medical and mental health treatment, costs to family, and costs to society as a result of eating disorders.''.

TITLE II—EATING DISORDER EDUCATION AND PREVENTION; STUDIES ON EATING DISORDERS AND BODY MASS INDEX; PUBLIC SERVICE ANNOUNCEMENTS

SEC. 201. GRANTS TO PREVENT EATING DISORDERS.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.), as amended by section 102, is further amended by adding at the end the following:

''SEC. 399OO–3. GRANTS TO PREVENT EATING DISORDERS.

''(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in coordination with the Administrator of the Health Resources and Services Administration, shall award grants to eligible entities to plan, implement, and evaluate programs to prevent eating disorders and obesity and the acute and chronic medical conditions that accompany such conditions, and to promote healthy body image and appropriate nutrition-based eating behaviors.

''(b) ELIGIBILITY.—To be eligible to receive a grant under this section, an entity shall—

''(1) be a State, local or tribal educational agency, an accredited institution of higher education, a State or local health department, or a community based organization; and

''(2) submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(c) USE OF FUNDS.—An entity receiving a grant under this section shall fund development and testing of school-, clinic-, community-, or health department-based programs designed to promote healthy eating behaviors and to prevent eating disorders including—

''(1) developing evidence-based interventions to prevent eating disorders, including educational or intervention programs regarding nutritional content, understanding and responding to hunger and satiety, positive body image development, positive self-esteem development, and life skills, that take into account cultural and developmental issues and the role of family, school, and community;

''(2) planning and implementing a healthy lifestyle curriculum or program with an emphasis on healthy eating behaviors, physical activity, and emotional wellness, the connection between emotional and physical health, and the prevention of bullying based on body size, shape, and weight;

''(3) forming partnerships with parents and caregivers to educate adults about identifying unhealthy eating behaviors and promoting healthy eating behaviors, physical activity, and emotional wellness; and

''(4) integrating eating disorder prevention and awareness in physical education, health, education, athletic training programs, and after-school recreational sports programs, to the extent possible.

''(d) REQUIREMENTS OF GRANT RECIPIENTS.—

''(1) LIMITATION ON ADMINISTRATIVE EXPENSES.—A recipient of a grant under this section shall not use more than 10 percent of the amounts received under a grant under this section for administrative expenses.

''(2) CONTRIBUTION OF FUNDS.—A recipient of a grant under this section, and any entity receiving assistance under the grant for training and education, shall contribute non-Federal funds, either directly or through in-kind contributions, to the costs of the activities to be funded under the grant in an amount that is not less than 10 percent of the total cost of such activities.

''(3) EVALUATION.—Each recipient of a grant under this section shall provide to the Secretary, in such form and manner as the Secretary shall specify, relevant data and an evaluation of the activities of the grant recipient in promoting healthy eating behaviors and preventing eating disorders. Evaluation reports shall be made publicly available, such as through the Internet.

''(e) TECHNICAL ASSISTANCE.—The Secretary may set aside an amount not to exceed 1 percent of the total amount appropriated for a fiscal year to provide grantees with technical support in the development, implementation, and evaluation of programs under this section and to disseminate information about preventing and treating eating disorders and obesity.

''SEC. 399OO–4. STUDY OF EATING DISORDERS IN ELEMENTARY SCHOOLS, SECONDARY SCHOOLS, AND INSTITUTIONS OF HIGHER EDUCATION.

''Not later than 18 months after the date of enactment of the Federal Response to Eliminate Eating Disorders Act, the National Center for Health Statistics of the Centers for Disease Control and Prevention and the National Center for Education Statistics of the Department of Education shall conduct a joint study, or enter into a contract to have a study conducted, on the impact eating disorders have on educational advancement and achievement. The study shall—

''(1) determine the incidence of eating disorders and disordered eating among students, and the morbidity and mortality rates associated with eating disorders;

''(2) evaluate the extent to which students with eating disorders are more likely to miss school, have delayed rates of development, or have reduced cognitive skills;

''(3) report on current State and local programs to increase awareness about the dangers of eating disorders among youth and to prevent eating disorders and the risk factors for eating disorders, and evaluate the value of such programs; and

''(4) make recommendations on measures that could be undertaken by Congress, the Department of Education, States, and local educational agencies to strengthen eating

disorder prevention and awareness programs including development of best practices.

"SEC. 399OO–5. STUDY OF THE SUITABILITY OF MANDATING BODY MASS INDEX REPORTING IN ELEMENTARY SCHOOLS AND SECONDARY SCHOOLS.

''Not later than 18 months after the date of enactment of the Federal Response to Eliminate Eating Disorders Act, the Director of the Centers for Disease Control and Prevention, in consultation with the Secretary of Education, shall conduct a study on mandatory reporting of body mass index, including—

''(1) how many schools are currently conducting mandatory reporting of body mass index;

''(2) how schools are assessing the impacts of such mandatory reporting on body mass index; and

''(3) how schools are assessing potential unintended consequences of such mandatory reporting on students, including those related to parent and peer relations.

"SEC. 399OO–6. PUBLIC SERVICE ADVERTISEMENTS.

''The Secretary, in consultation with the Director of the National Institutes of Health and the Secretary of Education, shall carry out a program to develop, distribute, and promote the broadcasting of public service announcements to improve public awareness of, and to promote the identification and prevention, of eating disorders.

"SEC. 399OO–7. AUTHORIZATION OF APPROPRIATIONS.

''To carry out sections 399OO–3, 399OO–4, 399OO–5, and 399OO–6, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2012 through 2016.''.

SEC. 202. SENSE OF THE SENATE.

It is the sense of the Senate that critically necessary programs to reduce obesity in children may also unintentionally increase the unhealthy weight control behaviors that can lead to development of eating disorders, and that federally funded programs to combat obesity should take this connection into consideration.

TITLE III—IMPROVING TRAINING IN HEALTH PROFESSIONS, EDUCATION, AND RELATED FIELDS

SEC. 301. GRANTS FOR HEALTH PROFESSIONALS.

Part D of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) is amended by adding at the end the following:

"SEC. 760. GRANTS FOR HEALTH PROFESSIONALS.

''(a) GRANTS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, in collaboration with the Director of the Centers for Disease Control and Prevention, shall award grants under this section to develop interdisciplinary training and education programs that provide undergraduate, graduate, post-graduate medical, nursing (including advanced practice nursing students), dental, mental and behavioral health, pharmacy, and other health professions students or residents with an understanding of, and clinical skills pertinent to identifying and treating, eating disorders.

''(b) ELIGIBILITY.—To be eligible to receive a grant under this section an entity shall—

''(1) be an accredited school of allopathic or osteopathic medicine, or an accredited school of nursing, public health, social work, dentistry, behavioral and mental health, or pharmacy, or an accredited medical, dental, or nursing residency program;

''(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(c) USE OF FUNDS.—

''(1) REQUIRED USES.—Amounts provided under a grant awarded under this section shall be used to fund interdisciplinary training and education projects that are designed to train medical, nursing, and other health professions students and residents to—

''(A) better identify patients at-risk of becoming overweight or obese or developing an eating disorder;

''(B) detect overweight or obesity or eating disorders among a diverse patient population;

''(C) counsel, refer, or treat patients with overweight or obesity or an eating disorder;

''(D) educate patients and the families of patients about effective strategies to establish healthy eating habits and appropriate levels of physical activity; and

''(E) assist in the creation and administration of community-based overweight and obesity and eating disorder prevention efforts.''

''(2) PERMISSIVE USE.—Amounts provided under a grant under this section may be used to offer community-based training opportunities in rural areas for medical, nursing, and other health professions students and residents on eating disorders, which may include the use of distance learning networks and other available technologies needed to reach isolated rural areas.

''(d) REQUIREMENTS OF GRANTEES.—

''(1) LIMITATION ON ADMINISTRATIVE EXPENSES.—A grantee shall not use more than 10 percent of the amounts received under a grant under this section for administrative expenses.

''(2) CONTRIBUTION OF FUNDS.—A grantee under this section, and any entity receiving assistance under the grant for training and education, shall contribute non-Federal funds, either directly or through in-kind contributions, to the costs of the activities to be funded under the grant in an amount that is not less than 10 percent of the total cost of such activities.

''(e) EATING DISORDER.—In this section, the term 'eating disorder' has the meaning given such term in section 399OO(e).

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal years 2012 through 2016.''.

SEC. 302. TRAINING IN ELEMENTARY AND SECONDARY SCHOOLS.

Section 5131(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7215(a)) is amended by adding at the end the following:

''(28) Programs to improve the identification of students with eating disorders (as defined in section 399OO of the Public Health Service Act), increase awareness of such disorders among parents and students, and train educators (including teachers, school nurses, school social workers, coaches, school counselors, and administrators) on effective eating disorder prevention, screening, detection and assistance methods.''.

TITLE IV—IMPROVING AVAILABILITY AND ACCESS TO TREATMENT

SEC. 401. MEDICAID COVERAGE FOR EATING DISORDER TREATMENT SERVICES.

(a) IN GENERAL.—Section 1905 of the Social Security Act (42 U.S.C. 1396d(a)) is amended—

(1) in subsection (a)—

(A) in paragraph (28), by striking ''and'' at the end;

(B) by redesignating paragraph (29) as paragraph (30); and

(C) by inserting after paragraph (28) the following new paragraph:

''(29) eating disorder treatment services (as defined in subsection (ee)(1)); and''; and

(2) by adding at the end the following new subsection:

''(ee) EATING DISORDER TREATMENT SERVICES.—

''(1) DEFINITION.—The term 'eating disorder treatment services' means services relating to diagnosis and treatment of an eating disorder (as defined in section 399OO of the Public Health Service Act), including screening, counseling, pharmacotherapy (including coverage of drugs described in paragraph (2)), and other necessary health care services.

''(2) COVERAGE FOR PHARMACOLOGICAL TREATMENT OF EATING DISORDERS.—For purposes of paragraph (1), eating disorder treatment services shall include drugs provided as part of care in an inpatient setting, covered outpatient drugs (as defined in section 1927(k)(2)), and non-prescription drugs described in section 1927(d)(2)(A) that are prescribed, in accordance with generally accepted medical guidelines, for treatment of an eating disorder.''.

(b) INCREASED FMAP FOR EATING DISORDER TREATMENT SERVICES.—

(1) EFFECTIVE UNTIL JANUARY 1, 2013.—Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) is amended in the first sentence—

(A) by striking ''and'' before ''(4)''; and

(B) by inserting before the period at the end the following: '', and (5) the Federal medical assistance percentage shall be equal to the enhanced FMAP described in section 2105(b) with respect to medical assistance for eating disorder treatment services (as defined in subsection (ee)(1)) provided to an individual who is eligible for such assistance and has an eating disorder (as defined in section 399OO of the Public Health Service Act)''.

(2) EFFECTIVE JANUARY 1, 2013.—Section 4106(b) of the Patient Protection and Affordable Care Act (Public Law 111–148) is amended—

(A) in paragraph (1), by striking ''(4)'' each time such term appears and inserting ''(5)''; and

(B) in paragraph (2), by striking '', and (5)'' and inserting '', and (6)''.

(c) INCLUSION IN EPSDT SERVICES.—Section 1905(r)(1)(B) of such Act (42 U.S.C. 1396d(r)(1)(B)) is amended—

(1) in clause (iv), by striking ''and'' at the end;

(2) in clause (v), by striking the period at the end and inserting ''; and''; and

(3) by inserting after clause (v) the following new clause:

''(vi) appropriate diagnostic services relating to eating disorders (as defined in section 399OO of the Public Health Service Act).''.

(d) EXCEPTION FROM OPTIONAL RESTRICTION UNDER MEDICAID DRUG COVERAGE.—Section 1927(d)(2)(A) of such Act (42 U.S.C. 1396r–8(d)(2)(A)) is amended by inserting before the period at the end the following: '', except for drugs that are prescribed, in accordance with generally accepted medical guidelines, for the purpose of treatment of an individual who is eligible for medical assistance under the State plan and has an eating disorder (as defined in section 399OO of the Public Health Service Act)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to drugs and services furnished on or after January 1, 2012.

SEC. 402. GRANTS TO SUPPORT PATIENT ADVOCACY.

Subpart II of part D of title IX of the Public Health Service Act is amended by adding at the end the following:

"SEC. 938. GRANTS TO SUPPORT PATIENT ADVOCACY.

''(a) GRANTS.—The Secretary, acting through the Director, shall award grants under this section to develop and support patient advocacy work to help individuals with eating disorders obtain adequate health care services and insurance coverage.

''(b) ELIGIBILITY.—To be eligible to receive a grant under this section, an entity shall—

''(1) be a public or nonprofit private entity (including a health department of a State or tribal agency, a community-based organization, or an institution of higher education);

''(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) comprehensive strategies for advocating on behalf of, and working with, individuals with eating disorders or at risk for developing eating disorders;

''(B) a plan for consulting with community-based coalitions, treatment centers, or eating disorder research experts who have experience and expertise in issues related to eating disorders or patient advocacy in providing services under a grant awarded under this section; and

''(C) a plan for financial sustainability involving State, local, and private contributions.

''(c) USE OF FUNDS.—Amounts provided under a grant awarded under this section shall be used to support patient advocacy work, including—

''(1) providing education and outreach in community settings regarding eating disorders and associated health problems, especially among low-income, minority, and medically underserved populations;

''(2) facilitating access to appropriate, adequate, and timely health care for individuals with eating disorders and associated health problems;

''(3) assisting in communication and cooperation between patients and providers;

''(4) representing the interests of patients in managing health insurance claims and plans;

''(5) providing education and outreach regarding enrollment in health insurance, including enrollment in the Medicare program under title XVIII of the Social Security Act, the Medicaid program under title XIX of such Act, and the Children's Health Insurance Program under title XXI of such Act;

''(6) identifying, referring, and enrolling underserved populations in appropriate health care agencies and community-based programs and organizations in order to increase access to high-quality health care services;

''(7) providing technical assistance, training, and organizational support for patient advocates; and

''(8) creating, operating, and participating in State or regional networks of patient advocates.

''(d) REQUIREMENTS OF GRANTEES.—

''(1) LIMITATION ON ADMINISTRATIVE EXPENSES.—A grantee shall not use more than 5 percent of the amounts received under a grant under this section for administrative expenses.

''(2) CONTRIBUTION OF FUNDS.—A grantee under this section, and any entity receiving assistance under the grant for training and education, shall contribute non-Federal funds, either directly or through in-kind contributions, to the costs of the activities to be funded under the grant in an amount that is not less than 75 percent of the total cost of such activities.

''(3) REPORTING TO SECRETARY.—A grantee under this section shall annually submit to the Secretary a report, at such time, in such manner, and containing such information as the Secretary may require, including a description and evaluation of the activities described in subsection (c) carried out by such entity.

''(e) EATING DISORDER.—In this section, the term 'eating disorder' has the meaning given such term in section 399OO(e).

''(f) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated such sums as may be necessary for fiscal years 2012 through 2016.''.

By Mr. REED (for himself, Mr. DURBIN, Mr. MERKLEY, Mr. WHITEHOUSE, Mr. FRANKEN, and Mr. LEAHY):

S. 489. A bill to require certain mortgagees to evaluate loans for modifications, to establish a grant program for State and local government mediation programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. REED. Mr. President, today I am introducing the Preserving Homes and Communities Act. I introduced an earlier version of this legislation in 2009. I am pleased to again be joined by Senators DURBIN, LEAHY, MERKLEY, WHITEHOUSE, and FRANKEN as cosponsors of this bill.

The sheer number of foreclosures across the country is startling. Since the beginning of 2009, there have been approximately 5 million foreclosures, and the Center for Responsible Lending estimates there will be a total of 9 million foreclosures between 2009 and 2012. In my home state of Rhode Island, the numbers are similarly shocking because 1 in every 10 mortgaged homeowners is in foreclosure or seriously delinquent on their mortgage payment.

Rhode Island families have felt the effects of the recession and the national housing crisis harder than most, which is why I worked with the Obama Administration and led the effort to expand the Hardest Hit Fund to include Rhode Island. This program is just getting underway, and my hope is that it will provide much needed targeted assistance to struggling homeowners and expand the number of loss mitigation tools in order to prevent more Rhode Islanders from falling into foreclosure.

Unfortunately, additional efforts are needed because the foreclosure crisis has grown in complexity as a result of the revelations last fall pointing to poorly handled, if not illegal, foreclosure processing. Cutting these corners at the risk of severe legal consequences raises serious questions about not only the value of mortgage related investments, but also the loan modification efforts of servicers.

I will persist in my efforts to fight improper foreclosures and to bring Rhode Islanders the relief they deserve, and this commitment continues today with the introduction of the Preserving Homes and Communities Act. This bill has been updated and enhanced from its predecessor in the last Congress to reflect the fact that some provisions have been enacted into law and to address emerging issues that are standing in the way of saving as many homes as possible.

Most importantly, this bill, like the one I introduced in 2009, eliminates the so called ''dual-track'' in which a homeowner is evaluated for a home loan modification while simultaneously being foreclosed upon. The prospect of losing one's home is daunting enough, and unfortunately, too many troubled homeowners have received a modification notice one day followed by a foreclosure notice the next day. This is just too confusing and injects additional uncertainty at the most unnerving time for a troubled homeowner. Simply put, there should be no dual track. There should be one track, and while a troubled homeowner is being evaluated for a loan modification, they should have the comfort of knowing that foreclosure proceedings will not be initiated. This bill establishes this single track.

Second, in light of the repeated difficulties that troubled homeowners have faced in contacting and remaining in touch with their servicers, this bill continues to provide a means for more State and local governments to establish mediation programs. These programs provide a process by which a neutral third party presides over discussions between homeowners and servicers to review and discuss alternatives to foreclosure.

Third, with this bill, I continue my efforts to fund the National Housing Trust Fund, which would enable the building, preservation, and rehabilitation of affordable rental housing through the proceeds received from the warrant provisions I crafted for the financial rescue package in 2008. These warrant provisions ensured that as banking institutions recovered from their near collapse, American taxpayers, who bankrolled their recovery, would also benefit from the upside. To date, more than $8 billion in warrant proceeds have been recouped by taxpayers. As I have stated before, my view is that some of these returns from providing a firmer foundation for our financial institutions would be put to good use by providing a firmer foundation for affordable rental housing in our country by finally funding the National Housing Trust Fund.

This bill also has several new provisions. First, in response to repeated concerns that the loan modification process has been lacking in transparency, this bill creates a dispute resolution mechanism within the loan modification process itself. Under this bill, troubled homeowners and servicers may work out their disagreements with a neutral third party on a fair playing field with all the information required to evaluate whether a home loan modification application was properly evaluated.

Second, this legislation addresses the recent robo-signing allegations by requiring servicers, if a home loan modification is denied, to prove that they actually have the legal right to foreclose.

Third, this bill responds to difficulties faced by individuals who, for example, have come to own and live in a mortgaged home through the death of a loved one. These unfortunate life events are tough enough. As long as these individuals live in these homes as

their primary residences and are having difficulties paying their mortgages due to financial hardship, they too would have to be evaluated for a loan modification before banks could foreclose under my legislation.

Fourth, this bill adds another provision to the section placing reasonable limits on foreclosure fees and costly markups by prohibiting abusive fees charged in response to lapsed home insurance policies. Under this bill, when a home insurance policy lapses, the servicer may only charge a fee in an amount equal to the cost of continuing or re-establishing the home insurance policy. No more, and no less.

Lastly, I think it's important to make one final point about this bill. It provides the means for servicers to legitimately evaluate struggling homeowners for loan modifications, but it does not require servicers to work with homeowners who have clearly abandoned their homes, as determined by the Secretary of Housing and Urban Development. This bill is narrowly and responsibly tailored to prevent foreclosures that can be avoided and to ensure that all finalized foreclosures are properly and objectively processed. In short, this legislation is fair.

The foreclosure crisis has persisted for far too long, and it is time to finally address this issue once and for all. The Preserving Homes and Communities Act provides a path to stabilizing the housing sector as a means of bolstering and sustaining our economic recovery. I hope my colleagues will join me and Senators DURBIN, LEAHY, MERKLEY, WHITEHOUSE, and FRANKEN in supporting this bill and taking the legislative steps necessary to address foreclosures.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 489

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 ''Preserving Homes and Communities Act of 2011''.

SEC. 2. DEFINITION.

In this Act, the term ''Secretary'' means the Secretary of Housing and Urban Development.

SEC. 3. LOAN MODIFICATION REQUIREMENTS.

(a) DEFINITIONS.—In this section—

(1) the term ''covered mortgagee'' means—

(A) an original lender under a federally related mortgage loan;

(B) any servicer, affiliate, agent, subsidiary, successor, or assignee of a lender under a federally related mortgage loan; and

(C) any purchaser, trustee, or transferee of any mortgage or credit instrument issued by an original lender under a federally related mortgage loan;

(2) the term ''covered mortgagor''—

(A) means an individual—

(i) who—

(I) is a mortgagor under a federally related mortgage loan—

(aa) made by a covered mortgagee; and

(bb) secured by the principal residence of the mortgagor; or

(II) is eligible to assume a federally related mortgage loan described in clause (I) in a manner described in paragraph (3), (5), (6), or (7) of section 341(d) of the Garn-St Germain Depository Institutions Act of 1982 (12 U.S.C. 1701j–3(d)), if the principal residence of the individual is the principal residence securing the federally related mortgage loan; and

(ii) who cannot make payments on a federally related mortgage loan due to financial hardship, as determined by the Secretary, in consultation with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection; and

(B) does not include an individual who the Secretary, in consultation with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection, determines has abandoned the principal residence securing the federally related mortgage loan;

(3) the term ''federally related mortgage loan'' has the same meaning as in section 3 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602);

(4) the term ''home loan modification protocol'' means a home loan modification protocol that—

(A) is developed under a home loan modification program developed or put into effect by the Secretary of the Treasury, the Secretary, or the Director of the Bureau of Financial Protection;

(B) includes principal reduction; and

(C) to the extent possible, in the case of real property on which there is a first lien and a subordinate lien securing a federally related mortgage loan, requires that any principal reduction with respect to the first lien be accompanied by a proportional principal reduction with respect to the subordinate lien;

(5) the term ''qualified loan modification'' means a modification to the terms of a mortgage agreement between a covered mortgagee and a covered mortgagor that—

(A) is made pursuant to a determination by the covered mortgagee using a home loan modification protocol that a modification would—

(i) produce a greater net present value than not modifying the loan to—

(I) the covered mortgagee; or

(II) in the aggregate, all persons that hold an interest in the mortgage agreement; and

(ii) produce mortgage payments that, at a minimum, are reduced to an affordable and sustainable amount, based on a debt-to-income ratio that takes into account the total housing debt and gross household income of the covered mortgagor;

(B) applies for the remaining term of the original mortgage agreement, prior to modification or amendment; and

(C) permits the maximum amount of principal reduction that produces a greater net present value than foreclosure to the persons described in subparagraph (A)(i); and

(6) the term ''State'' means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

(b) LOAN MODIFICATION PROCEDURES.—

(1) INITIATION OF FORECLOSURE.—A covered mortgagee may not initiate a nonjudicial foreclosure or a judicial foreclosure against a covered mortgagor that is otherwise authorized under State law unless—

(A) the covered mortgagee has used its best efforts to determine whether the covered mortgagor is eligible for a qualified loan modification;

(B) in the case of a covered mortgagor who the covered mortgagee determines is eligible for a qualified loan modification, the covered mortgagee has used its best efforts to promptly offer a qualified loan modification to the covered mortgagor; and

(C) in the case of a covered mortgagor who the covered mortgagee determines is not eligible for a qualified loan modification, the covered mortgagee has made available to the covered mortgagor documentation of—

(i) a loan modification calculation or net present value calculation, including the information necessary to verify and evaluate the calculation, made by the covered mortgagee in relation to the federally related mortgage using a home loan modification protocol;

(ii) the loan origination, including any note, deed of trust, or other document necessary to establish the right of the mortgagee to foreclose on the mortgage, including proof of assignment of the mortgage to the mortgagee and the right of the mortgagee to enforce the relevant note under the law of the State in which the real property securing the mortgage is located;

(iii) any pooling and servicing agreement that the covered mortgagee believes prohibits a qualified loan modification;

(iv) the payment history of the covered mortgagor and a detailed accounting of any costs or fees associated with the account of the covered mortgagor; and

(v) the specific alternatives to foreclosure considered by the covered mortgagee, including qualified loan modifications, workout agreements, and short sales.

(2) FORECLOSURE IN PROGRESS.—If a covered mortgagee initiated a nonjudicial foreclosure or a judicial foreclosure proceeding against a covered mortgagor before the date of enactment of this Act, the covered mortgagee—

(A) shall use its best efforts to take all steps necessary to—

(i) suspend the foreclosure or foreclosure proceeding, as permitted under the law of the State in which the real property securing the federally related mortgage loan is located, including the cancellation of any sale date that has been scheduled with respect to the real property securing the federally related mortgage loan; and

(ii) toll any deadlines limiting the rights of the covered mortgagor, whether imposed by statute, scheduling order, or otherwise, until the covered mortgagee has complied with the requirements under this section; and

(B) may not—

(i) conduct or schedule a sale of the real property securing the federally related mortgage loan; or

(ii) cause judgment to be entered against the covered mortgagor.

(3) REEVALUATION OF APPLICATION FOR QUALIFIED LOAN MODIFICATION.—If, after receiving information under paragraph (1)(C), a covered mortgagor is able to demonstrate that the covered mortgagor is eligible for a qualified loan modification, the covered mortgagee shall—

(A) promptly reevaluate the application by the covered mortgagor for a qualified loan modification; and

(B) if the covered mortgagor is eligible, offer the covered mortgagor a qualified loan modification.

(4) DISPUTE RESOLUTION.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Treasury, the Secretary, and the Director of the Bureau of Financial Protection shall ensure that any home loan modification protocol established by the Secretary of the Treasury, the Secretary, or the Director of the Bureau of Financial Protection, respectively, includes a procedure with a neutral third party to resolve disputes between covered mortgagors

and covered mortgagees regarding applications for qualified loan modifications.

(5) NO WAIVER OF RIGHTS.—A covered mortgagee may not require a covered mortgagor to waive any right of the covered mortgagor as a condition of making a qualified loan modification.

(6) CERTIFICATION REQUIRED PRIOR TO SALE OF REAL PROPERTY SECURING MORTGAGE.—

(A) CERTIFICATION.—A covered mortgagee shall submit to the appropriate State entity in the State in which the real property securing a federally related mortgage loan is located a certification that the covered mortgagee has complied with all requirements of this section, before—

(i) the covered mortgagee may sell the real property; or

(ii) a purchaser at sale may file an action to recover possession of the real property.

(B) RECORDATION OF DEED PROHIBITED WITHOUT CERTIFICATION.—The government official responsible for recording deeds and other transfers of real property in a jurisdiction may not permit the recordation of a deed transferring title after a foreclosure relating to a federally related mortgage loan in the jurisdiction unless the government official certifies that—

(i) the person conducting the sale has demonstrated that the requirements of this subsection have been met with respect to the federally related mortgage loan; or

(ii) the requirements of this subsection do not apply to the federally related mortgage loan.

(C) VOIDING OF SALE.—A sale of property in violation of this subsection is void.

(D) REGULATIONS.—The Secretary, in consultation with the Secretary of the Treasury and Director of the Bureau of Consumer Financial Protection, shall issue regulations establishing the content of the certification under this subparagraph.

(7) BAR TO FORECLOSURE.—Failure to comply with this subsection is a bar to foreclosure under the applicable law of a State.

(8) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to prevent a covered mortgagee from offering or making a loan modification with a lower payment, lower interest rate, or principal reduction beyond that required by a modification made using a home loan modification protocol with respect to a covered mortgagor.

(c) FEES PROHIBITED.—

(1) LOAN MODIFICATION FEES PROHIBITED.—A covered mortgagee may not charge a fee to a covered mortgagor for carrying out the requirements under subsection (b).

(2) FORECLOSURE-RELATED FEES.—

(A) IN GENERAL.—Except as provided in subparagraph (B) and (C), a covered mortgagee may not charge a foreclosure-related fee to a covered mortgagor before—

(i) the covered mortgagee has made a determination under subsection (b)(1); and

(ii) the mortgage has entered the foreclosure process.

(B) DELINQUENCY FEES.—A covered mortgagee may charge 1 delinquency fee for each late payment by a covered mortgagor, if the fee is specified by the mortgage agreement and permitted by other applicable Federal and State law. A delinquency fee may be collected only once on an installment however long it remains in default.

(C) OTHER FEES.—A covered mortgagee may charge a covered mortgagor 1 property valuation fee and 1 title search fee in connection with a foreclosure.

(3) FEES NOT IN CONTRACT.—A covered mortgagee may charge a fee to a covered mortgagor only if—

(A) the fee was specified by the mortgage agreement before a modification or amendment; and

(B) the fee is otherwise permitted under this subsection.

(4) FEES FOR EXPENSES INCURRED.—

(A) IN GENERAL.—A covered mortgagee may charge a fee to a covered mortgagor only—

(i) for services actually performed by the covered mortgagee or a third party in relation to the mortgage agreement, before a modification or amendment; and

(ii) if the fee is reasonably related to the actual cost of providing the service.

(B) HOME PRESERVATION SERVICES.—A covered mortgagee may charge a fee to a covered mortgagor for home preservation services, only if the covered mortgagor has not submitted a payment under the federally related mortgage during the 60-day period ending on the date the fee is charged.

(5) FORCEPLACED INSURANCE.—

(A) FEE PERMITTED.—If a home insurance policy on the real property securing a federally related mortgage loan lapses due to the failure of a covered mortgagor to make a payment, a covered mortgagee may charge the covered mortgagor a fee in an amount equal to the actual cost of continuing or reestablishing the home insurance policy on the same terms in effect before the lapse.

(B) RECOVERY OF FEE.—A covered mortgagee may recover the fee described in subparagraph (A)—

(i) by establishing an escrow account in accordance with section 10 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2609); or

(ii) in equal monthly amounts during one 12-month period.

(6) PENALTY.—The Director of the Bureau of Consumer Financial Protection shall collect from any covered mortgagee that charges a fee in violation of this subsection an amount equal to $6,000 for each such fee.

(d) REGULATIONS.—Not later than 3 months after the date of enactment of this Act, the Secretary, in consultation with the Secretary of the Treasury and the Director of the Bureau of Consumer Financial Protection, shall issue by notice any requirements to carry out this section. The Secretary shall subsequently issue, after notice and comment, final regulations to carry out this section.

(e) BUREAU OF CONSUMER FINANCIAL PROTECTION HOME LOAN MODIFICATION PROTOCOL.—Not later than 90 days after the date of enactment of this Act, the Director of the Bureau of Consumer Financial Protection shall develop a home loan modification protocol.

(f) TREASURY AND HUD HOME LOAN MODIFICATION PROTOCOLS.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Treasury and the Secretary shall make any changes to the home loan modification protocol of the Secretary of the Treasury and the Secretary, respectively, that are necessary to carry out this Act.

SEC. 4. MEDIATION INITIATIVES.

(a) DEFINITIONS.—In this section—

(1) the term ''mortgagee'' includes the agent of a mortgagee; and

(2) the term ''mediation'' means a process in which a neutral third party presides over discussions between mortgagors and mortgagees to review and discuss available loss mitigation options in order to avoid foreclosure.

(b) GRANT PROGRAM ESTABLISHED.—The Secretary shall establish a grant program to make competitive grants to State and local governments to establish mediation programs that assist mortgagors facing foreclosure.

(c) MEDIATION PROGRAMS.—A mediation program established using a grant under this section shall—

(1) require participation in the program by—

(A) any mortgagee that seeks to initiate or has initiated a judicial or nonjudicial foreclosure; and

(B) any mortgagor who is subject to a judicial or nonjudicial foreclosure;

(2) require that a representative of the mortgagee who has authority to decide on loss mitigation options (including loan modification) participate, in person, in scheduled sessions;

(3) require any mortgagee or mortgagor required to participate in the program to make a good faith effort to resolve promptly, through mediation, issues relating to the default on the mortgage;

(4) if mediation is not made available to the mortgagor before a foreclosure proceeding is initiated, allow the mortgagor to request mediation at any time before a foreclosure sale;

(5) provide that any proceeding to foreclose that is initiated by the mortgagee shall be stayed until the mediator has issued a written certification that the mortgagee complied in good faith with its obligations under the mediation program established under this section;

(6) provide for—

(A) supervision by a State court (or a State court in conjunction with an agency or department of a State or local government) of the mediation program;

(B) selection and training of neutral, third-party mediators by a State court (or an agency or department of the State or local government);

(C) penalties to be imposed by a State court, or an agency or department of a State or local government, if a mortgagee fails to comply with an order to participate in mediation; and

(D) consideration by a State court (or an agency or department of a State or local government) of recommendations by a mediator relating to penalties for failure to fulfill the requirements of the mediation program;

(7) require that each mortgagee that participates in the mediation program make available to the mortgagor, before and during participation in the mediation program, documentation of—

(A) a loan modification calculation or net present value calculation, including the information necessary to verify and evaluate the calculation, made by the mortgagee in relation to the mortgage using a home loan modification protocol;

(B) the loan origination, including any note, deed of trust, or other document necessary to establish the right of the mortgagee to foreclose on the mortgage, including proof of assignment of the mortgage to the mortgagee and the right of the mortgagee to enforce the relevant note under the law of the State in which the real property securing the mortgage is located;

(C) any pooling and servicing agreement that the mortgagee believes prohibits a loan modification;

(D) the payment history of the mortgagor and a detailed accounting of any costs or fees associated with the account of the mortgagor; and

(E) the specific alternatives to foreclosure considered by the mortgagee, including loan modifications, workout agreements, and short sales;

(8) prohibit a mortgagee from shifting the costs of participation in the mediation program, including the attorney's fees of the mortgagee, to a mortgagor;

(9) provide that—

(A) any holder of a junior lien against the property that secures a mortgage that is the subject of a mediation—

(i) be notified of the mediation; and

(ii) be permitted to participate in the mediation; and

(B) any proceeding initiated by a holder of a junior lien against the property that secures a mortgage that is the subject of a mediation be stayed pending the mediation;

(10) provide information to mortgagors about housing counselors approved by the Secretary; and

(11) be free of charge to the mortgagor and mortgagee.

(d) RECORDKEEPING.—A State or local government that receives a grant under this section shall keep a record of the outcome of each mediation carried out under the mediation program, including the nature of any loan modification made as a result of participation in the mediation program.

(e) TARGETING.—A State that receives a grant under this section may establish—

(1) a statewide mediation program; or

(2) a mediation program in a specific locality that the State determines has a high need for such program due to—

(A) the number of foreclosures in the locality; or

(B) other characteristics of the locality that contribute to the number of foreclosures in the locality.

(f) FEDERAL SHARE.—The Federal share of the cost of a mediation program established using a grant under this section may not exceed 50 percent.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2011 through 2014.

SEC. 5. OVERSIGHT OF PUBLIC AND PRIVATE EFFORTS TO REDUCE MORTGAGE DEFAULTS AND FORECLOSURES.

(a) DEFINITIONS.—In this section—

(1) the term ''heads of appropriate agencies'' means the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, the Director of the Bureau of Consumer Financial Protection, the Director of the Office of Financial Research of the Department of the Treasury, and a representative of State banking regulators selected by the Secretary;

(2) the term ''mortgagee'' means—

(A) an original lender under a mortgage;

(B) any servicers, affiliates, agents, subsidiaries, successors, or assignees of an original lender; and

(C) any subsequent purchaser, trustee, or transferee of any mortgage or credit instrument issued by an original lender; and

(3) the term ''servicer'' means any person who collects on a home loan, whether such person is the owner, the holder, the assignee, the nominee for the loan, or the beneficiary of a trust, or any person acting on behalf of such person.

(b) MONITORING OF HOME LOANS.—

(1) IN GENERAL.—The Secretary, in consultation with the heads of appropriate agencies, shall develop and implement a plan to monitor—

(A) conditions and trends in homeownership and the mortgage industry, in order to predict trends in foreclosures to better understand other critical aspects of the mortgage market; and

(B) the effectiveness of public and private efforts to reduce mortgage defaults and foreclosures.

(2) REPORT TO CONGRESS.—Not later than 1 year after the development of the plan under paragraph (1), and each year thereafter, the Secretary shall submit a report to Congress that—

(A) summarizes and describes the findings of the monitoring required under paragraph (1); and

(B) includes recommendations or proposals for legislative or administrative action necessary—

(i) to increase the authority of the heads of appropriate agencies to levy penalties against any mortgagee, or other person or entity, who fails to comply with the requirements described in this section;

(ii) to improve coordination between public and private initiatives to reduce the overall rate of mortgage defaults and foreclosures; and

(iii) to improve coordination between initiatives undertaken by Federal, State, and local governments.

SEC. 6. HOUSING TRUST FUND.

From funds received or to be received by the Secretary of the Treasury from the sale of warrants under title I of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5211 et seq.), the Secretary of the Treasury shall transfer and credit $1,000,000,000 to the Housing Trust Fund established under section 1338 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4568) for use in accordance with such section.

Mr. WHITEHOUSE. Mr. President, I rise today to speak in support of legislation I have introduced with Senators REED, MERKLEY, SANDERS and TESTER to enhance foreclosure protections for our servicemembers and their families, and to help ensure that their rights under the Servicemembers Civil Relief Act are not violated.

We have all heard horror stories about how servicers treat homeowners in distress. When these abusive mortgage practices harm the men and women who are sent into harm's way to protect our country, it is a particular tragedy and it deserves our urgent attention.

Not only are these practices illegal and morally repugnant, they can also be a dangerous distraction from our military mission. Holly Petraeus, General Petraeus' wife, leads the Consumer Financial Protection Bureau's Office for Service Member Affairs, and she testified on this issue during a recent hearing before the House Veterans' Affairs Committee. As she put it, ''[i]t is a terrible situation for the family at home and for the servicemember abroad who feels helpless.''

Service members over at the point of the spear in Afghanistan have enough to worry about without worrying about the bank foreclosing on their family.

According to recent media reports, it has come to light that financial institutions have repeatedly failed to comply with the Servicemembers Civil Relief Act or ''SCRA''. These violations led to thousands of mortgage overcharges and a number of unlawful foreclosures. Under the SCRA, it is illegal to foreclose on a protected servicemember unless an authorization by a judge is obtained. Then, the judge can only act after a hearing is held in which the military homeowner is represented.

One of the most troubling cases is the story of SGT James B. Hurley, who lost his home while he was serving in Iraq. Like many Reservists, Sergeant Hurley made less money serving on active duty than he did in his civilian job. So, when he was mobilized, it became a real struggle for his family to afford his mortgage and they fell behind in making his payments.

The SCRA was designed to protect our servicemembers from financial challenges associated with deployments, and it should have prevented the bank from foreclosing on Sergeant Hurley. However, the bank violated the SCRA, foreclosing on Sergeant Hurley illegally, and forcing his wife and children out of their home. Sergeant Hurley returned from combat, as a disabled veteran, only to find that the bank had sold the home that he worked so hard to build.

The current economic climate has hit our returning veterans particularly hard, adding to the financial challenges our deployed servicemembers already face. According to a recent Department of Labor report, the unemployment rate for veterans rose to 9.9 percent overall, and 15.2 percent for veterans of the wars in Iraq and Afghanistan.

These heartbreaking statistics underscore how difficult it can be to readjust economically to life at home. For our returning servicemembers that need time to get back on financial solid footing, to rebuild what they had to walk away from to defend the rest of us, we should do everything we can to accommodate their needs, especially during these difficult economic times.

The Protecting Servicemembers from Mortgage Abuses Act of 2011, which I am introducing would encourage compliance with the SCRA by doubling the maximum criminal penalties for violations of its foreclosure and eviction protections. It would also double civil penalties in cases where the Attorney General has commenced a civil action against the lender.

In addition, the bill will give servicemembers the time they need after returning from deployment to regain solid financial footing, by extending the period of foreclosure protection coverage from 9 to 24 months after military service has ended.

I hope Senators on both sides of the aisle will come together and join me in supporting legislation to discourage loan servicers from further violations and help to protect the financial and emotional well-being of our troops.

By Mr. AKAKA.

S. 490. A bill to amend title 38, United States Code, to increase the maximum age for children eligible for medical care under the CHAMPVA program, and for other purposes; to the Committee on Veterans' Affairs.

Mr. AKAKA. Mr. President, today, many dependent children of veterans who permanently and totally disabled from a service connected disability or who died in the line of duty are no longer being covered by their health insurance program. I am introducing important legislation that would make a critical adjustment to current eligibility requirements for children who receive health care under the Civilian Health and Medical Program of the Department of Veterans Affairs program.

CHAMPVA was established in 1973 within the Veterans Administration to provide health care services to dependents and survivors of our Nation's veterans. CHAMPVA enrollment has grown steadily over the years and, as of fiscal year 2009, covers more than 336,000 beneficiaries.

Under the current law, a dependent child loses eligibility for CHAMPVA upon turning 18-years-old, unless the child is enrolled in school on a full-time basis. After losing full-time status at school, or upon turning 23-years-old, an eligible child of a veteran would lose eligibility.

The landmark health care reform act that was enacted into law last year includes a provision that requires private health insurance to cover dependent children until age 26.

I believe it is only fair to afford children who are CHAMPVA beneficiaries the same eligibility as dependent children whose parents have private sector coverage. Beneficiaries are already being cut off from coverage. We need to take prompt action to extend coverage to the dependents of these veterans who have given so much to our country. I urge my colleagues to support this necessary modification.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 490

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

SECTION 1. INCREASE OF MAXIMUM AGE FOR CHILDREN ELIGIBLE FOR MEDICAL CARE UNDER CHAMPVA PROGRAM.

(a) INCREASE.—Subsection (c) of section 1781 of title 38, United States Code, is amended to read as follows:

''(c)(1) Notwithstanding clauses (i) and (iii) of section 101(4)(A) of this title and except as provided in paragraph (2), for purposes of this section, a child who is eligible for benefits under subsection (a) shall remain eligible for benefits under this section until the child's 26th birthday, regardless of the child's marital status.

''(2) Before January 1, 2014, paragraph (1) shall not apply to a child who is eligible to enroll in an eligible employer-sponsored plan (as defined in section 5000A(f)(2) of the Internal Revenue Code of 1986).

''(3) This subsection shall not be construed to limit eligibility for coverage of a child described in section 101(4)(A)(ii) of this title.''.

(b) EFFECTIVE DATE.—Such subsection, as so amended, shall apply with respect to medical care provided on or after the date of the enactment of this Act.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 87—DESIGNATING THE YEAR OF 2012 AS THE ''INTERNATIONAL YEAR OF COOPERATIVES''

Mr. JOHNSON of South Dakota (for himself, Mr. COCHRAN, Mr. KOHL, Mr. ENZI, Ms. COLLINS, Mr. FRANKEN, Mr. TESTER, Mr. GRASSLEY, Ms. KLOBUCHAR, Mr. WICKER, Mrs. MCCASKILL, Mr. ROBERTS, Mr. PRYOR, Mr. CONRAD, Mr. BROWN of Ohio, Mr. SCHUMER, Mrs. MURRAY, Mrs. BOXER, Mr. BAUCUS, Ms. STABENOW, Ms. CANTWELL, and Mr. NELSON of Nebraska) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 87

Whereas in the United States, there are more than 29,000 cooperatives with 120,000,000 members;

Whereas cooperatives in the United States generate 2,000,000 jobs and make a substantial contribution to the economy of the United States with annual sales of $652,000,000,000 and assets of $3,000,000,000,000;

Whereas the cooperative business model has empowered people around the world to improve their lives through economic and social progress;

Whereas cooperatives are a major economic force in developed countries and a powerful business model in developing countries, employing approximately 100,000,000 people;

Whereas there are millions of cooperatives, which are owned and governed by more than 1,000,000,000 members, operating in every nation of the world;

Whereas the economic activity of the largest 300 cooperatives in the world is equal to that of the 10th largest national economy;

Whereas United Nations Resolution 64/136, adopted by the General Assembly on December 18, 2009, designates the year 2012 as the ''International Year of Cooperatives'';

Whereas the theme of the International Year of Cooperatives is ''Cooperative Enterprise Builds a Better World''; and

Whereas cooperatives are the businesses of the people, and for more than a century, have been a vital part of the world economy: Now, therefore, be it

Resolved, That the Senate—

(1) designates the year 2012 as the ''International Year of Cooperatives'';

(2) congratulates cooperatives and members of cooperatives in the United States and around the world on the recognition of the United Nations of 2012 as the ''International Year of Cooperatives'';

(3) recognizes the vital role cooperatives play in the economic and social well-being of the United States;

(4) urges the establishment of a National Committee for the 2012 International Year of Cooperatives to be comprised of representatives from each Federal agency, all cooperative sectors, and key stakeholders;

(5) recognizes the importance of raising the profile of cooperatives and demonstrating the manner by which cooperatives build local wealth, generate employment, and provide competition in the marketplace; and

(6) encourages highlighting the positive impact of cooperatives and developing new programs for domestic and international cooperative development.

Mr. JOHNSON of South Dakota. Mr. President, today I submitted a resolution with my friend, Senator THAD COCHRAN of Mississippi, to recognize and celebrate the importance of cooperatives to our economy, and our rural communities in particular. In 2009, the United Nations General Assembly officially declared 2012 as ''The International Year of Cooperatives'' through a resolution calling on governments to recognize the important role cooperatives play in providing economic opportunity for millions of people in the United States and throughout the world. Our resolution highlights the impact of cooperatives and encourages the development of programs, both here and abroad, for cooperative development.

The Capper-Volstead Act of 1922 was the first legal protection for the cooperative business model in which a business is democratically controlled and owned by its members and operates for the mutual benefit of its members. The membership of a cooperative is comprised of the individuals who use the business' services or buy its goods. The Capper-Volstead Act was originally enacted with the purpose of legally empowering farmers to pool their marketing resources and to improve farmers' bargaining power with the buyers of their products. The cooperative business model has since expanded to other areas of the economy, and has contributed significantly to economic growth in rural communities.

A recent study from the University of Wisconsin Center for Cooperatives found that today, 29,000 U.S. cooperatives operate at 73,000 places of business throughout the country. They have a significant impact on the economy, employing around 2 million people and generating more than $650 billion in revenue annually. Additionally, the member-owned and controlled nature of cooperatives, particularly in rural States like South Dakota, helps to ensure that economic activity remains in the community. Having a membership stake in a local business tends to make one more likely to buy goods or services from that business, thereby contributing to local economic development. Research has even shown that when consumers find out a business is organized as a cooperative, they are more likely to do business with that entity.

Overall, Americans hold 350 million memberships in cooperatives. A majority of our Nation's farmers are members of nearly 3,000 farmer-owned cooperatives, which provide more than 250 thousand jobs in our economy. There are more than 900 rural electric cooperatives servicing 42 million people in almost every State, and over 91 million people bank at more than 7,500 credit unions throughout the country. In South Dakota alone, 81 farm supply and marketing cooperatives claim 65,000 memberships, generating $5.3 billion in annual revenue. The 50 credit unions located in my home State hold 24,600 memberships and generate $2.2 billion in assets. Additionally, there are 125,000 members of the 30 electric cooperatives and 49,000 members of 11 telephone cooperatives throughout the State. Cooperatives clearly take many different forms in our communities, providing jobs and opportunities for rural residents, and in the case of agriculture, provide new markets for the products they produce.

My resolution will officially include the United States in recognizing 2012 as the International Year of Cooperatives,

and encourage the growth and development of businesses throughout the world. I hope my colleagues will join me in recognizing and celebrating the contributions of cooperatives and pass this important resolution this year.

SENATE RESOLUTION 88—EXPRESSING THE SENSE OF THE SENATE THAT BUSINESSES OF THE UNITED STATES SHOULD RETAIN THE OPTION TO ORGANIZE AS THOSE BUSINESSES CHOOSE, INCLUDING THE FLOW-THROUGH ENTITIES, AND NOT BE FORCED TO REORGANIZE AS C CORPORATIONS

Ms. SNOWE submitted the following resolution; which was referred to the Committee on Finance.

S. RES. 88

Whereas the tremendous growth in businesses organized as flow-through entities, including S corporations, has resulted in the number of flow-through entities far exceeding the number of C corporations;

Whereas there are more than 26,000,000 businesses operating as flow-through entities in the United States, representing 82 percent of all United States businesses, relative to just 5,900,000 C corporations;

Whereas these flow-through and small businesses create 70 percent of all new jobs and are responsible for 44 percent of the total private payroll in the United States;

Whereas under the Internal Revenue Code of 1986 as in effect in March 2011, these job-generating businesses are taxed at individual tax rates based on the individual income of the business owners, making these businesses highly sensitive to changes in individual tax rates;

Whereas as of March 2011, 50 percent of all income above $250,000 is attributable to flow-through businesses;

Whereas, if individual tax rates increase after 2012 in accordance with the proposals set forth by the President, flow-through businesses will face a massive aggregate tax increase, potentially in excess of $800,000,000,000;

Whereas the Secretary of the Treasury has proposed forcing flow-through entities to reorganize as C corporations to make them subject to double taxation as a way to impose more taxes on these businesses in order to pay for the budgetary policies of the President; and

Whereas forcing corporate reorganizations for purely tax-driven reasons represents a misguided incentive, a misallocation of precious business resources, and a serious threat to job creation: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Federal Government should preserve the organizational options available for businesses to operate as the businesses choose, including as flow-through entities;

(2) raising taxes on businesses that create jobs will be detrimental to the economic recovery of the United States;

(3) generating increased tax revenue on the backs of the small businesses of the United States is inconsistent with, and will impede, job creation; and

(4) any legislative approach to comprehensive fundamental tax reform should include a debate on the individual rates at which most businesses in the United States should be taxed, rather than narrowly focusing on corporate tax rates or forcing small business owners into corporate status for tax purposes.

Ms. SNOWE. Mr. President, I rise to submit a sense of the Senate resolution that clarifies my opposition to tax increases on the job-creating sector of our economy—small business.

It is becoming increasingly clear, and increasingly concerning, that the administration is proposing to raise taxes on America's small businesses, either by forcing them to reorganize as subchapter C corporations solely for tax reasons and be subjected to new and additional taxes, or, by allowing them to remain organized as flow-through entities, where they will face massive increases after 2012 when current tax rates expire. Our Nation simply cannot afford an impending tax increase of over $800 billion. Subjecting small businesses to the double taxation of corporate-entity status would be a major mistake.

There has been tremendous growth in the number of flow-through entities—that is, non-C corporations—over the past 30 years and this growth has only accelerated in the last decade. Since 1997, S corporations have outnumbered C corporations. Fifty percent of all income above $250,000 currently is attributable to flow-through businesses. By 2007, only 5.9 million out of a total 32.1 million U.S. businesses, or just 18 percent, were C corporations, meaning the overwhelming number of businesses in this country organize as flow-through entities.

The administration is proposing to eliminate choice and require C corporation formation purely to generate revenue. C corporate form helps generate revenue because it is inherently a double tax, first at the entity then at the individual shareholder level. The Treasury Secretary said that this proposed change could subject up to $3 trillion to new and additional income taxes.

In this regard, the administration is proposing to raise taxes on America's small businesses: either by forcing them to reorganize as C corporations solely for tax reasons and be subjected to new and additional levies, or if the administration deigns to let them remain organized as flow-through entities, then they will be hit with massive increased taxes after 2012 when current tax rates expire—an impending tax increase of over $800 billion that job creators cannot afford.

Individual income tax rates absolutely affect these businesses. The growth in the number of flow-through businesses is critical to understanding why the increase in individual rates is so damaging to small business job generation.

When we talk about flow-through entities what we really mean are America's small businesses. A discussion of tax reform must not ignore the small businesses that make up the backbone of America. The administration continues to talk about corporate tax reform but it should be talking about business tax reform, which of necessity must include a real discussion of individual tax rates.

Many of America's small businesses choose the flow-through option to avoid double taxation. Forcing them to convert to C corporate status is simply another way to increase their costs and raise their taxes. This would hurt job creation since 70 percent of our good American jobs are created by these businesses.

I urge my colleagues to review my proposal and join me in telling those who would raise taxes on the millions of businesswomen and businessmen we are counting on to create the jobs we need to put the recession firmly behind us—no thank you.

SENATE RESOLUTION 89—RELATING TO THE DEATH OF FRANK W. BUCKLES, THE LONGEST SURVIVING UNITED STATES VETERAN OF THE FIRST WORLD WAR

Mr. ROCKEFELLER (for himself, Mr. BURR, Mr. MANCHIN, Mr. UDALL of Colorado, Mr. BEGICH, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. BROWN of Ohio, Mr. LIEBERMAN, Mr. NELSON of Florida, Mr. KERRY, Mr. WYDEN, Ms. LANDRIEU, Mr. BROWN of Massachusetts, Mr. MCCAIN, and Mr. BINGAMAN) submitted the following resolution; which was considered and agreed to:

S. RES. 89

Whereas Frank Woodruff Buckles is the last known American World War I veteran, who passed away on February 27, 2011, at the age of 110, and represents his generation of veterans;

Whereas America's support of Great Britain, France, Belgium, and its other allies in World War I marked the first time in the Nation's history that American soldiers went abroad in defense of liberty against foreign aggression, and it marked the true beginning of the ''American century'';

Whereas more than 4,000,000 men and women from the United States served in uniform during World War I, among them 2 future presidents, Harry S. Truman and Dwight D. Eisenhower;

Whereas 2,000,000 individuals from the United States served overseas during World War I, including 200,000 naval personnel who served on the seas;

Whereas the United States suffered 375,000 casualties during World War I, including 116,516 deaths;

Whereas the events of 1914 through 1918 shaped the world, the United States, and the lives of millions of people in countless ways; and

Whereas Frank Woodruff Buckles is the last veteran to represent the extraordinary legacy of the World War I veterans: Now, therefore, be it

Resolved, That—

(1) the Senate recognizes the historic contributions of all United States veterans who served in the First World War; and

(2) when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of Frank W. Buckles, the longest surviving United States veteran of the First World War.

SEC. 2. The Secretary of the Senate is directed to transmit an enrolled copy of this resolution to the family of the deceased.

SENATE RESOLUTION 90—SUPPORTING THE GOALS OF ''INTERNATIONAL WOMEN'S DAY'' AND RECOGNIZING THIS YEAR'S CENTENNIAL ANNIVERSARY OF INTERNATIONAL WOMEN'S DAY

Mrs. SHAHEEN (for herself, Mr. CARDIN, Ms. SNOWE, Ms. COLLINS, Mr. DURBIN, Ms. MIKULSKI, Mr. LAUTENBERG, Mrs. BOXER, Mr. BEGICH, Mr. WHITEHOUSE, and Mrs. MURRAY) submitted the following resolution; which was considered and agreed to:

S. RES. 90

Whereas there are more than 3,300,000,000 women in the world today;

Whereas women around the world participate in the political, social, and economic life of their communities, play a critical role in providing and caring for their families, contribute substantially to the growth of economies, and, as both farmers and caregivers, play an important role in advancing food security for their communities;

Whereas President Barack Obama said, ''[o]ur common prosperity will be advanced by allowing all humanity – men and women – to reach their full potential'';

Whereas Secretary of State Hillary Rodham Clinton said, ''Put simply, we have much less hope of addressing the complex challenges we face in this new century without the full participation of women. Whether the economic crisis, the spread of terrorism, regional conflicts that threaten families and communities, and climate change and the dangers it presents to the world's health and security, we will not solve these challenges through half measures. Yet too often, on these issues and many more, half the world is left behind.'';

Whereas the ability of women to realize their full potential is critical to the ability of a nation to achieve strong and lasting economic growth and political and social stability;

Whereas according to the 2010 World Economic Forum Global Gender Gap Report, ''reducing gender inequality enhances productivity and economic growth'';

Whereas according to the International Monetary Fund, ''focusing on the needs and empowerment of women is one of the keys to human development'';

Whereas despite some achievements made by individual women leaders, women around the globe are still vastly underrepresented in high level positions and in national and local legislatures and governments and, according to the Inter-Parliamentary Union, women account for only 19.2 percent of national parliamentarians;

Whereas although strides have been made in recent decades, women around the world continue to face significant obstacles in all aspects of their lives including denial of basic human rights, discrimination, and gender-based violence;

Whereas according to the World Bank, women account for approximately 70 percent of individuals living in poverty worldwide;

Whereas according to UNESCO, women account for 64 percent of the 796,000,000 adults worldwide who lack basic literacy skills;

Whereas according to the International Center for Research on Women, there are more than 60,000,000 child brides in developing countries, some of whom are as young as 7 years old;

Whereas according to the Food and Agriculture Organization, the majority of women living in rural areas of the developing world are heavily engaged in agricultural labor, yet they receive less credit, land, agricultural inputs, and training than their male counterparts;

Whereas according to the International Union for Conservation of Nature, women in developing countries are disproportionately affected by changes in climate because of their need to secure water, food, and fuel for their livelihood;

Whereas according to the World Health Organization, as many as 1 in 5 women report being sexually abused before the age of 15;

Whereas March 8 is recognized each year as International Women's Day, a global day to celebrate the economic, political, and social achievements of women past, present, and future and a day to recognize the obstacles that women still face in the struggle for equal rights and opportunities; and

Whereas the milestone 100th anniversary of International Women's Day is a testament to the dedication and determination of women and men around the world to address gender inequality: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals of ''International Women's Day'';

(2) recognizes the significance of the 100th anniversary of International Women's Day;

(3) recognizes that the empowerment of women is inextricably linked to the potential of nations to generate economic growth and sustainable democracy;

(4) recognizes and honors the women in the United States and around the world who have worked throughout history to ensure that women are guaranteed equality and basic human rights;

(5) reaffirms its commitment to ending discrimination and violence against women and girls, to ensuring the safety and welfare of women and girls, and to pursuing policies that guarantee the basic human rights of women and girls worldwide; and

(6) encourages the people of the United States to observe International Women's Day with appropriate programs and activities.

SENATE RESOLUTION 91—SUPPORTING THE GOALS AND IDEALS OF MULTIPLE SCLEROSIS AWARENESS WEEK

Mr. CASEY (for himself, Ms. SNOWE, and Mrs. HAGAN) submitted the following resolution; which was considered and agreed to:

S. RES. 91

Whereas multiple sclerosis can impact men and women of all ages, races, and ethnicities;

Whereas more than 400,000 Americans live with multiple sclerosis;

Whereas approximately 2,100,000 people worldwide have been diagnosed with multiple sclerosis;

Whereas every hour of every day, someone is newly diagnosed with multiple sclerosis;

Whereas an estimated 8,000 to 10,000 children and adolescents are living with multiple sclerosis;

Whereas the exact cause of multiple sclerosis is still unknown;

Whereas the symptoms of multiple sclerosis are unpredictable and vary from person to person;

Whereas there is no laboratory test available that definitively diagnoses a case of multiple sclerosis;

Whereas multiple sclerosis is not genetic, contagious, or directly inherited, but studies show that there are genetic factors that indicate that certain individuals may be susceptible to the disease;

Whereas multiple sclerosis symptoms occur when an immune system attack affects the myelin in nerve fibers of the central nervous system, damaging or destroying the myelin and replacing the myelin with scar tissue, thereby interfering with or preventing the transmission of nerve signals;

Whereas in rare cases, multiple sclerosis is so progressive that the disease is fatal;

Whereas there is no known cure for multiple sclerosis;

Whereas the Multiple Sclerosis Coalition, an affiliation of multiple sclerosis organizations dedicated to the enhancement of the quality of life for all those affected by multiple sclerosis, recognizes and celebrates Multiple Sclerosis Awareness Week;

Whereas the mission of the Multiple Sclerosis Coalition is to increase opportunities for cooperation and provide greater opportunity to leverage the effective use of resources for the benefit of the multiple sclerosis community;

Whereas the Multiple Sclerosis Coalition recognizes and celebrates Multiple Sclerosis Awareness Week for 1 week in March of each year;

Whereas the goals of Multiple Sclerosis Awareness Week are—

(1) to invite people to join the movement to end multiple sclerosis;

(2) to encourage each individual in the United States to do something that demonstrates a commitment to moving toward a world free of multiple sclerosis; and

(3) to acknowledge those individuals who have dedicated their time and talent to helping to promote multiple sclerosis research and programs; and

Whereas in 2011, the week of March 14, 2011, through March 20, 2011, has been designated as Multiple Sclerosis Awareness Week: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals and ideals of Multiple Sclerosis Awareness Week;

(2) encourages the States, territories, possessions, and localities of the United States to support the goals and ideals of Multiple Sclerosis Awareness Week by issuing proclamations designating Multiple Sclerosis Awareness Week;

(3) encourages media organizations to participate in Multiple Sclerosis Awareness Week by helping to educate the public about multiple sclerosis;

(4) commends the efforts of the States, territories, possessions, and localities of the United States that support the goals and ideals of Multiple Sclerosis Awareness Week;

(5) recognizes and reaffirms the commitment of the United States to creating a world free of multiple sclerosis by—

(A) promoting awareness about people who are living with multiple sclerosis; and

(B) promoting new education programs, supporting research, and expanding access to medical treatment;

(6) recognizes all people in the United States living with multiple sclerosis and expresses gratitude to their family members and friends who are a source of love and encouragement to those individuals; and

(7) salutes the health care professionals and medical researchers who—

(A) provide assistance to those individuals in the United States living with multiple sclerosis; and

(B) continue to work to find ways to stop the progression of the disease, restore nerve function, and end multiple sclerosis forever.

SENATE RESOLUTION 92—TO AUTHORIZE THE PAYMENT OF LEGAL EXPENSES OF SENATE EMPLOYEES OUT OF THE CONTINGENT FUND OF THE SENATE

Mr. SCHUMER (for himself and Mr. ALEXANDER) submitted the following resolution; which was considered and agreed to:

S. RES. 92

Resolved,

SECTION 1. AUTHORIZATION OF THE PAYMENT OF LEGAL EXPENSES.

(a) IN GENERAL.—The Committee on Rules and Administration is authorized to pay out of the contingent fund of the Senate the legal expenses incurred by Jean Manning and Erica Watkins for the employment of private counsel to represent them with respect to official actions and responsibilities before the grand jury in the United States District Court for the District of Columbia.

(b) DETERMINATION.—The amount of expenses paid pursuant to subsection (a) shall be determined by the Committee on Rules and Administration.

SENATE CONCURRENT RESOLUTION 10—AUTHORIZING THE REMAINS OF FRANK W. BUCKLES, THE LAST SURVIVING UNITED STATES VETERAN OF THE FIRST WORLD WAR, TO LIE IN HONOR IN THE ROTUNDA OF THE CAPITOL

Mr. ROCKEFELLER (for himself, Mr. BURR, Mr. MANCHIN, Mr. UDALL of Colorado, Mr. BEGICH, Mrs. MCCASKILL, Mr. MENENDEZ, Mr. BROWN of Ohio, Mr. LIEBERMAN, Mr. NELSON of Florida, Mr. KERRY, Mr. WYDEN, Ms. LANDRIEU, Mr. BROWN of Massachusetts, and Mr. MCCAIN) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 10

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. HONORING VETERANS OF THE FIRST WORLD WAR.

(a) IN GENERAL.—In recognition of the historic contributions of United States veterans who served in the First World War, the remains of Frank W. Buckles, the last surviving United States veteran of the First World War, shall be permitted to lie in honor in the rotunda of the Capitol from March 14, 2011 to March 15, 2011, so that the citizens of the United States may pay their last respects to those great Americans.

(b) IMPLEMENTATION.—The Architect of the Capitol, under the direction and supervision of the President pro tempore of the Senate and the Speaker of the House of Representatives shall take the necessary steps to implement subsection (a).

AMENDMENTS SUBMITTED AND PROPOSED

SA 141. Mr. BAUCUS (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed by him to the bill S. 23, to amend title 35, United States Code, to provide for patent reform; which was ordered to lie on the table.

SA 142. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 23, supra.

SA 143. Mr. REID of Nevada (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed by him to the bill S. 23, supra; which was ordered to lie on the table.

SA 144. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill S. 23, supra; which was ordered to lie on the table.

SA 145. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill S. 23, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 141. Mr. BAUCUS (for himself and Mr. GRASSLEY) submitted an amendment intended to be proposed by him to the bill S. 23, to amend title 35, United States Code, to provide for patent reform; which was ordered to lie on the table; as follows:

On page 94, between lines 22 and 23, insert the following:

(e) EXCLUSION.—This section shall not apply to that part of an invention that is a method, apparatus, computer program product or system used solely for preparing a tax or information return or other tax filing, including one that records, transmits, transfers or organizes data related to such filing.

SA 142. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 23, to amend title 35, United States Code, to provide for patent reform; as follows:

On page 50, between lines 2 and 3, insert the following:

''(c) DATA ON LENGTH OF REVIEW.—The Patent and Trademark Office shall make available to the public data describing the length of time between the commencement of each inter partes review and the conclusion of that review.''.

On page 65, between lines 9 and 10, insert the following:

''(c) DATA ON LENGTH OF REVIEW.—The Patent and Trademark Office shall make available to the public data describing the length of time between the commencement of each post-grant review and the conclusion of that review.''.

SA 143. Mr. REID of Nevada (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed by him to the bill S. 23, to amend title 35, United States Code, to provide for patent reform; which was ordered to lie on the table; as follows:

On page 93, before line 18, insert the following:

''(d) EPSCOR.—For purposes of this section, a micro entity shall include an applicant who certifies that—

''(1) the applicant's employer, from which the applicant obtains the majority of the applicant's income, is a State public institution of higher education, as defined in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002), in a jurisdiction that is eligible to qualify under the Research Infrastructure Improvement Grant Program administered by the Office of Experimental Program to Stimulate Competitive Research (EPSCoR); or

''(2) the applicant has assigned, granted, conveyed, or is under an obligation by contract or law to assign, grant, or convey, a license or other ownership interest in the particular application to such State public institution, which is in a jurisdiction that is eligible to qualify under the Research Infrastructure Improvement Grant Program administered by the Office of Experimental Program to Stimulate Competitive Research (EPSCoR).''.

SA 144. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill S. 23, to amend title 35, United States Code, to provide for patent reform; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. DAMAGES.

Section 284 of title 35, United States Code, is amended—

(1) by striking ''Upon finding'' and inserting the following: ''(a) IN GENERAL.—Upon finding'';

(2) by striking ''fixed by the court'' and all that follows through ''When the damages'' and inserting the following: ''fixed by the court. When the damages'';

(3) by striking ''shall assess them.'' and all that follows through ''The court may receive'' and inserting the following: ''shall assess them.In either event the court may increase the damages up to 3 times the amount found or assessed. Increased damages under this subsection shall not apply to provisional rights under section 154(d) of this title. The court may receive''; and

(4) by adding at the end the following:

''(b) PROCEDURE FOR DETERMINING DAMAGES.—

''(1) IN GENERAL.—The court shall identify the methodologies and factors that are relevant to the determination of damages, and the court or jury shall consider only those methodologies and factors relevant to making such determination.

''(2) DISCLOSURE OF CLAIMS.—By no later than the entry of the final pretrial order, unless otherwise ordered by the court, the parties shall state, in writing and with particularity, the methodologies and factors the parties propose for instruction to the jury in determining damages under this section, specifying the relevant underlying legal and factual bases for their assertions.

''(3) SUFFICIENCY OF EVIDENCE.—Prior to the introduction of any evidence concerning the determination of damages, upon motion of either party or sua sponte, the court shall consider whether one or more of a party's damages contentions lacks a legally sufficient evidentiary basis. After providing a nonmovant the opportunity to be heard, and after any further proffer of evidence, briefing, or argument that the court may deem appropriate, the court shall identify on the record those methodologies and factors as to which there is a legally sufficient evidentiary basis, and the court or jury shall consider only those methodologies and factors in making the determination of damages under this section. The court shall only permit the introduction of evidence relating to the determination of damages that is relevant to the methodologies and factors that the court determines may be considered in making the damages determination.

''(c) SEQUENCING.—Any party may request that a patent-infringement trial be sequenced so that the trier of fact decides questions of the patent's infringement and validity before the issues of damages and willful infringement are tried to the court or the jury. The court shall grant such a request absent good cause to reject the request, such as the absence of issues of significant damages or infringement and validity. The sequencing of a trial pursuant to this subsection shall not affect other matters, such as the timing of discovery. This subsection does not authorize a party to request that the issues of damages and willful infringement be tried to a jury different than the one that will decide questions of the patent's infringement and validity.''.

SA 145. Mr. CARDIN submitted an amendment intended to be proposed by him to the bill S. 23, to amend title 35, United States Code, to provide for patent reform; which was ordered to lie on the table; as follows:

On page 83, between lines 6 and 7, insert the following:

(8) REPORT ON SMALL PUBLIC UNIVERSITIES AND ELIGIBLE INSTITUTIONS.—Not later than 12 months after the date of enactment of this Act, the Director shall report to Congress on—

(A) the number of patent applications received by the Patent and Trademark Office during the prior 5-year period from small public universities and eligible institutions, as defined in section 371(a) of the Higher Education Act of 1965 (20 U.S.C. 1067q); and

(B) whether the patent fee structure set forth under this Act and title 35 of the United States Code hinders the ability of such universities and institutions to benefit from the provisions under chapter 18 of title 35, United States Code (commonly known as the ''Bayh-Dole Act'').

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BENNET. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on March 3, 2011, at 2:30 p.m. in SR 328A.

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

COMMITTEE ON ARMED SERVICES

Mr. BENNET. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on March 3, 2011, at 9:30 a.m.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BENNET. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on March 3, 2011, at 9:30 a.m., in room 366 of the Dirksen Senate Office Building.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. BENNET. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on March 3, 2011, at 2:30 p.m., to hold a hearing entitled, ''Navigating a Turbulent Global Economy—Implications for the United States.''

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

COMMITTEE ON THE JUDICIARY

Mr. BENNET. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on March 3, 2011, at 10 a.m., in SD–226 of the Dirksen Senate Office Building, to conduct an executive business meeting.

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

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Mr. BENNET. Mr. President, I ask unanimous consent that the Committee on Small Business and Entrepreneurship be authorized to meet during the session of the Senate on March 3, 2011, at 10 a.m. to conduct a hearing entitled ''Closing the Gap: Exploring Minority Access to Capital and Contracting Opportunities.''

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. BENNET. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on March 3, 2011 at 2:30 p.m.

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

RELATIVE TO THE DEATH OF FRANK WOODRUFF BUCKLES

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Res. 89.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 89) relating to the death of Frank Woodruff Buckles, the longest surviving veteran of the First World War.

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

Mr. ROCKEFELLER. Mr. President, today I want to honor the passing of America's last surviving veteran of the First World War, Mr. Frank Woodruff Buckles. It is important that we as a nation express our deep appreciation for the sacrifices that Mr. Buckles and his brothers-in-arms endured for our country nearly a century ago. Men like Frank have fought in numerous battles in the defense of this Nation and have made sure that we as Americans are able to enjoy the quality of life that we so cherish.

Mr. Buckles witnessed the world change dramatically throughout his lifetime and had experiences that most of us can only dream about. He saw the metamorphosis that defined the American social and cultural revolutions of the last century. As a young man, he served in the Army's ambulance corps in France and Germany, where he evacuated wounded soldiers from the battlefield. As a civilian during the Second World War, he spent more than three years in a Japanese prison camp in the Philippines.

As a tribute to Mr. Buckles and for all the World War I veterans that he represents, we must remember all of his brothers and sisters who defended our country along with him. Nearly 4.5 million U.S. soldiers, sailors, airmen and Marines joined forces with over 37 million Allied soldiers to defeat the Central Powers. These service members witnessed atrocities such as gas warfare that were unprecedented at the time. Each and every one of them made their own significant contribution to the war effort that cannot be understated. This generation of dynamic and dedicated Americans was able to alter the course of history for the betterment of each and every one of us here today.

As a tribute to Mr. Buckles, I have introduced a bipartisan resolution so he can lie in honor in the Capitol Rotunda on March 14 to allow the American people to properly pay their respects. To further honor his generations' sacrifices, Mr. Frank Buckles will be buried at Arlington National Cemetery with full military honors. President Obama has ordered all flags flown over government buildings be flown at half-mast on this day as we mourn the loss of a citizen and a generation who will forever hold a place in our nation's history.

I want to conclude by offering my deepest sympathies to Mr. Buckles' daughter, Susannah Buckles Flanagan. She has been the loving daughter at his side in recent years taking such good care of him which allowed him to live at home in dignity, surrounded by family and friends.

As America's longest surviving veteran of World War I, Frank Buckles represented our final link to a generation that built a legacy as the defenders of the free world in the first large scale global conflict. I can promise you that his legacy and the legacy of all veterans will live on forever in the ideals and values that make America the strongest nation in the world.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the measure be printed in the RECORD.

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

The resolution (S. Res. 89) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 89

Whereas Frank Woodruff Buckles is the last known American World War I veteran, who passed away on February 27, 2011, at the age of 110, and represents his generation of veterans;

Whereas America's support of Great Britain, France, Belgium, and its other allies in World War I marked the first time in the Nation's history that American soldiers went abroad in defense of liberty against foreign aggression, and it marked the true beginning of the ''American century'';

Whereas more than 4,000,000 men and women from the United States served in uniform during World War I, among them 2 future presidents, Harry S. Truman and Dwight D. Eisenhower;

Whereas 2,000,000 individuals from the United States served overseas during World War I, including 200,000 naval personnel who served on the seas;

Whereas the United States suffered 375,000 casualties during World War I, including 116,516 deaths;

Whereas the events of 1914 through 1918 shaped the world, the United States, and the lives of millions of people in countless ways; and

Whereas Frank Woodruff Buckles is the last veteran to represent the extraordinary legacy of the World War I veterans: Now, therefore, be it

Resolved, That—

(1) the Senate recognizes the historic contributions of all United States veterans who served in the First World War; and

(2) when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of Frank W. Buckles, the longest surviving United States veteran of the First World War.

SEC. 2. The Secretary of the Senate is directed to transmit an enrolled copy of this resolution to the family of the deceased.

Mr. REID. Mr. President, I had the good fortune a short time ago, when we had a ceremony in the Rotunda of the Capitol, to meet Mr. Buckles and talk to him. It is amazing he had such vitality at such an old age. I am happy this matter is completed.

SUPPORTING THE GOAL OF ''INTERNATIONAL WOMEN'S DAY''

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 90.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 90) supporting the goal of ''International Women's Day'' and recognizing this year's centennial anniversary of International Women's Day.

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

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is ordered.

The resolution (S. Res. 90) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 90

Whereas there are more than 3,300,000,000 women in the world today;

Whereas women around the world participate in the political, social, and economic life of their communities, play a critical role in providing and caring for their families, contribute substantially to the growth of economies, and, as both farmers and caregivers, play an important role in advancing food security for their communities;

Whereas President Barack Obama said, ''[o]ur common prosperity will be advanced by allowing all humanity – men and women – to reach their full potential'';

Whereas Secretary of State Hillary Rodham Clinton said, ''Put simply, we have much less hope of addressing the complex challenges we face in this new century without the full participation of women. Whether the economic crisis, the spread of terrorism, regional conflicts that threaten families and communities, and climate change and the dangers it presents to the world's health and security, we will not solve these challenges through half measures. Yet too often, on these issues and many more, half the world is left behind.'';

Whereas the ability of women to realize their full potential is critical to the ability of a nation to achieve strong and lasting economic growth and political and social stability;

Whereas according to the 2010 World Economic Forum Global Gender Gap Report, ''reducing gender inequality enhances productivity and economic growth'';

Whereas according to the International Monetary Fund, ''focusing on the needs and empowerment of women is one of the keys to human development'';

Whereas despite some achievements made by individual women leaders, women around the globe are still vastly underrepresented in high level positions and in national and local legislatures and governments and, according to the Inter-Parliamentary Union, women account for only 19.2 percent of national parliamentarians;

Whereas although strides have been made in recent decades, women around the world continue to face significant obstacles in all aspects of their lives including denial of basic human rights, discrimination, and gender-based violence;

Whereas according to the World Bank, women account for approximately 70 percent of individuals living in poverty worldwide;

Whereas according to UNESCO, women account for 64 percent of the 796,000,000 adults worldwide who lack basic literacy skills;

Whereas according to the International Center for Research on Women, there are more than 60,000,000 child brides in developing countries, some of whom are as young as 7 years old;

Whereas according to the Food and Agriculture Organization, the majority of women living in rural areas of the developing world are heavily engaged in agricultural labor, yet they receive less credit, land, agricultural inputs, and training than their male counterparts;

Whereas according to the International Union for Conservation of Nature, women in developing countries are disproportionately affected by changes in climate because of their need to secure water, food, and fuel for their livelihood;

Whereas according to the World Health Organization, as many as 1 in 5 women report being sexually abused before the age of 15;

Whereas March 8 is recognized each year as International Women's Day, a global day to celebrate the economic, political, and social achievements of women past, present, and future and a day to recognize the obstacles that women still face in the struggle for equal rights and opportunities; and

Whereas the milestone 100th anniversary of International Women's Day is a testament to the dedication and determination of women and men around the world to address gender inequality: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals of ''International Women's Day'';

(2) recognizes the significance of the 100th anniversary of International Women's Day;

(3) recognizes that the empowerment of women is inextricably linked to the potential of nations to generate economic growth and sustainable democracy;

(4) recognizes and honors the women in the United States and around the world who have worked throughout history to ensure that women are guaranteed equality and basic human rights;

(5) reaffirms its commitment to ending discrimination and violence against women and girls, to ensuring the safety and welfare of women and girls, and to pursuing policies that guarantee the basic human rights of women and girls worldwide; and

(6) encourages the people of the United States to observe International Women's Day with appropriate programs and activities.

SUPPORTING THE GOALS AND IDEALS OF MULTIPLE SCLEROSIS AWARENESS WEEK

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 91.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 91) supporting the goals and ideals of Multiple Sclerosis Awareness Week.

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

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating to the measure be printed in the RECORD.

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

The resolution (S. Res. 91) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 91

Whereas multiple sclerosis can impact men and women of all ages, races, and ethnicities;

Whereas more than 400,000 Americans live with multiple sclerosis;

Whereas approximately 2,100,000 people worldwide have been diagnosed with multiple sclerosis;

Whereas every hour of every day, someone is newly diagnosed with multiple sclerosis;

Whereas an estimated 8,000 to 10,000 children and adolescents are living with multiple sclerosis;

Whereas the exact cause of multiple sclerosis is still unknown;

Whereas the symptoms of multiple sclerosis are unpredictable and vary from person to person;

Whereas there is no laboratory test available that definitively diagnoses a case of multiple sclerosis;

Whereas multiple sclerosis is not genetic, contagious, or directly inherited, but studies show that there are genetic factors that indicate that certain individuals may be susceptible to the disease;

Whereas multiple sclerosis symptoms occur when an immune system attack affects the myelin in nerve fibers of the central nervous system, damaging or destroying the myelin and replacing the myelin with scar tissue, thereby interfering with or preventing the transmission of nerve signals;

Whereas in rare cases, multiple sclerosis is so progressive that the disease is fatal;

Whereas there is no known cure for multiple sclerosis;

Whereas the Multiple Sclerosis Coalition, an affiliation of multiple sclerosis organizations dedicated to the enhancement of the quality of life for all those affected by multiple sclerosis, recognizes and celebrates Multiple Sclerosis Awareness Week;

Whereas the mission of the Multiple Sclerosis Coalition is to increase opportunities for cooperation and provide greater opportunity to leverage the effective use of resources for the benefit of the multiple sclerosis community;

Whereas the Multiple Sclerosis Coalition recognizes and celebrates Multiple Sclerosis Awareness Week for 1 week in March of each year;

Whereas the goals of Multiple Sclerosis Awareness Week are—

(1) to invite people to join the movement to end multiple sclerosis;

(2) to encourage each individual in the United States to do something that demonstrates a commitment to moving toward a world free of multiple sclerosis; and

(3) to acknowledge those individuals who have dedicated their time and talent to helping to promote multiple sclerosis research and programs; and

Whereas in 2011, the week of March 14, 2011, through March 20, 2011, has been designated as Multiple Sclerosis Awareness Week: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals and ideals of Multiple Sclerosis Awareness Week;

(2) encourages the States, territories, possessions, and localities of the United States to support the goals and ideals of Multiple Sclerosis Awareness Week by issuing proclamations designating Multiple Sclerosis Awareness Week;

(3) encourages media organizations to participate in Multiple Sclerosis Awareness Week by helping to educate the public about multiple sclerosis;

(4) commends the efforts of the States, territories, possessions, and localities of the United States that support the goals and ideals of Multiple Sclerosis Awareness Week;

(5) recognizes and reaffirms the commitment of the United States to creating a world free of multiple sclerosis by—

(A) promoting awareness about people who are living with multiple sclerosis; and

(B) promoting new education programs, supporting research, and expanding access to medical treatment;

(6) recognizes all people in the United States living with multiple sclerosis and expresses gratitude to their family members and friends who are a source of love and encouragement to those individuals; and

(7) salutes the health care professionals and medical researchers who—

(A) provide assistance to those individuals in the United States living with multiple sclerosis; and

(B) continue to work to find ways to stop the progression of the disease, restore nerve function, and end multiple sclerosis forever.

AUTHORIZING PAYMENT OF LEGAL EXPENSES

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 92, submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 92) to authorize the payment of legal expenses of Senate employees out of the contingent fund of the Senate.

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

Mr. SCHUMER. Mr. President, earlier this week the joint leadership group of the Senate made the following recommendation to Senate legal counsel regarding representation of two Senate employees in an upcoming judicial proceeding:

RECOMMENDATION OF ACTION TO AVOID CONFLICT OR INCONSISTENCY IN THE REPRESENTATION OF SENATE PARTIES

Having been notified of an apparent conflict of interest by the Senate Legal Counsel pursuant to §710(a) of the Ethics in Government Act of 1978, 2 U.S.C. §288i(a), and as contemplated by §710(b) and (d) of that Act, 2 U.S.C. §288i(b) and (d), it is recommended that the Senate Legal Counsel take the following action in order to avoid a potential conflict that could arise between the Legal Counsel's responsibilities to the Select Committee on Ethics and representation of Jean Manning and Erica Watkins, Senate employees who are being subpoenaed to testify and produce documents before a federal grand jury. In the event that Ms. Manning or Ms. Watkins requests legal representation in connection with her appearance before the grand jury, the Senate Legal Counsel shall refer Ms. Manning and Ms. Watkins to the Committee on Rules and Administration for assistance in arranging for the employment of private counsel to represent them with respect to official actions and responsibilities.

The Joint Leadership Group

March ___, 2011

Mr. SCHUMER. Ms. Manning and Ms. Watkins have now contacted the Committee on Rules and Administration for assistance in arranging for the employment of private counsel to represent them with respect to testimony and document production before the Federal grand jury in the District of Columbia.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, that there be no intervening action or debate, and that any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 92) was agreed to, as follows:

S. RES. 92

Resolved,

SECTION 1. AUTHORIZATION OF THE PAYMENT OF LEGAL EXPENSES.

(a) IN GENERAL.—The Committee on Rules and Administration is authorized to pay out of the contingent fund of the Senate the legal expenses incurred by Jean Manning and Erica Watkins for the employment of private counsel to represent them with respect to official actions and responsibilities before the grand jury in the United States District Court for the District of Columbia.

(b) DETERMINATION.—The amount of expenses paid pursuant to subsection (a) shall be determined by the Committee on Rules and Administration.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Nos. 35, 36, 37, 38, and 39; that the nominations be confirmed en bloc, the motions to reconsider be considered made and laid upon the table en bloc; that there be no intervening action or debate; that no further motions be in order to any of these nominations; that any statements relating to the nominations be printed in the RECORD; that the President be immediately notified of the Senate's action; and that the Senate then resume legislative session.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Daniel L. Shields III, of Pennsylvania, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei Darussalam.

Pamela L. Spratlen, of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kyrgyz Republic.

Sue Kathrine Brown, of Texas, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Montenegro.

David Lee Carden, of New York, to be Representative of the United States of America to the Association of Southeast Asian Nations, with the rank of Ambassador Extraordinary and Plenipotentiary.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Eric G. Postel, of Wisconsin, to be an Assistant Administrator of the United States Agency for International Development.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that on Monday, March 7, 2011, at 4:30 p.m., the Senate proceed to executive session to consider the following nominations: Calendar Nos. 4, 32, and 33; that there be an hour of debate equally divided in the usual form; that upon the use or yielding back of that time, Calendar No. 32 be confirmed and the Senate proceed to vote without intervening action or debate on Calendar No. 33 and Calendar No. 4, in that order; that the motions to reconsider be considered made and laid upon the table; that there be no intervening action or debate; that there be no further motions in order to these nominations; that any statements relating to the nominations be printed in the Record; that the President be immediately notified of the Senate's action; and that the Senate resume legislative session.

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

MEASURE READ THE FIRST TIME—H.R. 4

Mr. REID. Mr. President, I am told there is a bill at the desk due for its first reading.

The PRESIDING OFFICER. The Senator is correct.

The clerk will read the bill by title for the first time.

The legislative clerk read as follows:

A bill (H.R. 4) to repeal the expansion of information reporting requirements for payments of $600 or more to corporations, and for other purposes.

Mr. REID. Mr. President, I ask for a second reading on this matter in order to place the bill on the calendar, but under the provisions of rule XIV, I object to my own request.

The PRESIDING OFFICER. Objection having been heard, the bill will receive its second reading on the next legislative day.

ORDERS FOR FRIDAY, MARCH 4, 2011

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 10 a.m. on Friday, March 4; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; and following any leader remarks there be a period of morning business with Senators allowed to speak for up to 10 minutes each during that time.

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

PROGRAM

Mr. REID. Mr. President, as a result of cloture being filed on S. 23, the America Invents Act, the filing deadline for first-degree amendments is 1 p.m. tomorrow. Senators should expect a series of three rollcall votes to begin at 5:30 p.m. on Monday. The first two votes will be on those judicial nominations we have already spoken of this evening, and the third vote will be on cloture on the America Invents Act.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate this evening, I ask unanimous consent that it adjourn under the provisions of S. Res. 89 as a further mark of respect to the memory of Frank W. Buckles, the longest surviving U.S. veteran of World War I.

There being no objection, the Senate, at 6:39 p.m., adjourned until Friday, March 4, 2011, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate, Thursday, March 3, 2011:

DEPARTMENT OF STATE

DANIEL L. SHIELDS III, OF PENNSYLVANIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BRUNEI DARUSSALAM.

PAMELA L. SPRATLEN, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KYRGYZ REPUBLIC.

SUE KATHRINE BROWN, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO MONTENEGRO.

DAVID LEE CARDEN, OF NEW YORK, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS, WITH THE RANK OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

ERIC G. POSTEL, OF WISCONSIN, TO BE AN ASSISTANT ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

CONGRATULATIONS AND BEST WISHES TO THE GPO

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. BRADY of Pennsylvania. Mr. Speaker, March 4, 2011, is the 150th anniversary of two important events in the history of our Nation. On this day in 1861, not far from this spot, Abraham Lincoln of Illinois took the oath of office as the 16th President of the United States. On that same day, the United States Government Printing Office opened for business, on the very site from which it operates today. From that day it has been the source of the legislative documents we need—the CONGRESSIONAL RECORD, hearing transcripts, committee reports, bills, calendars, and other congressional documents—in digital and printed form to carry out our work for the people we represent.

The GPO traces its roots to the very beginning of our Republic. At the Constitutional Convention of 1787, held in my hometown, Delegate James Wilson of Pennsylvania declared, "The people have a right to know what their agents are doing or have done, and it should not be in the option of the legislature to conceal their proceedings." Wilson's words helped lead to the adoption of the requirement in Article I, section 5 of the Constitution that "Each House shall keep a Journal of its Proceedings, and from time to time publish the same . . ."

Following the example of Philadelphia's greatest citizen, Benjamin Franklin—the patron saint of printing in America, who had been an early provider of "publick printing," the documents needed by government—the first Congresses took steps to ensure that their proceedings, records, and legislative documents were printed and made available to the public. By the mid-19th century, however, the high costs, ineffective service, and scandals that came to be associated with this system prompted Congress to create its own printer, the GPO. This effort was rewarded almost immediately with a reduction in costs, vastly improved service, and the elimination of scandal. Put to the test early in meeting the emergency demands imposed by the Civil War, the new GPO carried out its work coolly and professionally, counting among its early jobs the printing of the Emancipation Proclamation. In the 150 years that followed, this pattern—economy, efficiency, and prompt and effective service—continued to repeat itself as GPO, quietly and expertly, has carried out its mission of keeping America informed.

As the new Public Printer, William J. Boarman, clearly points out, while GPO's past has been about printing, its present and future are being defined by digital information technologies. In fact, the GPO today is the product of more than a generation of investment in digital production and dissemination technologies, an investment that has yielded unprecedented improvements in productivity, capability, and savings for the taxpayers. Once an agency of more than 8,000 staff and employing just 2,200 today, fewer than at any time in the past century, the GPO now provides a range of products and activities that could only have been dreamed of 30 years ago: online databases of Federal documents with state-of-the-art search and retrieval capabilities available to the public without charge, Government publications available as e-Books, passports and smart cards with electronic chips carrying biometric data, print products on sustainable substrates using vegetable oil based inks, and a public presence not only on the Web but on Twitter, Facebook, and You Tube.

The work of the GPO is so fundamental to our work that we frequently lose sight of all the services they actually provide. We like to say that all congressional information is on the Internet, but many of us don't seem to know that it's the GPO that puts that information online on its site, GPO Access, and now on the successor site, FDsys. GPO's legislative information databases are shared with the Library of Congress for the operation of the THOMAS information system and for the legislative information systems provided by the Library to the House and Senate. The GPO makes Senate conference reports available online in advance of a vote, and the agency is developing a system for making the Constitutional Authority Statements required for House legislation available online. The GPO is currently working with the Library of Congress to digitize historical documents, including the Statutes at Large and the CONGRESSIONAL RECORD, and in collaboration with the Library GPO will provide updated digital access to the Constitution Annotated. Since GPO first began computerizing its prepress functions in the 1970s, the agency's use of digital information technology has generated productivity improvements that have reduced the cost of congressional information products by approximately 66% in real economic terms. Since GPO first began providing free online access to Government documents in the early 1990s, similar reductions have been achieved in the cost of disseminating information to the public.

And the GPO does more than just support Congress. Through GPO's efforts, the online Federal Register is being made available in XML to support bulk data downloads via data.gov and GPO developed the online Federal Register 2.0. GPO's advanced authentication systems, supported by Public Key Infrastructure, are an essential component for assuring the digital security of congressional and agency documents. GPO produces all U.S. passports for the State Department and secure credentials for a variety of agencies, including the Department of Homeland Security. Passports contain advanced electronic and print security systems consistent with international standards and agreements. GPO is the only Federal agency certified to graphically personalize/print HSPD-12 secure identification cards on a government-to-government basis. In addition, GPO's partnership with the printing industry is responsible for producing 75% of the Government's needs and enormous savings to the taxpayer, while supporting tens of thousands of jobs in the small printing businesses throughout the Nation, and its partnership with more than 1,200 Federal depository libraries across the country regularly supplies the Federal information needs of millions of students, researchers, businesses, and others every year with both digital and print products.

In a day when we are working hard to cut costs and improve services, the GPO provides a model of how an agency with a history of taking advantage of technological change has used that capability to generate lasting savings while expanding services to Congress, Federal agencies, and the public. The dedicated men and women of GPO have resorted continually to technology improvements to perform their work more efficiently, at one time using ink on paper to set the text for The Emancipation Proclamation, and today—as another President from Illinois leads the Nation—using e-Books, digital databases, and other new and emerging applications to achieve its founding mission of Keeping America Informed.

Mr. Speaker, Benjamin Franklin and the Founding Fathers would be surprised and pleased by what the GPO is and does today. On behalf of all us in this House who daily rely and depend on the products and services the GPO provides, I say congratulations and best wishes to Public Printer Bill Boarman and the men and women of the United States Government Printing Office, and convey our thanks and deepest appreciation for all their hard work.

HONORING JARON WALKER HENDRIX

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. GRAVES of Missouri. Mr. Speaker, I proudly pause to recognize Jaron Walker Hendrix. Jaron is a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 75, and earning the most prestigious award of Eagle Scout.

Jaron has been very active with his troop, participating in many scout activities. Over the many years Jaron has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community. Most notably, Jaron has contributed to his community through his Eagle Scout project.

Mr. Speaker, I proudly ask you to join me in commending Jaron Walker Hendrix for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

IN HONOR OF MAJOR ANDRE MCCOY

HON. JIM GERLACH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. GERLACH. Mr. Speaker, I rise today to congratulate MAJ Andre C. McCoy of Bala Cynwyd, Montgomery County, Pennsylvania, on his 25 years of military service and to honor him on his outstanding career of accomplishment.

Major McCoy joined the Marines in August of 1985. After completing basic training at Parris Island, South Carolina, he became an Artillery Fire Direction Control man through Fort Sill, Oklahoma. He served with Golf Battery, 3rd Battalion, 14th Marines (Reserve) based in Trenton, New Jersey. During Desert Shield and Desert Storm, Major McCoy was on active duty with 3rd Marine Expeditionary Force. He left the Marine Corps as a Corporal in 1991 to join the Bloomsburg University ROTC.

Major McCoy's training as an ROTC cadet included Fort Bragg, North Carolina and Fort Benning, Georgia, where he also completed Airborne School and received his silver jump wings. He was commissioned as an Army Armor officer in 1993 and stationed at Fort Knox, Kentucky.

Major McCoy transferred to 3rd Battalion, 103rd Armor, 55th Brigade, 28th Infantry Division of the Pennsylvania National Guard. As part of the United States' global war on terror, he was sent to Hohenfels, Germany as the Executive Officer for Force Protection. Major McCoy transferred to 56th Stryker Brigade headquarters in Philadelphia. There, he participated in a number of state emergency responses as well as the response to Hurricane Katrina.

Major McCoy served in Operation Iraqi Freedom with 1st Stryker Brigade Combat Team of the 25th Infantry Division in Diyala Province, and later in Operation Enduring Freedom with 4th Brigade Combat Team of the 82nd Airborne Division in Afghanistan. Throughout his exemplary career, Major McCoy has served 5 tours of duty. He was selected and approved for the rank of Major on June 3rd, 2010 and has received over 20 awards and medals for his service.

Mr. Speaker, I ask that my colleagues join me today in recognizing MAJ Andre C. McCoy for his invaluable contributions to his country in his quarter century of military service.

IN HONOR OF MR. ALEX A. BOUDREAUX

HON. PATRICK J. TIBERI

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday March 3, 2011

Mr. TIBERI. Mr. Speaker, I rise today to honor and recognize the life and achievements of the late Mr. Alex A. Boudreaux.

A member of World War II's illustrious Tuskegee Airmen, Mr. Boudreaux was also believed to be the nation's first black civilian air-traffic controller, dedicating three decades of his life to Port Columbus.

Alex Boudreaux first fell in love with aviation while growing up in Lake Charles, Louisiana. He left college after two years during World War II to join the Army Air Corps training program. After the Tuskegee program ended, Mr. Boudreaux received training in air-traffic controlling. Although he never flew with the Air Corps, he continued to pursue his passion for flying and earned his civilian pilot's license. Following the war he commenced working as an air-traffic controller at Rickenbacker Air Force Base and went on to serve Port Columbus for 30 years before retiring in 1977.

Mr. Boudreaux acquired many distinct honors and accolades throughout his impressive time on this planet and always remained active in his community. He was a great supporter of numerous veteran organizations such as the Tuskegee Airmen Association and Motts Military Museum in Groveport, Ohio. He also devoted much of his time to the Columbus Urban League, YMCA and Knights of Columbus. In 2007, he was among 330 Tuskegee Airmen presented with the Congressional Gold Medal from President George W. Bush.

The story of the famed Tuskegee Airmen is one worthy of immense respect. The many tales of courage and patriotism exhibited by men such as Alex Boudreaux during America's efforts to defeat the Axis powers make up a truly remarkable contribution to U.S. history. Alex Boudreaux's commitment to his country, the famed Tuskegee Airman, and central Ohio was eclipsed only by his passion and dedication for his family. He left behind a loving family spanning three generations including four grandchildren and seven great-grandchildren.

After 90 years of life, Alex Boudreaux recently passed away leaving a legacy of unwavering service to his country and to central Ohio. In light of his contributions and service, I believe he deserves great respect and admiration. He will be a sorely missed member of the central Ohio community and his influence will be felt for years to come.

CELEBRATING THE LIFE AND ACCOMPLISHMENTS OF MR. JAMES RUBINO

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Ms. ZOE LOFGREN of California. Mr. Speaker, I rise today to honor the life and accomplishments of Mr. James Rubino, a dedicated member of our community who was known to the hundreds of people whose lives he touched simply as "Papa."

Jim was born in San Francisco on January 31st, 1913. He was a first-generation American, born to immigrant parents, Sebastiano and Maria Rubino. He met his wife, Ebe Rubino, in 1938 and they were married in 1940.

During WWII, Jim worked for Matson, refinishing the inside of war planes and selling vegetables out of his truck that he called "Jim's Market on Wheels." After a few years he wanted a healthier life for his children, so he moved his family to a ranch in San Martin. He raised "layers" and "fryers" (chickens) along with his two children, Mike and Lynne.

Jim's son Mike became the band director of Live Oak High School and started the Emerald Regime Marching Band and Color Guard in 1970. Jim, with the help of his wife Ebe, cooked and catered each year for the band members and their families for band retreats, competitions, and fundraisers. He often fed a few hundred students and parents at once. Jim was one of the first chefs of the Gilroy Garlic Festival's Gourmet Alley creating his now famous Stuffed Mushrooms which are still a festival favorite and fundraiser for the band.

For nearly three decades, Jim fed our young musicians on trips all over the country, and even on three trips abroad. He was there when the students won the Bands of America Championship in with the highest overall point score ever recorded in that competition, a record which was held for 30 years. He was there again when his son led the Emerald Regime as they played "Stars and Stripes Forever" across the Great Wall of China.

Last year, Jim and Ebe celebrated their 70th wedding anniversary. Jim passed away on February 7th of this year at the age of 98. He lived at his ranch in San Martin until the day he died, and Ebe still lives there now.

I want to commend the life of a true American—the son of immigrants, the father of a teacher, the grandfather of musicians, a farmer, and a friend to everyone he met.

REMEMBERING SHAWN WEBB

HON. TOM McCLINTOCK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. McCLINTOCK. Mr. Speaker, I rise today to honor the life of Shawn Webb of Meadow Valley, California.

Shawn was born on May 7, 1973 in San Diego, California and was raised in Descanso. He grew up in the beauty of the California wilderness. Shawn rode his dirt bike in the desert and learned to work on hotrods and tractors.

Shawn's lifelong dream was to serve as a police officer and after graduating from Mountain Empire High school he entered the police academy. Shawn graduated from the academy in 1995 and began his lengthy service, first as a Reserve Officer and then as a Sworn Officer, to the residents of El Cajon, California as a member of the El Cajon Police Department. It was also in 1995 that Shawn married the love of his life, Chrissy, with whom he had grown up in Descanso. The couple were blessed with their first daughter Courtney that same year, followed two years later by the birth of their second daughter, Samantha.

In 2008 the family relocated to Plumas County, California, where Shawn joined the Sherriff's Department as a deputy and serving with a kindness, compassion and purpose that affected so many on a level that is impossible to quantify, and hard to even imagine. In the course of providing this outstanding service, Shawn earned multiple citations and awards including the Life Saving Award, the Meritorious Unit Citation, nine commendations for work with vehicle theft and twice being named the Officer or the Month. Shawn not only fulfilled his dream to become a police officer, but distinguished himself as one of the finest to bear that title.

In 2009, Shawn was diagnosed with highly-aggressive brain cancer and he began what would be a long, hard battle with that disease.

Mr. Speaker, Shawn was a dedicated public servant, but he was first-and-foremost a loving father and husband and a fierce friend. Those who knew Shawn adored him for his generous, considerate nature and robust sense of humor. It was impossible not to take notice of his stature as we watched the community rally behind him and his family, doing all they could to help the man they had come to love. Sadly, last week Shawn's long battle with cancer came to a close. He leaves behind his wife of almost sixteen years, his two teenage daughters and too many friends to count.

William Faulkner once said he refused to accept the concept of death ''because [man] has a soul, a spirit capable of compassion and sacrifice and endurance.'' Faulkner continued, saying that it is our duty to ensure this endurance by reminding men of ''the courage and honor and hope and pride and compassion and pity and sacrifice which have been the glory of his past.'' Mr. Speaker, it is doubtless that Shawn Webb's story is one that is filled with all of the virtues that Faulkner described. It is my honor to rise today in his remembrance, and to commit to the record of history Shawn's legacy of love, service and honor.

HONORING LAURIE ANN MELROOD FOR HER LIFETIME OF SOCIAL SERVICE AS AN ADVOCATE AND EDUCATOR FOR SOCIAL JUSTICE IN LATIN AMERICA

HON. RAÚL M. GRIJALVA

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. GRIJALVA. Mr. Speaker, I rise today to honor Laurie Ann Melrood. For more than 40 years, Laurie Melrood has dedicated her life to social justice, speaking as a voice for people with no voice in the United States and other countries. Her initiative and persistence have changed the lives of countless individuals and communities.

The oldest of three children of Paul Melrood and Gitel Kastrul, Laurie Melrood is a second generation American. Her Jewish relatives survived pogroms in the Ukraine from which her father fled as an infant. Her life has been characterized by service since her earliest days.

As a young person in the 1960's, she advocated with African American and Jewish youth for desegregation of Milwaukee Public Schools.

She lived, worked, and studied in Israel during the late 1960's.

She was a member of the International Association of Yiddish Clubs.

In 1971, for her undergraduate internship at the University of Wisconsin-Milwaukee, she started Pathfinders, a shelter for runaway teens.

In 1972–1973, Laurie served as a community mental health worker in the ''Back of the Yards'' neighborhood in South Chicago.

In 1975, she graduated with a Master's Degree in Community Social Work from the University of Wisconsin, Madison. For her graduate internship she started a community service project for high school seniors who received credit for their service.

In 1974–1982, Laurie served as the Program Director of Jewish Social Services in Madison, Wisconsin. She established the culturally-based and ground breaking model L'Chaim Program for seniors at Madison Jewish Social Services, breaking the social isolation of Jewish and non-Jewish seniors.

From 1981–1982, Laurie was the Director for Community Action on Latin America in Madison, WI.

From 1982–1986, she was a principle organizer in South Texas and Wisconsin for the Underground Railroad and Public Sanctuary of the National Sanctuary Movement helping refugees from Central America to find shelter in the United States. She also assisted numerous refugees immigrate from Russia and Iran to the United States through HIAS, a Jewish Refugee Aid Agency.

From 1986–1990, Ms. Melrood assisted Central American refugee minor children who were detained in Texas by placing them with sponsoring families.

In 1992, Laurie became a staff member for the Pima County Juvenile Court's Court Appointed Special Advocate Program, she recruited volunteers to accompany and advocate for youth in the juvenile justice system. At Pima County Juvenile Court she also served as the Adoptions Examiner, specializing in foreign adoptions.

In 1994, she was one of three co-founders of a health training project in northern Guatemala, specializing in acupuncture and medical aid. The program is unique in training rural health promoters in acupuncture for curative medicine.

In 2000, Laurie was a principle program organizer and collaborator; starting the Kinship and Adoptions Resource Center KA.R.E. Family Center (KARE) in Tucson, Arizona in 2002. KARE is a full service family program helping grandparents and relatives who are raising grandchildren. This center has become a model of social services of its kind for the nation. Laurie has presented this model at child welfare conferences, written about the unmet need of this growing national population of Americans, and strongly advocated for their empowerment.

Mr. Speaker, Laurie Ann Melrood is a true leader of social justice. Her lifetime work of social service and advocacy in the United States and Latin America profoundly affected the lives of innumerable individuals. I want to thank her for her service to this country and to the international community.

IN HONOR OF ALFIE TEWFICK KHALIL

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. FARR. Mr. Speaker, I rise today to honor the memory of a good friend and great American who passed away tragically on November 18, 2006. The Defense Language Institute is dedicating its newest classroom building for Middle Eastern languages in honor of Alfie Tawfick Khalil.

Alfie, who was a native of Egypt, came to this country in the late 1960s. In 1979, Alfie joined the faculty of the Monterey, CA Defense Language Institute (DLI) where he taught Arabic to U.S. military personnel. He soon stood out as a leader among the DLI faculty. In 1980, he became a shop steward with AFGE Local 1263, the union representing the DLI faculty. By 1987 he was elected president of Local 1263.

In the post 9–11 world, foreign language capacity is a national security tool. In 2005, General John Abizaid, former Commander of U.S. Central Command, testified before the House Appropriations Subcommittee on Military Quality of Life and Veterans Affairs, that the ''ability to cross the cultural divide is not an Army issue. It is a national issue. We have to be able to deal with the people in the rest of the world as the globe shrinks in terms of communication and problem solving and sharing.'' As the world's largest foreign language school, DLI plays an indispensable role in moving this defense strategy forward. But DLI can't do it without its faculty. They are native speakers of their mother languages who, like Alfie, come from the distant places of the globe to help our nation better defend itself.

Alfie understood this and made the advocacy for DLI faculty and staff his life's work. After my first election to Congress, I learned quickly that there were two people I needed to know at DLI: the commandant, a Colonel who would move on or retire after a two year stint, and Alfie, who would always be there representing the best interests of the faculty. Alfie made his presence felt in so many ways.

One of the best examples of this was his hard work on behalf of ''locality pay''—the small salary boost for federal workers based in particularly high cost areas. Alfie pointed out that Monterey County was, indeed, one of those areas, but that the federal government still considered it rural so paid DLI faculty at much lower rates. Alfie and I worked together for more than three years to secure a decision by the Office of Personnel Management that Monterey County based civil service workers deserved locality pay. This hard work on Alfie's part has helped DLI attract and retain the best language teachers in the world.

However, Alfie was about more than just pay at DLI. He was about professionalism. That became clear in the most recent fight to keep DLI off the base closure list. Alfie was a never-ending resource to my office and the BRAC Commission. He provided information and statistics on the level of expertise and depth of training of the DLI faculty. With this information it was easy to make the case that DLI could not be recreated anywhere else—that it was dependent on and unique to the talent of the Monterey area. Alfie was a key player in keeping DLI open and in Monterey.

Mr. Speaker, I know that I speak for the entire House of Representatives in sharing our sincere condolences to Alfie Khalil's family both here in the United States and in Egypt and to his extended family of students and colleagues throughout the DLI community.

TO HONOR THE CHINESE EXPULSION REMEMBRANCE PROJECT

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. McDERMOTT. Mr. Speaker, I rise today to offer special recognition to my constituents and friends at the Chinese Expulsion Remembrance Project as they commemorate the

125th anniversary of the expulsion of Chinese residents from the State of Washington.

Thousands of Chinese immigrants were forced to leave their homes and businesses in the greater Seattle area during the fall of 1885 and winter of 1886.

The expulsion of Chinese workers in Washington State stemmed from the 1882 Chinese Exclusion Act, a measure passed in Congress at the request of labor unions because of competition from Chinese laborers. A few years after the expulsion, Chinese immigrants were welcomed back, and they helped rebuild the city after the Great Seattle Fire of 1889.

The Chinese Expulsion Remembrance Project reminds us of the critical role immigrants have played in the development of our community, city, state and country. A deeper understanding of our past gives us a strong context for understanding immigration issues as we move forward.

The Chinese Expulsion Remembrance Project also helps us to better understand the vital role that Chinese immigrants, as well as immigrants from other countries, play in Washington State. This results in our communities being more educated and less inclined to allow fear and intolerance to go unquestioned.

Mr. Speaker, I would like to take this opportunity to recognize the organizers of the Chinese Expulsion Remembrance Project for their time, talent and contributions. Thanks to the vision and leadership of Bettie Sing Luke, Ron Chew, Maxine Chan, Edward Echtle, Tim Greyhavens, Theresa Pan Hosley, Kathy Hsieh, Brian Lock, Debbie Louie, Chieko Phillips, Cynthia Kan Rekdal and Connie So, the awareness and appreciation of Chinese American history has greatly risen in our community.

As Seattle commemorates the 125th anniversary of the Chinese expulsion, it is important for us to remember that our country's diverse population has been, and will continue to be, a key factor in growing our economy and creating jobs. The efforts of the Chinese Expulsion Remembrance Project have touched so many of us, and they have shown that education is an invaluable asset to the Seattle community.

TRIBUTE TO MR. FRANK WOODRUFF BUCKLES

HON. NAN A.S. HAYWORTH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Ms. HAYWORTH. Mr. Speaker, as we all know, our country lost its last American Doughboy on Sunday. Frank Buckles was our last living connection to an era in which a 16-year-old could lie about his age in order to join his nation's army to fight the ''Great War.'' It would probably be impossible for a 16-year-old to enlist today without being discovered, but there are many young Americans that share Mr. Buckles' spirit of patriotism.

Although we have lost this last Doughboy, we have not lost the spirit of patriotism and sacrifice in the name of country that Frank Buckles and so many of his comrades embodied. That spirit is present all across America, including in my district, the 19th district of New York, where we are the home of 4,400 cadets at the United States Military Academy. These young men and women have also dedicated service to our country before turning 18. Their devotion to duty, honor and country continues a great tradition of military service and embody the life Frank Buckles and the millions of service men and women they follow.

I hope that Mr. Buckles' legacy continues to serve as an inspiration for future generations of Americans, who continue to fight for our protection and freedom. May God bless America and our men and women in uniform.

RECOGNIZING THE LIFE OF SHARON SCOTT

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. MILLER of Florida. Mr. Speaker, I rise today to recognize Mrs. Sharon Scott, who passed away on February 24, 2011. Sharon was a tremendous public servant and valued member of our community, and I am honored to recognize her life of dedication and service.

Mrs. Scott has been a long-time member of our Northwest Florida family. As a former council member for the town of Century, Florida, she served with both honor and distinction. Century, a small town in Escambia County with a population of less than 2,000, is well-known for its active politics and citizens. The town is full of local pride, exemplified by Sharon, who always let others know she was from Century and not from its bigger-city neighbor, Pensacola. Sharon was the consummate small-city council member, responding to those she represented as if they were an extension of her own family with a sense of humility required of those who serve their community.

Mr. Speaker, on behalf of the United States Congress, I am privileged to recognize the life of Sharon Scott of Century, Florida. My wife Vicki and I offer our prayers for her entire family. She will be truly missed by all of us.

SURFACE TRANSPORTATION EXTENSION ACT OF 2011

SPEECH OF

HON. MAZIE K. HIRONO

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2011

Ms. HIRONO. Madam Speaker, I rise today in support of the legislation before us, which will extend funding for our federal transportation programs through the end of this fiscal year in September.

This will be the seventh short-term extension we have passed—hopefully this will be the last. I commend Chairmen MICA and DUNCAN, and Ranking Members RAHALL and DEFAZIO, for their work on crafting this measure, and look forward to working with each of them as the Transportation and Infrastructure Committee continues its work on a long-term surface transportation bill.

Madam Speaker, this so-called ''clean extension'' of our nation's transportation programs is vitally important for the travelling public. Not only does it continue federal construction projects that we know create jobs—it also extends programs that keep our families safe on the road.

This extension gives our states and communities certainty, at least until the end of this fiscal year, with regard to critical infrastructure projects. It will also provide a level of stability for those working to improve our roads and bridges and build new transit and commercial systems—and the families that are dependent on their income.

While members of both sides of the aisle have spoken of the importance of infrastructure, to date, we have not been able to come up with a forward-looking transportation bill. We all should share a sense of urgency about getting this done. Meanwhile, without continuing the authority for the programs under this bill, more than $800 million in highway reimbursements and transit grants to states and urban areas would not be dispersed. This inaction would endanger more than 28,000 jobs nationwide.

And so, for the second time this week, we have averted catastrophe—which begs the question, is this how we will continue on for the next two years?

This is a legitimate question, one which was raised at the American Association of State Highway and Transportation Officials' annual meeting earlier today. These are the people who have to figure out how to complete long-term projects—and plan new ones—while we lurch forward in short increments. They live in a world where they have to think in months and years, not weeks or news cycles.

In response to a question about getting a long-term bill done, all Secretary of Transportation Ray LaHood could say was: ''If we don't get something significant done this year I think it will be very difficult.'' I'd say that is an understatement.

Certainly, the irresponsible, indiscriminate, and short-sighted 24 percent cut to transportation funding contained in H.R. 1 did not inspire a great confidence. We need to do better.

Every community has transportation needs for which federal help is vital. For example, in Hawaii, we are using federal funds to expand the capacity of our ports, and to build new rail transit for our citizens. These are projects that are putting people to work now, and will pay significant dividends for our economy for years to come. These projects will help to connect people with businesses, and businesses with workers. They will help to get cars off our streets, and expand the amount of commerce that can move in and out of our islands.

Again, I hope that my colleagues on both sides of the aisle will now come together on a long-term transportation bill. This is our opportunity to show that we can do something that will be a game-changer for our economy in the 21st century. Over the few months that this bill gives us, we can spend our time wisely debating how best to direct federal dollars to help our states and cities. I hope that this is a bipartisan effort, and look forward to working with my colleagues on the Committee to make this happen.

CONGRATULATING THE DILLARD HIGH SCHOOL GIRLS' BASKETBALL TEAM ON THEIR STATE CHAMPIONSHIP

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to honor the girls' basketball team of Dillard High School in Fort Lauderdale, Florida.

Led by Coach Marcia Pinder, whose 776–171 career record is top among all Florida basketball coaches, male or female, the Panthers crowned a 22–7 season by winning the Florida state championship for the second consecutive year. Under Coach Pinder's tutelage, the Dillard girls have consistently been recognized for being among the best at their sport, having won six titles overall.

In this year's title game, the Panthers led most of the way and, with their key rebounds and clutch free throws, the game, which went to overtime, and the title ultimately belonged to Dillard.

Mr. Speaker, I am very proud of the Lady Panthers and Coach Pinder, who have once again reached the pinnacle of success in their sport, and I am glad that they represent my district. They are all fine sportswomen and people of whom we can all be very proud. It is my distinguished honor to recognize their achievements.

23RD ANNIVERSARY OF THE MASSACRE OF ARMENIAN CIVILIANS IN AZERBAIJAN

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. SHERMAN. Mr. Speaker, I speak today in solemn remembrance of a dark chapter in modern history. This past weekend marked the 23rd anniversary of the massacre of Armenian civilians in Azerbaijan. On the evening of February 27, 1988, a three-day rampage against Armenian civilians living in Sumgait, in Soviet Azerbaijan, began.

Armenian civilians were maimed, raped, beaten, and burned alive at the hands of rioters. International media outlets reported that Armenians were ''hunted'' down and killed in their homes.

The calls for help for those innocent Armenians were ignored by the local police, and the victims' fate was left to those who ruthlessly and senselessly ended their lives.

The official figure from Soviet authorities, who had prohibited journalists from entering the area, was just over 30 people dead and over 200 injured. However, many believe that in fact hundreds were murdered.

Sadly, Sumgait was not the end to the tragedies. Anti-Armenian pogroms followed in Kirovabad on November 21, 1988 and in Baku on January 13, 1990. During the Nagorno-Karabakh War of 1988 to 1994, Armenian civilian population centers were indiscriminately attacked.

If we hope to stop future massacres, and conflicts, we need to acknowledge those horrific acts of the past, make sure they do not happen again, and make sure that we do not have renewed war between Azerbaijan, Armenia, and Nagorno-Karabakh. That is why I would like to commemorate the victims of the Sumgait massacre.

PERSONAL EXPLANATION

HON. WILLIAM R. KEATING

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. KEATING. Mr. Speaker, on Friday, February 18, 2011, had I voted, I would have voted ''no'' on rollcall No. 93.

Additionally, on February 16, 2011, it was my intention to vote ''yes'' on rollcall No. 57.

WE HAVE LOST A FRIEND

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. WOLF. Mr. Speaker, I rise today because of a tragic event—the March 2 assassination of Pakistan's Federal Minister for Minority Affairs Shahbaz Bhatti, a heroic man of faith whose courageous and outspoken leadership against his nation's draconian blasphemy law made him a prime target of extremist Islamist elements in his country.

Bhatti was the only Christian member of the Pakistani cabinet.

We have lost a friend and an ally and our prayers are with Bhatti's family and those in Pakistan who mourn his loss and who stood with him in his fight against injustice and intolerance. Bhatti devoted his life to defending the most vulnerable—he is literally a modern day martyr.

Among those whose causes he championed were Asia Bibi, a young Christian mother of five, who was sentenced to death under Pakistan's blasphemy law. Only after international intervention was her execution delayed. Her fate, however, remains unclear.

Pakistan's blasphemy laws are often used to victimize both religious minorities and Muslims. In fact, Punjab's influential governor, Salman Taseer was shot and killed by his own bodyguard who reportedly told police, ''that he killed Mr. Taseer because of the governor's opposition to Pakistan's blasphemy law.''

With Bhatti's life tragically cut short, a critical moderating voice in Pakistan has been lost. And I fear others will be silenced if justice is not brought to bear in Pakistan. Bhatti spoke of the importance of these voices during a recent Washington Post editorial board meeting. I submit for the RECORD a piece by Post editorial page editor, Fred Hiatt, who recalled Bhatti's message, ''that millions of Pakistanis remain committed to a vision of a Muslim country living in peace with its neighbors and with non-Muslims within its borders.'' Hiatt continued, ''As it became increasingly dangerous for such people to speak up, they were becoming decreasingly visible. But they are still there, Bhatti told us, and he urged Americans not to forsake or forget them.''

This must be our clarion call in the days to come.

I urge the Government of Pakistan to seek justice in this case and to give Bhatti a state funeral, reflective of the import of his life and legacy. Similarly, I urge our own government to send a high-ranking delegation to attend the funeral and to carry Bhatti's torch in continuing to press for the repeal of the blasphemy laws in Pakistan.

I also submit an Associated Press story which references the fact that Bhatti was ''aware of the danger he faced, saying in a videotaped message that he had received death threats from al-Qaida and the Taliban.'' The video was recorded several months before his ultimate assassination and can be viewed at: http://www.guardian.co.ukworld/2011/mar/02/pakistan-minister-shot-dead-islamabad.

Bhatti pointedly says he will continue to speak out for persecuted Christians and other religious minorities. In a chilling allusion to future events, he says, ''I will die to defend their rights.''

Indeed Bhatti's convictions cost him his life. He must not have died in vain.

ANOTHER MODERATE IN PAKISTAN IS ASSASSINATED

(By Fred Hiatt)

Shahbaz Bhatti, who was assassinated outside his home in Pakistan today, came to visit a few of us at The Post one month ago. He was soft-spoken and matter-of-fact about the dangers he faced—and about his refusal, almost his inability, to trim his sails to lessen those dangers. The risks he faced, as a voice for tolerance in an increasingly intolerant country, were risks that Pakistan faced—and if he and like-minded figures stopped speaking up, what future would the country have?

Bhatti was a Christian in an overwhelmingly Muslim country, a minister in the government in charge of minority affairs, and most of all an unimaginably courageous voice of moderation. He opposed the nation's anti-blasphemy law, which increasingly is being used to silence and oppress. When another moderate leader, Punjab governor Salman Taseer, was killed two months ago, his assassin frighteningly became a hero for many in Pakistan. Bhatti was one of the few public figures willing to forthrightly condemn the murder.

Now Bhatti, too, is gone. There will be investigations, I suppose, into why his police guard was absent when gunmen surrounded his Toyota sedan this morning, despite calls from many (including Americans like Virginia Republican Rep. Frank Wolf) for increased security. There will be tributes and mourning, but they will be muted. Hopefully there will be deep thinking inside the U.S. government about what it can do to better support the forces of moderation.

On that subject, I remember two essential messages from Bhatti's visit. He said Americans maintained too little contact with the part of Pakistani civil society that believes in interfaith tolerance, that sees Islam as a peaceful religion willing to live alongside others. Bhatti himself had organized a network of such people, he told us, but U.S. officials were too busy dealing with the government, army and intelligence agencies to show support or even establish much contact.

His second message was that millions of Pakistanis remain committed to a vision of a Muslim country living in peace with its neighbors and with non-Muslims within its borders. As it became increasingly dangerous for such people to speak up, they were becoming decreasingly visible. But they are still there, Bhatti told us, and he urged Americans not to forsake or forget them.

MILITANTS KILL CHRISTIAN MINISTER IN PAKISTAN

(By Nahal Toosi and Chris Brummitt)

ISLAMABAD.—Militants gunned down the only Christian in Pakistan's government outside his widowed mother's home Wednesday, the second assassination in two months of a high-profile opponent of laws that impose the death penalty for insulting Islam.

Shahbaz Bhatti was aware of the danger he faced, saying in a videotaped message that he had received death threats from al-Qaida and the Taliban. In it, the 42-year-old Roman Catholic said he was ''ready to die'' for the country's often persecuted Christian and other non-Muslim minorities.

The slaying in Islamabad followed the killing of Salman Taseer, a liberal politician who was gunned down in the capital by one of his guards. Both men had campaigned to change blasphemy laws in Pakistan that impose the death penalty for insulting Islam and have been loudly defended by Islamist political parties.

The Taseer slaying triggered fears the country was buckling under the weight of extremism, especially since the government, fearful of militants and the political parties that champion their causes, did not loudly condemn the killing or those who publicly celebrated it.

Wednesday's slaying will only reinforce those concerns and further undermine confidence in the government, which appears paralyzed by political rivalries and unable to fix a stagnant economy or provide basic services for the country's 180 million mostly poor people.

The turmoil comes despite attempts by the Obama administration to support Pakistan, which it sees as key to ending the war in neighboring Afghanistan and defeating al-Qaida, whose leadership is believed to reside in the mountainous northwestern regions.

Pakistani government ministers usually travel with police escorts, but Bhatti was without such protection when he was killed as he and a driver left his mother's home. Bhatti, who was minister for religious minorities, had been given police and paramilitary guards but had asked them not to accompany him while he stayed with his mother, said Wajid Durrani, a senior police official.

A friend of the politician, Wasif Ali Khan, said Bhatti was nervous about using guards after the Taseer killing and had requested a bulletproof car, but had not received one.

Bhatti had just pulled out of the driveway when three men opened fire, said Gulam Rahim, a witness. Two opened the door of the car and tried to pull Bhatti out, Rahim said, while a third fired a Kalashnikov rifle repeatedly into the dark-colored Toyota, shattering the windows.

The gunmen then sped away in a white car, said Rahim, who took shelter behind a tree.

Bhatti was hit with at least eight bullets and was dead on arrival at hospital.

In leaflets left at the scene, al-Qaida and the Pakistani Taliban Movement in Punjab province claimed responsibility. They blamed the government for putting Bhatti, an ''infidel Christian,'' in charge of an unspecified committee, apparently in reference to his support for changing the blasphemy laws.

''With the blessing of Allah, the mujahedeen will send each of you to hell,'' said the note, which did not name any other targets.

Government officials and political party workers condemned the killing, but made no reference to the blasphemy law controversy. Muslim clerics contacted by The Associated Press or interviewed on Pakistani TV either offered a tepid condemnation or claimed the assassination was part of an American-led conspiracy to drive a wedge between Muslims and Christians.

Bhatti, a soft-spoken minister who rose to prominence defending a Christian woman sentenced to death for blasphemy, often spoke of the threats against him from extremists. Very few Pakistani politicians were willing to talk about changing the blasphemy law because of the danger.

''They (the Taliban) want to impose their radical philosophy in Pakistan. And whoever stands against their radical philosophy, they threaten them,'' he said in the video message, which was posted on the website of the First Step Forum, a Finland-based group that promotes religious harmony, rule of law and democracy.

''These threats and these warnings cannot change my opinions and principles. I'm living for my community and suffering people,'' said Bhatti, who was an adviser to the group and had asked that his message be released in the event of his death.

The slaying robbed Pakistani Christians of their most prominent advocate.

''We have been orphaned today!'' wailed Rehman Masih, a Christian resident of Islamabad. ''Now who will fight for our rights? Who will raise a voice for us? Who will help us?''

Christians are the largest religious minority in Pakistan, whose population is 95 percent Muslim. They have very little political power and tend to work in lower-level jobs, such as street sweeping.

As Christians took to the streets Wednesday to protest in several cities, relatives and friends went to Bhatti's home to pay their respects. ''Tell the mullahs that the man who was the voice of the Christians is silent. Where are they now?'' Samuel David, one of the visitors, shouted to a television crew.

The assassination drew condemnation from Christian and government leaders.

A Vatican spokesman, the Rev. Federico Lombardi, called the slaying a ''new episode of violence of terrible gravity,'' saying it ''demonstrates just how justified are the insistent statements by the pope regarding violence against Christians and religious freedom.''

Lombardi noted that Pope Benedict XVI had met with Bhatti in September.

President Barack Obama condemned the slaying, saying Bhatti ''fought for and sacrificed his life for the universal values that Pakistanis, Americans and people around the world hold dear''—including rights to free speech and religious freedom.

In Britain, leaders of the Anglican Church expressed shock and sorrow and urged Pakistan's government to do more to protect Christians.

U.S. Secretary of State Hillary Rodham Clinton said the attack was ''not only on one man but on the values of tolerance and respect of all faiths and backgrounds.''

The blasphemy laws were originally framed by the Asian subcontinent's British colonial rulers but were toughened in the 1980s during the military rule of Gen. Mohammad Zia ul-Haq, who pushed a politicized, austere brand of Islam.

Human rights groups have long warned that the laws are vaguely worded and open to abuse because people often use them to settle rivalries or persecute religious minorities.

Right-wing Islamist parties, looking for an issue to rally their supporters, have campaigned against any change to the laws, accusing those who seek to amend them of blasphemy—and creating an environment that led to the latest killings.

''Bhatti's murder is the bitter fruit of appeasement of extremist and militant groups both prior to and after the killing of Punjab Governor Salman Taseer,'' said Human Right Watch. ''An urgent and meaningful policy shift on the appeasement of extremists that is supported by the military, the judiciary and the political class needs to replace the political cowardice and institutional myopia that encourages such continued appeasement despite its unrelenting bloody consequences.''

Another prominent opponent of the blasphemy laws, ruling party member Sherry Rehman, recently dropped her bid to get them changed. Rehman, who has said she had to abide by party leaders' decisions, faces death threats and has been living with heavy security.

RECOGNIZING EMILY MCMILLAN AS THE 2012 ESCAMBIA COUNTY, FLORIDA TEACHER OF THE YEAR

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. MILLER of Florida. Mr. Speaker, I rise today to recognize Ms. Emily McMillan as the 2011 Escambia County, Florida Teacher of the Year. Ms. McMillan joined the Escambia County School District in January 2008. From day one she has inspired her students to strive for excellence, and I am honored to recognize her achievements.

Ms. McMillan was identified as an exceptional candidate for the teaching profession years before she stepped into the classroom. In high school, Ms. McMillan began taking dual enrollment courses at a local college. Her dedication to achieving scholastic excellence during her high school career put her on track to graduate from the University of West Florida in just two years. Ms. McMillan's undergraduate studies were completed on an accelerated time frame; however, during her time at UWF she received myriad awards and scholarships, including the Florida Retired Educators Association's Scholarship for Teachers of Tomorrow.

Ms. McMillan arrived at Ferry Pass Elementary School ready to teach; nonetheless, she also knew that even the best teachers always have room to improve and new methods to employ. She joined the Reading Leadership Team, which meets on a monthly basis to create and implement reading goals for the entire school. She now serves as the Reading Committee Chairwoman, meeting with teachers from each of the seven grade levels at Ferry Pass Elementary and Middle School to work on the implementation of the Reading Leadership Team's goals. She also works with the Media Specialist to develop innovative methods to foster a love of reading.

While the overall goal of education remains the same, teachers today must be able to adapt to the changing needs of their students. Ms. McMillan serves her students and, as a result, she incorporates a variety of instructional strategies to ensure that every student meets their specific learning needs. Her sedulous dedication to her students facilitates learning and creates an educational environment where students are given the time and support to ensure that they meet their goals.

Ms. McMillan realizes that parents are fundamental to the educational success of their children. She creates lines of communication between herself and parents by sending home

daily citizenship reports, a weekly folder with detailed notes, and a monthly newsletter. Her dedication to her profession earns her respect from students, parents, and colleagues alike.

The importance of teachers cannot be overstated. They play an integral role in shaping the future of our nation. To be selected as Teacher of the Year, chosen from a large pool of extremely qualified applicants, is an immense honor. This award is a reflection of Ms. McMillan's assiduous work ethic and steadfast dedication to the students of Escambia County, Florida. She has proven to be among the many exceptional teachers in our nation, and I am proud to have her as a constituent in Florida's First Congressional District.

Mr. Speaker, on behalf of the United States Congress, I am privileged to recognize Emily McMillan for her accomplishments and her continuing commitment to excellence at Ferry Pass Elementary School and in the Escambia County School District. Her passion for her students is laudable, and her dedication to her profession is exemplary. My wife Vicki joins me in congratulating Ms. McMillan, and we wish her all the best.

IN HONOR OF U.S. MARSHAL DEREK HOTSINPILLER

HON. DAVID B. McKINLEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. MCKINLEY. Mr. Speaker, I rise today in sadness over the tragic loss of U.S. Deputy Marshal Derek Hotsinpiller. 24 year old Derek Hotsinpiller of Bridgeport, West Virginia, was killed in the line of duty while serving a federal search and arrest warrant in Elkins, West Virginia. It deeply saddens me to see anyone hurt in the line of duty, let alone lose their life such as Derek Hotsinpiller did.

Deputy Marshal Hotsinpiller was a dedicated hero who defended our community with the utmost dignity. He always went above and beyond the call of duty for his partners, colleagues, and country. Derek served our community selflessly.

Deputy Marshal Hotsinpiller was born June, 2 1986, and graduated from Fairmont State University in 2009. After excelling in both high school and college, he became a U.S. Deputy Marshal in 2010. Many who knew this brave young man say law enforcement was in his DNA, and since childhood he dreamed of following in the footsteps of his late father and brother, who both served in the Bridgeport Police Department. Derek wanted nothing more than to serve our country as a Marshal.

After witnessing so many recall their experiences with this brave young man at his funeral, it's clear to me that Derek Hotsinpiller was a unique American hero. So many in our community have felt this tremendous loss. He was truly loved by those who knew him. There is no question that Derek's memory should be honored.

Derek leaves behind an inspiring legacy and serves an example of what we can accomplish if we put our hearts and minds towards serving others. My thoughts and prayers are with Derek's mother Pam, his brother Dustin, his high school sweetheart Megan and the rest of the Harrison County-area community.

IN SUPPORT OF THE PLANNED PARENTHOOD FEDERATION OF AMERICA

HON. ED PERLMUTTER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. PERLMUTTER. Mr. Speaker, I rise today in opposition to the Pence Amendment #11 regarding the defunding of Title X health programs including Planned Parenthood. The Planned Parenthood Federation of America provides essential medical services to millions of men and women. For more than 90 years Planned Parenthood has promoted the health and well-being of women and men. More than 90 percent of the care Planned Parenthood provides is primary and preventive. These services include wellness exams, cancer screenings, immunizations, contraception and STD testing and treatment.

Often the only medical care women and men will receive is at Planned Parenthood. More than 6 in 10 patients who receive care at centers like Planned Parenthood consider it their primary source of care. Three-quarters of Planned Parenthood patients live at or below 150 percent of the federal poverty rate. These patients need centers like Planned Parenthood more than ever. Without their services millions of patients will go without health care.

The Pence Amendment would defend all of these services. Planned Parenthood is the only national provider that has developed a set of evidence-based guidelines to define health care delivery, and they review them annually. For every public dollar invested in family planning services, $3.74 is saved in Medicaid-related costs. This amendment would cut these savings to the federal government and state governments. Title X funding provided 2.2 million Pap tests, 2.3 million breast exams, over 6 million tests for sexually transmitted infections, and nearly 1 million HIV tests. This amendment would cause women to experience unintended pregnancies, face potentially life-threatening cancer and other disease that could have been prevented. This amendment is not about fiscal responsibility or legality, it is about denying women the right to affordable medical care.

In Colorado and across this country Planned Parenthood is providing care to over 3 million people a year. Their services are essential to women, men and their families. No one should go without affordable health care, and Planned Parenthood leads the way in providing it.

INTRODUCING THE MARRIAGE PROTECTION ACT OF 2011

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. BURTON of Indiana. Mr. Speaker, last week, President Obama made an unprecedented decision to declare a Federal law unconstitutional and thereby abdicate his responsibility to uphold and defend that law.

The law in question is the 1996 ''Defense of Marriage Act'' written ''to define and protect the institution of marriage.'' It allows all states, territories, possessions, and Indian tribes to refuse to recognize an act of any other jurisdiction that designates a relationship between individuals of the same sex as a marriage.

This law was properly passed by the U.S. House of Representatives and the United States Senate and properly signed by then-President Clinton. The law was passed to reflect the desire of the American people that we clarify the meaning of ''marriage'' so that the definition of the word could not be changed by activist judges.

The Constitution of the United States grants certain powers to the President, but not the power to unilaterally legislate based on personal preference. The power to legislate was given specifically to the Congress and it is Congress' responsibility to pass or repeal legislation. Neither does the Constitution of the United States grant courts the power to legislate, although many activist judges have attempted to redefine the legal definition of marriage through the judicial process.

Furthermore, the Constitution does not grant the Federal government the power to regulate marriage. In fact, the Tenth Amendment specifically states: ''The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or the people.'' The responsibility to regulate marriage properly belongs to the people of the various States and it is time for us to return that power to the people.

That is why I, along with a number of my colleagues, am today reintroducing the Marriage Protection Act of 2011. This bill simply states that no courts created by an act of Congress—meaning Federal courts—will have jurisdiction to hear cases regarding same-sex marriage. Additionally, the Supreme Court will not have appellate jurisdiction to hear these cases. In short, the bill makes same-sex marriage an issue to be determined by the people through their State legislatures or via referendum, not to be determined by Federal judges.

If this bill is passed then no President, Justice Department official, or Judge will be allowed to unilaterally define marriage. Only the people will have the power to decide the definition of marriage.

I urge my colleagues to co-sponsor this important and timely bill.

SUPPORT OF MR. KLINE'S AMENDMENT TO H.R. 1

HON. ANDRÉ CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. CARSON of Indiana. Mr. Speaker, on February 17, 2011, Mr. KLINE offered an Amendment to H.R. 1 to prevent the use of funds toward implementing the Department of Education's harmful gainful employment rule. Although that amendment passed, I mistakenly voted against it. I apologize to Mr. KLINE, my colleagues, and supporters of the amendment for my mistake.

Whereas we cannot support programs that offer little to no substantive education and mislead students down a path to insurmountable debt, I do not support a rule that will eliminate many quality programs and block access to higher education for many non-traditional, low-

income and minority students who want to better themselves by pursuing careers in valuable fields such as nursing, technology, criminal justice and design.

I hope that future courses of action will allow for a more meaningful review of the issues concerning career colleges.

HONORING TWO UNIVERSITY OF PACIFIC McGEORGE SCHOOL OF LAW TEAMS

HON. JEFF DENHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. DENHAM. Mr. Speaker, I rise today to acknowledge and honor two University of Pacific McGeorge School of Law teams that were named regional champions at the American Bar Association National Appellate Advocacy Competition held February 24–26, 2011, at the U.S. District Courthouse in San Francisco. Both will now advance to the National Appellate Advocacy Competition National Finals, Finals scheduled for April 7–9, 2011 in Chicago, IL.

The team of Kim Bowman, '11, Conness Thompson, '11, and Jeremy Ehrlich, '12, defeated George Mason University in the final round. Bowman was named Best Oralist of the 96 competitors while Thompson took ninth in that category. The team, which went undefeated and was seeded No. 1 in the entire field at the end of the competition, was also recognized for the sixth best brief.

The team of Caitlin Urie Christian, '11, Jill Larrabee, '12, and Leo Moniz, '12, defeated UC Hastings in the final round to earn its trip to the 32nd annual National Championship Finals. The team was honored with the Best Brief Award, and Leo Moniz was named the fourth-best oralist.

Both teams were coached by Professors Ed Telfeyan, '75, and Erich Shiners, '06, and assisted by Andrea Dupray, '11, a member of the 2009–2010 Moot Court Honors Board. ''This is the equivalent of a 'Grand Slam,'" said Telfeyan, director of the Moot Court Program. ''For McGeorge to send two teams to Chicago is fantastic, but to also get top brief, top oralist, and three of the top ten speaker awards is a remarkable, and perhaps, unprecedented achievement.''

The American Bar Association National Appellate Advocacy Competition is the largest law school moot court competition, with 207 teams competing in six regional events for 24 coveted invitations to the Finals. A team from UC Berkeley and a team from Baylor also advanced from the San Francisco regional. South Texas College of Law is the defending national champion.

Mr. Speaker, please join me in honoring the students and coaches from McGeorge School of Law on their outstanding performance at the 2011 regional competition in San Francisco and wishing them the best of luck in the Finals in April.

HONORING FORT LUPTON MIDDLE SCHOOL

HON. CORY GARDNER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. GARDNER. Mr. Speaker, I rise today to honor Fort Lupton Middle School located in Fort Lupton, Colorado.

This year, Fort Lupton Middle School was selected as the National Middle School of the year by the National Association of Middle School Principals. This award recognizes middle schools that have been committed to the educational and developmental needs of young adolescents. Fort Lupton Middle SchooL excels at this responsibility.

The statewide Colorado Student Assessment Program is conducted every year to evaluate how students are learning. Fort Lupton Middle School has showcased outstanding academic achievements with gains in reading and math test scores for the last four consecutive years.

In addition to their outstanding academic achievements, Fort Lupton offers over 27 different academic programs and honors, 29 student activities, and 10 sports. The middle school sees 442 participants in these programs among a population of 441 enrolled students.

The Fort Lupton faculty and students both acknowledge that the school library is truly the heart of the school. This acknowledgement reinforces why Fort Lupton is the National Middle School of the Year. The school excels because of the dedicated and exceptional faculty, because of the great Fort Lupton community, and because the students are engaged in and out of the classroom. It is a true example of excellence in education.

TRIBUTE TO DR. JOSEPH M. NORBECK

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. CALVERT. Mr. Speaker, I rise today to honor and pay tribute to an individual whose dedication and contributions to the campus of the University of California at Riverside, and the science community, has been extraordinary. UCR has been fortunate to have dynamic and dedicated professors who willingly and unselfishly give their time and talent to, not only educate their students, but also pioneer new advances in the fields of science and technology. Dr. Joe Norbeck is one of these individuals. Today, a retirement celebration in honor of Dr. Norbeck is being held at the Bourns College of Engineering, the Center for Environmental Research & Technology (CE–CERT).

In 1970, Dr. Norbeck earned his B.S. in Chemistry from the University of Nebraska and four years later earned his Ph.D. in Theoretical Chemistry from the same institution. He joined the University of California, Riverside, in January 1992 after working as head of the Chemistry Department, Research Staff, at the Ford Motor Company. Dr. Norbeck heads the UCR Environmental Research Institute and is the Yeager Families Professor of Environmental Engineering. His is also the former Director of CE–CERT.

Dr. Norbeck has published more than seventy-five papers in theoretical chemistry, atmospheric modeling, vehicle emissions, and advanced vehicle technology. His most recent research included the relationship between vehicle emissions and air quality, development of renewable fuels, and development of advanced vehicle technology.

Dr. Norbeck was elected a Fellow of the American Association for the Advancement of Science in 1999. He received the South Coast Air Quality Management District Clean Air Award in 1995, the Valley Group Award in 1997 for Excellence in Environment and Research, and was elected as local leader for the City of Riverside and received the Regional Leader of the Year Award in 1998. He has held a gubernatorial appointment as an Air Quality Expert on the California Inspection/Maintenance Review Committee and is a member of several other committees including the Cal/EPA Environmental Technology Partnership Task Force, the Executive Research Advisory Committee of the Society of Automotive Engineers, and Scientific Review Committee for the South Coast Air Quality Management District.

In light of all Dr. Norbeck has done for the U.C. Riverside, our community, the region and the state, we wish him the very best as he moves onto the next stage of his life. Dr. Norbecks' tireless passion for learning and education has contributed immensely to the betterment of U.C. Riverside and its students. His contributions in the fields of chemistry, emissions and air quality have been extraordinary and I am proud to call him a fellow community member, American and friend. I know that many fellow educators, community leaders, students and many others are grateful for his service and salute him as he retires from UCR.

AMENDMENT NO. 296 TO H.R. 1, OFFERED BY MR. McCLINTOCK OF CALIFORNIA

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. HERGER. Mr. Speaker, as a staunch supporter of dams, I understand my colleague's position on this issue and I intend to support this amendment. The Department of the Interior has been studying the potential removal of four hydroelectric facilities, three of which are located in the Congressional District I represent, and my constituents in Siskiyou County have rightfully expressed overwhelming opposition to the prospect of removing functioning hydropower dams and their associated benefits. I fully share that concern, as well as the disturbing precedent it sets with respect to other hydroelectric projects. From my longtime advocacy for projects such as the proposed Sites Reservoir in Colusa County, the Auburn Dam on the American River, a dam on the Yuba River and raising Shasta Dam, few Members of Congress have been a stronger supporter of increasing surface water storage. These marvels of engineering have allowed California to prosper by providing critical water to get us through drought years,

flood control, and cheap, renewable hydroelectric power. Put simply, we need more dams, not fewer.

For those reasons, it is troubling that we are even here discussing this issue. We need to change the current regulatory structure that gives perceived ''environmental benefits'' unyielding priority—often at unbearable cost—over the social and economic benefits provided to people by dams and other wise-use of our resources: These laws and regulations have forced the owner and operator of the dams on the Klamath River to a point where decommissioning these facilities—by way of the Klamath Hydroelectric Settlement Agreement—is the least-cost option for its customers and ratepayers in California and elsewhere, as opposed to relicensing. These laws and regulations also caused the tragic 2001 water shutoff that affected 1,200 farm families in the Klamath Basin and led them to enter into this settlement process in the hopes of bringing greater stability and water reliability to the Basin in order to continue their way of life.

It represents a monumental failure at the federal level when we consider that, under the laws and regulations that are on the books at this moment, there is currently no alternative that will allow these facilities to be operated as cost-effectively as it had during the several decades of its previous license term, or allow the federal government to fully meet the obligations it made over a century ago with the development of the Klamath Reclamation Project.

I.say this to make the point that, unfortunately, this amendment by itself will not address the real underlying issue—the appalling environmental extortion that continues to affect property owners across the rural West and the hardworking people who put food on our tables and provide the raw materials that make life comfortable for the rest of us. Clearly, our laws are grossly out of balance, and I look forward to working with Chairman MCCLINTOCK, Chairman HASTINGS, Mr. WALDEN and my other colleagues to implement the necessary environmental reforms to prevent the continued degradation of our economic infrastructure at the hands of environmental activists and bring greater certaiity to the Klamath Basin's agricultural community.

HONORING ANNE THEROUX

HON. WILLIAM R. KEATING

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. KEATING. Mr. Speaker, I rise today in celebration of one hundred years of inspiration and joy that Anne Theroux of Massachusetts has given to those fortunate enough to know her well. A 35-year resident of Cape Cod, Anne turns 100 years old on March 4 and continues to thrive in her West Dennis home, as independent as ever before.

Mother to seven, grandmother to thirteen, and great-grandmother to fifteen children, Anne has maintained an energy and youthfulness beyond her 100 years. She has served her community with many years of teaching elementary school, and she is known to always have a book in hand or story to share. Anne continues to exercise her intellect as an ace crossword puzzle enthusiast, and has participated as a member of the woodcarving group at the Dennis Senior Center, where she brings the spirit of Cape Cod to each and every one of her bird carvings.

And so, surrounded by her loving children, extended family, and many friends, Anne will celebrate her centennial with a luncheon honoring her 100th birthday. I wish Anne and her whole family best wishes for many years to come.

THANKING THE GOVERNMENT OF AUSTRALIA FOR SUPPORTING THE VIETNAM VETERANS MEMORIAL EDUCATION CENTER

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. BURTON of Indiana. Mr. Speaker, next week the Prime Minister of Australia, the Honorable Julia Gillard, will be in Washington, DC on a state visit. This will be Prime Minister Gillard's first visit to Washington since becoming Prime Minister in June of last year; and her visit will also mark the 60th anniversary of the U.S.-Australia alliance.

In addition to many other official meetings and ceremonies, Prime Minister Gillard will take time out of her schedule to present a $3 million check from the Australian government to the Vietnam Veterans Memorial Fund to help build the Education Center at the Vietnam Veterans Memorial. Regrettably, a last minute scheduling conflict is going to prevent me from attending this ceremony, but I want to extend my deep appreciation and thanks to the Prime Minister and the Australian people for this very generous contribution.

Australia has always been a steadfast ally and partner to the United States. This contribution further underscores the deep ties of kinship and friendship between Australia and the United States.

Many Americans tend to think of the Vietnam War as a solely American conflict. In reality the conflict involved troops from a number of nations, including Australia. Between 1962 and 1972 approximately 60,000 Australian military personnel served in Vietnam. Australia's soldiers had a distinguished and remarkable record of service and courage in Vietnam where more than 500 were killed, and some 3,000 were wounded or disabled defending the South Vietnamese people from communist aggression.

For Australia, as well as the United States, the Vietnam War was the longest major military conflict in which Australians have been involved. Completed in 1982, the Vietnam Veterans Memorial in Constitution Gardens adjacent to the Lincoln Memorial has become one of our Nation's more recognized and beloved memorials. Some 3 million visitors each year come to view The Wall and not only reflect upon those who suffered and died in Vietnam but how this nation let that generation of Americans down when they returned home.

Ninety-one thousand eight hundred Hoosiers served in Vietnam and the names of the 1,530 who died in Vietnam are etched on The Wall. The Education Center, which will be built adjacent to the Wall, will help educate future generations of Americans by sharing the stories of these exceptional individuals from Indiana and across the America, who served their country with honor. By telling these stories visitors will hopefully understand the courage, sacrifice and devotion of those who fell, those who returned, and those who waited for their loved ones to come home. Along the way, visitors will also discover how the Memorial shaped the way Americans mourn, and the vital part The Wall played in helping to heal the bitter divisions that tore at our nation's heart and soul.

Mr. Speaker, I urge my colleagues to join me in thanking Prime Minister Gillard for her leadership, her friendship and her dedication to helping us to ensure that the Education Center gets built so that the voice of the 58,000 plus names on the Wall and the millions of Americans—and thousands of Australians—who fought in the Vietnam War can be heard and remembered. And I also ask my colleagues to join me in extending my heartfelt appreciation to the people of Australia for their support and friendship.

FURTHER CONTINUING APPROPRIATIONS AMENDMENTS, 2011

SPEECH OF

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 1, 2011

Mrs. LOWEY. Madam Speaker, I agree with my colleagues on the other side of the aisle that we must get our fiscal house in order. That is why Democrats sought to cut more than $40 billion from the President's 2011 budget request in December. We have a responsibility to our constituents to evaluate every program and determine whether it merits taxpayer funding.

Although I will vote for it, I do not support every cut in the underlying bill. We must make targeted reductions that make our government more efficient while prioritizing critical investments in innovation if we are to remain a global leader. Instead of reducing our deficit by eliminating education programs, we should find savings by ending taxpayer-funded subsidies to large oil companies, which fleece taxpayers of tens of billions of dollars.

However, it is imperative that Congress do everything it can, and reach common ground whenever possible, to avoid a government shutdown. We cannot allow for the possibility of seniors going without Social Security checks or veterans losing access to the health benefits they have earned.

The seven month continuing resolution the House passed in February is a dangerous bill that would create not a single job, hurt federal programs essential to economic growth, and compromise our security. We must adopt this short-term continuing resolution to keep the government operating while we negotiate spending for the remainder of the fiscal year that will continue economic growth.

INTRODUCING THE VETERANS PENSIONS PROTECTION ACT OF 2011

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to introduce the Veterans Pensions Protection Act of 2011, which willprotect veterans from losing their pension benefits because they received payments to cover expenses incurred after an accident, theft, loss or casualty loss.

When assessing a veteran's eligibility for a pension, the Department of Veterans Affairs (VA) considers a variety of sources of revenue to determine a veteran's annual income. If such income exceeds the income limit set by the VA, the veteran does not qualify for a pension or loses their benefits. Currently, the VA considers any reimbursement that compensates a veteran for his/or her expenses due to accidents, theft or loss as income. Only reimbursements of expenses related to casualty loss are currently exempted from determination of income.

Under current law, if a veteran is seriously injured in an accident or the victim of a theft and receives insurance compensation to cover his/or her medical expenses, the cost of replacement of the stolen items, or for pain and suffering, he/or she will likely lose their pension. This means that the law effectively punishes veterans when they suffer from such an accident or theft.

Such a tragedy happened to one of my constituents, a Navy veteran with muscular dystrophy who was hit by a truck when crossing the street in his wheelchair. His pension was abruptly cut off after he received an insurance settlement payment to cover medical expenses for himself and his service dog, and material expenses to replace his wheelchair. As a result, he fell below the poverty line, could not cover his daily expenses and mortgage payments, and almost lost his home!

There is clearly something wrong with a law that cancels veterans' pensions following the award of an insurance payment, which was only intended to cover exceptional medical expenses. I am distraught that the VA can cancel the pensions of unemployed and disabled veterans without further notice. The VA has a moral responsibility to care for our veterans and ensure that they live decent lives.

The Veterans Pensions Protection Act will amend the U.S. Code to exempt the reimbursement of expenses related to accidents, theft, loss or casualty loss from being included into the determination of a veteran's income. This will guarantee the continuity of our veterans' pensions and that no veteran will have their benefits unfairly and abruptly depreciated or cancelled.

Mr. Speaker, this legislation will fix a loophole under existing law to ensure that pensions are issued to veterans who legitimately meet the income criteria and rely on such benefits to survive. We must enact regulations that help veterans live better lives, not hurt them. At a time when our nation's servicemen and women are fighting two wars abroad, we have a duty to our past, present, and future veterans to provide them with the very best services and benefits. We owe our veterans an enormous debt, and cannot thank them enough for their service. I urge my colleagues to support this important bipartisan legislation.

CONGRATULATING SILVER STAR RECIPIENT JOSHUA R. LABBE

HON. JOE COURTNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. COURTNEY. Mr. Speaker, I rise today to congratulate Army SGT Joshua R. Labbe for receiving the prestigious Silver Star—the third highest honor for valor in the Army. I also want to share with you a brief account of the remarkable story that earned him this award while serving in the Baghlan Province of Afghanistan.

Labbe, a former tight end on Stonington High School's football team, was raised in Pawcatuck, Connecticut. To the surprise of his family and friends but with their support, Joshua enlisted in the Army shortly after graduating, expressing his deep desire to make a difference. He did just that.

Joshua was awarded the Silver Star for leading his squadron through more than 6 hours of consecutive battles on October 6 of this year. He and his platoon began the day before dawn sweeping for mines in a mountainous region—one deemed critical in the fight to protect supply routes and crack down on drug trafficking in the province.

Not long after the operation had finished, Labbe and his squad came under heavy small arms fire from a group of Taliban fighters outnumbering them by roughly three to one. Following an order to retreat from their hillside position, Labbe returned—through enemy gunfire—to accompany several soldiers to safety including one who fell and had to be carried. Later, while towing a damaged truck in the midst of an ambush, Labbe provided cover fire—from close range and from an exposed position—for the recovery team. They all returned to base with no casualties.

Sergeant Labbe is one of just 195 soldiers to receive a Silver Star in Afghanistan since 2003. While this account provides only a glimpse of the heroic actions that earned him this honor, Joshua's contributions and deep devotion to protecting this country are clear. I ask my colleagues to join me in congratulating and honoring SGT Joshua R. Labbe for his service and sacrifice to this great nation.

HONORING THE GARFIELD BABE RUTH LEAGUE ON ITS 50TH ANNIVERSARY

HON. STEVEN R. ROTHMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. ROTHMAN of New Jersey. Mr. Speaker, I rise today to congratulate the Garfield Babe Ruth League on 50 years of service to the youth of Garfield, New Jersey. Since its founding in 1961, the League has provided countless young people with the opportunity to participate in a quintessential American pastime: youth baseball.

The Garfield Babe Ruth League is a proud member of the Middle Atlantic Region of Babe Ruth Baseball. Comprised of two divisions, 13–15 year olds and 16–18 year olds, the League provides an important team experience and extracurricular outlet for as many as 200 young people each year. All of the coaches and league officials are volunteers, devoting their time to bring baseball into the lives of teenagers. These volunteers also maintain Columbus Field, home to all games played in the Garfield Babe Ruth League. Over the years, with the help of its invaluable volunteer coaches and officials, the League has been able to add a press box, score board, dugouts, club house, fencing, lighting, bleachers, and numerous other field enhancements. Garfield has hosted many District All-Star Tournaments and has been selected to host this year's New Jersey State Final Tournament for the 14-year-old division.

Throughout its half-century of service to the City of Garfield, the League has always provided the youth of the community with the opportunity to create cherished memories, have important character-building experiences, and celebrate proud accomplishments, both on and off the baseball field. The legacy of this organization only grows stronger as the League continues to touch the lives of all who become involved with it.

Mr. Speaker, today I would like to celebrate the Garfield Babe Ruth League's 50th anniversary and honor all of its volunteers and participants for their role in keeping this wonderful tradition going for so many years. I wish the League continued success as it continues to proudly serve the community of Garfield, New Jersey.

MARKEY AMENDMENT TO H.R. 1

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. PALLONE. Mr. Speaker, I rise today in support of the amendment offered by the gentleman from Massachusetts, Mr. MARKEY. This amendment would strike a strange provision in law that allows for royalty-free production for certain offshore drilling leases.

I have introduced legislation, the No New Drilling Act of 2011, which would stop the Interior Department from pursuing any new exploration, development or production of oil, gas or any other mineral anywhere off America's coasts. The fact remains that opening up new drilling for fossil fuel development is unnecessary, poses a serious threat to our shores, and is the wrong approach.

If oil companies are going to drill in our waters, at the very least they should be required to pay royalties to the federal government on the profits they make at the expense of our environment. We have seen the environmental catastrophe that can occur, most notably with the BP oil spill last year.

I don't support issuing any new leases for offshore drilling in areas not currently leased. I support this amendment so that we can hold these companies financially accountable for the benefits they are reaping from our coastal environment. I urge all of my colleagues to vote aye.

INTRODUCTION OF THE ACCESS TO BOOKS FOR CHILDREN ACT

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mrs. MALONEY. Mr. Speaker, today, I am pleased to introduce the Access to Books for Children Act. This bill would amend the Child Nutrition Act of 1966 to provide a $5 voucher to mothers for the purchase of educational books for infants and children participating in the Special Supplemental Nutrition Program for Women, Infants, and Children, WIC.

As a lifelong advocate for reading and early education, I am introducing this bill to help provide nourishment for both the body and the mind to children who need it most. The American Academy of Pediatrics recommend daily reading to a child beginning when the child is 6 months old. The Access to Books for Children Act will make it easier for children in the WIC program to develop literacy skills by placing books in the hands of children who may not otherwise have their own books in the home. Children who are exposed to books and reading before they start school are much more likely to graduate from high school than those who are not. I urge you to support this bill to invest in early education by instilling the love of reading in all children during the formative years that matter the most.

COMMEMORATING THE ONE-YEAR ANNIVERSARY OF THE PASSAGE OF THE RELIGIOUS FREEDOM AND CIVIL RIGHTS EQUALITY AMENDMENT ACT

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Ms. NORTON. Mr. Speaker, I ask the House of Representatives to join me in commemorating the one-year anniversary of the passage of the District of Columbia Religious Freedom and Civil Rights Equality Amendment Act or 2009 (L18–0110).

One year ago, the District, led by the law's authors, D.C. Council member David Catania and then D.C. Council Chairman Vincent Gray, now the mayor of the District of Columbia, joined five states in affording full marriage equality to our residents. Our landmark marriage equality legislation is not the first time the District has led the country in enacting human rights legislation. The District's unique history makes our residents particularly sensitive to human rights, not only for themselves but for others, as well. Even though some of our residents do no favor same-sex marriage, there is among them a deep tradition of tolerance and respect for the rights of others that could serve as a model for other Americans.

It has been refreshing and heartwarming to see the happiness of our new same-sex marriages. Many have had wedding celebrations that have, in turn, brought great happiness to their families and friends. At the same time, the city's new law has benefited our local economy.

We celebrate the first year of the District of Columbia Religious Freedom and Civil Rights Equality Amendment Act for the many benefits it has brought to our city and our residents. I ask the House to join me in commemorating the one-year anniversary of the passage of the Religious Freedom and Civil Rights Equality Amendment Act.

HONORING DAYMON DOSS

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Ms. WOOLSEY. Mr. Speaker, I rise today to honor Daymon Doss and recognize his contribution to health care in Sonoma County California. Mr. Doss is retiring after forty-five years of leadership and collaboration in building a healthy community.

Daymon received his education in Sonoma County, attending middle school, high school, Santa Rosa Junior College and Sonoma State University. His work as a registered nurse and respiratory therapist greatly informed his career path and decisionmaking; he is known as an administrator who understands the needs of clinicians.

My hometown of Petaluma would be a very different place, were it not for Daymon's vision and sense of social justice years ago. He saw that people without health insurance were using the hospital Emergency Room as their means of obtaining health care. He knew they needed a medical home that offered a full range of care, and used his collaborative skills to establish the Petaluma Health Center. When Petaluma Valley Hospital was facing financial challenges, Daymon negotiated a contract with the St. Joseph Health System to run the hospital. When St. Joseph's threatened to close the OB section of the hospital, Daymon was instrumental in saving the department by bringing all stakeholders to the table to find a solution that worked.

You see Mr. Speaker, that is what Daymon Doss does best; he is a consensus builder, a facilitator, a communicator, an inspiration. Daymon knows and holds the respect of our community so that a call from him brings people to the table to find common goals and build workable solutions. An active member of the community, he has served on multiple boards, including Community Health Foundations, COTS, Healthy Community consortium, Sunrise Rotary of Petaluma, Housing Land Trust Sonoma County, and Partnership Health Plan. He has served in a variety of management positions at the Petaluma Health Care District and currently as the CEO.

Mr. Speaker, I have turned to Mr. Doss myself, for factual updates of events that unfold while I am working in Washington, DC. He does not color his words with his own opinion, but he does color them with optimism and a strong belief that there is a solution that will benefit everyone. It is appropriate at this time that we thank Mr. Daymon Doss for his many years of service on behalf of the people of Sonoma County. He has worked tirelessly to promote the health of our community; for this, he deserves our appreciation.

TRIBUTE TO MAJOR GENERAL JOSE S. MAYORGA

HON. HENRY CUELLAR

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. CUELLAR. Mr. Speaker, I rise today to recognize the distinguished career of Major General Jose S. Mayorga, who is completing his service as the Adjutant General for the State of Texas and Commander of the Texas National Guard. General Mayorga has served our United States and the State of Texas for over 33 years in the Active Army Component, in the Army Reserve, and as a member of the Texas National Guard.

Jose Mayorga began his career on a Reserve Officer Training Corps Scholarship at Texas A&I University in Kingsville, Texas graduating with a Bachelor of Science in Civil Engineering. During his studies, he was recognized as a Distinguished Military Student and was inducted into the Tau Beta Pi Engineering Honor Society—an honor that acknowledged his distinguished scholarship and exemplary character.

He began his military service with four years on active duty as an Army Engineer Officer. In the following years, as a National Guard Officer, he held progressively more responsible command positions including Deputy Commanding General for United States Army South and Commander of the 36th Infantry Division. Among his many accomplishments was the advocacy of strong ties between the Texas National Guard and the Czech Republic and the Republic of Chile under the State Partnership Program. As Division Commander and Adjutant General he was responsible for deploying over 12,000 soldiers and airmen to Iraq and Afghanistan, as well as, for the development of the first ever Joint Strategic Plan for the Texas National Guard.

General Mayorga has gone on to earn a Master of Business Administration from Hardin-Simmons University in Abilene, Texas and a Master of Strategic Studies from the United States Army War College in Carlisle Barracks, Pennsylvania.

General Mayorga is the recipient of the Legion of Merit, the Meritorious Service Medal, the Army Commendation Medal, and the Global War on Terrorism Service Medal.

In the true spirit of the citizen-warriors who make up our National Guard, General Mayorga, born in Brownsville, is a life long resident of Texas, where he and his wife, Maria, have raised their son, Jose, a recent proud graduate of Baylor University. General Mayorga, a registered Professional Engineer, also served the State for 27 years in the Oil and Gas Division of the Railroad Commission as a Petroleum Engineer and Director, responsible for plugging over 20,000 non-producing oil and gas wells.

Mr. Speaker, I am honored to have had the time to recognize the dedication, commitment, and leadership of the Adjutant General for the State of Texas, Major General Jose S. Mayorga.

IN HONOR OF FAUSTINO ''MANG PEPING'' BACLIG

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. BECERRA. Mr. Speaker, I rise today to pay tribute to an American hero, Faustino ''Mang Peping'' Baclig, who passed away Sunday, February 27, 2011. Family and friends will be gathering for a memorial service on March 4 in Los Angeles to honor his long and full life, which was marked by heroism, dedicated community service, and incredible friendships. We are comforted knowing that today he rests in peace.

Faustino Baclig was born in the Philippines on February 14, 1922 to Irene Imperio Baclig and Fermin Gonzales Baclig. Known as Cabugao's town scholar, he completed his primary schooling in four years, skipped two grades and went on to study law at Lyceum of the Philippines University. He also received his Bachelor of Science in Political Science at the University of the Philippines and a Bachelor of Science in Elementary Education from the Philippine College of Arts and Trade. After finishing his education by age 17, he began his military career at Camp John Hay in Baguio City, Philippines.

In 1941, by military order of President Franklin D. Roosevelt, all members of the Commonwealth Army of the Philippines were inducted into the United States military. Faustino Baclig was among those who served and fought heroically under the American flag in World War II. He survived the Death March of Bataan in 1942, the 61 mile forced trek where 75,000 American and Filipino prisoners of war suffered inhumanities and only 54,000 reached their destination alive.

After World War II and the liberation of the Philippines, Faustino Baclig met the love of his life, Francisca, and they married in 1952. They were blessed with two children, Frecie Maria and Filomin ''Omi'' Antonio. In the Philippines, Faustino Baclig enjoyed a successful career as a college professor, vice president of Provident Memorial Life Plans and as a principal in the family business.

In 1986, at the age of 64, Faustino, known to all as Mang Peping for the respect and honor he had earned, immigrated to the United States with his family. Soon after, he took the United States Oath of Allegiance and became a U.S. citizen. He spent his later years advocating for the issues that he most cherished and volunteered in the community. Mang Peping served as a commissioner on the Los Angeles County Board of Supervisors' Adult Day Health Care Planning Council, co-founded the Golden Agers of Los Angeles, and served as a board member for People's Core, a local community organizing agency. He also was a member of the Filipino American Service Group (FASGI) and Fil-Am Vote.

In 1993, Mang Peping began a historic journey for Filipino veteran justice in 1993, when he convened the first Southern California Veterans Conference. This important meeting brought together hundreds of Filipino veterans to advocate for recognition, justice and equity for those who fought bravely alongside American soldiers in World War II. For while Mang Peping and Filipino soldiers had sworn allegiance to the United States flag and helped America defeat the Axis powers in 1945, the U.S. Congress committed an enormous injustice one year later when it passed the Rescission Act of 1946. This act intentionally stripped Filipino veterans of the benefit they had earned as soldiers fighting under General Douglas MacArthur.

This is how I was first introduced to Mang Peping. He personally took on the struggle for justice for all Filipino veterans and became an inspiration for my work in the House of Representatives for Filipino veteran equity. Our country owes an invaluable debt of gratitude to veterans like Mang Peping who risked their lives on battlefields throughout this world to protect the basic freedoms that Americans enjoy today. At its very core, the exclusion and discrimination against Filipino veterans by the Rescission Act of 1946 was a supreme injustice.

In 2009, after more than 60 years of waiting, the Filipino Veteran Equity Compensation Fund became law. Filipino veterans finally received compensation for their courageous service during World War II. Because of the heroic work of individuals like Mang Peping, Filipino veterans not only received just compensation but the overdue recognition for their contributions to America's stand for freedom and democracy.

I have never been more certain about anything as this: Mang Peping's leadership and his fighting spirit will never be forgotten. Our deepest sympathies are extended to his loving wife Francisca; children, Frecie and Filomin ''Omi'' and their families, on the passing of their champion for dignity and humanity.

Mr. Speaker, it is with deep affection and heartfelt sorrow, yet with great pride and abundant admiration that I ask my colleagues to join me today in saluting Faustino ''Mang Peping'' Baclig, an American hero and a man I was honored to call my friend. May he rest in peace.

OUR UNCONSCIONABLE NATIONAL DEBT

HON. MIKE COFFMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Mr. COFFMAN of Colorado. Mr. Speaker, today our national debt is $14,178,525,108,267.60.

On January 6th, 2009, the start of the 111th Congress, the national debt was $10,638,425,746,293.80.

This means the national debt has increased by $3,540,099,361,973.80 since then.

This debt and its interest payments we are passing to our children and all future Americans.

SURFACE TRANSPORTATION EXTENSION ACT OF 2011

SPEECH OF

HON. CANDICE S. MILLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2011

Mrs. MILLER of Michigan. Madam Speaker, I rise today in support of H.R. 662—The Surface Transportation Extension Act of 2011. This bill provides much needed funding to keep the transportation projects in our nation going and provides assurance to State Departments of Transportation that vital infrastructure projects can continue without delay. Additionally, this bill buys the House time to put together a comprehensive, longer term surface transportation bill that can adequately address the needs and challenges facing this nation.

I look forward to working on a new surface transportation bill with Highways and Transit Subcommittee Chairman DUNCAN and with Chairman MICA's leadership along with our colleagues on the full Committee.

I am confident that our Committee will put together a bill that will meet the serious challenges we face in maintaining and improving our infrastructure. I am also confident that we will have the appropriate focus on what we must do to help move our economy forward and the elimination of earmarks will allow us to develop strong legislation that focuses more on need instead of narrow interests.

Throughout history economic growth has followed our transportation grid. Whether it was sea routes, canals, wagon trains, rail, roads and airlinks, growth in our economy has always been dependent on our transportation infrastructure.

I believe this will help to ensure that the most needed projects get funding and help to eliminate any unnecessary projects.

Madam Speaker, it is critical that we make sure that spending stays in line with revenues, and one way in which to do this is to prevent the use of ''donor states,'' or states that give more to the Highway Trust Fund than they receive. My home state of Michigan is such a donor state, and we and other donor states have for too long been at the short end of funding for projects.

My state of Michigan has been ground zero for this difficult economy. We have had among the highest unemployment rates for many years and it is simply unacceptable that hard-working Michigan taxpayers are asked to subsidize transportation funding for states that have not been nearly as hard hit.

This extension is our first step in the process and I urge all of my colleagues to support this legislation so that we can continue our important work to develop the best transportation network in the world.

HONORING CONSTANCE H. LAU AS A RECIPIENT OF THE 2011 WOMEN'S COUNCIL ON ENERGY AND THE ENVIRONMENT WOMAN OF THE YEAR AWARD

HON. MAZIE K. HIRONO

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 3, 2011

Ms. HIRONO. Mr. Speaker, I rise today to congratulate Constance Lau for being recognized as the 2011 Woman of the Year by the Women's Council on Energy and the Environment.

As President and CEO of Hawaiian Electric Industries, Hawaii's largest public company, and Chairman of the Board of Hawaii Electric Company (which serves 95 percent of the state), Connie Lau has played a critical role in helping Hawaii—the most oil-dependent state

in the country—reduce its reliance on imported oil by investing in a clean energy future.

Under her direction, Hawaiian Electric signed a landmark agreement with the State of Hawaii so that the State could achieve 70 percent of its energy needs with clean energy by the year 2030. Since then, the company has expanded net energy metering, instituted a feed-in tariff for renewable projects, started a pilot electric vehicle program, and instituted declining block rates to encourage conservation.

In addition to being the first company to use sustainable biodiesel in a utility-scale combustion turbine, Hawaiian Electric has implemented new purchase power contracts for geothermal, photovoltaic, wind, and biomass projects.

For these and other initiatives, Connie richly deserves this distinguished national award. All of Hawaii is proud of her. Her pioneering spirit serves as an inspiration to us all.

CORRECTION

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S1171–S1243

Measures Introduced: Twenty-four bills and seven resolutions were introduced, as follows: S. 467–490, S. Res. 87–92, and S. Con. Res. 10. **Pages S1218–19**

Measures Passed:

Surface Transportation Extension Act: Senate passed H.R. 662, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a multiyear law reauthorizing such programs. **Pages S1202–04**

Death of Frank W. Buckles: Senate agreed to S. Res. 89, relating to the death of Frank W. Buckles, the longest surviving United States veteran of the First World War. **Pages S1240–41**

International Women's Day: Senate agreed to S. Res. 90, supporting the goals of ''International Women's Day'' and recognizing this year's centennial anniversary of International Women's Day. **Page S1241**

Multiple Sclerosis Awareness Week: Senate agreed to S. Res. 91, supporting the goals and ideals of Multiple Sclerosis Awareness Week. **Pages S1241–42**

Payment of Legal Expenses of Senate Employees: Senate agreed to S. Res. 92, to authorize the payment of legal expenses of Senate employees out of the contingent fund of the Senate. **Page S1242**

Measures Considered:

Patent Reform Act: Senate continued consideration of S. 23, to amend title 35, United States Code, to provide for patent reform, taking action on the following amendments proposed thereto: **Pages S1175–85, S1204–13**

Adopted:

Stabenow/Levin Amendment No. 126, to designate the satellite office of the United States Patent and Trademark Office to be located in Detroit, Michigan as the ''Elijah J. McCoy United States Patent and Trademark Office''. **Page S1183**

Whitehouse (for Bingaman) Amendment No. 142, to require the PTO to disclose the length of time between the commencement of each inter partes and post-grant review and the conclusion of that review. **Page S1206**

Rejected:

Feinstein Modified Amendment No. 133, to strike the first inventor to file requirement. (By 87 yeas to 13 nays (Vote No. 31), Senate tabled the amendment.) **Pages S1175–83**

Pending:

Leahy Amendment No. 114, to improve the bill. **Page S1175**

Bennet Amendment No. 116, to reduce the fee amounts paid by small entities requesting prioritized examination under Three-Track Examination. **Page S1175**

A motion was entered to close further debate on the bill, and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on cloture will occur on Monday, March 7, 2011, following disposition of the nominations of James E. Shadid, of Illinois, to be United States District Judge for the Central District of Illinois, and Anthony J. Battaglia, of California, to be United States District Judge for the Southern District of California. **Page S1213**

Battaglia, Myerscough, and Shadid Nominations—Agreement: A unanimous-consent-time agreement was reached providing that at 4:30 p.m., on Monday, March 7, 2011, Senate begin consideration of the nominations of Anthony J. Battaglia, of California, to be United States District Judge for the Southern District of California, Sue E. Myerscough, of Illinois, to be United States District Judge for the Central District of Illinois, and James E. Shadid, of Illinois, to be United States District Judge for the Central District of Illinois; that there be one hour for debate equally divided and controlled in the usual form; that upon the use or yielding back of time, the nomination of Sue E. Myerscough, of Illinois, to be United States District Judge for the Central District of Illinois, be confirmed, and Senate vote, without intervening action or debate, on the confirmation of the nominations of James E. Shadid,

of Illinois, to be United States District Judge for the Central District of Illinois, and Anthony J. Battaglia, of California, to be United States District Judge for the Southern District of California; that no further motions be in order to any of the nominations and Senate then resume legislative session. **Page S1242**

Nominations Confirmed: Senate confirmed the following nominations:

Daniel L. Shields III, of Pennsylvania, to be Ambassador to Brunei Darussalam.

Pamela L. Spratlen, of California, to be Ambassador to the Kyrgyz Republic.

Eric G. Postel, of Wisconsin, to be an Assistant Administrator of the United States Agency for International Development.

Sue Kathrine Brown, of Texas, to be Ambassador to Montenegro.

David Lee Carden, of New York, to be Representative of the United States of America to the Association of Southeast Asian Nations, with the rank of Ambassador. **Pages S1242–S1243**

Messages from the House: **Page S1216**

Measures Read the First Time: **Pages S1216, S1242–43**

Executive Communications: **Pages S1216–18**

Executive Reports of Committees: **Page S1218**

Additional Cosponsors: **Pages S1219–20**

Statements on Introduced Bills/Resolutions: **Pages S1220–39**

Additional Statements: **Pages S1215–16**

Amendments Submitted: **Pages S1239–40**

Authorities for Committees to Meet: **Page S1240**

Record Votes: One record vote was taken today. (Total—31) **Page S1183**

Adjournment: Senate convened at 10 a.m. and adjourned, as a further mark of respect to the memory of the late Frank W. Buckles, in accordance with S. Res. 89, at 6:39 p.m., until 10 a.m. on Friday, March 4, 2011. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S1243.)

Committee Meetings

(Committees not listed did not meet)

WALL STREET REFORM AND CONSUMER PROTECTION ACT

Committee on Agriculture, Nutrition, and Forestry: Committee concluded an oversight hearing to examine the implementation of Title VII of the "Wall Street Reform and Consumer Protection Act", after receiving testimony from Gary Gensler, Chairman, Commodity Futures Trading Commission; Mary L. Schapiro, Chairman, U.S. Securities and Exchange Commission; Jill Harlan, Caterpillar, Inc., Peoria, Illinois, on behalf of the Coalition for Derivatives End-Users; Terrence A. Duffy, CME Group Inc., Chicago, Illinois; Larry Thompson, The Depository Trust and Clearing Corporation (DTCC), and Steven M. Bunkin, Goldman, Sachs and Co., both of New York, New York; and Michael Greenberger, University of Maryland School of Law, Baltimore.

APPROPRIATIONS: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Committee on Appropriations: Subcommittee on Transportation, Housing and Urban Development, and Related Agencies concluded a hearing to examine proposed budget estimates for fiscal year 2012 for the Department of Housing and Urban Development, after receiving testimony from Shaun Donovan, Secretary of Housing and Urban Development.

APPROPRIATIONS: OFFICE OF THE ARCHITECT OF THE CAPITOL AND THE OFFICE OF COMPLIANCE

Committee on Appropriations: Subcommittee on Legislative Branch concluded a hearing to examine proposed budget estimates for fiscal year 2012 for the Office of the Architect of the Capitol, and the Office of Compliance, after receiving testimony from Stephen T. Ayers, Architect of the Capitol; and Tamara E. Chrisler, Executive Director, Office of Compliance.

NOMINATION

Committee on Armed Services: Committee concluded a hearing to examine the nomination of General Martin E. Dempsey, USA for reappointment to the grade of general and to be Chief of Staff, United States Army, Department of Defense, after the nominee, who was introduced by Senator Reed, testified and answered questions in his own behalf.

DEPARTMENT OF TRANSPORTATION BUDGET

Committee on the Budget: Committee concluded a hearing to examine the President's proposed budget request for fiscal year 2012 for the Department of Transportation, after receiving testimony from Ray LaHood, Secretary of Transportation.

USDA FOREST SERVICE BUDGET

Committee on Energy and Natural Resources: Committee concluded a hearing to examine the President's proposed budget request for fiscal year 2012 for the Forest Service, after receiving testimony from Tom

Tidwell, Chief, Forest Service, Department of Agriculture.

GLOBAL ECONOMY

Committee on Foreign Relations: Committee concluded a hearing to examine navigating a turbulent global economy, focusing on implications for the United States, after receiving testimony from Timothy F. Geithner, Secretary of the Treasury.

BUSINESS MEETING

Committee on the Judiciary: Committee ordered favorably reported the following business items:

S. 49, to amend the Federal antitrust laws to provide expanded coverage and to eliminate exemptions from such laws that are contrary to the public interest with respect to railroads; and

The nominations of Mae A. D'Agostino, to be United States District Judge for the Northern District of New York, and Timothy J. Feighery, of New York, to be Chairman of the Foreign Claims Settlement Commission of the United States, Department of Justice.

MINORITY ACCESS TO CAPITAL AND CONTRACTING OPPORTUNITIES

Committee on Small Business and Entrepreneurship: Committee concluded a hearing to examine exploring minority access to capital and contracting opportunities, focusing on the importance of effective fraud prevention controls, after receiving testimony from Marie C. Johns, Deputy Administrator, and Peggy E. Gustafson, Inspector General, both of the U.S. Small Business Administration; Gregory D. Kutz, Director, Forensic Audits and Investigative Service, Government Accountability Office; Robert W. Fairlie, University of California, Santa Cruz; Marc H. Morial, National Urban League, New York, New York; Susan Au Allen, US Pan Asian American Chamber of Commerce Education Foundation (USPAACC), and B. Doyle Mitchell, National Bankers Association, both of Washington, D.C.; and Martha Montoya, Los Kitos Produce, Santa Ana, California, on behalf of the United States Hispanic Chamber of Commerce.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee recessed subject to the call.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 46 public bills, H.R. 891–936; and 12 resolutions, H.J. Res. 45–46 ; H. Con. Res. 24–26; and H. Res. 140–146 were introduced. **Pages H1573–75**

Reports Filed: There were no reports filed today.

Speaker: Read a letter from the Speaker wherein he appointed Representative Poe (TX) to act as Speaker pro tempore for today. **Page H1527**

Small Business Paperwork Mandate Elimination Act of 2011: The House passed H.R. 4, to repeal the expansion of information reporting requirements for payments of $600 or more to corporations, by a recorded vote of 314 ayes to 112 noes, Roll No. 162. **Pages H1529–53**

Agreed to table the appeal of the ruling of the chair on a point of order sustained against the McNerney motion to recommit the bill to the Committee on Ways and Means with instructions to report the same back to the House forthwith with an amendment, by a yea-and-nay vote of 243 yeas to 181 nays, Roll No. 161. **Pages H1549–53**

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of the amendment recommended by the Committee on Ways and Means now printed in H.R. 705 shall be considered as adopted. **Page H1529**

H. Res. 129, the rule providing for consideration of the bill, was agreed to yesterday, March 2nd.

Meeting Hour: Agreed that when the House adjourns today, it adjourn to meet at 2 p.m. tomorrow; when the House adjourns on that day, it adjourn to meet on Tuesday, March 8th, when it shall convene at 2 p.m. for morning hour and 4 p.m. for legislative business; and when the House adjourns on that day, it adjourn to meet at 10 a.m. on Wednesday, March 9th. **Page H1556**

Senate Message: Message received from the Senate today appears on page H1571.

Quorum Calls—Votes: One yea-and-nay vote and one recorded vote developed during the proceedings

of today and appear on pages H1551, H1553. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 5:08 p.m.

Committee Meetings

COMMERCE, JUSTICE, SCIENCE

Committee on Appropriations: Subcommittee on Commerce, Justice, Science, and Related Agencies Appropriations held a hearing on NASA FY 2012 Budget Request. Testimony was heard from Charles F. Bolden, Administrator, NASA.

INTERIOR, ENVIRONMENT

Committee on Appropriations: Subcommittee on Interior, Environment, and Related Agencies Appropriations held an oversight hearing on FY 2012 Budget Oversight. Testimony was heard from Lisa Jackson, Administrator, EPA; and Barbara Bennett, Chief Financial Officer, EPA.

STATE, FOREIGN OPERATIONS

Committee on Appropriations: Subcommittee on State, Foreign Operations and Related Agencies Appropriations held a hearing on oversight of the State Department and foreign operations programs. Testimony was heard from Jacqueline Williams-Bridgers, GAO.

FY 2012 BUDGET—CENTRAL COMMAND AND SPECIAL FORCES COMMAND

Committee on Armed Services: Held a hearing on the FY 2012 on national defense authorization budget requests from the U.S. Central Command and the U.S. Special Operations Command. Testimony was heard from Gen. James N. Mattis, USMC, Commander, Central Command, USMC; and ADM Eric Olsen, USN, Commander, Special Operations Command, USN.

U.S. FORCES READINESS

Committee on Armed Services: Subcommittee on Readiness held a hearing on Are We Ready? An Independent Look at the Required Readiness Posture of U.S. Forces. Testimony was heard from public witnesses.

MINE SAFETY AND HEALTH ADMINISTRATION

Committee on Education and the Workforce: Subcommittee on Workforce Protections held a hearing on Examining Recent Regulatory and Enforcement Actions of the Mine Safety and Health Administration. Testimony was heard from Joseph A. Main, Assistant Secretary of Labor for Mine Safety and Health.

JOB CREATION AND ECONOMIC GROWTH

Committee on Energy and Commerce: Subcommittee on Commerce, Manufacturing, and Trade held a hearing entitled ''Made in America: Innovations in Job Creation and Economic Growth''. Testimony was heard from John Fernandez, Assistant Secretary, Economic Development Administration, Department of Commerce and public witnesses.

FY 2012 BUDGET—HEALTH AND HUMAN SERVICES

Committee on Energy and Commerce: Subcommittee on Health held a hearing entitled ''FY 2012 HHS Budget and the Implementation of Public Laws 111–148 and 111–152''. Testimony was heard from Kathleen Sebelius, Secretary of Health and Human Services.

MISCELLANEOUS MEASURES

Committee on Financial Services: Held a markup to consider the following measures: H.R. 830, the FHA Refinance Program Termination Act; and H.R. 836, the Emergency Mortgage Relief Program Termination Act. Both bills were reported as amended.

UNITED NATIONS REFORM

Committee on Foreign Affairs: Held hearing on Reforming the United Nations: Lessons Learned. Testimony was heard from Mark D. Wallace, former Representative to the United Nations for Management and Reform.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Held a markup on H.R. 3 the No Taxpayer Funding for Abortions Act. The bill was ordered reported in the form of a single amendment in the nature of a substitute.

FY 2012 BUDGET—HOMELAND SECURITY

Committee on Homeland Security: Held a hearing entitled ''The President's FY 2012 Budget Request for the Department of Homeland Security''. Testimony was heard from Janet Napolitano, Secretary of Homeland Security.

FY 2012 BUDGET—DEPARTMENT OF THE INTERIOR

Committee on Natural Resources: Held an oversight hearing on Department of the Interior Spending and the President's Fiscal Year 2012 Budget Proposal. Testimony was heard from Ken Salazar, Secretary of the Interior.

GOVERNMENT SPENDING BINGE

Committee on Oversight and Government Reform: Held a hearing on the Refuse of the Federal Spending Binge: How U.S. Taxpayers Are Paying Double for

Failing Government Programs. Testimony was heard from Gene L. Dodaro, Comptroller General, GAO; and public witnesses.

FY 2012 BUDGET—DEPARTMENT OF ENERGY

Committee on Science, Space, and Technology: Held a hearing on the Department of Energy FY 2012 Research and Development Budget Request. Testimony was heard from Steven Chu, Secretary of Energy.

VETERANS EMPLOYMENT AND TRAINING

Committee on Veterans' Affairs: Subcommittee on Economic Opportunity held a hearing on Veterans Employment and Training Service's Budget and State Grant Program. Testimony was heard from Raymond F. Jefferson, Assistant Secretary, Veterans' Employment and Training Service, Department of Labor and public witnesses.

SMALL BUSINESS AND TAX REFORM

Committee on Ways and Means: Subcommittee on Select Revenue Measures held a hearing on Small Businesses and Tax Reform. Testimony was heard from public witnesses. Prior to the hearing the subcommittee met for organizational purposes.

ONGOING INTELLIGENCE ACTIVITIES

Permanent Select Committee on Intelligence: Held a hearing on Ongoing Intelligence Activities. Testimony was heard from departmental witnesses.

Joint Meetings

No joint committee meetings were held.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D157)*

H.J. Res. 44, making further continuing appropriations for fiscal year 2011. Signed on March 2, 2011. (Public Law 112–4)

COMMITTEE MEETINGS FOR FRIDAY, MARCH 4, 2011

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Armed Services: To receive a briefing on the situation in Libya, 9 a.m., SVC–217.

House

No committee meetings are scheduled.

Next Meeting of the **SENATE**

10 a.m., Friday, March 4

Senate Chamber

Program for Friday: Senate will be in a period of morning business. As a reminder, there is a 1 p.m. filing deadline for first-degree amendments to S. 23, Patent Reform Act.

Next Meeting of the **HOUSE OF REPRESENTATIVES**

2 p.m., Friday, March 4

House Chamber

Program for Friday: The House will meet in pro forma session at 2 p.m.

Extensions of Remarks, as inserted in this issue

HOUSE

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