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No. 20

House of Representatives

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

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
February 7, 2012.

I hereby appoint the Honorable TODD C. YOUNG to act as Speaker pro tempore on this day.

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

MORNING-HOUR DEBATE

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

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

CELEBRATING THE LIFE OF FORMER CONGRESSMAN JIM LLOYD

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

Mr. DREIER. Mr. Speaker, it was very sad to get the news last Friday of the passing of our former colleague, Congressman Jim Lloyd. Jim Lloyd and I began as political adversaries in the late 1970s and early 1980s, and we ended up as great friends and allies on a wide range of issues.

Jim was a dedicated patriot. He was a public servant and had a very distin-

guished military record as well. Politically, he began as the mayor of West Covina, California, and many have said that he indicated right then that he wanted to have an opportunity to serve in the United States House of Representatives. He also had served as a Navy fighter pilot.

Mr. Speaker, I had a conversation with his son, Brian, last night and his grandson, Seth, and Jim was able to spend his last moments on this Earth with his grandson, who was following in his footsteps. His grandson, Seth, is a graduate of the U.S. Naval Academy at Annapolis, and is now training at Pensacola, Florida. Jim had driven across the country and was visiting Seth, and had just been with him before he suffered a massive stroke and drove off the road, ending his life as a hero. His son, Brian, told me last night that there was a woman who was in the way of the car, and even though his foot had gone to the accelerator and he suffered a stroke, he was still a hero in that he was able to steer the car away from hitting this woman before it went into a ravine.

Last summer, his wife of 63 years, Jackie, his great ally, passed away. Jim told me during a lengthy conversation following her passing that it was as if half of him was gone.

So, Mr. Speaker, I have to say that Jim lived a very full 89 years. He was a very distinguished Member of this institution, serving on the Armed Services Committee and as a member of the Science and Technology Committee, where he chaired a subcommittee. He made a great mark on many very, very important questions that we faced.

I have to say, it was a privilege for me, again, having begun as an adversary of his, to have ended as a very close and dear friend and political ally. I have to say also that there are many people here in this Capitol who knew him and worked with him even though he left more than three decades ago. I

have to say to Mary Klappa, who now works for our colleague JOHN MICA, who was the one who informed me of this sad news, and the many others who worked with Jim Lloyd, who was so dedicated to constituent service and provided an example and model for me, that our thoughts and prayers are with all of you.

STOP STUDENT LOAN INTEREST RATES FROM DOUBLING

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

Mr. COURTNEY. Mr. Speaker, 2011 marked an unfortunate milestone in our country's financial picture when, for the first time in American history, student loan debt actually exceeded credit card debt, which again by itself is just a huge statement in terms of the challenges that families, middle class families and working families, are facing today in terms of trying to deal with the cost of higher education.

The value of a higher education degree or post-high school degree, which is sometimes debated in the media, still I believe is indisputable, and the statistics certainly demonstrate that. At a time when our national unemployment rate is 8.3 percent, if you drill down deeper you'll learn that for those with less than a high school degree, the unemployment rate is 16.5 percent. Those with a high school degree, it's 10.7 percent. Those with some college is 8.5 percent, and those with a bachelor's degree or higher is 4.5 percent.

So the stakes could not be higher for young people all across our country that we must deal with the mounting cost of higher education and provide mechanisms for them and their families to actually finance it and pay for it.

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

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



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H515

In 2007, the Democratic-controlled Congress passed the College Cost Reduction Act, which was a terrific measure that cut the interest rates for the Stafford Student Loan program, the federally subsidized student loan program which provided some stability and affordability for middle class families, from 6.8 percent down to 3.4 percent. In addition, we unfroze the Pell Grant program, which is the workhorse of paying for college education, all of it paid for by eliminating wasteful subsidies to banks. That measure has a sunset this July. The interest rate reduction of the College Cost Reduction Act will in fact expire on July 1 unless Congress acts.

President Obama in his State of the Union Address a few nights ago raised this issue before all of us in the House and Senate when he said: "When kids do graduate, the most daunting challenge can be the cost of college. At a time when Americans owe more in tuition debt than credit card debt, this Congress needs to stop the interest rates on student loans from doubling in July."

Mr. Speaker, shortly after his address, myself and Congressman PETERS from Michigan introduced H.R. 3826, which is a measure that would extend the 3.4 percent, the lower interest rates on the Stafford Student Loan program, and in just a few days we have accumulated 55 cosponsors to this measure.

Again, the math is crystal clear: If we do not act, if we do not maintain those interest rates at 3.4 percent, if Congress does nothing, the U.S. Public Interest Research Group has calculated that for those students who take out the maximum \$23,000 in subsidized student loans, their interest payments will increase by \$5,200 over a 10-year repayment period and \$11,300 over a 20-year repayment period.

Now, if you told middle class families that if Congress doesn't act on a measure like this, your out-of-pocket costs are going to go up \$5,200 for taxes, there would be a huge hue and cry about the fact that Congress must not let that happen. Well, that's exactly the same situation we face today with the Stafford Student Loan program. Again, we know from the passage of the College Cost Reduction Act that this is something that this body is capable of doing.

This past weekend I was with a family whose son is now in his junior year, and as an undergraduate has almost a perfect 4.0 grade average, very motivated to go into the health care field, and he has already accumulated \$100,000 in student loan debt. We as a Nation must address this problem.

The National College Board, which tracks graduation rates internationally, reminds us that back in the 1980s, the U.S. was number one in the world in terms of graduation rates. We have fallen to number 12 according to the National College Board, and the biggest reason that students are not finishing college is because of afford-

ability and cost. Again, the President laid out the challenge to the Congress in his State of the Union Address. We must not allow Stafford Student Loan interest rates to double on July 1.

□ 1010

We should pass H.R. 3826. We should get that to the President so that colleges and universities can help families plan their tuition payments for the upcoming year and not allow this country to go backwards in terms of making sure that we have the finest workforce in the world.

THE SENATE MUST PASS A BUDGET

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

Mr. NUGENT. Mr. Speaker, I rise today to call upon the Senate majority leader, Democrat HARRY REID. He set no budget this year. The American people, I guess, don't deserve a budget. When the Senate, on the 24th of January, surpassed the 1,000th day that they've yet to put a budget forward, HARRY REID said, Guess what, American public? You really don't need one.

Even though this organization, this government, is running at a 40 percent deficit, the Senate majority leader, HARRY REID, says, Don't worry about it. We don't need a plan, and we don't need a budget, even though small businesses have a budget, county and State officials have a budget, and you and I at home have a budget that we have to depend upon to guide us as we move forward throughout our year.

We just can't wing it any longer, Mr. REID. The American people demand more of us. The American people actually believe that the Senate should take action on bills that we, in the House, have passed. Now, American job creators, it's about what we are supposed to be doing here, not partisan politics.

Mr. REID, this body—this body—has had more bipartisan support on bills that we've sent over to the Senate only to see them die, to see no action at all, bills that could create jobs in America—not hypothetical jobs, but real jobs by people that actually create jobs, those in our small businesses that create 70 percent of our new jobs in America. Mr. REID, the American public demands more of us as an institution to reach across and do the right thing.

Mr. Speaker, all I can ask is that this body continue to put pressure upon the Senate, and particularly the Senate majority leader, Mr. REID, to do the right thing. It doesn't matter if you pass the bills that we send over to you, Mr. REID. It's about bringing them up on the Senate floor, debate them, and let the American people see where you stand on the issue. And at the end of the day, whether you vote for it or against it, at least the American people have seen you in action.

The other thing the Senate can do is they can always amend any measure that we send over there and send it back to us. It's not to say that we always have the best idea, but I believe that the Senate, our brothers and sisters in the Senate, could have some good ideas. Attach them back, amend our bill, and send it back to us for us to consider and even go to conference if necessary.

All we're asking is the United States Senate to take action on things that we, in the House, have passed, many in a very bipartisan way. If you remember back on January 24, on the 1,000th day, this body here—this body—voted 410-1 to vote on a resolution calling upon the Senate to pass a budget, that it's of national importance that we actually have a budget and that the Senate be a participant in the discussions, not just sitting on the sidelines expecting us to carry the water.

Mr. Speaker, we stand here today exploring our Members to do the right thing. Let's keep the pressure on the Senate to do the right thing.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind the Members that remarks in debate must be addressed to the Chair and not to others in the second person.

HOUSING CRISIS

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Ohio (Ms. KAPTUR) for 5 minutes.

Ms. KAPTUR. Mr. Speaker, it's over time for Wall Street megabanks, their CEOs, speculators, and sharpies to come and scrub the floors of homeless shelters across this country that are crammed with people who have lost their homes. Let's make those Wall Street bankers sign up to work with Habitat for Humanity to restore housing in neighborhoods across our Nation. Wouldn't that be sweet justice? Once they've paid back the billions that they owe the American people, whose homes they've raided of equity, let's put them to work.

Wouldn't it be great to see the CEO of Goldman Sachs, I think his name is Lloyd Blankfein, out there with buckets and scrub brushes? Come to Toledo; come to Cleveland; come to America, the part you've hurt so deeply. Wouldn't it be great? Let him be joined by Josh Bolten, who was there when the Bush administration handed the toxic mortgage paper to the people of the United States.

Well, come on down, Angelo Mozilo, from Countrywide. I think a little hard work would help you a whole lot. How about Bank of America? How about the CEO there? How about JPMorgan Chase? How about Jamie Dimon? I wonder when was the last time he scrubbed a floor. How about Jim Johnson, who headed up Fannie Mae, or Hank Paulson? Oh, I'd love to see this.

As I speak, coming to light are important developments in the much anticipated settlement between the individual State governments and the big Wall Street banks over the widespread use of fraudulent schemes and missing paperwork that fueled the foreclosure crisis. As the press has reported, we are seeing the possible imposition of \$25 billion in penalties against Wells Fargo, Bank of America, JPMorgan Chase, Ally Financial and Citigroup. Given the extent of the damage they caused, it's a small start. Just in Ohio, the financing gap was \$20 billion. That's what it would take to stabilize the housing market in just our State.

Most importantly, The New York Times is reporting that the deals will "preserve the right to investigate past misdeeds by the bank." Not one, not even the titans of Wall Street, should be able to buy legal immunity for their criminal acts as millions of families lose their homes.

It is important that we do not forget how systemic mortgage fraud has become. In an interview given by a former executive vice president of Countrywide Financial, a giant player in the U.S. mortgage business, this executive who was in charge of fraud investigations at the company related how "Countrywide loan officers were forging and manipulating borrowers' income and asset statements to help them get loans they weren't qualified for and couldn't afford." She went on to say that, whenever we looked through all of the recycle bins, they were full of signatures that they had cut off of one document and put on another and then photocopied or faxed. According to her, the fraud was systemic, taking place in Boston, Chicago, Miami, Detroit, Las Vegas, Phoenix and, I can tell you, Cleveland, Parma, Lorain, Elyria, Toledo, and Sandusky.

What we cannot forget is that these stories are not isolated. The FBI testified before Congress as early as 2004 that they were seeing an epidemic in white collar financial crimes, and they did not have anywhere near enough agents to go after the wrongdoers. Wasn't that convenient? While the number of agents has increased due to congressional pressure, the FBI needs to have more special agents and forensic experts to properly investigate the level of accounting corruption that is believed to exist.

This is the most basic, bipartisan concept I can think of, that criminals cannot be allowed to get away with their crimes because our law enforcement agencies lack the manpower to stop them.

I have a bill I hope my colleagues can support. It is H.R. 3050, the Financial Crisis Criminal Investigation Act, that would authorize an additional 1,000 FBI agents to take on the kinds of fraud that have destroyed the economic futures of countless American families and so gravely harmed our Republic. A good first step was the inclusion of more than 200 additional agents in the

last appropriations cycle. This administration should use it to go after these Wall Street perpetrators.

The President announced during his State of the Union address a new working group to look into mortgage fraud. It will coordinate efforts between the FBI, the Justice Department, and various States to go after those on Wall Street who have perpetuated fraud in the markets, using mortgage-backed securities, collateralized debt obligations, and lots of other sophisticated financial tricks.

Given the seriousness of the fraud, the number of American families that have lost their homes and savings, and the drag that that foreclosure crisis continues to have on the economy means we need more vigilance and let's confront Wall Street, and put the perpetrators in jail. And let's have them scrub floors in this new year.

[From the New York Times, Feb. 5, 2012]

DEAL IS CLOSER FOR A U.S. PLAN ON MORTGAGE RELIEF

(By Shaila DeWan and Nelson D. Schwartz)

With a deadline looming on Monday for state officials to sign onto a landmark multibillion-dollar settlement to address foreclosure abuses, the Obama administration is close to winning support from a crucial state that would significantly expand the breadth of the deal.

The biggest remaining holdout, California, has returned to the negotiating table after a four-month absence, a change of heart that could increase the pot for mortgage relief nationwide to \$25 billion from \$19 billion.

Another important potential backer, Attorney General Eric T. Schneiderman of New York, has also signaled that he sees progress on provisions that prevented him from supporting it in the past.

The potential support from California and New York comes in exchange for tightening provisions of the settlement to preserve the right to investigate past misdeeds by banks, and stepping up oversight to ensure that the financial institutions live up to the deal and distribute the money to the hardest-hit homeowners.

The settlement would require banks to provide billions of dollars in aid to homeowners who have lost their homes to foreclosure or who are still at risk, after years of failed attempts by the White House and other government officials to alter the behavior of the biggest banks.

The banks—led by the five biggest mortgage servicers, Bank of America, JPMorgan Chase, Wells Fargo, Citigroup and Ally Financial—want to settle an investigation into abuses set off in 2010 by evidence that they foreclosed on borrowers with only a cursory examination of the relevant documents, a practice known as robo-signing. Four million families have lost their homes to foreclosure since the beginning of 2007.

As recently as two weeks ago, with federal officials hoping to complete a deal that President Obama could cite in his State of the Union address, California's attorney general, Kamala Harris, made it clear she was not on board, terming the plan inadequate. But in the last few days, differences have narrowed in negotiations that one participant described as round the clock, with California officials in direct communication with bank representatives for the first time in months.

"For the past 13 months we have been working for a resolution that brings real relief to the hardest-hit homeowners, is trans-

parent about who benefits, and will ensure accountability," Ms. Harris said in a statement. "We are closer now than we've been before but we're not there yet."

The settlement has been hamstrung by one delay after another over the last year. Winning California's support now would represent a major win for the White House in this election year.

"I am encouraged by the conversations we've had with many states in the last few days," said Shaun Donovan, the secretary of housing and urban development. "This will be one of the most significant steps in the recovery of homeowners, neighborhoods and the broader housing market from the worst collapse since the Depression."

"My fundamental point is that it's a first step," he added, citing measures like Mr. Obama's proposal last week to lower interest rates for homeowners who are still current on their mortgages.

Officials involved in the negotiations cautioned that broader state support could still be days away. And although the timing of any announcement is subject to last-minute maneuvering, as it stands now the deal would set aside up to \$17 billion specifically to pay for principal reductions and other relief for up to one million borrowers who are behind on their payments but owe more than their houses are currently worth. The deal would also provide checks for about \$2,000 to roughly 750,000 who lost homes to foreclosure.

Those figures are contingent upon the number who respond to the offer, which is likely to go to people who lost their homes between Jan. 1, 2008, and Dec. 31, 2011. In addition, said Patrick Madigan, the Iowa assistant attorney general, homeowners who participate in the settlement will still have the right to sue the banks for improper behavior in the foreclosure process.

California has been focused on measures that would benefit individual homeowners, while New York has been most interested in preserving its ability to investigate the root causes of the financial collapse.

Another critical issue for California is narrowing the amnesty given to banks because under the state's False Claims Act, state officials and huge pension funds like Calpers would be able to collect sizable monetary damages from the banks if they could prove mortgages were improperly packaged into securities that later soured. What is more, California's participation would result in having more money available for many other states, including an estimated \$500 million in additional money for Florida.

But the agreement's terms do not guarantee minimum allocations of mortgage relief by state.

Mr. Donovan added that there had been numerous discussions with individual states that had specific concerns.

California officials and other veterans of the foreclosure crisis are haunted by the failure of past attempts to alter the behavior of the big banks, including a 2008 deal with Countrywide Financial, the subprime giant now owned by Bank of America, and a more recent agreement last April between federal regulators and the biggest mortgage servicers.

The backers of the latest deal insist their plan has more teeth, with a powerful outside monitor to oversee enforcement and heavy monetary penalties if banks fail to live up to commitments. While the past agreement with Countrywide gave banks credit even if their offers to modify the interest rate of the mortgage or write down principal were not accepted by borrowers, this deal counts only what banks actually do for homeowners.

If banks fall short of the multibillion-dollar benchmarks set out for principal reduction and other benefits for homeowners, they

will have to pay the difference plus a penalty of up to 40 percent directly to the federal government, according to Mr. Madigan.

The depressed housing market continues to pose a drag on the halting economic recovery. RealtyTrac, which analyzes housing data, predicts two million more foreclosures over the next two years. Some 11 million families owe more on their houses than they are worth.

The settlement, if all states participate, will also include \$3 billion to lower the rates of mortgage holders who are current. Banks will get more credit for reducing principal owed and helping families keep their homes, and less for short sales or taking losses on loans that were likely to go bad, like those that were severely delinquent.

□ 1020

STREETCAR SUMMIT

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

Mr. BLUMENAUER. Mr. Speaker, this week, people from dozens of cities around America are gathering for the annual Streetcar Summit.

For the last 25 years, I've been working to reintroduce the modern streetcar to American communities. We started with a project in Portland, Oregon, over 20 years ago. It was a great pleasure for me to see this open in 2001 and watch how this streetcar investment anchored revitalization in the downtown, led to over \$3 billion of private and public investment along the right-of-way, encouraged over 22 million people to ride the streetcar, and developed into a signature project for our community.

More recently, when the new administration was sworn into office, I worked with the White House to implement legislation that I had in the last reauthorization that we called "Small Starts," which somehow had stalled. Within 4 months, the new administration was able to help us figure out how to move it forward. In October of 2009, we were able to sign an agreement with the Obama administration and start the project.

I'm pleased to report that this project—which has provided over 1,800 jobs, that is extending a 3½-mile line—will be open. In fact, we've invited President Obama to ride on the first official trip. He can ride this year on a project that started in the first year of his administration, now a completed project. As an added bonus, he would be able to ride the first American-built streetcar in 58 years.

While it's manufactured in Portland, Oregon—I say with some modest pride—it makes a difference for people around the country because it's going to be provided to other communities like Tucson, Arizona, in the project I worked on with our former colleague, Gabby Giffords. And subcontracting is occurring throughout the upper Midwest, where smaller manufacturers are helping construct this product made in America.

As a result of the administration's investment of \$419 million since October of 2009, we're watching projects take place in 10 cities across America—in Detroit, Cincinnati, St. Louis, Salt Lake—that are moving forward with this vision. Indeed, the people in the conference that will be here this week represent operating systems that are now in Seattle, San Francisco, Galveston, Little Rock, Memphis, New Orleans, Lowell, Massachusetts, Kenosha, Wisconsin. There are communities all across America that have seized this vision and are moving forward. They are coming together to deal with how communities, large and small, can seize on this proven technology that was, after all, the cornerstone of urban development long about 1900. This was the technology that was driving American community development. Well, it still can drive community development, provide tens of thousands of jobs, be able to help focus the revitalization of, what in some areas, are troubled neighborhoods. It's an opportunity to bring people together on the streetscape, to be able to give a different environment for shopping, recreating, and, frankly, preventing pollution, congestion—in many cases a trip not taken.

I strongly urge my colleagues, when the opportunity arises this week, to meet some of the people in the vanguard of America's new streetcar renaissance. A simple, commonsense, proven technology that's cost-effective, that provides an anchor for development, giving people an opportunity to give another choice to the residents—empowering them, making their neighborhoods more livable, their families safer, healthier, and more economically secured.

This is what this Congress should be working on, coming together to take projects like this, a constructive Federal partnership, stretching dollars and making a success that we can all be proud of.

RECESS

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

Accordingly (at 10 o'clock and 24 minutes a.m.), the House stood in recess.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. WOMACK) at noon.

PRAYER

Rabbi Jeffrey Astrachan, Temple Beth Israel, York, Pennsylvania, offered the following prayer:

Almighty source of strength, peace and compassion, I stand humbly before

You to ask Your blessing upon those who serve our great Nation, to all who dedicate themselves to its prosperity and security.

Grant to each Member of this House the wisdom and vision to look steadfastly toward our future, to labor earnestly for the welfare of all, and to consider wholeheartedly the passion and sacrifice of those who came before us, who helped to preserve and foster the noblest ideals for which our Nation stands.

Today, especially, we consider the valor of those four Army chaplains whose selfless acts of heroism 69 years ago not only saved the lives of others, but inspire us to serve in our own day to continue our partnership in Your ever-unfolding acts of creation on Earth.

May the memories of the four chaplains and the ideals for which they lived ever remain a blessing.

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 New York (Mr. TURNER) come forward and lead the House in the Pledge of Allegiance.

Mr. TURNER of New York led the Pledge of Allegiance as follows:

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

WELCOMING RABBI JEFFREY ASTRACHAN

The SPEAKER pro tempore. Without objection, the gentleman from Pennsylvania (Mr. PLATTS) is recognized for 1 minute.

There was no objection.

IN MEMORY OF THE "FOUR CHAPLAINS"

Mr. PLATTS. Mr. Speaker, I am honored to host our guest chaplain, Rabbi Jeffrey Astrachan, to give today's opening prayer. Rabbi Astrachan is here today to help honor the sacrifice of the four chaplains who gave their lives during the sinking of the troop ship *Dorchester* during World War II. This is especially significant because one of the four chaplains, Lieutenant Alexander D. Goode, was once a rabbi with the same congregation in York, Pennsylvania, my hometown that Rabbi Astrachan now serves.

Along with the rabbi, I am pleased to take this opportunity to recognize the courageous sacrifice made 69 years ago by the four chaplains. The *Dorchester* was torpedoed off the coast of Greenland. Only 230 of the over-900 men on

board survived. The survivors recounted the story of the heroic actions of the four chaplains of different faiths: Lieutenant Goode; Lieutenant John Washington, a Catholic priest; and Lieutenants George Fox and Clark Poling, two protestant ministers.

These four servants of God spent their last 18 minutes in this life helping their fellow passengers to safety. When there were no more life jackets to hand out, the chaplains removed their own and gave them to shipmates. They were last seen on the hull of the ship, arm-in-arm in prayer as the ship sank into the icy waters.

Chaplains Hill at Arlington National Cemetery is home to several memorials to chaplains. Last year, the United States House of Representatives adopted legislation to include a memorial to the 14 Jewish chaplains who gave their lives in World War II and the Korean and Vietnam wars. Today, we honor not just the four chaplains of the *Dorchester*, but the sacrifices and selflessness made by military chaplains of all faiths.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 7, 2012.

Hon. JOHN A. BOEHNER,
The Speaker, U.S. Capitol, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on February 7, 2012 at 10:40 a.m.:

That the Senate passed with an amendment H.R. 347.

That the Senate passed S. 1794.

With best wishes, I am

Sincerely,

KAREN L. HAAS,
Clerk.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 15 further requests for 1-minute speeches on each side of the aisle.

NLRB APPOINTMENTS ARE UNCONSTITUTIONAL

(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, on January 4, the President abused executive authority and appointed three new members to the National Labor Relations Board claiming a recess appointment, but the Senate was not in recess. By making this decision, the President ignored the Sen-

ate's confirmation and vetting practice which is outlined in article I, section 5 of the United States Constitution. Earlier today, the House Education and Workforce Committee, ably led by Chairman JOHN KLINE, held a hearing on this unconstitutional conduct.

The President has used the National Labor Relations Board as a big labor bully to advance his political agenda and threaten the jobs of America's small businesses. Due to the legal uncertainty of the President's appointments, each decision reached by the board could allow for legal challenges, costing job creators and taxpayers more money. House Republicans will work to protect hardworking taxpayers from the administration's failed policies which are destroying jobs.

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

THE CLOCK IS TICKING ON THE PAYROLL TAX CUT AND EXTENSION OF UNEMPLOYMENT BENEFITS

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

Ms. BASS of California. Mr. Speaker, the clock is ticking on extending the payroll tax cut and unemployment benefits for millions of Americans. In just three short weeks, people barely surviving on unemployment benefits will be out on the streets. In three short weeks, 160 million people who get paychecks would have to pay the government nearly \$1,000 more.

Unfortunately, House Republican leadership insists on unrelated ideological legislation freezing the pay of middle class public servants for a third time in 3 years, slashing unemployment benefits by 40 weeks, and drug testing Americans who have lost their jobs through no fault of their own.

I don't think my Republican colleagues understand the plight of Americans who have lost their jobs through no fault of their own. So I'm asking my constituents and people from around the country to go to my Web site, karenbass.house.gov, and send in stories about their efforts to look for work. I will share these stories with my Republican colleagues to help them understand in hopes they will do the right thing.

PAYING OUR RESPECTS TO CHAPLAINS FOX, POLING, WASHINGTON, AND RABBI GOODE

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

Mr. MILLER of Florida. Mr. Speaker, this year's tribute to our lost four chaplains, last seen on the decks of the USAT *Dorchester* offering comfort and their only chance for survival to others, is particularly poignant. For it was

this past year that these men were reunited at this country's most hallowed grounds, Arlington National Cemetery.

With the recognition long overdue of Rabbi Alexander D. Goode, and all the Jewish war chaplains who have served this Nation in faith, the four chaplains stand watch once again over their flock from Chaplains Hill. Providence most definitely brought them together after history attempted to break their bond.

And so 69 years later, we reinforce the bonds of faith that no man can break and pay our respects to Chaplains Fox, Poling, Washington, and Rabbi Goode and honor their sacrifice to our great Nation.

□ 1210

THIRD ANNIVERSARY OF CRASH OF FLIGHT 3407

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

Ms. HOCHUL. Three years ago this week, an unspeakable tragedy occurred when a plane full of people, those who were dearly loved by their families, crashed through a home in Clarence Center, in my district. The cause was pilot fatigue and inexperience, and the cruel irony that it occurred over Valentine's Day weekend was lost on no one.

Yet, out of those ashes arose an indomitable spirit among these families that united them in their grief and brought their quest right here to the Halls in Washington. They wanted to ensure that no other family had to endure having their hearts ripped out the way they all had. They never took "no" for an answer. They never gave up, and they inspired Congress to work in a bipartisan way to pass historic flight safety reform rules.

That's why I am joined by my colleagues from western New York to introduce a resolution to honor them, the victims of the crash, to thank the surviving families of Flight 3407, and to call on the administration to finish the work they started to implement these necessary FAA rules.

Until the will of Congress and of the families we serve is translated into new rules, we will not give up the fight, because the families are counting on us, and they've never given up the fight.

THE CLOSING OF THE SOUTH TEMPLE POST OFFICE

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

Mr. CARTER. Mr. Speaker, over the past month, I've heard from many of my constituents about the closing of the contract post office in my district, the South Temple Post Office.

My constituents enjoy going to the South Temple Post Office because it is fast, efficient and the service is outstanding. However, the United States

Postal Service recently announced it would be closing this office, along with 19 other contract postal units.

Why?

Because these contract post offices are not hiring enough union workers or are, allegedly, taking union jobs away from the main branches. In other words, even though the United States Postal Service was \$8.5 billion in the hole in 2010 and even though the owner of the South Temple Post Office sends a check of \$1 million every year to the postal service under their contract, they have decided to close it because of union dispute.

This is just plain wrong. My constituents should have a choice of what post office they want to use and to use the one that serves them the best. If the privately owned contract office is performing better, they should be able to use that privately owned contract office.

Rest assured, I will fight this nonsense and try to get this post office kept open.

THIRD ANNIVERSARY OF CRASH OF FLIGHT 3407

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

Mr. HIGGINS. Mr. Speaker, I rise today, along with my colleague Congresswoman KATHY HOCHUL, to recognize the upcoming third anniversary of the tragic crash of Continental Connection Flight 3407 in my western New York community.

This tragedy, unfortunately, was preventable. The National Transportation Safety Board found that the chief cause of the crash was pilot error. In August of 2010, President Obama signed into law aviation safety legislation, which, among other things, required the Federal Aviation Administration to update flight and duty time rules and to set minimum rest requirements for pilots.

As the families know too well, the passage of time never really heals the tragic memory of that day, but they persevered. They became a true citizen army for aviation safety and achieved the most comprehensive aviation reform in 50 years. In their efforts, they were guided by their faith and by the light of those they loved and lost.

We recognize their extraordinary efforts on behalf of the western New York community, of the flying public, and of a grateful Nation.

CONGRATULATING THE WORLD CHAMPION NEW YORK GIANTS

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

Mr. TURNER of New York. Mr. Speaker and my fellow colleagues, it is a distinct pleasure to stand before you right now, not only as a Representative but as a fan. I would like to take a few moments and acknowledge the New

York Giants for defeating the New England Patriots on Sunday night, 21-17, in Super Bowl XLVI.

Some believed them to be underdogs, but our beloved G-Men didn't let people's lack of faith or doubt distract them from their end goal. Instead, they showed New York's resilience by fighting back to regain the lead in the fourth quarter, earning their second Super Bowl title in the last 5 years and their fourth Super Bowl title overall. The Giants have won eight world championships and rank as one of the most successful football franchises of all time.

As Giants' head coach Tom Coughlin said after the game: All things are possible for those who believe, and these guys believed, and they came together and trusted each other and believed in one another.

I think this is a terrific message for everyone to think about, especially those of us holding the distinct honor of being Members of the House of Representatives. There is still a great deal of work to be done on behalf of the American people. We must come together for a joint purpose. We must give our constituents a reason to believe we can work together on their behalf. Just as the members of the Giants team played hard for the people of New York, we must work hard for our constituents.

Again, I would like to congratulate the New York Giants, Head Coach Tom Coughlin, Super Bowl XLVI MVP Eli Manning, and all the great fans in New York.

FOUR-YEAR ANNIVERSARY OF THE IMPERIAL SUGAR PLANT EXPLOSION

(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, this day marks a sad anniversary for many of the folks I represent. Four years ago today, a combustible dust explosion destroyed the Imperial Sugar plant in Port Wentworth, Georgia, killing 14 people and injuring more than 40 others.

The sad truth is that this explosion didn't have to happen. Experts have known about the dangers of combustible dust for decades, and experts have developed industry standards that can prevent combustible dust explosions and fires. Unfortunately, these commonsense practices have not become the national standard despite preventable explosions and fires in Georgia and throughout America before and since.

Today, on the fourth anniversary of this tragedy, I ask my colleagues to support H.R. 522, the Worker Protection Against Combustible Dust Explosions and Fires Act of 2011, introduced by Mr. MILLER of California. This law would require the Secretary of Labor to promulgate standards for regulating combustible dust.

We shouldn't wait until another disaster strikes. We owe it to the dead and the wounded to take action today so that disasters like the Imperial Sugar Plant explosion will never happen again.

OBAMACARE STRIKES AT THE CORE OF RELIGIOUS LIBERTY OF THE U.S. CONSTITUTION

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

Mr. ROONEY. Mr. Speaker, I rise today to speak about an issue that's deeply important to me, not as a Republican or Democrat, but as a Catholic American.

President Obama's Department of Health and Human Services announced it will require religious institutions like Catholic schools, Catholic hospitals, and Catholic charities to cover services that violate their core beliefs, like contraception, sterilization, and the morning-after pill. Catholic schools like Notre Dame will be forced to pay millions in penalties if they don't comply with the Federal Government mandate.

Now, this is about much more than just contraception. This is about Catholic schools and Catholic hospitals having to sacrifice conscience to comply with ObamaCare.

I believe that this is a clear violation of the Free Exercise Clause of the First Amendment of the Constitution. What's worse, I believe that this is a move by the Obama administration to establish secularism over religion. That would strike at the core of religious liberty of the Constitution and who we are as Americans. It's just one more reason why ObamaCare is bad law and needs to be repealed.

AN ILLUSORY PLAN TO FUND TRANSIT AT CURRENT LEVELS

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

Mr. DEFAZIO. Ronald Reagan signed legislation that funded transit out of the highway trust fund. The new Republican majority is going to end transit's eligibility for highway trust fund dollars—but they've created an alternative transportation account that will be paid for out of the general fund. The only problem is that paying for transit at current levels under an alternative scenario would blow another \$40 billion hole in the budget.

But they have a plan.

They're going to require Federal employees to pay 6 percent of their salaries into a trust fund. That's about \$40 billion over 5 years. But they're not taxing Federal employees to pay for transit—don't worry about that—because that money can't be spent on transit. It will make it look like they're not spending more money. In reality, they will borrow \$40 billion to

pay for transit instead of paying for it with your fees out of the highway trust fund, but they're going to pretend that they didn't add more money to the deficit. At the same time, they're going to make Federal employees put 6 percent of their salaries into a trust fund for this illusory offset.

Good work, guys.

□ 1220

ENERGY SECURITY AND UNEMPLOYMENT

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

Mr. RIGELL. Mr. Speaker, we have within our grasp the opportunity to boldly address two of America's greatest challenges: energy security and unemployment. These two issues are inextricably linked. We can no longer tolerate a stagnant, slow-growth economy that's saddled with historic unemployment rates and a dangerous dependence on foreign oil. A key solution to these problems is energy, specifically, American energy.

The President said in this House that we must have an all-of-the-above strategy to energy independence. I agree. That includes harvesting the energy in every corner of America, including the 3.8 billion barrels of oil and gas off the coast of Virginia.

Last week, I introduced the Mid-Atlantic Energy and Jobs Act of 2012 to free up Virginia's abundant offshore energy. This legislation will help us achieve energy independence and could produce more than 18,000 local jobs, and it requires a significant amount of the royalties produced by the exploration to go toward improving our environment. The time to act is now. This Congress, this President, we're Americans. Let's do this.

AMERICAN JOBS

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

Ms. FUDGE. Mr. Speaker, today I rise to address the need for jobs in this country. On Wednesday, we will have reached 400 days since the Republicans took control of the House without a jobs bill, even though my colleagues and I have been calling for and demanding action.

The President has set forth a jobs plan that would allow Americans to get to work and for us to invest in this great country by focusing on improving our infrastructure, fixing our roads, schools, and bridges; by providing incentives to hire veterans by giving small businesses the support they need to grow and expand; and by cutting payroll taxes for 160 million workers, leaving more money in the pockets of consumers.

The members of the Delta Sigma Theta sorority are on the Hill this

week to be a voice for the jobless, to ask Congress to do what is in the best interest of Americans still trying to find jobs.

I urge all of my colleagues to join me in supporting job growth and investment in this Nation now.

SCHOOL CHOICE

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

Mr. HUIZENGA of Michigan. Mr. Speaker, today I rise in support of national school choice because we need to offer our children effective education opportunities. And in Michigan, despite spending just shy of \$10,000 annually to educate each child, we need to look at a couple of facts. One, only 31 percent of eighth-graders are actually considered proficient in math. The other element that is very disheartening to me is the fact that one child drops out of school in America every 26 seconds. We have an obligation to give parents the tools and resources to get their children out of bad educational environments and into better ones.

As a Member of Congress, I support school choice and allowing States to even opt out of the No Child Left Behind program and use educational resources in a way that will best meet their local needs, not the demands of Washington, D.C. It should be up to parents—not governments—to choose what's best for their children. Better traditional schools, public charter schools, private schools, virtual education, and homeschooling. I personally advocated for these opportunities when I sat on the board of a public charter school in Michigan. I served as the director of development at Zeeland Christian Schools, and most importantly, as a parent along with my wife, who homeschooled our children. Those of us in Congress must continue to encourage and champion school reform.

FOUR CHAPLAINS

(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, I rise today to honor the incredible story of the USAT *Dorchester's* four chaplains. The brave "immortal chaplains," a Jewish rabbi, a Catholic priest, and two Protestant ministers, selflessly provided comfort and guidance to their interfaith community aboard the transport ship as it sunk into icy waters on February 3, 1943. These leaders of different faiths gave up their lifejackets and stood strong, singing prayers and hymns, sharing words of healing and peace as the ship went down.

We are so fortunate to have Rabbi Astrachan here with us today to help honor their sacred memory. Rabbi Astrachan currently serves the same congregation in York, Pennsylvania,

where Rabbi Goode, one of the four chaplains, once served, continuing to honor his legacy.

The four chaplains, Reverend George Fox, Rabbi Alexander Goode, Father John Washington, and Reverend Clark Poling, serve as inspirations in their military service and their sacrifice for our country. Their quintessentially American tale of faith and courage now has an ending we can proudly commemorate, as all four of these men are honored and memorialized together on Chaplain's Hill at Arlington National Cemetery.

For nearly 200 years, our Nation's breathtaking military cemetery has been a place to honor all of America's fallen soldiers, providing the sacred and majestic setting fitting to our Nation's heroes. Thanks to the dedication of many of my colleagues, we now have monuments at Chaplain's Hill to each of these faith groups, where we can honor their sacrifice together. This is a testament to the courage and commitment of all who have served our Nation in this way, and I am so honored to share in this observance with chaplains, members of the military, veterans, religious community advocates, family, and friends.

IMMIGRATION

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

Mrs. BLACK. Mr. Speaker, I am here today to talk about my bill, H.R. 3842, a bill that would prohibit the Obama administration from filing lawsuits against Arizona, South Carolina, Alabama, and other States over their immigration enforcement laws. In the last 3 years, eight States have adopted immigration enforcement measures to address the illegal alien populations in their States. And in response, the Department of Justice and Eric Holder have pursued unprecedented lawsuits against these States.

Mr. Speaker, there are over 10 million unauthorized aliens in this country. States must be able to enforce the law if the Federal Government refuses to, and States should not have to live in fear of Federal retribution for trying to keep their citizens safe.

My bill, H.R. 3842, would deny the Obama administration and Eric Holder the funding for these meritless lawsuits. Until the Supreme Court decides the case against Arizona's S.B. 1070, Congress must use our power of the purse to stop these political lawsuits and allow States to uphold the law.

HALFTIME IN AMERICA

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

Ms. KAPTUR. Mr. Speaker, everybody is talking about Chrysler's Super Bowl commercial "Halftime in America." It featured Clint Eastwood, relating the recovery of the American automobile industry. That inspirational ad

has now gone viral as people share its positive message about our country and our workers.

Trust me, Mr. Speaker, in America's heartland, we know about hard times. Our people have been through a lot these last few years. But that commercial has it right: We took a punch, but we're still standing. President Obama made a bet on America's workers and companies, and it saved thousands of jobs. It saved our industry. "This country can't be knocked out with one punch," Clint Eastwood says. "We get right back up again. And when we do, the world is going to hear the roar of our engines."

You can already hear that roar in Toledo. We're building Jeeps day and night. You can hear it in Lorain too, and in Sandusky, Avon Lake, Brook Park, and Parma. We're going to win this competition. We're going to win it with teamwork. And we're going to win it because we want it more. Gentlemen and gentleladies, start your engines.

SMALL BUSINESS MENTOR-PROTEGE PROGRAM

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

Ms. CHU. I hear over and over from small businesses that the one thing they need in these tough times is customers. And who is the biggest customer? The Federal Government. Each year, the government spends \$500 billion on Federal contracts, but only 20 percent is going to small firms. Small businesses create two out of every three new jobs. So for us to grow the economy, we have to give small businesses a bigger slice of the Federal contracting pie.

Today I am introducing the Building Better Business Partnerships Act. This bill will help small firms break into Federal contracting by making it easier for them to join mentor-protége programs. These programs partner small businesses with companies already contracting with government. It gives small firms a foot in the door so they can navigate the Federal process, get experience on a contract, and eventually win a Federal job of their own. And that means more work and a new customer for small businesses everywhere.

□ 1230

SHARED FISCAL RESPONSIBILITY

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

Ms. BALDWIN. Mr. Speaker, I rise on behalf of the middle class workers in Wisconsin and across the country who have unfairly been paying a higher tax rate than millionaires and billionaires.

Middle class Americans deserve to know that our tax system has not been rigged against them. Powerful special

interests have manipulated our Tax Code to ensure that the wealthiest Americans don't have to pay their fair share. These loopholes and special provisions have made it so that billionaire Warren Buffett's secretary pays a higher tax rate than he does. In fact, approximately a quarter of all millionaires pay lower effective tax rates than middle class families.

Yesterday, I introduced Paying a Fair Share Act, H.R. 3903, which would make the "Buffett rule" law and ensure that middle class workers do not pay higher tax rates than those earning more than \$1 million a year. I invite my colleagues to join me in taking this commonsense first step to strengthen middle class families and rebuild our economy with a commitment to shared responsibility.

H.R. 25, THE FAIR TAX

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

Mr. WOODALL. Mr. Speaker, it's the Tax Code that brings me down to the House floor today. You know, if you care about special interest tax breaks in this town, there is only one bill in the U.S. House of Representatives that eliminates every single special interest tax break in the United States Code—every break, every exception, every exemption, every favor—and that's H.R. 25, the FAIR Tax, Mr. Speaker.

You know about the FAIR Tax. It's the most widely cosponsored, fundamental tax reform proposal in the entire U.S. House of Representatives. It's the most widely cosponsored, fundamental tax reform proposal in the entire United States Senate. And it is the only bill in Congress that solves every single special interest break. The only one. And it brings American manufacturing jobs back to America; puts the American manufacturing community on a level playing field with our foreign competitors, the only bill in Congress that gets that done.

Mr. Speaker, if you want to see more about it, you know you can see it at www.thomas.gov. You can see it at www.fairtax.org. It's H.R. 25, and it will save this American economy.

PAYROLL TAX HOLIDAY

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

Ms. NORTON. Mr. Speaker, the party line from Republican leaders is that Republicans agree on a payroll tax cut holiday; they just need to find a way to pay for it. But Republican Members speak a different language. Georgia Republican PAUL BROUN told the press: "The payroll tax holiday is just a gimmick to get Obama re-elected."

That would be news to the average American family who will see its taxes increase by \$1,000 on March 1 without a payroll tax agreement.

The press reports a serious Republican split with only a 50/50 chance that Republicans can get their Members to agree on a payroll tax deal. Line that 50/50 Republican split up against their near-unanimous opposition to having wealthy and corporate taxpayers contribute one dime to deficit reduction.

I'll leave it to the Republican leadership to reconcile these issues and their caucus. Meanwhile, the clock ticks louder each day. Republicans have 22 days to make up their minds on whether every worker who draws a paycheck deserves a tax cut.

WELCOMING DELTA SORORITY TO CAPITOL HILL

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

Mr. RANGEL. Mr. Speaker, today Members of Congress and others will see a thousand women of color visiting all of our offices. They call themselves the Delta SorORITY. Here the leadership is provided by Judge FUDGE as they come close to celebrating their 100th anniversary.

They have a legislative agenda, a community agenda, a civic agenda; and one of the things that they like to point out is that today we recognize the terrible epidemic of AIDS and HIV problems we have with blood. We hope that we learn to educate more people about the danger of AIDS, that we provide better treatment, and even better than that, that we avoid it by having preventive measures so it doesn't happen at all.

Also on their agenda is making certain that the payroll deductions for working poor people are extended, as is unemployment compensation, which is not only fiscally, but morally, the right thing to do, and that we pay our debts, pay the doctors who serve the aged.

DEMOCRATS READY TO WORK FOR ALL AMERICANS

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

Mr. JOHNSON of Georgia. Mr. Speaker, I rise today with my Democratic colleagues ready to work for all Americans. Unfortunately, this no-show Tea Party Republican Congress, which worked only 6 days during the entire month of January, is once again refusing to do its job. You see, at the end of February, taxes will increase for 160 million middle class Americans unless the Mitt Romney Tea Party Republicans drop their incessant demands to cut taxes for millionaires and billionaires. I ask my Tea Party colleagues to stop holding the payroll tax cut hostage. We must protect unemployment insurance and fix the Medicare payment schedule so that seniors can see the doctor of their choice.

It's time for this Tea Party brinksmanship to come to an end, for

Republicans to come to work, and for this Congress to go to work for the American people, not just the millionaires and billionaires.

MAKING HIGHER EDUCATION MORE AFFORDABLE

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

Mr. FALEOMAVAEGA. Mr. Speaker, just recently President Obama offered a plan to reduce the high costs of higher education by putting pressure on colleges and universities to reduce tuition rates. Under the plan, colleges would be rewarded based on their ability to offer relatively lower tuition fees, provide value, and serve low-income students.

This plan also coincides with key proposals by President Obama to make higher education more affordable, including a strategy President Obama announced last fall to consolidate Federal student loans and lower interest rates to help college graduates pay off their debt.

The American Dream is all about providing Americans the opportunity to succeed if they work hard. Every American family should be able to afford higher education. Every young person should have a chance. I commend President Obama for his commitment to American families and for making higher education an economic imperative.

NATIONAL BLACK HIV/AIDS AWARENESS DAY

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

Ms. LEE of California. Mr. Speaker, as the founding cochair of the Congressional HIV/AIDS Caucus, I rise to recognize National Black HIV/AIDS Awareness Day.

While I believe every day should be HIV awareness day, February 7 is an important day to recognize the effect this epidemic has on African Americans. Although only 14 percent of the U.S. population, African Americans account for almost half of those living and dying with HIV and AIDS in this country.

This year's theme is "I am My Brother's Keeper, I am My Sister's Keeper." People of faith know it is unacceptable that a woman of color in the United States is 15 times more likely to be living with HIV than a white woman her age. People of faith know that it's unacceptable that our young men, particularly gay and bisexual men, are most affected in this country. We cannot allow this crisis to continue.

We have the tools we need to end the AIDS epidemic. I urge everyone to get tested and take steps to protect themselves from the virus.

I call on members of the faith community, the private sector, health or-

ganizations, community leaders, teachers, parents, and the media to come together like never before.

The story of African Americans is one of resilience. I have great hope and expectation that we can once again persevere and we can stamp HIV and AIDS from the face of the Earth.

□ 1240

PROVIDING FOR CONSIDERATION OF H.R. 3581, BUDGET AND AC- COUNTING TRANSPARENCY ACT OF 2012

Mr. WOODALL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 539 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3581) to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to increase transparency in Federal budgeting, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on the Budget. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment in the nature of a substitute recommended by the Committee on the Budget now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of Rules Committee Print 112-13. That amendment in the nature of a substitute shall be considered as read. All points of order against that amendment in the nature of a substitute are waived. No amendment to that amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

GENERAL LEAVE

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

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

There was no objection.

Mr. WOODALL. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to my friend from Massachusetts (Mr. MCGOVERN) pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

House Resolution 539 provides a structured rule for the consideration of H.R. 3581, the Budget and Accounting Transparency Act. This is another bill in a series of 10 bills that the Budget Committee is sending forward, Mr. Speaker, to try to align the kind of accounting and budgeting that we do in Washington with the kind of accounting and budgeting that happens in the real world. We know transparency and sound accounting matter. We know that it matters on Wall Street; we know that it matters on Main Street; and it matters right here between Independence and Constitution Avenues, Mr. Speaker.

This bill has three primary provisions:

Number one, it provides transparency by bringing off-budget items on-budget. Now, for folks who don't follow this as closely as you and I do, Mr. Speaker, you know that when things are off-budget, their degree of scrutiny is changed. When things are off-budget, the impact they have on the American taxpayer is not always reflected. When we take those things from off-budget and bring them on-budget, we begin to show the American taxpayer the real cost of their risk and responsibility.

Number two, it reforms the accounting method that we use to calculate how at risk American taxpayers are under Federal credit programs, again, to bring us closer to private sector models. Mr. Speaker, as you well know, when a dollar goes out the door from this United States Capitol, when a dollar goes out the door from the United States Treasury, if it is a loan program, there is no guarantee that dollar comes back. Are most folks faithful payers? Yes, they are. But does every dollar come back? No, it doesn't. Do we need to look further than Fannie and Freddie to see that model? For the first time, we'll begin to account for that risk so that the American taxpayer understands when the their American government guarantees a loan what potential impact that has on their pocketbook at home.

Finally, Mr. Speaker, it requires all Federal agencies to post their budget justifications online in a timely manner. Now, you saw last week, Mr. Speaker, we were able to pass the Baseline Reform Act, which said no longer will we just assume every agency is

going to spend more. For the first time, we say that every agency needs to justify any increases that they receive in their budget. What this provision does is go one step further to say, when you are producing that budget, post your justifications online. Let the American people in. Mr. Speaker, if we have nothing to hide in this institution, then continuing to publish more and more information so that the American people can come into this discussion process is only going to lead us in the right direction.

Taken together, these three reforms bring the kind of attention that we need to a budget process that has been long broken. We cannot make America's future brighter and more secure if we continue to escalate the debt that we pass on to our children and their grandchildren. Clearly, this body has struggled in years past to contain that debt on both sides of the aisle. Clearly, folks occupying 1600 Pennsylvania Avenue have struggled to contain that debt on both sides of the aisle.

Mr. Speaker, the folks who see these issues with clarity live back home in my Seventh District of Georgia. They understand what it means to do budgeting around the family dinner table. I know my colleague from Massachusetts has those same folks living in his district facing those same challenges in his district; and if we can bring those people into the discussion, Mr. Speaker, if we can just be honest with our constituents back home about the magnitude of the problem, we will have their support and their involvement to turn this page for America's financial future.

Mr. Speaker, we can't stick our heads in the sand. Next week, we're expecting the budget from the White House to arrive here on Capitol Hill. We were expecting it this week, and they've delayed it to next week. I'm excited about it. I say to my colleague from Massachusetts, Mr. Speaker, I believe we're going to have a serious budget discussion with the White House for the first time in the 3 years of this administration. We're going to have a serious budget dropped on our doorstep, and then the Budget Committee is going to be involved in a serious discussion about how to bring the White House's priorities and the House's priorities in line with the American people's priorities. That process does not happen in a vacuum. That process happens in the sunshine, the bright daylight that is this U.S. House Chamber, Mr. Speaker. And with this reform combined with the other nine reforms coming out of the Budget Committee, we are taking steps forward to change forever the way this town does its budgeting business.

I'm very proud to sit on both the Rules Committee and the Budget Committee, to have had a hand both in the underlying legislation and this resolution today. I urge all of my colleagues to support this resolution, Mr. Speaker, so that we can bring up the underlying bill.

Yesterday, the Rules Committee filed House Report 112-388, a report to accompany House Resolution 539, a resolution providing for consideration of H.R. 3581, the Budget and Accounting Transparency Act of 2011. The report inadvertently excluded an explanation of the waiver of all points of order contained in the resolution against the amendments printed in the report. The Committee on Rules is not aware of any points of order against any of the amendments printed in the Rules Committee report. The waiver of all points of order against the amendments printed in the report is prophylactic in nature.

With that, I reserve the balance of my time.

Mr. MCGOVERN. Mr. Speaker, I thank the gentleman from Georgia for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

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

Mr. MCGOVERN. Mr. Speaker, let me begin by urging a "no" vote on this rule, which is not open, and a "no" vote on the underlying bill. The bill before us does nothing to improve the quality of life for any American. It doesn't create a single job. Not one job is created by this bill we're talking about today. This bill is going nowhere in the United States Senate. I don't believe this is a serious effort and, in short, we're wasting our time.

Mr. Speaker, I cannot stress this enough. Congress must keep our focus on the most important priority facing the American people, and that is jobs—jobs, jobs, jobs. Democrats may sound like a broken record, but that's because we know that the core issue of our time is the economy and jobs. We need to do more to make sure that America's businesses get back on track and that the American people are in a position to succeed when these businesses start to hire.

Now, we had some good news last week. The unemployment rate decreased for the fifth month in a row, falling to 8.3 percent.

□ 1250

At the same time, we've had 5 straight months of job creation, and we're in the 23rd consecutive month of private sector growth.

The economy looks like it's rebounding; and if this trend holds, that's a good thing. But while private sector employers added 257,000 jobs in January, there was a loss of 14,000 government jobs, including 11,000 local government jobs. Now, the reason for that, Mr. Speaker, quite frankly, is because the Federal Government is cutting away and State governments are cutting away and these so-called "government jobs" are being eliminated—the jobs that my friends on the other side of the aisle like to demonize. But what are these local government jobs? Mr. Speaker, these are cops, firefighters, teachers, librarians, and trash collectors. They're not faceless bureaucrats. They are people who make our lives

safer, better, and cleaner every day. And they're our neighbors and our friends and our family members.

So despite the relatively good news about the improving economy, we are clearly not where we need to be. Payroll employment is still 5.6 million jobs short of where it was at the beginning of the Great Recession of December of 2007. There are four jobless workers for every job opening and long-term unemployment is still at historic high levels.

It is clear that this rebound, as slow and painstaking as it is, is taking place in spite of House Republicans and in spite of their policies, not because of them. In fact, I believe actions taken and policies voted on by this House have slowed down this economic recovery, have slowed down this economy, and have prevented a faster and more robust recovery.

For example, congressional Republicans should be doing all they can to prevent a tax increase on middle class Americans. Congressional Republicans should be doing all they can to extend unemployment insurance for people who are unemployed through no fault of their own. Yet, Mr. Speaker, they have continued to drag their feet on this legislation and, in fact, continue to bicker among themselves about the need to extend these programs. This should be a no-brainer. This should be something that both sides should come together and be able to improve immediately. Yet it has become this theater, this drama that plays out; and nobody quite knows how it's going to end.

Mr. Speaker, we're one week into February, more than 1 month into the new year, more than 13 months into this new Republican-controlled Congress; and we have yet to see one meaningful jobs bill. No wonder Congress' approval rating is at historic lows. And instead of bringing legislation to the floor that would help the economy—like a clean extension of the payroll tax and unemployment insurance—the GOP would rather bring up misguided budget bills that simply attempt to rig the budget rules so they can score cheap political points.

House Republicans are simply trying to change the rules of the game to benefit their own point of view. This bill today, the so-called Budget and Accounting Transparency Act, is another sham bill in the Republican leadership's quest to change the rules of budgeting. This may seem like inside baseball to some, but it really is something quite extraordinary.

Simply, the Republicans, with this bill, are attempting to artificially inflate the cost of Federal credit programs. They do so by changing the way government credit programs are calculated. The Federal budget is supposed to count the amount of money that is spent and the revenue received. If there is more money coming in than going out, it's a surplus. The opposite is a deficit. What the Republican leadership is trying to do with this bill is

to recalculate the way these credit programs are scored, or counted, in the budget process, automatically making them more expensive. They do so by treating government credit programs in a similar way to private credit programs, even though they are treated differently by the markets.

Now, on top of changing the way these credit programs are scored, it's important to point out that this bill doesn't apply to all Federal programs. In other words, we would have one set of scoring rules for one set of Federal programs and another one just for the Federal credit programs. That doesn't make any sense to me.

If some of these recent budget bills are any indication, the House Republican leadership cares more about rigging the budget process just to dismantle the Federal safety net instead of actually working to reduce the deficit and at the same time spur job creation.

Mr. Speaker, we should be talking about jobs. We should be acting on the President's jobs plan. Our committee work should be focused on how do we get this economy running again. What should be on the floor today is not a bill that's going nowhere, but a bill that will help put people back to work. You know, if we put more people back to work and this economy begins to recover more, then we can grow out of this deficit.

I would just, again, urge the Republican leadership to stop bringing stuff to the floor that really, I believe, is a waste of our time. Bring things to the floor that are meaningful, that will make a difference in the lives of the American people, that will improve the quality of lives for people in this country.

I urge my colleagues to vote "no" on this rule and on the underlying bill and to put our focus back where it belongs, creating a stronger economy for the American people.

I reserve the balance of my time.

Mr. WOODALL. Mr. Speaker, I yield myself such time as I may consume to say to my colleague from Massachusetts, I always look for those areas of agreement because I know that we have some. I had a tough time finding those areas of agreement in that particular presentation, but when you got to your discussion about the theater that takes place on this House floor, I began to feel that personal bond, Mr. Speaker, because this feels like theater to me.

This is a rule that my friend is urging a "no" vote on that does one thing and one thing only: it brings to the floor a budget-changing provision that will shine more of a spotlight on what it is this Congress does when it comes to spending the American people's money. It does one thing and one thing only, and that is to give the American taxpayer more insight into what it is that my colleagues and I are doing with the money that we have taken from them.

Now, you might say, Mr. Speaker, well, what if I oppose that sunshine? What if I don't want daylight in the process? What if I have some things up here that I don't want folks to know I'm doing with their money? Fair enough. You can vote "no" on the underlying bill. But this rule, Mr. Speaker, this rule, which governs the debate on the House floor, has made in order every single Democratic amendment that was germane to the underlying legislation. Hear that. Hear that.

For folks who don't like the way the bill was crafted—of course we had a full hearing and markup in the Budget Committee—but for folks who don't like the way that bill came out, sometimes Congresses in the past would just shove a bill to the floor and say take it or leave it. But this bill, Mr. Speaker, is coming to the floor with a rule that said, tell me, colleagues, Republicans and Democrats, tell me how it is that we can make this bill better, and every single idea and suggestion that was germane to the underlying bill this rule makes in order.

So I ask you, Mr. Speaker, why vote "no" on this rule? If you don't like the underlying legislation, vote "no" on the underlying legislation. But this rule is a rule that this entire House can be proud of, and I'm proud to be able to carry it for the Rules Committee today.

I reserve the balance of my time.

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

The reason why people should vote "no" on this rule is because it's not an open rule, number one. The other reason why people should vote "no" on this rule is because it enables bad behavior, and the bad behavior is bringing up bills that are going nowhere that aren't very serious.

What we should be bringing to the floor right now is a clean extension of the payroll tax cut for middle class Americans and the extension of unemployment insurance. That's what we should be talking about. That's what should be on the floor right now. Instead, that measure, which would actually help people, is bogged down in conference because of ideological battles that my right-wing friends choose to wage. What we should be doing on this floor is putting the American people back to work and helping grow this economy through creating more jobs.

The bill before us does nothing to address the critical challenges facing America's families. It doesn't create a single job. It does nothing to address our serious budgetary challenges. This bill does not increase revenues or reduce spending. It does nothing to cut this deficit. We are sitting here talking about something that really, again, is going nowhere and that really doesn't matter in the scheme of things. We should be talking about jobs and how we get this economy moving again.

With that, Mr. Speaker, it is my privilege to yield 4 minutes to the gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. I thank my friend for yielding the time.

The month the President took office, the U.S. economy was in the midst of a horrible collapse into oblivion for a lot of American families. The economy lost 700,000 jobs the month the President took office.

Last Friday, we had the news that the economy gained over a quarter of a million private sector jobs. This is welcome news, but we have a lot of work to do. This is not nearly sufficient to restore the American Dream to America's middle class and really fuel the kind of recovery that we need.

□ 1300

Now, the President came to this floor 152 days ago with specific ideas that both parties had agreed to over the years, to try to fuel the small businesses and entrepreneurs who are the fuel of the American economy. And he came to the floor with four ideas. The first was to cut taxes for small businesses that hire people, something people on both sides say they're for. We've never taken a vote on that idea, never since then.

Second, he came to the floor with an idea that, as teachers are being laid off from the classroom, and firefighters are being laid off from our first responders, and police officers are being taken off the street, why don't we help the cities and towns and States to keep some of those people on the job, not only so they can do their job, but so they can spend money in the stores and the restaurants and help small businesses. We have never taken a vote on that idea in those 152 days.

The third thing the President said is, let's put construction workers back to work building libraries of the future for our schools, repairing the crumbling roads and bridges of the country, making sure rural America's wired for the Internet. And those construction workers would then become the customers of the small stores and the restaurants, the appliance stores that make America go. We have never taken a vote on that idea in the last 152 days.

And finally, the President said, let's avoid a massive tax increase on the middle class people of this country that was scheduled to go into effect on January 1 of this year. Well, we sort of took a vote on that and were able to dredge out of that process a 2-month extension to avoid that massive tax increase. That extension ends 22 days from today. In the 2 months since then, there's not been one proposal on the floor to fix that problem.

What we have on the floor today is a very interesting bill, and I, frankly, commend the seriousness of it. The bill essentially says we should re-examine the method by which we value guarantees issued by the Federal Government when we account for them in our budgets. In other words, if you cosign a note

for someone, how should that show up on your balance sheet? That's essentially what this bill is about.

Now, this is a serious question. But I think the unemployed carpenter and the small business owner about to close her store and the police officer who got his pink slip last week thinks it's a pretty irrelevant question. And what they would rather have us do is vote "yes" or "no" on cutting taxes for small businesses that create jobs. We vote "yes."

"Yes" or "no" on putting police officers, firefighters, teachers back to work. We vote "yes."

"Yes" or "no" on helping the middle class by avoiding a massive tax increase on the American people. "Yes" or "no."

What we ought to be doing is bringing those questions to the floor, those questions to the floor, and having a debate. Instead, we're having a debate that's serious, but it really belongs at the American Society of CPAs, not the House of Representatives.

Let's get to work on the questions we're hearing at home, "yes" or "no." We say "yes" to fueling the middle class job creators, the small businesses of this country. The majority responds with silence.

Mr. WOODALL. Mr. Speaker, I yield myself such time as I may consume to say I agree with the gentleman. I agree with the gentleman that we must move jobs legislation out of this U.S. House of Representatives, on to the United States Senate and on to the White House.

This is a budget reform bill that, as the gentleman accurately stated, is a serious bill to address a serious problem. We didn't do this in January of last year, our very first term in office. Then we were working on repealing the President's health care bill, which remains a national priority.

We didn't do this last April when we were focused on presenting the first serious budget that dealt seriously with the underlying debt drivers, those entitlement programs, for the first time since 1965. We didn't deal with these issues while we were trying to continue to fund this government through a regular appropriations process, a process that hadn't taken place in over three years.

We have brought this bill to the floor today. What were we doing in the intervening time, Mr. Speaker? We were working on jobs. We were working on jobs, because I agree with the gentleman, that is something we must focus on.

Reducing regulatory burdens sits with the Senate. Energy Tax Prevention Act sits with the Senate. Consumer Financial Protection and Soundness Improvement Act sits with the Senate. Small Company Capital Formation Act sits with the Senate. I could go on and on and on consuming all of our, time because the gentleman is right. Jobs are the priority. And this House and this leadership and this Con-

gress has made it a priority. But to what end, Mr. Speaker? To what end?

Will we stop focusing on this national priority? Absolutely not. Will we continue bringing bill after bill after bill to this floor that speaks to the needs of American families? You'd better believe it.

But will we abdicate our responsibility? Mr. Speaker, I've got cards aplenty in my pocket. One of them's the United States Constitution. Do you know where the responsibility to budget comes from, Mr. Speaker?

This wasn't a power grab, like so many things that go on in this House where we're removing power from the American people. This is a constitutionally delineated responsibility of this House. And I will not apologize for being down here focusing on those things that the Constitution requires us to focus on.

Now, that said, it's a fair question to say, but ROB, this is a small bill. This is a small bill. You know what? A lot of folks might take that as an insult, Mr. Speaker. I'm flattered by it because, as I have watched this process, we have seen too many giant resolutions, 1,000-, 2,000-, 3,000-, 4,000-page resolutions come to this floor.

Is that practice gone forever? I suspect we'll see another monstrosity come our way. I hope not, but I suspect we will. But in the interim, we can do better.

On the Budget Committee, Mr. Speaker, we actually had that discussion. This is 10 separate pieces of legislation. My colleague from New Jersey earlier was saying we want up-or-down votes on this floor. We want yes-or-no votes on this floor. I share his passion, and that's what we've done.

Instead of bringing a giant, omnibus budget reform bill that had lots of different things tied into it, Mr. Speaker, we've decided to bring one idea at a time, just one, one idea at a time, and allow this House, the people's House, to have that yes-or-no vote on whether or not this is an idea that has merit.

I appreciate my colleague's statement that this is a serious bill to confront a serious issue. And I will tell you, and it has developed more meaning to me, Mr. Speaker, since I have been a Member in this House for the last 12 months—it was Edmund Burke, he was a colleague of ours on the other side of the pond in the House of Commons, and a huge supporter of the American Revolution. And he said this: No one made a greater mistake than he who did nothing because he could only do a little. No one made a greater mistake than he who did nothing because he could only do a little.

I confess, Mr. Speaker, I was a little naive when I showed up here as a freshman last January. I thought I was going to be able to fix it. I thought my colleagues and I, you and I, my colleagues on the other side of the aisle and I, working together, I thought we were going to be able to fix it. It's taken a little longer than I thought.

Those big bites at the apple have not been as successful as I hoped.

Have we passed them here? Yes. Has the Senate moved on them and sent them to the President? No.

So we changed gears, bringing the little ideas to the floor, those little ideas that, as my colleague from New Jersey mentioned, are serious reform proposals.

I'll say it again, Mr. Speaker. I'm proud of these underlying proposals, and I'm proud of this rule that makes them in order. To be clear, it's a little unheard of in this House, and it's happened on both sides of the aisle. Republicans and Democrats alike have used this floor for their own devices.

This rule makes in order every single idea and suggestion that's germane to the underlying bill that was brought by either Republicans or Democrats. What's better than that? What's fairer than that? What is more American than that?

I understand, I know the Rules Committee has some tough decisions to make up there, and occasionally a closed rule comes to this floor. I'm generally grimacing as much as anybody when that happens. I believe in the openness of this process.

But to say, send me all of your ideas and suggestions, Mr. Speaker, send them all to the Rules Committee, and for the Rules Committee to say, anything that's germane, we've made in order today, Mr. Speaker—this is not a resolution to vote "no" on. This is the rule, not just a rule, this is the rule to come to the House floor and cast a proud "yes" vote for today.

With that, I reserve the balance of my time.

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

Mr. WOODALL. We have no speakers remaining.

Mr. MCGOVERN. Then I will close for our side.

□ 1310

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

I will agree with my colleague on the Rules Committee that what is before us today is a small idea. The fact is that we have some big problems in this country and they require big and bold solutions, like extending the payroll tax cut for middle class Americans.

Mark Zandi, a Republican economist who worked for JOHN MCCAIN, said that if we don't extend the payroll tax cut it might cost as many as 500,000 jobs in this country.

It is a little bit puzzling to me—and I think to the American people who are observing this—that rather than bringing that bill to the floor or rather than bringing bills to the floor that will help enact the President's jobs program or any kind of bill that will help put people back to work, we are dealing with this, which my friend on the other side of the aisle said is a small thing, a small idea.

I think we can do better. I think the American people are expecting us to do much better. We should be having a debate on our manufacturing agenda. We need to get a tax structure in place that encourages manufacturing investment here in this country. We should be eliminating tax incentives and loopholes that encourage financial speculation—rather than investment—and outsourcing and offshoring their production and enact tax incentives for companies that produce domestically. That is the kind of bill we should be having on the floor right now, a recommitment to investing in our infrastructure.

I was hoping that we would have a transportation bill that would be worth supporting; but by all accounts, the transportation bill has become such a monstrosity that people on both sides of the aisle are opposed to it.

The LA Times did an editorial saying that the House Republican leadership unveiled its version of the 5-year transportation bill. It isn't just that this bill is so thoroughly partisan that it has no chance of being approved by the Democrat controlled Senate; it is that it is less a serious policy document than a wish list for oil lobbyists, and its funding proposals are so radical that they have been decried even by such conservative watchdogs as the Reason Foundation, the Competitive Enterprise Institute, and the Taxpayers for Common Sense. I guess next week and the week after we're going to be bringing that bill to the floor.

Again, I don't think anybody here thinks that that is going to see the light of day, which means that it's not going to create jobs; it's not going to put people back to work.

Mr. Speaker, I would like to insert in the RECORD the LA Times editorial and two editorials from The New York Times.

[From the Los Angeles Times, Feb. 3, 2012]
IN THE HOUSE, A TRANSPORTATION TRAIN
WRECK

After Congress pushed the nation to the verge of catastrophe last year by delaying a deal to raise the debt ceiling until the eleventh hour, our capacity to be surprised by that body's irresponsible gamesmanship was somewhat diminished. And yet, we still can't help but be awe-struck by the mess the House of Representatives is preparing to make of the federal transportation bill, a key legislative priority for both parties.

On Tuesday, the House Republican leadership unveiled its version of the five-year bill. It isn't just that this bill is so thoroughly partisan that it has no chance of being approved by the Democratic-controlled Senate; it's that it is less a serious policy document than a wish list for oil lobbyists, and its funding proposals are so radical that they have been decried even by such conservative watchdogs as the Reason Foundation, the Competitive Enterprise Institute and Taxpayers for Common Sense.

What's so bad about it? The bill slashes funding for inexpensive but worthwhile programs to improve biking and walking safety, cuts funding for Amtrak by 25% and runs roughshod over federal regulations aimed at protecting communities and the environment from the negative effects of transpor-

tation projects. But what's far worse is the GOP scheme for helping to fund the bill's \$260 billion worth of infrastructure improvements over the next five years: opening up vast swaths of currently protected land to oil drilling.

Logically and politically, this makes no sense. On the logic front, it can't work. Three bills under consideration in the House that are intended to fund the transportation bill would open the Arctic National Wildlife Refuge to drilling, mandate oil shale leasing on federal lands and expand offshore drilling in sensitive areas. Yet even if drilling were allowed in these places, it would be many years before significant revenues started rolling in to the government, and it's difficult to predict how much money would be generated, making advance construction planning impossible. Moreover, oil shale development is an unproven technology that may never generate a dime. And politically, drilling in such places as the Alaskan refuge is rightly a nonstarter.

If it weren't already abundantly clear that this bill is intended simply to pander to the GOP base during an election year, Speaker John A. Boehner (R-Ohio) seasoned the red meat by promising to attach a rider mandating approval of the controversial Keystone XL pipeline, the biggest political football this side of the Super Bowl and an issue utterly unrelated to the purposes of the transportation bill.

If this is how congressional Republicans think they're going to win the November elections, they might want to check their approval ratings. Americans are thoroughly sick of a Congress that would rather play political games than solve our country's problems.

[From the New York Times, Feb. 6, 2012]
THE PAYROLL TAX FIGHT

Republicans in Congress seem to have forgotten the embarrassment they suffered late last year for trying to block a payroll tax cut for millions of wage-earners. The two-month extension they reluctantly approved will run out in three weeks, yet, again, they are stalling a full-year's tax cut with extraneous issues and political ploys.

The need for the 2-percentage-point payroll tax break is as great now as it was in December. Without it, 160 million people who get paychecks would have to pay the government nearly \$1,000 more. The increase would severely reduce growth and derail the slow-moving economic recovery. Failure to agree on a tax cut would also cut off unemployment benefits for tens of thousands of workers in many of the hardest-hit states.

Politically, however, extending the tax break would represent a victory for President Obama, who has been championing it. That remains intolerable to many Republicans, particularly in the House. So they are insisting on several extraneous provisions that have nothing to do with a tax cut for the middle class, hoping either to achieve a few ideological victories for themselves or force negotiations with Democrats to a standstill.

At the behest of the manufacturing lobby, for example, Republican negotiators still want to delay an environmental regulation that would require industrial boilers and incinerators to release less mercury, lead and soot. What does that have to do with the payroll tax cut? Nothing, of course; Republicans are simply trying to get Democrats to pay a price for something they want.

They also want to require the jobless to be in G.E.D. programs and to undergo drug testing to get benefits, two punitive measures designed to stigmatize the desperate. And they still want a provision reviving the Key-

stone XL oil pipeline, hoping to fool voters into believing that Democrats who oppose it are somehow against jobs—even though the pipeline will create a very small number of long-term jobs. (The two sides have also failed to agree on how to prevent a cut in Medicare payments to doctors, which could drive many of them from the program.)

The biggest outstanding question, as it was last year, is how to pay for the tax cut for the next 10 months, which would cost about \$90 billion. The best idea was still the original Democratic proposal, rejected by Republicans, to impose a surcharge on taxpayers who make more than \$1 million a year. Democrats are now considering cutting corporate loopholes and using some savings from winding down the wars in Iraq and Afghanistan. There is no pressing need to offset the jobless benefits, which Republicans did not do when they held power in previous decades.

Republicans, on the other hand, are only interested in extending the tax benefits for working Americans if they can punish other groups. They want to extend the freeze on wages for federal workers to a third consecutive year, and appeal to their base by barring the use of welfare debit cards at casinos and strip clubs. This is hardly a national problem; a few states have allowed that, but most have cracked down on it.

Republicans seem no more serious about cutting the tax and stimulating the economy than they were in December. They may be furious that President Obama is campaigning against a do-nothing Congress, but they don't seem as if they're planning to actually do something.

[From the New York Times, Feb. 3, 2012]
JOB GAINS REFLECT HOPE A RECOVERY IS
BLOOMING
(By Motoko Rich)

The front wheels have lifted off the runway. Now, Americans are waiting to see if the economy can truly get aloft.

With the government reporting that the unemployment rate and the number of jobless fell in January to the lowest levels since early 2009, the recovery seems finally to be reaching American workers.

The Labor Department's latest snapshot of the job market, released on Friday, makes clear that employers have been hiring more in recent months, with 243,000 net new jobs in January. The unemployment rate now stands at 8.3 percent, down from 8.5 percent a month earlier and from 9.1 percent as recently as last August.

Economists were encouraged, though they expect some fits and starts along the road to recovery.

"I do think we're at the point where we're in a self-sustaining, positive reinforcing picture," said Stuart G. Hoffman, chief economist for the PNC Financial Services Group.

Stocks rallied on the brightening outlook, reaching multiyear highs.

The report revealed job gains not just for the last month but for previous months. December job growth was revised to 203,000, from the original 200,000. The job gains for November, originally 100,000 jobs, were revised upward to 157,000, creating a picture of a job market that has been gathering steam.

The private sector remained the engine of growth. While federal agencies and local governments continued to lay off workers, businesses added 257,000 net new jobs in January. The biggest gains were in manufacturing, professional and business services, and leisure and hospitality.

Despite the promising numbers, various indicators create an ambiguous picture of the overall economic recovery.

Layoffs appear to be slowing as fewer people are filing claims for unemployment benefits, and factory orders have picked up.

Small businesses, though, are still not hiring much. And while sales of existing homes have started to rise, home prices continue to fall. Incomes are not growing and consumer spending is still restrained, and could come under further pressure with gas prices edging higher in recent months and as consumers revert to building up savings.

Seasonal factors may have inflated January hiring numbers in some industries, like restaurants or construction.

Steve Blitz, senior economist for ITG Investment Research, said the report nevertheless revealed strong increases in manufacturing and related job categories, like transportation and warehousing and wholesale trade. "You've got to give credit when things are moving in the right direction," said Mr. Blitz, who has been cautious in heralding a recovery. "This is not a process that is going to be done in a month or two months or a year. It could take five or 10 years to get there."

Others were unconvinced that the recent pace of job growth would be sustained, pointing to moderate consumer spending and mild economic growth, 1.7 percent last year.

"The problem is that there is this bifurcation here in the numbers," said Bernard Baumohl, chief global economist at the Economic Outlook Group. "On the one hand we see rather impressive job growth, but on the other hand we're also seeing other economic indicators that are telling us that the economy is fundamentally weak."

Mr. Baumohl added, "We're going to have to really very carefully dig deep below the surface for these and a lot of other economic statistics to find a consistency of what is happening in the U.S. economy."

The unemployment rate appeared to be falling because people were genuinely securing jobs rather than merely leaving the work force. The Labor Department adjusted its data to account for new population estimates from the 2010 Census.

Accounting for those adjustments, the labor force had a net gain of 250,000 people in January from a month earlier. Although the pool of unemployed people has been shrinking, the number remains high—12.8 million—about equal to the population of Pennsylvania, and long-term unemployment is one of the most crushing legacies of this recent recession. For January, the Labor Department reported that 5.5 million people had been out of work for six months or more, about 43 percent of the jobless.

And according to an analysis of December's job numbers released this week by the Pew Fiscal Analysis Initiative, nearly a third of the jobless have been unemployed for a year or more.

Underemployment is another stubborn problem. The number of people working part time because they cannot find full-time work was 8.2 million in January. Including that group and the 1.1 million who stopped looking for work altogether, and the broader measure of unemployment was 15.1 percent.

"You have an interesting situation where you have some permanent part-time workers," said John Silvia, chief economist at Wells Fargo. "These people are in jobs and the jobs are not likely to become full time."

Sandy Pochapin, a 54-year-old former marketing manager, was laid off for the second time last May from a small business in Newton, Mass. Just before the start of the year she picked up a part-time job as a media consultant at an advertising agency. Her husband, a real estate lawyer, has also experienced severe cutbacks in his income.

The couple, who are now paying three times what they were paying for health care before Ms. Pochapin lost her job, have cut back on dinners out, and she said that replacing her eight-year-old Toyota High-

lander was "not in the cards." More painfully, the couple have dipped into their college-age son's educational fund to keep up with mortgage payments and other expenses.

Ms. Pochapin, a member of several networking groups, compiles job leads and recently sent out a list with more openings than she had ever seen. "I would say things are picking up," she said. "But where they're picking up is not where people who have been unemployed long term have skills." She noted many openings for jobs in mobile marketing and for digital media specialists.

Indeed, one of the perennial complaints of employers is that they cannot find qualified workers. Ancestry.com, a genealogy Web site in Provo, Utah, has openings for 150 engineers, data mining specialists and developers of mobile apps. "While we find a lot of people who are unemployed," said Eric Shoup, a senior vice president, "they are not the people who bring the skill sets we need for our business."

He said the company did virtually all its hiring away from other companies.

Economists are beginning to worry about the self-fulfilling nature of long-term unemployment. "It's almost starting to look like there are two job markets," said Cliff Waldman, the economist at the Manufacturers Alliance, a trade group. "Long-term unemployment is very sticky."

Mr. Speaker, we are beginning to see signs of hope in our economy. What we should be is the wind at the backs of businesses and workers in this country to try to enact policies that will help get this economy stronger, that will help create more jobs, that will help put people back to work. We're not doing that today.

I'm saying vote against the rule because it is not an open rule. I'm also saying vote against the rule to send a signal to the Republican leadership: Enough. Let's start bringing serious things to this floor, for example, the extension of the payroll tax cut for middle class families and the unemployment extension for those who are unemployed through no fault of their own. That's what we should be doing here, and we're not, so it's frustrating.

I guess we will waste the day doing this on a bill that goes nowhere, but I hope sooner rather than later that the Republican leadership will finally understand the American people want us to focus on jobs.

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

Mr. WOODALL. Mr. Speaker, I yield myself such time as I may consume to end where I began, and that is in agreement with my colleague. He says we should be the wind at the back of small business. Nothing could be truer. Nothing could be more true.

I don't believe that presiding over the largest regulatory expansion in the history of America is fulfilling the promise of being the wind at the back. That is wind in the face of American small businesses.

I don't believe that presiding over the largest tax increase in American history counts as being the wind at the back of U.S. small business. I think that's a wind in the face of those small businesses.

I do not believe that a new health care mandate is the wind at the back of

small businesses. I believe that's a wind in the face of small businesses.

But I take great comfort in knowing that while there may be all of those issues that divide us, there are principles that unite us. We should, in fact, be the wind at the back of small businesses.

Mr. Speaker, this rule that makes in order every single idea to improve the underlying legislation, this budget reform rule is honest with the American people for the first time in my lifetime.

You know, we hear so much talk about the payroll tax, Mr. Speaker. I know you're familiar with the way that accounting works. When folks pay—and for those of us in Congress, for everybody back home, it's 15.3 percent of your paycheck. 15.3 percent out of every paycheck-receiving American's pocket goes to the payroll tax, which goes to fund Social Security and Medicare.

Under the clever accounting rules that the Congress and the President have so eloquently crafted, when I pay my 15.3 percent out of my paycheck every month, when every American worker, Mr. Speaker, pays their 15.3 percent, with the expectation that Medicare will be there for them when they retire, with the expectation that Social Security will be there for them when they retire, when we all contribute, the clever accounting rules here on Capitol Hill call that a credit. That's a credit to the United States Government's Treasury. It does not account for it as a debit because now folks have promised to have Social Security and Medicare there for me when I turn 67. It counts as a credit, Mr. Speaker.

When we hire a new Federal employee, every new Federal employee we hire, Mr. Speaker, when they pay out of their monthly check to the Federal Employees Retirement System, that pension that's available to every Federal Government employee, that payment that they make into the pension program is counted as a credit. It's as if the more Federal employees we hire, the more money we'll make for America. No, because with every year of payment into that system, they get something very large out.

This is not news to any business owner in America, Mr. Speaker. This is not news to any business owner in America. They have to do this accounting every day. You want to talk about the crooks on Wall Street; if Wall Street accounted the way the Federal Government does its accounting, they would in fact be crooks and they would in fact all be in jail. It's unconscionable.

The wool that we pull—and we're all complicit in it, have been for years. The wool that we pull over the eyes of the American taxpayer—and kudos to this Budget Committee and, candidly, to this budget chairman. Chairman PAUL RYAN and the chairman of the Rules Committee, Chairman DAVID DREIER, have been working on fundamental budget reform for a decade. And

why it is that neither party has had the courage to bring this forward until now I do not know, but I stand here with pride to be associated with it today.

Mr. Speaker, if you want to create jobs, call your Senator. Call your Senator from your home State, Mr. Speaker, and share with them the importance of moving the pro jobs agenda that is sitting on their doorstep. I understand, Mr. Speaker, and I wouldn't hold it against you if you can't remember all of the jobs bills we've passed, there have been so many, but you can see them. It's on the Web, jobs.gop.gov. You can see it there, every single one, and you can see their status. Now, in fairness to the Senate, of the more than 30 bills we've passed, they've done a handful, and I mean literally a handful, but dozens more sit there waiting.

I want to say to you, Mr. Speaker, if the pitch from my colleague that we are abdicating our responsibility to focus on jobs took any root with you at all, let me say emphatically: Not true, not true. Our focus has always been on jobs. Our focus will continue to be on jobs. Our focus has always been the economy. Our focus will continue to be the economy.

□ 1320

But there is a trust deficit in this town. Everyone hears it when they head home. Everybody hears it from their constituencies: I don't believe you when you say it out of Washington, D.C.

I get it. I come up here. I read these budgets, Mr. Speaker. Some of them are hard to understand. We've got a whole team of staff here to help us sort through those numbers. I rely on that staff. I'll go and talk to them, and we'll go through it all line by line. It's hard to understand, and it doesn't need to be. It doesn't need to be D.C. doublespeak. It can be Georgia common sense that we bring to the budgeting process, and that is what the underlying resolution does today.

In 2001, when President Bush took office, the CBO projected a surplus of \$889 billion by 2011. That turned into a \$1.3 trillion deficit under two Presidents—from \$889 billion in surplus to \$1.3 trillion in deficits. I'll tell you that every single spending bill that left this body over those years—and I was not in this body, serving, but I saw it day in and day out—was done with the very best of intentions. Yet where does that leave our children and our grandchildren? It leaves them \$15 trillion in debt.

You talk about being the wind at the backs of small businesses, Mr. Speaker. I tried to get my mind around what \$15 trillion—on its way to \$16 trillion—in debt means. Do you know, if you're a small business owner in America and if you'd started a business on the day that Jesus Christ was born and if you'd been so bad at it that you'd lost \$1 million a day, every day, 7 days a week, Mr. Speaker, from the day Jesus was

born until today, you would have to continue to lose \$1 million a day every day, 7 days a week, for another 700 years to lose your first \$1 trillion?

As stewards of the American people's money, we've lost \$15 trillion, much of that just in the last 4 years. Anything that we can do—no matter how big or small—that incorporates the American people into this budget discussion, that gives them the best information that they can have, that provides to us the best information that we can have and that does away with the funny math that has almost become a punch line across this country is a step in the right direction. There is a trust deficit in this country, and the underlying legislation today takes a very strong step towards correcting it.

Mr. Speaker, I want to say again how much I appreciate Chairman PAUL RYAN and his work in leading the Budget Committee as well as how much I appreciate Chairman DAVID DREIER and his work in leading the Rules Committee. These two gentlemen have been champions of honesty in the budget process. What we have today, both in the rule and in the underlying bill, is the realization of their tireless efforts.

I encourage my colleagues to vote "yes" on this rule. Vote "yes" on this rule that allows every single idea to improve the underlying legislation, and that's germane, to come to this House floor, and then vote your consciences. Vote your consciences on those amendments, and vote your consciences on the underlying bill. I wager, if this body votes its conscience on this underlying bill, it's going to pass this body and head to the United States Senate.

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

The previous question was ordered.

The SPEAKER pro tempore (Mr. LATHAM). The question is on the resolution.

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

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

The yeas and nays were ordered.

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

CIVILIAN PROPERTY REALIGNMENT ACT

The SPEAKER pro tempore. Pursuant to House Resolution 537 and rule XVIII, the Chair declares the House in the state of the Union for the further consideration of the bill, H.R. 1734.

□ 1325

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the

further consideration of the bill (H.R. 1734) to decrease the deficit by realigning, consolidating, selling, disposing, and improving the efficiency of federal buildings and other civilian real property, and for other purposes, with Mr. WOMACK (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose on Monday, February 6, 2012, amendment No. 6 printed in House Report 112-385 offered by the gentleman from Missouri (Mr. CARNAHAN) had been disposed of.

AMENDMENT NO. 3 OFFERED BY MR. CONNOLLY
OF VIRGINIA

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, the unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. CONNOLLY) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 191, noes 230, not voting 11, as follows:

[Roll No. 36]

AYES—191

Ackerman	Deutch	Langevin
Altmire	Dicks	Larsen (WA)
Andrews	Dingell	Larson (CT)
Baca	Doggett	Lee (CA)
Baldwin	Dold	Levin
Barrow	Doyle	Lewis (GA)
Bass (CA)	Edwards	Loebsack
Bass (NH)	Engel	Lofgren, Zoe
Becerra	Eshoo	Lowey
Berkley	Farr	Luján
Berman	Fattah	Lynch
Bishop (GA)	Filner	Maloney
Bishop (NY)	Fitzpatrick	Marchant
Blumenauer	Frank (MA)	Markey
Boren	Fudge	Matsui
Boswell	Garamendi	McCarthy (NY)
Brady (PA)	Gerlach	McCollum
Braley (IA)	Gonzalez	McDermott
Brown (FL)	Green, Al	McGovern
Butterfield	Green, Gene	McIntyre
Capps	Grijalva	McMorris
Capuano	Gutierrez	Rodgers
Cardoza	Hahn	Meeks
Carney	Hanabusa	Michaud
Carson (IN)	Hastings (FL)	Miller (NC)
Castor (FL)	Heinrich	Miller, George
Chaffetz	Higgins	Moore
Chandler	Himes	Moran
Chu	Hinchee	Murphy (CT)
Cicilline	Hinojosa	Nadler
Clarke (MI)	Hirono	Napolitano
Clarke (NY)	Hochul	Olver
Clay	Holden	Owens
Cleaver	Holt	Pallone
Clyburn	Honda	Pascrell
Cohen	Hoyer	Pastor (AZ)
Connolly (VA)	Inslee	Pelosi
Conyers	Israel	Perlmutter
Cooper	Issa	Peters
Costa	Jackson (IL)	Pingree (ME)
Costello	Jackson Lee	Platts
Courtney	(TX)	Polis
Critz	Johnson (GA)	Price (NC)
Crowley	Johnson, E. B.	Quigley
Cuellar	Jones	Rahall
Cummings	Kaptur	Rangel
Davis (CA)	Keating	Reyes
Davis (IL)	Kildee	Richardson
DeFazio	Kind	Richmond
DeGette	Kissell	Ross (AR)
DeLauro	Kucinich	Rothman (NJ)

Roybal-Allard
Ruppersberger
Rush
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Schwartz
Scott (VA)
Scott, David
Serrano

Sewell
Sherman
Shuler
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Tierney
Tonko
Towns
Tsongas

Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman
Schultz
Waters
Watt
Waxman
Welch
Wilson (FL)
Wolf
Woolsey
Yarmuth

□ 1353

Mr. TIPTON and Mrs. NOEM changed their vote from “aye” to “no.”

Ms. CLARKE of New York, Ms. VELÁZQUEZ, and Mr. NADLER changed their vote from “no” to “aye.” So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. COLE. Mr. Chair, on rollcall number 36, (the Connolly Amendment to H.R. 1734, the Civilian Property Realignment Act which provides for the General Services Administration (GSA) to override the congressionally-approved recommendations of the Commission and allow property to be given at no cost to create open space) had I been present, I would have voted “no.”

The Acting CHAIR. There being no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having assumed the chair, Mr. WOMACK, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 1734) to decrease the deficit by realigning, consolidating, selling, disposing, and improving the efficiency of Federal buildings and other civilian real property, and for other purposes, and, pursuant to House Resolution 537, reported the bill, as amended by that resolution, back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any further amendment reported from the Committee of the Whole? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. 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.

The SPEAKER. Pursuant to clause 1(c) of rule XIX, further consideration of H.R. 1734 is postponed.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 1, 2012.

Hon. JOHN BOEHNER,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a facsimile copy of a letter received from Mr. Steve Trout, Director of Elections, Office of the Secretary of State, State of Oregon, indicating that, according to the unofficial returns of the Special Election held January 31, 2012, the Honorable Suzanne Bonamici was elected Representative to Congress for the First Congressional District, State of Oregon.

With best wishes, I am

Sincerely,

KAREN L. HAAS,
Clerk.

ELECTIONS DIVISION,

Salem, Oregon, February 1, 2012.

Re Representative in Congress, First Congressional District in Oregon.

Hon. KAREN L. HAAS,
Clerk, House of Representatives,
The Capitol, Washington, DC.

DEAR MS. HAAS: This is to advise you the unofficial results of the Special Election held on Tuesday, January 31, 2012, for Representative in Congress from the First Congressional District of Oregon, show that Suzanne Bonamici received 111,570 or 53.82% of the total number of votes cast for that office.

It would appear from these unofficial results that Suzanne Bonamici was elected as Representative in Congress from the First Congressional District in Oregon.

To the best of our knowledge and belief at this time, there is no contest to the election.

As soon as the official results are certified on March 1, 2012, this office will provide you with an official Certificate of Election as required by law.

Sincerely,

STEVE TROUT,
Director of Elections.

SWEARING IN OF THE HONORABLE SUZANNE BONAMICI, OF OREGON, AS A MEMBER OF THE HOUSE

Mr. DEFAZIO. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon, the Honorable SUZANNE BONAMICI, be permitted to take the oath of office today.

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

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

There was no objection.

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

All Members will rise and the Representative-elect will please raise her right hand.

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

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

The SPEAKER. Congratulations, you are now a Member of the 112th Congress.

WELCOMING THE HONORABLE SUZANNE BONAMICI TO THE HOUSE OF REPRESENTATIVES

The SPEAKER. Without objection, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 1 minute.

There was no objection.

Mr. DEFAZIO. Mr. Speaker, on behalf of the entire Oregon congressional delegation, I'm pleased to introduce a fellow Oregon Duck, Italian American,

NOES—230

Adams
Aderholt
Akin
Alexander
Amash
Amodi
Austria
Bachmann
Bachus
Barletta
Bartlett
Barton (TX)
Benishek
Berg
Biggart
Billbray
Billirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Buchon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Canseco
Cantor
Capito
Carter
Cassidy
Chabot
Coble
Coffman (CO)
Conaway
Cravaack
Crawford
Crenshaw
Culberson
Davis (KY)
Denham
Dent
DesJarlais
Diaz-Balart
Donnelly (IN)
Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fincher
Flake
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Fox
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gibbs
Gibson
Gingrey (GA)
Gohmert

Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jordan
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
Marino
Matheson
McCarthy (CA)
McCaul
McClintock
McCotter
McHenry
McKeon
McKinley
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes

Nunnelee
Olson
Palazzo
Paulsen
Pearce
Pence
Peterson
Petri
Pitts
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)
Southernland
Stearns
Stivers
Sullivan
Terry
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner (NY)
Turner (OH)
Upton
Walberg
Walden
Walsh (IL)
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

NOT VOTING—11

Carnahan
Cole
Ellison
Lipinski

McNerney
Neal
Paul
Payne

Ryan (OH)
Sires
Stutzman

and the newest member of our delegation, Congresswoman SUZANNE BONAMICI, from the First Congressional District of Oregon.

SUZANNE is a former Oregon State legislator, an attorney who has worked on consumer and small business issues with a distinguished record of accomplishments and service for the people of Oregon. I know she'll be a strong and effective addition to our delegation in the House of Representatives.

SUZANNE, welcome, and we look forward to working with you.

With that, I would yield to my colleague from Oregon.

Mr. WALDEN. Mr. Speaker, on behalf of the entire Republican delegation from Oregon, I extend a very warm welcome to the newest representative from the Beaver State, SUZANNE BONAMICI. She cuts a similar path to the people's House as the one I traveled, having served in Salem as a State representative and a State senator, and as my colleague from Eugene points out, is a fellow Duck, having also earned a journalism degree, as I did, from the University of Oregon.

She joins a congressional delegation that has a long history of embracing what we call the Oregon way, to set aside our differences and pursue solutions to take care of the State's most pressing priorities.

From Congressmen DEFAZIO, SCHRAEDER, and BLUMENAUER to Senators WYDEN and MERKLEY are on the floor today, we have mounted a number of bipartisan efforts in the Congress. So we are delighted to have you as part of this team. I think I can speak for the entire delegation in saying we look forward to working with you and continuing in the great service to the State of Oregon. Thank you, and welcome to the Congress.

The SPEAKER. The gentlewoman from Oregon is recognized.

□ 1400

Ms. BONAMICI. Thank you, Mr. Speaker.

Speaker BOEHNER, Leader PELOSI, members of the Oregon delegation, new colleagues from across this great country, friends and family. This afternoon I'm honored to accept the responsibility and opportunity to represent the people of northwest Oregon in the United States Congress.

I want to start by thanking my family for your love, encouragement, patience, and sacrifice. My husband Michael Simon, and my children, Andrew and Sara, thank you. Thank you also to my mother, Marie Bonamici Woodcock, who's also here with us today, for giving me my first job in your small business and for instilling in me the values I hold today. And thank you to all the individuals and organizations who stood by me and worked so hard over the past several months to help me reach this day.

Finally, and most importantly, to the people across the First Congressional District of Oregon, thank you for giving me this honor.

It's great to be back in Washington, D.C. I started my legal career here more than 27 years ago as a consumer protection attorney at the Federal Trade Commission. A lot has changed in our world since then, but the importance of the work that happens here in the Capitol and the significance of the decisions that are made in this historic Chamber have not.

Oregon's First Congressional District is full of promise and potential. From the vineyards in Yamhill County to the Port of Astoria in Clatsop County, the family communities in Columbia County, the engines of industry in Washington County, and the arts and culture and business districts in Portland, it's a very diverse and dynamic part of the State. Yet there are too many families still struggling to make ends meet, and they want to know that their voices are heard in our deliberations.

Now, our economy and the Nation's confidence are both in need of rebuilding. As we work together, let us remember that the unparalleled prosperity and creativity of this great Nation over the last century can be traced to this promise—that if you work hard and play by the rules, you can succeed in America. That's the America my grandparents crossed the ocean for. That's the America too many people believe is slipping away. That's the America I want to work to rebuild.

I'm excited to begin. I'm humbled by the tremendous responsibility, and very appreciative of the trust that the people of northwest Oregon have placed in me.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Under clause 5(d) of rule XX, the Chair announces to the House that, in light of the administration of the oath to the gentlewoman from Oregon (Ms. BONAMICI), the whole number of the House is 434.

CIVILIAN PROPERTY REALIGNMENT ACT

The SPEAKER. Pursuant to clause 1(c) of rule XIX, further consideration of the bill, (H.R. 1734) to decrease the deficit by realigning, consolidating, selling, disposing, and improving the efficiency of federal buildings and other civilian real property, and for other purposes, will now resume.

The Clerk read the title of the bill.

MOTION TO RECOMMIT

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

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MICHAUD. I am in its current form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Michaud moves to recommit the bill H.R. 1734 to the Committee on Transpor-

tation and Infrastructure with instructions to report the same back to the House forthwith with the following amendments:

Page 4, after line 21, insert the following:

(x) Properties owned by the Department of Veterans Affairs or other properties used in connection with providing services for veterans, including hospitals, clinics, and facilities that provide job training, post traumatic stress disorder treatment, housing assistance, homeless services, and rehabilitative care.

The SPEAKER. The gentleman from Maine is recognized for 5 minutes.

Mr. MICHAUD. Mr. Speaker, I am hoping today we will see a rare bipartisan moment here in the House when both sides can come together in support of our veterans.

The final amendment I'm offering here today will exempt certain VA facilities from the decommissioning process outlined in the legislation today. It will not kill this bill or even delay its passage. If it's adopted, my amendment will incorporate into the bill and the bill will be immediately voted upon.

I agree with my friends across the aisle that we need to address government waste, especially in this fiscal environment. I can understand why it makes sense to target the poor management and underutilization of government properties to reduce government waste, but I don't think our desire to address these issues should come at the expense of our veterans.

The underlying bill already includes plenty of exemptions to the CPRA process, namely for bases, camps, or stations under jurisdiction of DOD. It seems to me that if the bill already excludes buildings from the consolidation process because our troops rely on them, we should also exclude the buildings for our veterans because they rely on those buildings also.

As ranking member of the VA Health Subcommittee, I've heard testimony after testimony from veterans about the difficulties they face in accessing all the VA health services they need. The VA already provides health care to approximately 7.8 million veterans. As the wars in Iraq and Afghanistan wind down, more and more of the 2.3 million soldiers from those wars will start to seek care from the Veterans Administration.

DOD says that nearly 45,000 veterans from Iraq and Afghanistan have been wounded in action. Even this high number grossly underestimates the number of wounded soldiers who rely on the VA system for health care because of unseen wounds like PTSD, TBI, etc. We can't consider shutting down VA facilities when the need to help our heroes is increasing.

In addition to health care needs, these soldiers will need help finding jobs. The veterans unemployment rate was more than 15 percent in January of 2011. It's great news that it fell 6 percent over the last year, but at 9 percent, it's still above the national average. That is why we have to ensure that the VA's ability to provide career

services to returning soldiers isn't undetermined.

We don't know exactly when, where, or how these veterans will try to access the system, or whether they will be able to access PTSD treatment or to find a job, but we should not jeopardize their ability to do so by subjecting the VA to the same consolidation process as other Federal agencies. If this bill exempts DOD facilities, it should also exempt VA facilities.

Even GAO, whose analysis was used to justify this underlying legislation, cites the unique needs of the VA given the increasing demands that our returning troops will put on the system. As a result of an aging veteran population and a growing number of younger veterans returning from the military operations in Afghanistan and Iraq, GAO found that, "budgeting for the VA's vital health care mission is inherently complex. It is based on current assumptions and imperfect information, not only about program needs, but also on future economic and policy actions that may affect demand and the cost of providing these services." This means that a one-size-fits-all approach for consolidation of government property does not work for the VA.

There are a couple of other reasons why the VA should be exempt from this bill. First, the VA has already recognized that it needs to upgrade, modernize, and realign its property portfolio to provide accessible and cost-effective services. In fact, they've been working on that since 1999. In 2008, GAO said the Department has reduced its underutilized space over 4 years by nearly two-thirds.

□ 1410

Second, GAO has found that 66 percent of VA's underutilized and vacant buildings are historic properties or eligible for historic designation and require more effort for disposal.

I applaud the other side for looking for ways to cut government spending; and there are, clearly, improvements to be made in the area of Federal properties. But we can't pursue the goal of reducing government spending at the expense of our veterans.

In Congress, we frequently mention how grateful we are for our troops, and we often talk about the need to make sure that no veteran is left behind. Well, I'm offering the final amendment on this bill to make sure that we leave no veteran behind.

On behalf of our heroes, they deserve our commitment. I urge my colleagues to support the final amendment.

I yield back the balance of my time.

Mr. DENHAM. Madam Speaker, I rise in opposition to the motion.

The SPEAKER pro tempore (Mrs. MILLER of Michigan). The gentleman from California is recognized for 5 minutes.

Mr. DENHAM. Madam Speaker, first of all, the President's Commission, in his BRAC, includes VA properties. As well, former VA Secretary Anthony

Principi testified in front of our committee that we ought to be looking at all properties, including VA.

If we're going to do the best interest of American taxpayers, we've got to address waste in government overall, across the entire Nation, across every agency. If there's a property not being used today, then we ought to look at either redeveloping it or selling it off. And this gives us an opportunity to have Republicans and Democrats come together on something that the President included in his jobs bill to actually create American jobs.

The Old Post Office right here in Washington, DC is the perfect example of waste in government. We've had a property sitting well over a decade that costs us \$6.5 million in upkeep every single year. Now we've got redevelopment happening, where we've got different hotel companies coming in and not only bidding on it, creating 150 new jobs in construction, but an additional 150 jobs in ongoing jobs once the facility is redone; keeping it in its historic fashion and actually being able to utilize it once again; an opportunity to redevelop things that aren't being used today, but also selling off things that have been sitting for decades.

Our Federal Government has a horrible track record of selling properties that aren't being used. In fact, we've sold 82 properties in the last 25 years. We can do much better, and the American taxpayers demand that we do much better.

Here's a bipartisan opportunity to get both parties to come together and just sell things that we don't need. If you want to bring in revenue to reduce our debt, here's an opportunity to get rid of the things we don't need, redevelop the things that aren't being used, and get rid of the waste in government. Almost \$2 billion we waste every year just in maintaining properties that, again, aren't needed in government.

I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

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

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

RECORDED VOTE

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

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 1734, if ordered, and adoption of House Resolution 539.

The vote was taken by electronic device, and there were—ayes 186, noes 238, not voting 9, as follows:

[Roll No. 37]

AYES—186

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

NOES—238

Adams	Burton (IN)	Farenthold
Aderholt	Calvert	Fincher
Akin	Camp	Pitzpatrick
Alexander	Campbell	Flake
Amash	Canseco	Fleischmann
Amodei	Cantor	Fleming
Austria	Capito	Flores
Bachmann	Carter	Forbes
Bachus	Cassidy	Portenberry
Barletta	Chabot	Foxx
Bartlett	Chaffetz	Franks (AZ)
Barton (TX)	Coble	Frelinghuysen
Bass (NH)	Coffman (CO)	Galleghy
Benishke	Cole	Gardner
Berg	Conaway	Garrett
Biggett	Cravaack	Gerlach
Billbray	Crawford	Gibbs
Bilirakis	Crenshaw	Gibson
Bishop (UT)	Culberson	Gingrey (GA)
Black	Davis (KY)	Gohmert
Blackburn	Denham	Goodlatte
Bonner	Dent	Gosar
Bono Mack	DesJarlais	Gowdy
Boustany	Diaz-Balart	Granger
Brady (TX)	Dold	Graves (GA)
Brooks	Dreier	Graves (MO)
Broun (GA)	Duffy	Griffin (AR)
Buchanan	Duncan (SC)	Griffith (VA)
Bucshon	Duncan (TN)	Grimm
Buerkle	Ellmers	Guinta
Burgess	Emerson	Guthrie

Hall	McCotter	Royce	Barletta	Graves (GA)	Nunnelee	Davis (IL)	Kildee	Rothman (NJ)
Hanna	McHenry	Ryunan	Barrow	Graves (MO)	Olson	DeFazio	Kind	Royal-Ballard
Harper	McKeon	Ryan (WI)	Bartlett	Griffin (AR)	Owens	DeGette	Kucinich	Ruppersberger
Harris	McKinley	Sánchez, Linda	Barton (TX)	Griffith (VA)	Palazzo	DeLauro	Langevin	Rush
Hartzler	McMorris	T.	Bass (NH)	Grimm	Pausen	Deutch	Larson (CT)	Ryan (OH)
Hastings (WA)	Rodgers	Scalise	Benishek	Guinta	Pearce	Dicks	Lee (CA)	Sánchez, Linda
Hayworth	Meehan	Schilling	Berg	Guthrie	Pence	Dingell	Levin	T.
Heck	Mica	Schmidt	Berkley	Hall	Perlmutter	Doggett	Lewis (GA)	Sanchez, Loretta
Hensarling	Miller (FL)	Schock	Biggert	Harper	Petri	Doyle	Lipinski	Sarbanes
Herger	Miller (MI)	Schweikert	Harris	Hartger	Pitts	Edwards	Loeb	Schakowsky
Herrera Beutler	Miller, Gary	Scott (SC)	Bilirakis	Hartzler	Platts	Engel	Lofgren, Zoe	Schiff
Huelskamp	Mulvaney	Scott, Austin	Bishop (NY)	Hastings (WA)	Poe (TX)	Eshoo	Farr	Lowey
Huizenga (MI)	Murphy (PA)	Scott, Austin	Bishop (UT)	Hayworth	Polis	Farr	Lujan	Scott (VA)
Hultgren	Myrick	Sensenbrenner	Black	Heck	Pompeo	Fattah	Lynch	Scott, David
Hunter	Neugebauer	Sessions	Blackburn	Hensarling	Posey	Filner	Markey	Serrano
Issa	Noem	Shimkus	Bonner	Herger	Price (GA)	Frank (MA)	Matsui	Sewell
Jenkins	Nugent	Shuster	Bono Mack	Herrera Beutler	Quayle	Fudge	McCarthy (NY)	Sherman
Johnson (IL)	Nunes	Simpson	Boren	Himes	Reed	Garamendi	McCollum	Shuler
Johnson (OH)	Nunnelee	Smith (NE)	Boustany	Hochul	Rehberg	Gonzalez	McDermott	Slaughter
Johnson, Sam	Olson	Smith (NJ)	Brady (TX)	Huelskamp	Reichert	Green, Al	McGovern	Smith (WA)
Jordan	Palazzo	Smith (TX)	Brooks	Huizenga (MI)	Renacci	Green, Gene	Meeks	Speier
Kelly	Paulsen	Southerland	Ribble	Hultgren	Ribble	Grijalva	Miller (NC)	Stark
King (IA)	Pearce	Stearns	Buchson	Hunter	Rigell	Gutierrez	Miller, George	Sutton
King (NY)	Pence	Stivers	Buerkle	Hurt	Rivera	Hahn	Moore	Thompson (CA)
Kingston	Petri	Stutzman	Burgess	Issa	Roby	Hanabusa	Moran	Thompson (MS)
Kinzinger (IL)	Pitts	Sullivan	Burton (IN)	Jenkins	Roe (TN)	Hastings (FL)	Murphy (CT)	Tierney
Kline	Platts	Terry	Calvert	Johnson (IL)	Rogers (AL)	Heinrich	Nadler	Tonko
Labrador	Poe (TX)	Thompson (PA)	Camp	Johnson (OH)	Rogers (KY)	Higgins	Napolitano	Towns
Lamborn	Pompeo	Thornberry	Campbell	Johnson, Sam	Rogers (MI)	Hinchee	Olver	Tsongas
Lance	Posey	Tiberi	Canseco	Jones	Rohrabacher	Hinojosa	Pallone	Van Hollen
Landry	Price (GA)	Tipton	Cantor	Jordan	Rokita	Holden	Pascrell	Velázquez
Lankford	Quayle	Turner (NY)	Capito	Kelly	Rooney	Holt	Pastor (AZ)	Visclosky
Latham	Reed	Turner (OH)	Cardoza	King (IA)	Ros-Lehtinen	Honda	Pelosi	Walz (MN)
LaTourette	Rehberg	Upton	Carter	King (NY)	Roskam	Hoyer	Peters	Wasserman
Latta	Reichert	Walberg	Cassidy	Kingston	Ross (AR)	Inslee	Peterson	Schultz
Lewis (CA)	Renacci	Walsh (IL)	Chabot	Kinzinger (IL)	Ross (FL)	Israel	Pingree (ME)	Waters
LoBiondo	Ribble	Walsh (IL)	Chaffetz	Kissell	Royce	Jackson (IL)	Price (NC)	Watt
Long	Rigell	Webster	Coble	Kline	Runyan	Jackson Lee	Quigley	Waxman
Lucas	Rivera	West	Coffman (CO)	Labrador	Ryan (WI)	(TX)	Rahall	Welch
Luetkemeyer	Roby	Westmoreland	Cole	Lamborn	Scalise	Johnson (GA)	Rangel	Wilson (FL)
Lummis	Roe (TN)	Whitfield	Conaway	Lance	Schilling	Johnson, E. B.	Reyes	Woolsey
Lungren, Daniel	Rogers (AL)	Wilson (SC)	Cooper	Landry	Schmidt	Kaptur	Richardson	Yarmuth
E.	Rogers (KY)	Wittman	Costa	Lankford	Schock	Keating	Richmond	
Mack	Rogers (MI)	Wolf	Cravaack	Larsen (WA)	Schrader			
Manzullo	Rohrabacher	Womack	Crawford	Latham	Schweikert			
Marchant	Rokita	Yoder	Crenshaw	LaTourette	Scott (SC)			
Marino	Rooney	Young (AK)	Culberson	Latta	Scott, Austin			
McCarthy (CA)	Ros-Lehtinen	Young (FL)	Davis (KY)	Lewis (CA)	Sensenbrenner			
McCaul	Roskam	Young (IN)	Denham	LoBiondo	Sessions			
McClintock	Ross (FL)		Dent	Long	Shimkus			
			DesJarlais	Lucas	Shuster			
			Diaz-Balart	Luetkemeyer	Simpson			
			Dold	Lummis	Smith (NE)			
			Donnelly (IN)	Lungren, Daniel	Smith (NJ)			
			Dreier	E.	Smith (TX)			
			Duffy	Mack	Southerland			
			Duncan (SC)	Maloney	Stearns			
			Duncan (TN)	Manzullo	Stivers			
			Ellmers	Marchant	Stutzman			
			Emerson	Marino	Sullivan			
			Farenthold	Matheson	Terry			
			Fincher	McCarthy (CA)	Thompson (PA)			
			Fitzpatrick	McCaul	Thornberry			
			Flake	McClintock	Tiberi			
			Fleischmann	McCotter	Tipton			
			Fleming	McHenry	Turner (NY)			
			Flores	McIntyre	Turner (OH)			
			Forbes	McKeon	Upton			
			Fortenberry	McKinley	Walberg			
			Fox	McMorris	Walden			
			Franks (AZ)	Rodgers	Walsh (IL)			
			Frelinghuysen	Meehan	Webster			
			Gallegly	Mica	West			
			Gardner	Michaud	Westmoreland			
			Garrett	Miller (FL)	Whitfield			
			Gerlach	Miller (MI)	Wilson (SC)			
			Gibbs	Miller, Gary	Wittman			
			Gibson	Mulvaney	Wolf			
			Gingrey (GA)	Murphy (PA)	Womack			
			Gohmert	Myrick	Woodall			
			Goodlatte	Neugebauer	Yoder			
			Gosar	Noem	Young (AK)			
			Gowdy	Nugent	Young (FL)			
			Granger	Nunes	Young (IN)			

NOT VOTING—9

Carnahan	McNerney	Payne
Ellison	Neal	Sires
Hurt	Paul	Woodall

□ 1433

Messrs. CRAWFORD and SMITH of New Jersey changed their vote from “aye” to “no.”

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. HURT. Madam Speaker, I was not present for rollcall vote No. 37, on the motion to recommit with instructions on H.R. 1734, the Civilian Property Realignment Act. Had I been present, I would have voted “no.”

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. CONNOLLY of Virginia. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

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

The vote was taken by electronic device, and there were—ayes 259, noes 164, not voting 10, as follows:

[Roll No. 38]

AYES—259

Adams	Alexander	Austria
Aderholt	Amash	Bachmann
Akin	Amodei	Bachus

NOES—164

Ackerman	Broun (GA)	Clay
Altmire	Brown (FL)	Cleaver
Andrews	Butterfield	Clyburn
Baca	Capps	Cohen
Baldwin	Capuano	Connolly (VA)
Becerra	Carney	Conyers
Berman	Carson (IN)	Costello
Bishop (GA)	Castor (FL)	Courtney
Blumenauer	Chandler	Critz
Bonamici	Chu	Crowley
Boswell	Cicilline	Cuellar
Brady (PA)	Clarke (MI)	Cummings
Braley (IA)	Clarke (NY)	Davis (CA)

NOT VOTING—10

Bass (CA)	Hirono	Payne
Carnahan	McNerney	Sires
Ellison	Neal	
Hanna	Paul	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1440

Mr. SCOTT of South Carolina changed his vote from “no” to “aye.”

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 3581, BUDGET AND ACCOUNTING TRANSPARENCY ACT OF 2012

The SPEAKER pro tempore. The unfinished business is the vote on adoption of the resolution (H. Res. 539) providing for consideration of the bill (H.R. 3581) to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to increase transparency in Federal budgeting, and for other purposes, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

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

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 239, nays 181, not voting 13, as follows:

[Roll No. 39]

YEAS—239

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

NAYS—181

Ackerman Boren Chandler
 Andrews Boswell Chu
 Baca Brady (PA) Cicilline
 Baldwin Braley (IA) Clarke (MI)
 Barrow Brown (FL) Clarke (NY)
 Bass (CA) Butterfield Clay
 Becerra Capps Cleaver
 Berkley Capuano Clyburn
 Berman Cardoza Cohen
 Bishop (GA) Carnahan Conyers
 Bishop (NY) Carney Cooper
 Blumenauer Carson (IN) Costa
 Bonamici Castor (FL) Costello

Courtney Johnson (GA) Quigley
 Critz Johnson, E. B. Rahall
 Crowley Kaptur Rangel
 Cuellar Keating Reyes
 Cummings Kildee Richardson
 Davis (CA) Kind Richmond
 Davis (IL) Kissell Ross (AR)
 DeFazio Kucinich Rothman (NJ)
 DeGette Langevin Roybal-Allard
 DeLauro Larsen (WA) Ruppertsberger
 Deutch Larson (CT) Rush
 Dicks Lee (CA) Ryan (OH)
 Dingell Levin Sánchez, Linda
 Doggett Lewis (GA) T.
 Donnelly (IN) Lipinski Sanchez, Loretta
 Doyle Loeb sack Sarbanes
 Edwards Lofgren, Zoe Schakowsky
 Engel Lowey Schiff
 Eshoo Luján Schrader
 Farr Lynch Maloney Schwartz
 Fattah Maloney Scott (VA)
 Filner Markey Serrano
 Frank (MA) Matsui Sewell
 Fudge McCarthy (NY) Sherman
 Garamendi McCollum Shuler
 Gonzalez McDermott Slaughter
 Green, Al McGovern Smith (WA)
 Green, Gene McIntyre Stark
 Grijalva Meeks Thompson (CA)
 Gutierrez Michaud Miller (NC) Thompson (MS)
 Hahn Hahn Miller, George Tierney
 Hanabusa Miller, George Moore
 Hastings (FL) Moran
 Heinrich Ros-Lehtinen Nadler
 Higgins Higgins Napolitano
 Himes Himes Napolitano
 Hinchey Neal
 Hinojosa Oliver
 Iiron Owens
 Hochul Pallone
 Holden Pascarell
 Holt Pastor (AZ)
 Honda Pelosi
 Hoyer Perlmutter
 Inslee Peters
 Insee Peterson
 Jackson (IL) Pingree (ME)
 Jackson Lee Polis
 (TX) Price (NC) Yarmuth

NOT VOTING—13

Connolly (VA) Ellison
 Murphy (CT) Smith (NE)
 Paul Sutton
 Payne Young (AK)
 Fortenberry Quayle
 McNeerney Sires

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1449

So the resolution was agreed to.
 The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:
 Mr. QUAYLE. Mr. Speaker on rollcall No. 39, had I been present, I would have voted "yea."

BUDGET AND ACCOUNTING TRANSPARENCY ACT OF 2012

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3581.

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

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 539 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 3581.

□ 1449

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 3581) to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to increase transparency in Federal budgeting, and for other purposes, with Mrs. MILLER of Michigan in the chair.

The Clerk read the title of the bill.
 The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Wisconsin (Mr. RYAN) and the gentleman from Maryland (Mr. VAN HOLLEN) each will control 30 minutes.

The Chair recognizes the gentleman from Wisconsin.

□ 1450

Mr. RYAN of Wisconsin. Madam Chair, I yield myself such time as I may consume.

I want to begin by thanking my colleagues who helped pass the Pro-Growth Budgeting Act and the Baseline Reform Act in the House last week. Today, we are here to continue that work, focused on changing Washington's culture of spending and ensuring policymakers serve as responsible stewards of hardworking American tax dollars.

I stand in strong support of the Budget and Accounting Transparency Act offered by the vice chairman of the Budget Committee, Congressman SCOTT GARRETT of New Jersey.

While it's well known that Washington has a spending problem, it is less well known that Washington isn't being fully honest about how much it is spending. This bill would increase transparency and accuracy in budgeting for Federal credit programs, the housing-related government-sponsored enterprises Fannie Mae and Freddie Mac, and the publication of budget justification materials.

First, it would require fair-value accounting, which recognizes the market risks that the government is incurring by issuing a loan or a loan guarantee for all Federal programs that make loan or loan guarantees. Market risk is already accounted for in several government programs like TARP and GSEs, and it's a very common practice in the private sector.

Second, this bill would bring Fannie Mae and Freddie Mac on budget. These enterprises rack up billions in liabilities hidden from the public income tax payers. Last June, the CBO testified that it puts the total cost of the mortgage commitments made by these two entities at \$291 billion and that that cost would ultimately rise even higher.

Third, this bill increases transparency for information contained in agency budget requests by requiring that they be made public on the Internet at the same time as they are provided to Congress. Government agencies have an obligation to taxpayers to justify every dollar spent in Washington.

Madam Chair, no budget process reform can substitute for political will when it comes to tackling our greatest fiscal and economic challenges. Getting America back on track will require a Senate and a President willing to get serious about the structural drivers of the debt and the continued impediments we have to economic growth. But being honest about the size and scope of our challenges, as this reform calls for, offers us a concrete step in the right direction.

At this time, Madam Chair, I would like to yield the remainder of our time for the purposes of managing the bill to the author of this bill, Mr. GARRETT, the vice chairman of the Budget Committee.

With that, we will reserve the balance of our time.

The CHAIR. The gentleman from New Jersey will be recognized.

Mr. VAN HOLLEN. Madam Chair, I yield myself such time as I may consume.

Here we are on the floor of the House, another day when we haven't taken up the President's jobs bill that he presented right here before a joint session of Congress last September. We have had some good news in the economy, some numbers that show that we have a fragile recovery going on. It would be a huge mistake not to do everything we can to nurture that recovery. So I hope we will finally take up the President's proposal, and I hope that the ongoing conference committee on the payroll tax cut will complete its work in an expeditious manner.

Now, with respect to this particular bill that is before us, it raises some very serious and very complicated issues regarding budget accounting for credit programs, and I want to commend Mr. GARRETT from New Jersey. I want to commend him for raising some legitimate issues as part of this conversation, issues that deserve our attention. But it is totally premature to bring this bill to the floor without having more hearings and more review.

In the Budget Committee, we've not had a single hearing on the comprehensive question of how we deal with all the credit programs and how to account for them. We had one hearing with respect to whether we apply this to the FHA, the Federal Housing Administration; but this bill goes way beyond that and would direct CBO to change its method of accounting for credit programs like student loan programs and for other programs throughout the U.S. Government.

It has very far-reaching consequences. This is a matter on which people who've spent their lives looking at the budget disagree, and so the Budget Committee at the very least could spend a few hours on a hearing to understand fully the consequences of doing this.

I just want to read from a letter that was sent to us from the former head of the nonpartisan, independent Congressional Budget Office, Robert

Reischauer. He says, I strongly oppose this change. He goes on to say: "The accounting convention used since the enactment of the Credit Reform Act of 1990 already reflects the risk that borrowers will default on their loan or loan guarantees." He goes on to say: "H.R. 3581 proposes to place an additional budgetary cost on top of the actual cash flows." And he goes on to explain what is a very complicated issue, a very complicated matter.

I would say to my colleagues, not that this isn't an appropriate question for the Budget Committee to take up, but it's totally inappropriate for the Congress to direct the Congressional Budget Office to take up a different accounting measure which is not ready for prime time and for which we have not had the time to fully review all of its consequences.

With that, I reserve the balance of my time.

ROBERT D. REISCHAUER,
Bethesda, MD, January 23, 2012.

HON. CHRIS VAN HOLLEN,
Longworth H.O.B.,
Washington, DC.

DEAR REPRESENTATIVE VAN HOLLEN, I am writing in response to your request for my views on the desirability of adopting "fair value accounting" of federal direct loan and loan guarantee costs in the budget as proposed in H.R. 3581. I strongly oppose such a change.

The accounting convention used since enactment of the Credit Reform Act of 1990 already reflects the risk that borrowers will default on their loans or loan guarantees. Under Credit Reform, costs already are based on the expected actual cash flows from the direct loans and guarantees (with an adjustment to account for the timing of the cash flows). H.R. 3581 proposes to place an additional budgetary cost on top of the actual cash flows. This additional cost is supposed to reflect a cost to society that stems from the fact that, even if the cash flows turn out to be exactly as estimated, the possibility that the credit programs would cost more (or less) than estimated imposes a cost on a risk-averse public. Under the proposal, this extra cost would be the difference between the currently estimated cost of direct loans and loan guarantees to the federal government and the cost of those loans and loan guarantees if the private market were providing them.

A society's aversion to risk may be an appropriate factor for policymakers to take into account in a cost-benefit assessment of any spending or tax proposal but adding a cost to the budget does not make sense. Nor is clear that the cost of societal risk aversion should be based on individual or institutional risk which is what the private market reflects. Inclusion of a risk aversion cost for credit programs would be inconsistent with the treatment of other programs in the budget (many of which have costs that are at least as uncertain as the costs of credit programs—for instance, many agriculture programs and Medicare—and would add a cost element from a traditional cost-benefit analysis without adding anything based on the corresponding benefit side of such an analysis. It would also make budget accounting less straightforward and transparent.

H.R. 3581 represents a misguided attempt to mold budget accounting to facilitate a cost-benefit analysis, with the result that neither the budget nor the cost-benefit analysis would serve their intended purposes well.

I would be glad to discuss these issues in more detail if you would like.

With best wishes.

ROBERT D. REISCHAUER.

Mr. GARRETT. Madam Chair, I yield myself such time as I may consume.

At the start, I would like to thank Chairman RYAN and the Budget Committee staff for their hard work with regard to H.R. 3581, the Budget and Accounting Transparency Act. Unless you've been living someplace else other than here for the last several years, you will not be surprised to hear that this country is broke. And it should not surprise you that the true extent of our country's debt crisis is a lot worse than anyone in Washington is letting on to. How much worse? Well, that's something that people really don't know, and we'll never know unless we reform the broken budget process here in Washington, D.C. Many have talked before about the fact that our process is broken. Simply put, we need to make the budget process more transparent and accountable.

Fortunately, today we are taking a step in the right direction with this bill. The bill before us today, the Budget and Accounting Transparency Act, is, as I say, a commonsense approach to introduce more sunshine and common sense into the budget-making process.

So what would the bill do? First of all, specifically, the bill recognizes the budgetary impact of the GSEs, Fannie and Freddie, by bringing back onto budget and closes that black hole that's out there and brings them out of the shadow and into the light.

This bill also requires that the Federal Government apply the very same credit accounting standards as the private sector is doing right now when guaranteeing loans.

You know, back in September of 2008 as the country was reeling from the fallout of the financial collapse, the GSEs, Fannie and Freddie, were placed into conservatorship by the FHA. Under this agreement, FHA took control of the two companies and the Treasury Department risked literally hundreds of billions of dollars, taxpayer dollars, to bail them out. Today, the American taxpayer has sunk over \$183 billion and counting into those failed institutions. As if this weren't enough, they've added \$1.2 trillion in debt and \$5.3 trillion in mortgage-backed securities.

Because Fannie and Freddie have become the explicit financial responsibility of all of us via the Federal Government, it only makes sense, don't you think, that we treat them the same way that we'd treat any other obligation of the Federal Government, by formally bringing them onto the budget. The CBO even says this. They took a step several years ago by the Office of Management and Budget, but they resisted the change, preferring to obscure the total Federal exposure of Fannie and Freddie. It's time that the Obama administration does the same thing.

So bringing Fannie and Freddie exposes some of the ugly—and maybe we'll call them inconvenient—truths; but I know that the American people did not send us here to play a shell game, but did send us here to bring out the facts.

The combined debt obligation of Fannie and Freddie isn't the only black cloud hanging over us. There's inaccuracies and lack of transparency in budgeting for Federal credit programs across the field. We can talk about the Solyndra situation that makes the news. That fiasco was an example of a loan guarantee gone sour. Federal loan guarantees are contractual obligations between the taxpayer, the private creditor, and the borrower. In that case, it went south. But, unfortunately, under current law when the government issues a loan guarantee, the inherent risk is not reflected in the loan or loan guarantee cost. In fact, the CBO estimates that our current Federal obligations under these accounting rules today understate the cost of credit programs by some \$55 billion a year.

□ 1500

Because the rules do not account for market risk, that is why we need to change it. And with that, Madam Chair, I reserve the balance of my time only to say that this does three important things: provides the clarity, the transparency, and the accountability that we are looking for in these and other aspects of the Federal Government programs.

Mr. VAN HOLLEN. I yield 3 minutes to the gentleman from New Jersey, a member of the Budget Committee, Mr. PASCRELL.

Mr. PASCRELL. Madam Chair, with regard to the title of this legislation, the Budget and Accounting Transparency Act, maybe they should have stopped there, Madam Chair, because the rest of the bill is not transparency at all. We still want to deal in the mist, we still want to believe that if we don't pay our bills and if we don't pay the bills that we have, the Federal Government, that everything is going to be all right. The bond rating agencies don't think so, nor does anyone else. So when you put the country in jeopardy of not paying its own bills, here is who you hurt: you hurt the middle class, you hurt the working poor, and you hurt the poor.

This bill is nothing more than a backdoor method to politicize and eliminate important Federal investments. They've been trying to do that, Madam Chair, for 4 years. It hurts the middle class, hurts the working folks, and it hurts the economy.

The use of the fair value accounting is the ax that these extreme methods will take to spending on our education, our small businesses, and the next generation of clean technology. This bill that we are discussing right now requires that certain programs that make loans, whether they be student loans, Small Business Administration

loans, or Department of Energy loans for clean energy projects, be scored to cost more than the government actually spends. And you don't even deny it.

In short, fair value accounting doesn't call a nickel a nickel, it calls it 10 cents. Artificially inflating spending levels in loan payments, in loan programs, puts the squeeze on important Federal programs that families rely on, particularly in difficult times.

You can laugh all you want, Madam Chair, but this is the truth. Families are being squeezed out there. And I know that you know—you know—Madam Chair, that this is important to the daily living of folks that you represent and I represent. And I'm not getting personal. I'm saying that we, as representatives, have got to represent the people in our district whether they're hurting or not. And I understand that we've had many bills on the floor of this House in the past 3 years to squeeze the economy. And what has it resulted in? You squeezed the States, you squeezed the municipalities—

The CHAIR. The time of the gentleman has expired.

Mr. VAN HOLLEN. I yield the gentleman 1 additional minute.

Mr. PASCRELL. You squeezed them so they lay off police officers, they lay off teachers, and they lay off firefighters, and you're telling America, Madam Chair, don't worry about it, this will all be over, this is simply that we all have to have shared pain. Yeah, sure, shared.

This bill will jeopardize our economic recovery by putting the brakes on the housing market. It would bring us closer to another debt ceiling debate. Madam Chair, I think that's where we want to head, some of us: let's have another debate over the debt ceiling, let's have another debate as to whether we should pay our bills so we can shut down the place.

For you to preside over and get folks to believe that if you shut the government down, maybe that wouldn't be so bad either, not paying our debts wouldn't be so bad, I don't know what planet we're living on. This country needs pro-growth economic policies. We need to take action, and the action we should take is to vote down this transparency act.

Mr. GARRETT. Madam Chair, just as we recognize that the American taxpayer has already been squeezed by such expenditures as \$527 million for the failed loans to Solyndra, we recognize that they must put these on the record so we understand what they truly cost. And the gentleman who has been a leader in this regard from the very beginning in his time in Congress, a leader in the area of budget transparency and in fixing the American budget and here in Congress, is the gentleman from Texas (Mr. HENSARLING). I yield 2 minutes to the gentleman from Texas.

Mr. HENSARLING. I thank the gentleman for yielding. I appreciate his

leadership, and certainly his leadership as one of the foremost budget hawks in the entire United States Congress.

Madam Chair, we just learned that the President will not be a day late and a dollar short with his budget. Instead, he will be a week late and a trillion dollars short on his budget. We also learned from the Congressional Budget Office this will not be his first year, his second year, his third year, but his fourth year to be a trillion dollars short on his budget.

Now, Madam Chair, we received a little good news last month: 200,000 of our fellow citizens were able to find work. Unfortunately, 13 million—almost 13 million—remain unemployed, more people are on food stamps than ever before, and half of all Americans are either low-income or in poverty under the policies of this President. It is clear that this President's policies have failed. They have made our economy worse. And because he cannot run on his record, he has regrettably turned to the politics of division and envy.

To help the economy, to help create more jobs, Madam Chair, number one, we've got to quit spending money we don't have. And second of all, the American people and job creators have to be able to know that they have a fact-based budget, one that is as honest as the American people themselves.

We need fair value accounting. If you're a small business in the Fifth District of Texas and you don't have fair value accounting, you'll probably go broke. Well, the Federal Government doesn't use fair value accounting, and guess what? The Federal Government is broke. That's why we must pass the gentleman from New Jersey's bill, the Budget and Accounting Transparency Act. No more Fannie and Freddie's, no more Solyndras. Let's ensure that we account for these costs as part of the Republican plan for America's job creators to give our job creators the confidence they need to hire and grow this economy.

Mr. VAN HOLLEN. Madam Chair, it's unfortunate that some of our Republican colleagues can't take just a moment away from politics to celebrate the fact that we did have some good economic news over the last month. Over 250,000 private sector jobs were created. That's good news. Is it enough? Of course not. Of course, we need to do more, which is why we'd like to see our Republican colleagues bring the President's jobs bill to the floor of the House. It's still sitting somewhere around here.

It includes a proposal to invest in our infrastructure, in our roads, in our bridges and broadband so that we can make sure that we have an economy that can compete and win with respect to our global competitors. So it would be great if we could take up that bill. In the past, investment in infrastructure has always been a bipartisan initiative, but the President's proposal is still languishing.

With that, I yield 2 minutes to the gentlelady from Wisconsin, a member of the Budget Committee, Ms. MOORE.

Ms. MOORE. I thank the gentleman for yielding.

Madam Chair, I rise today to join my fellow Democratic members of the House Budget Committee to express my confusion and disbelief over our colleagues' decision to make a spectacle out of the so-called budget process reform bills rather than using our time to wisely address serious economic policy and make long-term, overdue process improvements.

I admire my Republican colleagues for raising the issue of the need to have a better budgeting process. But these are just spectacles. This so-called Budget and Accounting Transparency Act is an example of that.

H.R. 3581 would change the way we budget for government loans by requiring that estimates for these loans—examples are student loans, energy loans, housing, small business loans—be done on the so-called fair value basis.

□ 1510

These estimates account for so-called "market-based" risk.

Now, experts argue that so-called fair-value estimates overstate the true cost of government credit programs because the estimates include a risk premium that never materializes in the government's cash flow.

It's also critical to note that in every single discussion of H.R. 3581 and fair-value estimates, that if we applied this policy not just to credit products, but government-wide—like to Medicare or to ag programs, or some of the other favored programs of the majority—it would increase estimated subsidy costs to the government for all loan programs by more than \$50 billion. But you know what, that may in fact be consistent with what the authors and proponents of this bill want to see.

We heard, Madam Chair, our good friend, Mr. GARRETT, start his opening speech with how the country is broke. We heard Mr. HENSARLING talk about the food stamp President.

The CHAIR. The time of the gentlewoman has expired.

Mr. VAN HOLLEN. I yield the gentlelady an additional minute.

Ms. MOORE. I've got to talk about the food stamp President a little bit—and talking about how we ought to stop spending. Well, this in fact accomplishes that purpose. By overstating the budget risk, the accounting risk that's already accounted for in the Credit Reform Act of 1990, by overstating the cost of these programs, it in effect reduces the base for our budgets. And if that is their mission, it will be accomplished with passage of these bills.

It doesn't make any sense, Madam Chair, to try to put Freddie and Fannie on budget when right now in the Financial Services Committee, on which some of these Members sit, we are trying to make a major overhaul of

Freddie and Fannie, and their fate has not been determined yet.

The OMB, the CBO, both of the institutions that we rely upon for budgeting, are not prepared to bring this online. This is not ready for prime time, and I would urge the body to reject these proposals that have not been vetted.

Mr. GARRETT. Madam Chair, I yield myself such time as I may consume.

I thank the lady for commending us for raising these issues. But actually, we're doing something more than just simply raising the issue. We're addressing it and solving this problem as well.

I appreciate the fact that the gentlelady raises the fact about a list of experts who have questions about this. Well, I have experts too, but I actually have the name. A former CBO Director, Doug Holtz-Eakin, now with American Action Forum, writes us here to express support of H.R. 3581.

The gentlelady may also know, since she serves on the committee, when it comes to this issue that we had this issue up in committee recently, and we asked the current CBO Director does he support with regard to moving towards fair value. And he said that is the more appropriate basis of evaluating the obligations of the Federal Government. So we have the experts.

AMERICAN ACTION FORUM,
January 30, 2012.

Hon. PAUL RYAN,
Longworth House Office Building,
Washington, DC.

DEAR CHAIRMAN RYAN: I am writing to express my support for H.R. 3581, "The Budget and Accounting Transparency Act of 2011," in particular those provisions that would incorporate fair value accounting (FVA) into the federal budget process. As you are well aware, a core objective in federal budgeting is to accurately display the scale and timing of the expenditure of taxpayer resources. Since sovereign tax and borrowing powers should always be used judiciously, there is a premium on doing so as accurately as possible.

In some cases this is straightforward. Consider, for example, a discretionary appropriation. The scale of the overall commitment is clear and in some cases it is straightforward to budget the timing of the ultimate outlays as well. Federal credit programs, however, present particular difficulties. The timing of budgetary cash flows differs dramatically between direct loans and federal loan guarantees—even in cases when the ultimate economic impact is identical. The Federal Credit Reform Act of 1990 (FCRA) took an important step forward by equalizing the timing of their budgetary treatment. Direct loans and loan guarantees are both recorded in the budget during the year in which the commitment is incurred, regardless of the duration and timing of the federal assistance.

This was an important step in the right direction. However, estimating the scale of required taxpayer resources remains problematic. In particular, the ability of loan recipients to make timely and complete repayments will be influenced by future individual, household, and economy-wide economic conditions. In the same way, the obligation of the federal government to undertake guarantee payments will be driven by similar forces.

While such future individual and economic conditions are uncertain, reliable techniques

exist to estimate the likely size of the taxpayer obligation. Unfortunately, FCRA needlessly restricts the analyses to credit risk—the probability of failure to fully repay—while ignoring the fact that the timing of those failures matters enormously. As the past few years have starkly reminded every American, the need to tax, borrow and otherwise deprive the private sector of another dollar has far greater implications during the depths of economic distress than during periods of robust economic growth. Adoption of FVA would rectify this oversight.

I recognize that significant reform to budget procedures should not be undertaken lightly. However, my views are informed by the fact that during my tenure as director, the Congressional Budget Office undertook a number of studies of the implications of accounting fully for economic risks in the budgetary treatment of financial commitments like credit programs. In example after example (pension guarantees; deposit insurance; flood insurance; student loans; and assistance for Chrysler and America West Airlines), it becomes clear that an incomplete assessment of risks leads to misleading budget presentations and may engender poor policy decisions. FVA would be a significant step toward improving this informational deficit.

My views are echoed by a wide array of budget experts. In March 2010, CBO issued a new report recommending the use of FVA for federal student loan programs on the grounds that budget rules do "not include the costs to taxpayers that stem from certain risks involved in lending." In addition, the Pew-Peterson Commission on Budget Reform proposed "fair-value accounting" for credit programs and the President's National Commission on Fiscal Responsibility and Reform advocated for reform of budget concepts that would more accurately reflect costs.

In addition to these research views, there is a track record of success. FVA has already been used successfully for the budgetary treatment of the Temporary Asset Relief Program of 2008 (TARP) and the federal assistance to Fannie Mae and Freddie Mac.

Last but not least H.R. 3581 would also fix another shortcoming of FCRA; namely that the administrative costs associated with federal operations are not included in the budget cost and must be provided for elsewhere. H.R. 3581 would require that administrative costs (called "essential preservation services") to be accounted for up-front, thereby balancing the playing field.

In sum, I believe that the Congress should adopt fair value accounting and, in particular, pass H.R. 3581 in a timely fashion. I would be happy to discuss any aspect of this issue in greater detail.

Sincerely,

DOUGLAS HOLTZ-EAKIN.

With that, I yield 1 minute to the gentleman from California (Mr. MCCLINTOCK).

Mr. MCCLINTOCK. I thank the gentleman for yielding.

Madam Chair, a family that excludes from its family budget the mortgage payments it knows it must make is deluding itself and it's sabotaging its finances. That's precisely what the Federal Government is doing right now with respect to billions of dollars of liabilities that arise from its ill-fated sponsorship of Fannie Mae and Freddie Mac.

This bill takes a small step toward restoring honest and accurate accounting to our government's finances by requiring that the enormous liabilities

incurred by Fannie and Freddie be accounted for in the Federal budget process, using exactly the same accounting standards for loans that we already insist upon with mortgage lenders.

I wish this bill abolished Fannie and Freddie outright. I wish it restored the days when banks and borrowers who made bad decisions took responsibility for them and didn't demand that their neighbors pay for their mistakes. But can't we at least agree that the public has a right to expect that the cost of this folly is honestly accounted for in our Nation's budget?

Mr. VAN HOLLEN. Madam Chair, I reserve the balance of my time.

Mr. GARRETT. I yield 2 minutes to the gentleman from Oklahoma (Mr. LANKFORD).

Mr. LANKFORD. Madam Chair, I'm grateful that we're getting a chance to shine some light into the area of the credit costs and the credit issues. If you went to any bank in America, any community bank, any other bank you wanted to go to and talked to them about fair value, they would know exactly what we're talking about because we as the Federal Government require that of them. Now, this is another one of those instances that the Federal Government has exempted themselves from the rules that everyone else has to live under.

Fair value is not some radical, different proposal. It takes into effect the real risks that are sitting out there on the horizon and says those need to be taken into account. It's what we evaluate every single bank on dealing with their safety and soundness.

This bill addresses three real issues. Let me try to address those three. The real cost, that's number one. The real cost in Washington is incredibly difficult to find nowadays. You have all these different estimates, all these things that move around. If we want to know what is the real cost with the risk involved, this is the only way to be able to get it is in this fair-value estimate.

The second real—the real issue in the past couple of years is Fannie and Freddie. We all know it, we're all aware of it, and for the first time we're getting to the real issue and starting to deal with how do we handle Fannie and Freddie, where do we go from here.

So we're getting the real costs. We're beginning to deal with the real issue, which is Fannie and Freddie.

And, finally, we're finally getting real transparency. We should let every American see what's in our budget and how we're handling it and the costs that are out there. This puts it online and gets out there for every single American to be able to take a look at it and say, okay, what are the proposals? What is out there? What's the real cost? How are we going to handle this in real ways? And how do we get real transparencies?

Mr. VAN HOLLEN. Madam Chair, I yield myself such time as I may consume.

Look, if this legislation only dealt with Fannie and Freddie, that's something that I certainly would support. In fact, the Congressional Budget Office already puts Fannie and Freddie online. I know it's an easy catch phrase, but the reality is, behind the discussion of Fannie and Freddie is a whole other discussion about whether we want to apply these rules to things like student loans. And the reality is that if you apply this methodology to student loans, you will systematically overestimate the cost in the budget in terms of outlays.

I would just like, Madam Chair, to refer the body to a report that was written by two of the prime advocates for this. It's called "Reforming Credit Reform." Deborah Lucas was one of the coauthors. This was in "Public Budgeting & Finance," winter of 2008. Just let me read a portion because it says: Including a risk premium in subsidy cost produces a cost estimate that on average exceeds outlays for realized losses. That discrepancy between cash flows and subsidy costs must be reconciled in the budget so that over the life of a credit cohort, actual cash flows match budget costs in expectation.

Now, as I said, this is a complicated issue, and that sounds like a lot of complicated budgetary gobbledygook. Bottom line is, what this bill does is systematically overestimate the costs in the budget on a cash-flow basis. And it's important that everybody understand this.

Right now, when the Federal Government budgets for credit risk, we take into account the default rate. In other words, whether it's student loans, whether it's clean energy loans, whether it's Fannie and Freddie, people make an assessment about what the likely default rate is. That is taken into account and then discounted for present value when you put together your budget.

Now, even the advocates of this legislation concede that. That's not a question; we already do that. And even the advocates of this legislation concede that it will, again, systematically, in the budget, have a higher cost number associated with outlays than reality will dictate.

What do I mean by that? It will say that student loans are actually more expensive on a cash basis than they really are. Let me repeat that. If you direct that the Congressional Budget Office move to this kind of accounting, the numbers that will appear in the budget on a cash basis will systematically exaggerate, inflate the costs of the credit program. What that means is if you're a Member of Congress and you're looking at a proposed student loan program and you're looking at the numbers that are forecast, you're going to think that it's more expensive in cash terms to the taxpayer than it really is, on average, over time. Therefore, you're going to be less likely to make that investment, potentially.

□ 1520

So I think it's important as we look at this that we recognize that in place of something that, as I said, the former head of CBO, Bob Reischauer, has said provides an accurate picture of the costs on a cash basis to replace that with something that systematically gives us a different picture, and one that systematically exaggerates the costs would be a mistake.

And again, I just end this portion here by saying we just don't think this is ready for prime time. We don't think that we've fully understood all the impacts. There are experts on both sides of this issue, but it seems to me the Budget Committee could at least devote one hearing to this general topic. Again, we had one hearing on applying this to FHA. If you want to apply it to Fannie Mae and Freddie Mac, CBO already does that, no problem. But this leaps from that to applying it throughout the budget, including student loan programs, and I don't think we've begun to understand what impact that would have on the affordability of going to college and the other impacts throughout the budget.

I reserve the balance of my time.

Mr. GARRETT. Madam Chairman, I yield myself such time as I may consume.

The gentleman from Maryland speaks of the report of Marvin Phaup from 2008, I guess that was, and also speaks in reference to the Center on Budget and Policy Priorities. In front of me, and I'll ask, under general leave to enter this into the RECORD as well. Just recently, just this week, I guess, he has now issued the final report, and this report says as follows:

"This comment responds to a recent release from the"—as the gentleman's referring to—"from the Center on Budget and Policy Priorities (CBPP)."

And what does he say?

"My view is that the CBPP misrepresents our work"—that you were referring to. They misrepresent his work—"and more fundamentally incorrectly characterizes the purposes and consequences of moving to a fair value approach to credit valuation in the budget."

One of his main points is the legislation before us would do what? It "would remove 'phantom' gains to the government from the budgetary treatment of direct lending and loan guarantee programs. These illusory gains mislead public policymakers about the costs of their policy decisions."

What does that mean? What that means is, in the numbers that the gentleman from Maryland was talking about that are actually making more and, over time, exceeds outlay, Marvin Phaup is here saying, no, just the opposite, that this bill would address that. It would remove those gains and show it for the reality of what it is.

FAIR MARKET VALUES AND THE BUDGETARY TREATMENT OF FEDERAL CREDIT: COMMENT ON CBPP'S RELEASE ON H.R. 3581

(By Marvin Phaup)

This Comment responds to a recent release from the Center on Budget and Policy Priorities (CBPP). The release asserts that the federal budget currently measures the cost of direct loans and loan guarantees comprehensively and that as a result the costs of cash and credit programs are directly comparable. CBPP asserts further that enacting H.R. 3581, which would require the use of fair market values in calculating the budget cost of federal loans and guarantees, would add a cost of risk that the government does not incur. Consequently, it claims, this would overstate federal costs and the budget deficit and create a bias against the use of credit programs. CBPP also refers critically to my earlier work with Deborah Lucas, showing that government credit activities are subject to the same market risk as private credit and exploring the implications of this finding for budgeting. My view is that CBPP misrepresents our work and more fundamentally incorrectly characterizes the purposes and consequences of moving to a fair value approach to credit valuation in the budget.

In this note, I make the following points:

H.R. 3581 would remove "phantom" gains to the government from the budgetary treatment of direct lending and loan guarantee programs. Those illusory gains mislead policy makers about the costs of their policy decisions.

Illusory gains on federal credit also encourage budget gimmickry. For example, FCRA would permit the government to balance its budget immediately on paper by issuing large amounts of Treasury debt and using the proceeds to invest in an equally large portfolio of risky loans. This result would be absurd because in issuing a dollar of debt and buying a dollar of risky loans at market prices, the government's net financial position is unchanged.

If the current practice of using the prices of Treasury securities to value risky loans rather than the market value of the risky securities themselves were extended to other assets, then the government could—with the same logic—direct the Treasury to buy a ton of lead, value it at the price of gold, and record the gain as deficit reduction.

The cost of market risk should be a budget cost because it is a cost to government stakeholders and its absorption by some yields an unrecognized subsidy to others. CBPP would include this cost in cost-benefit analyses where the purpose is to decide if a federal activity produces a net gain but not in the budget. Budgeting without an evaluation function, however, is little more than a redundant projection of Treasury's borrowing requirements.

The cost of market risk should not be excluded from the budget on grounds that the money isn't paid out by the government. Both the Universal Service Fund and the United Mine Workers of America Benefit Funds are included in the budget, even though the money is untouched by federal hands.

PURPOSES OF BUDGETING, FAIR VALUE, AND COST COMPARISONS

Budgetary costs serve several purposes, but arguably the primary one is to measure the value of public resources devoted to an activity by the government. For many activities, such as the purchase of goods and services, this purpose is well-served by a cash measurement focus and basis of accounting. The cash costs that appear in the budget for these activities are fair value costs because they are based on the market prices of the goods and services purchased

(directly, or indirectly through the use of grants and transfers) by the government. When the government buys a fleet of trucks, the budgetary cost is based on the market price of the trucks.

Accounting for the cost of credit on a fair value basis would similarly identify the budgetary cost of credit with its market price, thereby putting credit and non-credit activities on a conceptually level playing field.

Under the Federal Credit Reform Act of 1990 (FCRA), the budget records the cost of direct loans and loan guarantees on an accrual basis. FCRA mandates that the budget record the estimated lifetime cost of a direct loan or loan guarantee when the loan is disbursed as the government's loss on the transaction. FCRA requires that for a direct loan, the government's loss is the difference between the value of the cash disbursed and the loan asset acquired, where the latter is valued as the present value of expected repayments of principal, interest and fees discounted at low-risk (Treasury) rates rather than rates applied in the market to risky cash flows. The loss on loan guarantees is calculated similarly in that the government's expected net payments to honor its commitment are also discounted as though they were Treasury bonds.

The use of Treasury interest rates to value risky future cash flows means that a risky loan is assigned an FCRA budget value greater than its market value. Thus the FCRA budget cost of a federal loan or guarantee is less than the cost incurred by private lenders or guarantors. This is because people are risk-averse and require compensation—in the form of higher expected investment returns—on investments that expose them to risks that cannot be avoided by holding a diversified portfolio or buying insurance. In particular, they are averse to "market risk," which is the risk that low investment returns will coincide with periods during which the overall economy is weak, and resources are the most valuable. The government effectively transfers to the public the market risk associated with its activities through the tax and transfer system. The CBPP example involving a coin toss does not illustrate this line of reasoning because it involves a risk that is easily diversifiable by both individuals and the government.

Market risk also affects the price of non-financial assets purchased by the government, and those costs are reflected in the budget. For example, the cash price of a navy ship includes a return to the capital used in its production. The expected return built into the ship's price depends on the risk premium associated with ship-building. From that perspective, the CBPP characterization that the proposal will "add a further amount to reflect private-sector risk aversion" is misleading. It is more accurate to say that incorporating a market risk premium into FCRA estimates would make them more comparable to cash estimates, which already reflect the full market price of the associated risk.

Fair value estimates of the value of federal direct loans and guarantees include the cost of market risk. Effectively, they use the same estimates of uncertain future cash flows as FCRA estimates (assuming those projections are as accurate as possible), but they use market discount rates (or "risk-adjusted" discount rates) in place of Treasury rates for discounting. Risk-adjusted discount rates can be represented as the sum of a Treasury rate and a risk premium.

One implication of the meaning of fair value is that, contrary to CBPP's view, discounting expected cash flows (net of expected default losses) does not double count those losses. If the expected net losses are

certain, then the expected cash flows are certain and the fair market value is obtained by discounting at risk-free rates. This is rare. Otherwise, net expected cash flows must be discounted at rates appropriate to the market risk of the cash flows to obtain fair market values.

"FLAWS" OF THE FAIR VALUE APPROACH

CBPP gives a list of reasons why the fair value proposal is thought to be flawed. The first is that government may be less risk averse than individuals. The authors offer several reasons why that might be the case, and point to the government's ability to borrow at low Treasury rates. Those arguments have several shortcomings:

The idea that low Treasury borrowing rates are a reason for the government to be less concerned about risk neglects that Treasury rates are only low because bondholders are protected from risk by taxpayers, who must absorb the market risk associated with the government's activities. For example, when a risky loan has insufficient returns to repay the Treasury debt that notionally is used to fund it, taxes must be raised or other spending cut. Under FCRA accounting, that risk to taxpayers is treated as being free to the government.

In fact, the government could be more risk averse than individuals rather than less risk averse. For example, the government may be more concerned about the risks of global warming than is reflected in market prices because it puts more weight on the welfare of future generations.

In practice, adjusting budgetary costs based on conjectures about the government's preferences would undermine the discipline and transparency of the budget process.

The second alleged flaw is that risk aversion is not a budgetary cost. As discussed already, a consistent basis for measuring budgetary cost is to use market prices, which are affected by risk aversion and by the preferences of people generally. Further, as noted, that government does not write checks for the market risk of direct loans and guarantees is not dispositive of the appropriate treatment of an activity.

A further criticism is that the proposal does not treat all programs the same. Specifically, it raises the concern that the change would make credit programs appear more expensive to Treasury than other programs. The opposite is generally true: cash basis estimates incorporate the price of the associated market risk because they are accounted for at market prices, whereas FCRA estimates are relatively downward biased. In any case, the examples given suggest a misunderstanding of the type of risks that would be incorporated into fair value estimates. For instance, the paper notes the uncertainty associated with the future costs of many programs, including Medicare, and points out that no adjustment is made for the cost of that uncertainty. However, the same type of uncertainty exists for credit programs, and the risk adjustment associated with a fair value approach does not address those sources of uncertainty:

First, future Medicare costs do not affect the current year budget deficit because those programs are budgeted for on a cash basis, not on an accrual basis. The budget enables policymakers to compare the cost of current-year spending on Medicare with the estimated lifetime cost of new current-year credit assistance. Measuring the cost of new current-year credit assistance on a fair value basis makes it more comparable to current-year Medicare expenditures, which reflect the market prices of doctor salaries, hospital, and medical equipment.

Just as with future Medicare expenditures, the volume and cost of new future-year credit assistance from ongoing programs is uncertain. However, that dimension of uncertainty does not figure into fair value calculations (or into FCRA estimates).

To the contrary, a problem with FCRA accounting is that it treats different credit programs as too much the same. That is, some credit programs expose taxpayers to much more market risk than others, but FCRA accounting does not recognize those differential costs between credit programs.

CBPP both endorses FCRA accrual accounting and criticizes an accounting practice necessitated by the uses of accruals in a mostly cash-basis budget, described in the release as “phantom offsets.” Under FCRA, direct loans cause the government’s cash shortfall (and hence its need to issue additional debt) to be higher initially than the reported deficit in the year the loan is made. That is because the loan principal paid out (not included in the deficit) is generally much larger than the recorded subsidy cost (included in the deficit). Similarly recognizing the time value of money in federal credit transactions requires adjustments to the cash deficit. Loan guarantees also necessitate “phantom offsets” to reconcile the cash deficit with the expected cost of loan defaults which are included in the deficit when guaranteed loans are disbursed. Furthermore, accruals involve uncertain future cash flows, and subsequent adjustments (FCRA refers to them as “re-estimates”) are always needed to reconcile accrual projections with cash realizations. However, there are multiple account structures that would achieve the comprehensive up front recognition of the lifetime cost of new credit assistance and reconcile those costs with Treasury’s cash borrowing requirements.

In conclusion, there appears to be general agreement that the primary purposes of budgeting are better served if the budget is supported by an accounting process that measures the public resources devoted to an activity comprehensively, comparably across programs, and up-front at the time of decision. By that standard, the use of fair values for direct loans and loan guarantees in the budget would unambiguously improve federal budgetary accounting.

With that, I yield 2 minutes to the gentleman from Kansas (Mr. HUELSKAMP).

Mr. HUELSKAMP. Madam Chairman, today I rise in support of H.R. 3581, the Budget and Accounting Transparency Act.

The first step in treating an addiction is admitting you have a problem. An addict has to be honest with himself before he can overcome his dependence. In that same vein, Washington needs to be honest about its addiction to overspending, and this bill will force Washington to do just that. It will force Washington to be honest, not only with itself but, more importantly, with the American people.

By bringing Fannie and Freddie on budget, Washington will be honest that these expensive programs have become the financial responsibility of the Federal Government. By requiring risk to be assessed and accounted for in loans or loan guarantees, Washington will be honest about the gains or losses taxpayers can anticipate. And by requiring every agency to post their budget requests online, Washington will have to be honest with the American taxpayers about where their money goes.

A lot of honesty is needed now, Madam Chairman, but a little bit will go a long way in restoring the trust of the American people and the fiscal discipline of Washington.

Can we restore the trust of the American people? Yes, we can. Can we restore fiscal discipline in Washington? Yes, we can. Yes, we will, with passage of this bill.

Mr. VAN HOLLEN. Madam Chair, I yield myself such time as I may consume.

I was actually reading from the original document, “Reforming Credit Reform,” by Marvin Phaup and Deborah Lucas, where they say straight-out here that including a risk premium in subsidy costs produces a cost estimate that, on average, exceeds outlays for realized losses.

Now, we can argue whether that’s an appropriate methodology or not. But the reality is it will, as a budgetary matter, systematically inflate the cash outlays for different credit programs going forward.

I reserve the balance of my time.

Mr. GARRETT. I would advise my colleague from Maryland that we have no further speakers.

Mr. VAN HOLLEN. Madam Chair, again, I wish we were here debating the President’s jobs plan. I wish we were focused on bringing to the floor the conference committee report so that we could provide relief to 160 million Americans through the payroll tax cut.

With respect to the budget bill before us, as I indicated, it’s just not ready for prime time. You would think that before undertaking a change which seems small, is very complicated, and could have lots of unintended consequences, especially with respect to things like student loans—as I’ve said, if we were confining this debate and this bill to things like Fannie Mae and Freddie Mac, I have no problem. In fact, the Congressional Budget Office already applies this methodology to Fannie Mae and Freddie Mac. But the scope of this is much, much broader than that. It goes, as I said, to all credit programs, including student loan programs, and will, as a matter of accounting, show in the budget greater dollar outlays than will actually reflect the ongoing costs of things like student loans, again, in a systematic way.

The last point I want to make, Madam Chair, is one that was raised by one of my colleagues, which is: Where do you actually draw the line when it comes to moving in the direction of this other kind of accounting?

Now, this bill applies to all credit programs, but there are other programs funded by the Federal Government where the costs rise and fall based on what’s happening in the market, based on what’s happening in the economy. There are lots of ag programs that rise and fall based on what’s happening in the economy. Medicaid is a program whose costs rise and fall based on the economy. And in talking to lots

of people, it’s not clear where you draw a bright line, and I certainly don’t know where the argument ends with respect to moving toward this kind of accounting. Before we begin to move even further in this direction, I think we should have a debate on what exactly that would mean for our budget and for the American people.

Again, I commend the gentleman for raising an issue, especially as it’s been in the context of Fannie Mae and Freddie Mac. I think this deserves a lot more attention before you expand it throughout all the credit programs of the United States Government. I’m particularly concerned the impact it would have on the affordability of going to college and student loans. And then, as I said, there’s no clear demarcation between credit programs and the argument that’s being applied here and to some of the other programs where the risk to the taxpayer also fluctuates based on market risk and the performance of the economy.

Madam Chair, I would urge my colleagues to oppose this legislation.

I yield back the balance of my time.

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

And again, I’ll say to the gentleman as well, as your colleague did as well, commended us for raising this important issue, and I do agree that it is an important issue. But I think the American public is tired of Washington simply raising important issues and discussing important issues and having committee hearings on important issues. I think the American public is looking for Washington, once and for all, to take some decisive action in the name of the American public, in the name of the hardworking taxpayers whose money it is that is on the line. It is the people’s money that we are talking about in all of these bills. It is the people’s money that has been put on the line when the Federal Government issues loans and loan guarantees.

And I want to remind the gentleman from Maryland of how much money we’ve been talking about in all these things. When we talk about all the bailouts that the American public stood and railed against, rightfully so, as did I, whether it was the oil bailouts or the bank bailouts or the Wall Street bailouts, they all pale in comparison to the bailouts that we’re talking about here with the GSEs, \$186 billion and counting. The gentleman, Mr. RYAN, raised the issue before that, I believe, it was going to go up to \$280, \$290 billion and counting.

That’s not Washington’s money or the government’s money or the gentleman from Maryland’s money. That’s the hardworking American taxpayers’ money that was initially put at risk without any idea what the real risk was going to be for all these other loan programs and now is going out as outlays.

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Now it is going out without any prospect whatsoever of being repaid. The

gentleman says these exceed these estimates of fair value accounting, and they exceed outlays. Well, they exceed it until they don't. They exceed it until the loan fails. They exceed it until you're talking about a Solyndra situation where you guarantee over \$500 million, and then the company goes bust. That's what we're trying to address here, to make sure that you're actually properly grading and accounting for this. We're not asking for something extraordinary.

I know the gentleman from New Jersey came to the floor and he said this is extreme, what we are asking for here. Extreme? Why do we ask the private sector to use this same sort of accounting? Why do we ask the mom-and-pop shops, the big Wall Street firms, and everything in between to use this sort of accounting when they do so? When you ask for a student loan, a car loan, a house loan, whatever, we ask local banks to use this same form of accounting. If it is good enough for the rest of society, if it is good enough for all of my constituents and your constituents, if it is good enough for all of the businesses back at home, I think it's good enough for the Federal Government to play by the same rules. That's all we're asking for here.

He says, how far should we go? I think we should go as far as to say that the Federal Government should have to do the exact same thing, play by the exact same rules that our businesses back at home have to do. That's all this bill does. It shines the light of day on what we're spending, and if we are spending too much, then we have to do what we are elected to do: set priorities, decide where we want to spend it on this program or that program, or maybe cut back on this program and expand someplace else. But we can't make those decisions until we actually have the information before us. We can't say this one is working and this one is not working, this one is worthwhile and this one is not worthwhile until we actually have that information before us. That's the long and short of it. That's all this bill does. It gives both sides of the aisle and the American public that information.

With that, I would call for support of this legislation of sunshine and accountability and transparency in the way the Federal Government runs their business.

I yield back the balance of my time.

Mr. GARRETT. Madam Chair, I would first like to thank Chairman RYAN and the Budget Committee staff for their hard work on H.R. 3581, the Budget and Accounting Transparency Act.

Unless you've been living on Mars the last year, it should not come as a surprise to hear that our country is broke. However, what should surprise you is that the true extent of our country's debt crisis is a lot worse than anyone in Washington is letting on.

How much worse? That's the thing, nobody knows; and we won't ever know until we reform the broken budget process in Washington, DC.

As many have talked about before, our budget process is broken. Simply put, we need to make the budget process more transparent.

Fortunately, today we are taking a step in the right direction with H.R. 3581, the Budget and Accounting Transparency Act of 2011. I introduced this bill in December, along with Chairman RYAN, as part of a comprehensive set of reforms to overhaul Washington's broken budget process.

The bill before the House today—the Budget and Accounting Transparency Act—is a common-sense attempt to introduce more “sunshine” and “common sense” into our budget process.

What would this legislation do?

Specifically, this bill recognizes the budgetary impact of government-sponsored enterprises Fannie Mae and Freddie Mac by bringing these black holes of debt out from the shadows into the sunshine and on-budget.

This bill also requires that the federal government apply the same credit accounting standards as the private sector when making or guaranteeing loans.

In September 2008, as the country was reeling from the fallout from the financial collapse, Fannie and Freddie were placed into conservatorship by the Federal Housing Finance Agency (FHFA).

Under this agreement, FHFA took control of the two companies and the Treasury Department risked hundreds of billions of taxpayer dollars to bail out the government-backed mortgage twins.

To date, the American taxpayers have sunk over \$183 billion and counting into these failed institutions. As if this weren't enough, Fannie and Freddie have also issued more than \$1.2 trillion in debt and hold or guarantee about \$5.3 trillion in mortgage-backed securities (MBS).

Because Fannie and Freddie have become the explicit financial responsibility of the federal government, it only makes sense that we treat them the same as we would any other obligation of the federal government by formally bringing them on-budget.

The non-partisan Congressional Budget Office took this step several years ago, but the Office of Management and Budget has resisted the change preferring to obscure the total federal exposure to Fannie Mae and Freddie Mac.

It's time the Obama administration did the same.

Bringing Fannie and Freddie on-budget exposes some ugly and inconvenient truths. But I know the American people did not send us here to play a shell game with taxpayer dollars.

The combined debt obligation of Fannie and Freddie isn't the only black cloud hanging over us; inaccuracies and a lack of transparency in budgeting for federal credit programs also loom large.

Take the case of Solyndra, for example—the poster child of government loans gone bad. As we saw with the Obama administration's \$527 million “investment” into the solar energy company, when Washington makes a bad bet, it's the American taxpayers left holding the bag.

Federal loan loan guarantees are contractual obligations between the taxpayer, private creditors and a borrower such as Solyndra.

Loan guarantees are a promise by the American taxpayer that they will cover the bor-

rower's loan in the event that the borrower defaults. If the American taxpayer is on the hook for default, shouldn't we have a better idea of the cost of the loan in the first place?

Unfortunately, under current law, when the government issues a loan or loan guarantee, the inherent riskiness of that loan is not reflected in the loan or loan guarantee's cost.

In fact, the non-partisan Congressional Budget Office estimates that our current federal accounting rules understate the cost of credit programs by some \$55 billion a year, because the rules do not account for market risk.

Why shouldn't Washington play by the same rules that every American family and business must play by when taking out a loan?

The Budget and Accounting Transparency Act fixes this shortcoming by requiring market risk to be explicitly included in estimates of federal credit programs, bringing federal budgeting practices in line with what's long been standard practice in the private sector.

Specifically, it requires the executive branch and Congress to use “fair value” accounting in calculating the costs of federal credit programs that consider not only the borrowing costs of the federal government, but also the costs of the market risk the federal government is incurring by issuing a loan or loan guarantee.

Accounting for market risk is the key—you local banker does it every time you apply for a home or auto loan. The federal government should be doing the same.

In fact, during the House Budget Committee's consideration of this legislation, the director of the non-partisan Congressional Budget Office stated:

“We believe that the fair-value method of accounting for federal credit transactions provides a more comprehensive measure of a [program's] true cost.”

While the Budget and Accounting Transparency Act won't prevent future presidents from making similarly risky bets, at least it will force them to be honest with the American people about the true upfront cost of their boondoggles.

Lastly, the legislation before us today increases the amount and timeliness of information on agency budget requests, requiring that these budget justifications be provided to the public when they are sent to Congress.

It's the people's money and they ought to know what agencies are planning to do with it.

These provisions would go a long way to fixing our broken budget process and bring much-needed transparency to the way Congress functions.

For too many years, Washington has played by a “special” set of rules.

With mounting debt and lackluster job growth, it's time to force government to play by the same economic rules as every American family and business.

For too long, we have not been honest with the American people about the cost of government. If we truly are committed to reversing our country's race towards bankruptcy, as we say we are, we need to be honest with ourselves and the American people about the true cost of government.

Today, I say we put our words to action by bringing sunlight and transparency back into our budgeting process.

Mr. DUNCAN of South Carolina. Madam Chair, I rise today to support H.R. 3581, which will bring better accountability and transparency to our budget process.

I would also note, Madam Chair, that many loan programs that are impacted by this legislation have an excellent history of loan repayment, most notably the Rural Utilities Service loans that electric co-ops like the ones in my district have used for years. Some of these loan programs have provided a positive return on the taxpayers investments, making more for the taxpayers than was at risk while allowing rural co-ops the ability to expand services in underserved areas. I hope that while we achieve much greater accountability and transparency for taxpayers as a result of this legislation, especially as it relates to Freddie and Fannie, we ensure that we don't throw the baby out with the bath water and hurt our rural utilities and their customers.

The CHAIR. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

In lieu of the amendment in the nature of a substitute recommended by the Committee on the Budget, printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the 5-minute rule an amendment in the nature of a substitute consisting of the text of the Rules Committee print 112-13. That amendment in the nature of a substitute shall be considered read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 3581

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 "Budget and Accounting Transparency Act of 2012".

TITLE I—FAIR VALUE ESTIMATES

SEC. 101. CREDIT REFORM.

(a) IN GENERAL.—Title V of the Congressional Budget Act of 1974 is amended to read as follows:

"TITLE V—FAIR VALUE

"SEC. 501. PURPOSES.

"The purposes of this title are to—

"(1) measure more accurately the costs of Federal credit programs by accounting for them on a fair value basis;

"(2) place the cost of credit programs on a budgetary basis equivalent to other Federal spending;

"(3) encourage the delivery of benefits in the form most appropriate to the needs of beneficiaries; and

"(4) improve the allocation of resources among Federal programs.

"SEC. 502. DEFINITIONS.

"For purposes of this title:

"(1) The term 'direct loan' means a disbursement of funds by the Government to a non-Federal borrower under a contract that requires the repayment of such funds with or without interest. The term includes the purchase of, or participation in, a loan made by another lender and financing arrangements that defer payment for more than 90 days, including the sale of a Government asset on credit terms. The term does not include the acquisition of a federally guaranteed loan in satisfaction of default claims or the price support loans of the Commodity Credit Corporation.

"(2) The term 'direct loan obligation' means a binding agreement by a Federal agency to make a direct loan when specified conditions are fulfilled by the borrower.

"(3) The term 'loan guarantee' means any guarantee, insurance, or other pledge with re-

spect to the payment of all or a part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender, but does not include the insurance of deposits, shares, or other withdrawable accounts in financial institutions.

"(4) The term 'loan guarantee commitment' means a binding agreement by a Federal agency to make a loan guarantee when specified conditions are fulfilled by the borrower, the lender, or any other party to the guarantee agreement.

"(5)(A) The term 'cost' means the sum of the Treasury discounting component and the risk component of a direct loan or loan guarantee, or a modification thereof.

"(B) The Treasury discounting component shall be the estimated long-term cost to the Government of a direct loan or loan guarantee, or modification thereof, calculated on a net present value basis, excluding administrative costs and any incidental effects on governmental receipts or outlays.

"(C) The risk component shall be an amount equal to the difference between—

"(i) the estimated long-term cost to the Government of a direct loan or loan guarantee, or modification thereof, estimated on a fair value basis, applying the guidelines set forth by the Financial Accounting Standards Board in Financial Accounting Standards #157, or a successor thereto, excluding administrative costs and any incidental effects on governmental receipts or outlays; and

"(ii) the Treasury discounting component of such direct loan or loan guarantee, or modification thereof.

"(D) The Treasury discounting component of a direct loan shall be the net present value, at the time when the direct loan is disbursed, of the following estimated cash flows:

"(i) Loan disbursements.

"(ii) Repayments of principal.

"(iii) Essential preservation expenses, payments of interest and other payments by or to the Government over the life of the loan after adjusting for estimated defaults, prepayments, fees, penalties, and other recoveries, including the effects of changes in loan terms resulting from the exercise by the borrower of an option included in the loan contract.

"(E) The Treasury discounting component of a loan guarantee shall be the net present value, at the time when the guaranteed loan is disbursed, of the following estimated cash flows:

"(i) Payments by the Government to cover defaults and delinquencies, interest subsidies, essential preservation expenses, or other payments.

"(ii) Payments to the Government including origination and other fees, penalties, and recoveries, including the effects of changes in loan terms resulting from the exercise by the guaranteed lender of an option included in the loan guarantee contract, or by the borrower of an option included in the guaranteed loan contract.

"(F) The cost of a modification is the sum of—

"(i) the difference between the current estimate of the Treasury discounting component of the remaining cash flows under the terms of a direct loan or loan guarantee and the current estimate of the Treasury discounting component of the remaining cash flows under the terms of the contract, as modified; and

"(ii) the difference between the current estimate of the risk component of the remaining cash flows under the terms of a direct loan or loan guarantee and the current estimate of the risk component of the remaining cash flows under the terms of the contract as modified.

"(G) In estimating Treasury discounting components, the discount rate shall be the average interest rate on marketable Treasury securities of similar duration to the cash flows of the direct loan or loan guarantee for which the estimate is being made.

"(H) When funds are obligated for a direct loan or loan guarantee, the estimated cost shall be based on the current assumptions, adjusted

to incorporate the terms of the loan contract, for the fiscal year in which the funds are obligated.

"(6) The term 'program account' means the budget account into which an appropriation to cover the cost of a direct loan or loan guarantee program is made and from which such cost is disbursed to the financing account.

"(7) The term 'financing account' means the nonbudget account or accounts associated with each program account which holds balances, receives the cost payment from the program account, and also includes all other cash flows to and from the Government resulting from direct loan obligations or loan guarantee commitments made on or after October 1, 1991.

"(8) The term 'liquidating account' means the budget account that includes all cash flows to and from the Government resulting from direct loan obligations or loan guarantee commitments made prior to October 1, 1991. These accounts shall be shown in the budget on a cash basis.

"(9) The term 'modification' means any Government action that alters the estimated cost of an outstanding direct loan (or direct loan obligation) or an outstanding loan guarantee (or loan guarantee commitment) from the current estimate of cash flows. This includes the sale of loan assets, with or without recourse, and the purchase of guaranteed loans (or direct loan obligations) or loan guarantees (or loan guarantee commitments) such as a change in collection procedures.

"(10) The term 'current' has the same meaning as in section 250(c)(9) of the Balanced Budget and Emergency Deficit Control Act of 1985.

"(11) The term 'Director' means the Director of the Office of Management and Budget.

"(12) The term 'administrative costs' means costs related to program management activities, but does not include essential preservation expenses.

"(13) The term 'essential preservation expenses' means servicing and other costs that are essential to preserve the value of loan assets or collateral.

"SEC. 503. OMB AND CBO ANALYSIS, COORDINATION, AND REVIEW.

"(a) IN GENERAL.—For the executive branch, the Director shall be responsible for coordinating the estimates required by this title. The Director shall consult with the agencies that administer direct loan or loan guarantee programs.

"(b) DELEGATION.—The Director may delegate to agencies authority to make estimates of costs. The delegation of authority shall be based upon written guidelines, regulations, or criteria consistent with the definitions in this title.

"(c) COORDINATION WITH THE CONGRESSIONAL BUDGET OFFICE.—In developing estimation guidelines, regulations, or criteria to be used by Federal agencies, the Director shall consult with the Director of the Congressional Budget Office.

"(d) IMPROVING COST ESTIMATES.—The Director and the Director of the Congressional Budget Office shall coordinate the development of more accurate data on historical performance and prospective risk of direct loan and loan guarantee programs. They shall annually review the performance of outstanding direct loans and loan guarantees to improve estimates of costs. The Office of Management and Budget and the Congressional Budget Office shall have access to all agency data that may facilitate the development and improvement of estimates of costs.

"(e) HISTORICAL CREDIT PROGRAMS COSTS.—The Director shall review, to the extent possible, historical data and develop the best possible estimates of adjustments that would convert aggregate historical budget data to credit reform accounting.

"SEC. 504. BUDGETARY TREATMENT.

"(a) PRESIDENT'S BUDGET.—Beginning with fiscal year 1992, the President's budget shall reflect the Treasury discounting component of direct loan and loan guarantee programs. Beginning with fiscal year 2015, the President's budget shall reflect the costs of direct loan and loan

guarantee programs. The budget shall also include the planned level of new direct loan obligations or loan guarantee commitments associated with each appropriations request.

“(b) APPROPRIATIONS REQUIRED.—Notwithstanding any other provision of law, new direct loan obligations may be incurred and new loan guarantee commitments may be made for fiscal year 1992 and thereafter only to the extent that—

“(1) new budget authority to cover their costs is provided in advance in an appropriation Act;

“(2) a limitation on the use of funds otherwise available for the cost of a direct loan or loan guarantee program has been provided in advance in an appropriation Act; or

“(3) authority is otherwise provided in appropriation Acts.

“(c) EXEMPTION FOR DIRECT SPENDING PROGRAMS.—Subsections (b) and (e) shall not apply to—

“(1) any direct loan or loan guarantee program that constitutes an entitlement (such as the guaranteed student loan program or the veteran’s home loan guaranty program);

“(2) the credit programs of the Commodity Credit Corporation existing on the date of enactment of this title; or

“(3) any direct loan (or direct loan obligation) or loan guarantee (or loan guarantee commitment) made by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

“(d) BUDGET ACCOUNTING.—

“(1) The authority to incur new direct loan obligations, make new loan guarantee commitments, or modify outstanding direct loans (or direct loan obligations) or loan guarantees (or loan guarantee commitments) shall constitute new budget authority in an amount equal to the cost of the direct loan or loan guarantee in the fiscal year in which definite authority becomes available or indefinite authority is used. Such budget authority shall constitute an obligation of the program account to pay to the financing account.

“(2) The outlays resulting from new budget authority for the cost of direct loans or loan guarantees described in paragraph (1) shall be paid from the program account into the financing account and recorded in the fiscal year in which the direct loan or the guaranteed loan is disbursed or its costs altered.

“(3) All collections and payments of the financing accounts shall be a means of financing.

“(e) MODIFICATIONS.—An outstanding direct loan (or direct loan obligation) or loan guarantee (or loan guarantee commitment) shall not be modified in a manner that increases its costs unless budget authority for the additional cost has been provided in advance in an appropriation Act.

“(f) REESTIMATES.—When the estimated cost for a group of direct loans or loan guarantees for a given program made in a single fiscal year is re-estimated in a subsequent year, the difference between the reestimated cost and the previous cost estimate shall be displayed as a distinct and separately identified subaccount in the program account as a change in program costs and a change in net interest. There is hereby provided permanent indefinite authority for these re-estimates.

“(g) ADMINISTRATIVE EXPENSES.—All funding for an agency’s administrative costs associated with a direct loan or loan guarantee program shall be displayed as distinct and separately identified subaccounts within the same budget account as the program’s cost.

“SEC. 505. AUTHORIZATIONS.

“(a) AUTHORIZATION FOR FINANCING ACCOUNTS.—In order to implement the accounting required by this title, the President is authorized to establish such non-budgetary accounts as may be appropriate.

“(b) TREASURY TRANSACTIONS WITH THE FINANCING ACCOUNTS.—

“(1) IN GENERAL.—The Secretary of the Treasury shall borrow from, receive from, lend to, or pay to the financing accounts such amounts as may be appropriate. The Secretary of the Treasury may prescribe forms and denominations, maturities, and terms and conditions for the transactions described in the preceding sentence, except that the rate of interest charged by the Secretary on lending to financing accounts (including amounts treated as lending to financing accounts by the Federal Financing Bank (hereinafter in this subsection referred to as the ‘Bank’) pursuant to section 405(b)) and the rate of interest paid to financing accounts on uninvested balances in financing accounts shall be the same as the rate determined pursuant to section 502(5)(G).

“(2) LOANS.—For guaranteed loans financed by the Bank and treated as direct loans by a Federal agency pursuant to section 406(b)(1), any fee or interest surcharge (the amount by which the interest rate charged exceeds the rate determined pursuant to section 502(5)(G)) that the Bank charges to a private borrower pursuant to section 6(c) of the Federal Financing Bank Act of 1973 shall be considered a cash flow to the Government for the purposes of determining the cost of the direct loan pursuant to section 502(5). All such amounts shall be credited to the appropriate financing account.

“(3) REIMBURSEMENT.—The Bank is authorized to require reimbursement from a Federal agency to cover the administrative expenses of the Bank that are attributable to the direct loans financed for that agency. All such payments by an agency shall be considered administrative expenses subject to section 504(g). This subsection shall apply to transactions related to direct loan obligations or loan guarantee commitments made on or after October 1, 1991.

“(4) AUTHORITY.—The authorities provided in this subsection shall not be construed to supersede or override the authority of the head of a Federal agency to administer and operate a direct loan or loan guarantee program.

“(5) TITLE 31.—All of the transactions provided in the subsection shall be subject to the provisions of subchapter II of chapter 15 of title 31, United States Code.

“(6) TREATMENT OF CASH BALANCES.—Cash balances of the financing accounts in excess of current requirements shall be maintained in a form of uninvested funds and the Secretary of the Treasury shall pay interest on these funds. The Secretary of the Treasury shall charge (or pay if the amount is negative) financing accounts an amount equal to the risk component for a direct loan or loan guarantee, or modification thereof. Such amount received by the Secretary of the Treasury shall be a means of financing and shall not be considered a cash flow of the Government for the purposes of section 502(5).

“(c) AUTHORIZATION FOR LIQUIDATING ACCOUNTS.—(1) Amounts in liquidating accounts shall be available only for payments resulting from direct loan obligations or loan guarantee commitments made prior to October 1, 1991, for—

“(A) interest payments and principal repayments to the Treasury or the Federal Financing Bank for amounts borrowed;

“(B) disbursements of loans;

“(C) default and other guarantee claim payments;

“(D) interest supplement payments;

“(E) payments for the costs of foreclosing, managing, and selling collateral that are capitalized or routinely deducted from the proceeds of sales;

“(F) payments to financing accounts when required for modifications;

“(G) administrative costs and essential preservation expenses, if—

“(i) amounts credited to the liquidating account would have been available for administrative costs and essential preservation expenses under a provision of law in effect prior to October 1, 1991; and

“(ii) no direct loan obligation or loan guarantee commitment has been made, or any modification of a direct loan or loan guarantee has been made, since September 30, 1991; or

“(H) such other payments as are necessary for the liquidation of such direct loan obligations and loan guarantee commitments.

“(2) Amounts credited to liquidating accounts in any year shall be available only for payments required in that year. Any unobligated balances in liquidating accounts at the end of a fiscal year shall be transferred to miscellaneous receipts as soon as practicable after the end of the fiscal year.

“(3) If funds in liquidating accounts are insufficient to satisfy obligations and commitments of such accounts, there is hereby provided permanent, indefinite authority to make any payments required to be made on such obligations and commitments.

“(d) REINSURANCE.—Nothing in this title shall be construed as authorizing or requiring the purchase of insurance or reinsurance on a direct loan or loan guarantee from private insurers. If any such reinsurance for a direct loan or loan guarantee is authorized, the cost of such insurance and any recoveries to the Government shall be included in the calculation of the cost.

“(e) ELIGIBILITY AND ASSISTANCE.—Nothing in this title shall be construed to change the authority or the responsibility of a Federal agency to determine the terms and conditions of eligibility for, or the amount of assistance provided by a direct loan or a loan guarantee.

“SEC. 506. TREATMENT OF DEPOSIT INSURANCE AND AGENCIES AND OTHER INSURANCE PROGRAMS.

“This title shall not apply to the credit or insurance activities of the Federal Deposit Insurance Corporation, National Credit Union Administration, Resolution Trust Corporation, Pension Benefit Guaranty Corporation, National Flood Insurance, National Insurance Development Fund, Crop Insurance, or Tennessee Valley Authority.

“SEC. 507. EFFECT ON OTHER LAWS.

“(a) EFFECT ON OTHER LAWS.—This title shall supersede, modify, or repeal any provision of law enacted prior to the date of enactment of this title to the extent such provision is inconsistent with this title. Nothing in this title shall be construed to establish a credit limitation on any Federal loan or loan guarantee program.

“(b) CREDITING OF COLLECTIONS.—Collections resulting from direct loans obligated or loan guarantees committed prior to October 1, 1991, shall be credited to the liquidating accounts of Federal agencies. Amounts so credited shall be available, to the same extent that they were available prior to the date of enactment of this title, to liquidate obligations arising from such direct loans obligated or loan guarantees committed prior to October 1, 1991, including repayment of any obligations held by the Secretary of the Treasury or the Federal Financing Bank. The unobligated balances of such accounts that are in excess of current needs shall be transferred to the general fund of the Treasury. Such transfers shall be made from time to time but, at least once each year.”.

(b) CONFORMING AMENDMENT.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by striking the items relating to title V and inserting the following:

“TITLE V—FAIR VALUE

“Sec. 501. Purposes.

“Sec. 502. Definitions.

“Sec. 503. OMB and CBO analysis, coordination, and review.

“Sec. 504. Budgetary treatment.

“Sec. 505. Authorizations.

“Sec. 506. Treatment of deposit insurance and agencies and other insurance programs.

“Sec. 507. Effect on other laws.”.

SEC. 102. EFFECTIVE DATE.

The amendment made by section 101 shall take effect beginning with fiscal year 2014.

SEC. 103. BUDGETARY ADJUSTMENT.

(a) *IN GENERAL.*—Section 251(b)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end the following new sentence: “A change in discretionary spending solely as a result of the amendment to title V of the Congressional Budget Act of 1974 made by the Budget and Accounting Transparency Act of 2012 shall be treated as a change of concept under this paragraph.”.

(b) *REPORT.*—Before adjusting the discretionary caps pursuant to the authority provided in subsection (a), the Office of Management and Budget shall report to the Committees on the Budget of the House of Representatives and the Senate on the amount of that adjustment, the methodology used in determining the size of that adjustment, and a program-by-program itemization of the components of that adjustment.

(c) *SCHEDULE.*—The Office of Management and Budget shall not make an adjustment pursuant to the authority provided in subsection (a) sooner than 60 days after providing the report required in subsection (b).

TITLE II—BUDGETARY TREATMENT**SEC. 201. CBO AND OMB STUDIES RESPECTING BUDGETING FOR COSTS OF FEDERAL INSURANCE PROGRAMS.**

Not later than one year after the date of enactment of this Act, the Directors of the Congressional Budget Office and of the Office of Management and Budget shall each prepare a study and make recommendations to the Committees on the Budget of the House of Representatives and the Senate as to the feasibility of applying fair value concepts to budgeting for the costs of Federal insurance programs.

SEC. 202. ON-BUDGET STATUS OF FANNIE MAE AND FREDDIE MAC.

Notwithstanding any other provision of law, the receipts and disbursements, including the administrative expenses, of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation shall be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

- (1) the budget of the United States Government as submitted by the President;
- (2) the congressional budget; and
- (3) the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 203. EFFECTIVE DATE.

Section 202 shall not apply with respect to an enterprise (as such term is defined in section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4502)) after the date that all of the following have occurred:

- (1) The conservatorship for such enterprise under section 1367 of such Act (12 U.S.C. 4617) has been terminated.
- (2) The Director of the Federal Housing Finance Agency has certified in writing that such enterprise has repaid to the Federal Government the maximum amount consistent with minimizing total cost to the Federal Government of the financial assistance provided to the enterprise by the Federal Government pursuant to the amendments made by section 1117 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289; 122 Stat. 2683) or otherwise.
- (3) The charter for the enterprise has been revoked, annulled, or terminated and the authorizing statute (as such term is defined in such section 1303) with respect to the enterprise has been repealed.

TITLE III—BUDGET REVIEW AND ANALYSIS**SEC. 301. CBO AND OMB REVIEW AND RECOMMENDATIONS RESPECTING RECEIPTS AND COLLECTIONS.**

Not later than one year after the date of enactment of this Act, the Director of the Office of Management and Budget shall prepare a study

of the history of offsetting collections against expenditures and the amount of receipts collected annually, the historical application of the budgetary terms “revenue”, “offsetting collections”, and “offsetting receipts”, and review the application of those terms and make recommendations to the Committees on the Budget of the House of Representatives and the Senate of whether such usage should be continued or modified. The Director of the Congressional Budget Office shall review the history and recommendations prepared by the Director of the Office of Management and Budget and shall submit comments and recommendations to such Committees.

SEC. 302. AGENCY BUDGET JUSTIFICATIONS.

Section 1108 of title 31, United States Code, is amended by inserting at the end the following new subsection:

“(h)(1) Whenever any agency prepares and submits written budget justification materials for any committee of the House of Representatives or the Senate, such agency shall post such budget justification on the same day of such submission on the ‘open’ page of the public website of the agency, and the Office of Management and Budget shall post such budget justification in a centralized location on its website, in the format developed under paragraph (2).

“(2) The Office of Management and Budget, in consultation with the Congressional Budget Office and the Government Accountability Office, shall develop and notify each agency of the format in which to post a budget justification under paragraph (1). Such format shall be designed to ensure that posted budget justifications for all agencies—

“(A) are searchable, sortable, and downloadable by the public;

“(B) are consistent with generally accepted standards and practices for machine-discoversability;

“(C) are organized uniformly, in a logical manner that makes clear the contents of a budget justification and relationships between data elements within the budget justification and among similar documents; and

“(D) use uniform identifiers, including for agencies, bureaus, programs, and projects.”.

The CHAIR. All points of order against that amendment in the nature of a substitute are waived. No amendment to that amendment in the nature of a substitute shall be in order except those printed in House Report 112-388. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

The Chair understands that amendment No. 1 will not be offered.

AMENDMENT NO. 2 OFFERED BY MR. DOLD

The CHAIR. It is now in order to consider amendment No. 2 printed in House Report 112-388.

Mr. DOLD. Madam Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill, add the following new title:

TITLE IV—PRESIDENT’S BUDGET SUBMISSION**SEC. 401. PREPARATION OF THE BUDGET.**

(a) *THE PRESIDENT.*—Section 1105(a) of title 31, United States Code, is amended—

(1) by redesignating the second paragraph (37) as paragraph (39); and

(2) by adding at the end the following new paragraph:

“(40) A summary of how the use of accrual accounting procedures would affect the estimated expenditures, appropriations, and receipts of the Government in the fiscal year for which the budget is submitted.”.

(b) *OFFICE OF MANAGEMENT AND BUDGET.*—The Director of the Office of Management and Budget shall prepare all of the budgets submitted to the President according to both accrual accounting procedures and the cash basis accounting method.

The CHAIR. Pursuant to House Resolution 539, the gentleman from Illinois (Mr. DOLD) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Illinois.

Mr. DOLD. Madam Chair, this is a bipartisan amendment, one that my colleague from Illinois (Mr. QUIGLEY) and I believe strongly about.

As part of this Congress’ effort to increase transparency and promote sound accounting practices in the Federal Government, this amendment would reform accounting practices at the Office of Management and Budget. Specifically, it would require the OMB Director to prepare all budgets submitted to the President using accrual-based accounting standards, in addition to the currently used cash-basis GAAP accounting standards.

Americans have a right to expect accountability, honesty, and transparency from their government, and right now, the mistrust of Congress, I believe, is at an all-time high. The use of accrual-based accounting at the Office of Management and Budget would provide a more accurate reflection of our Nation’s true fiscal state. For too long, the Federal Government has relied on unsound budgeting practices that understate the reality and distort important costs and liabilities held by the government.

As a small business owner, I know essentially how honest accounting is critical to financial decisionmaking, and in that respect, we should strive to make the Federal Government’s practices more like what we demand of the private sector. In fact, the government itself, Madam Chairman, demands that publicly traded companies use the accrual-based accounting method because the accrual-based accounting method gives a more accurate depiction of the true liabilities that are out there. In the cash basis, you’re able to distort reality and be able to manipulate things to make them look a little bit rosier.

The American people are looking for a fact-based budget, and they deserve no less. They deserve to know the truth about what our true liabilities are, and the truth is that the current practice of using only cash-basis accounting at the Office of Management and Budget

paints an incomplete picture of our Nation's future long-term liabilities. For example, the promise of Social Security and Medicare only shows up as a cost to the American taxpayer when money is actually paid out. Accrual accounting more accurately reflects our Nation's obligations so that a promise today is immediately recognized and accounted for, whether or not any money has been disbursed at that point in time.

Madam Chairman, I am confident that the House Budget Committee recognizes the importance of honest accounting, of honest accounting practices that accurately reflect the true fiscal state of this country. As a small business owner, I understand that it's absolutely critical when making decisions that impact not only the business but the people that I work with that we have a more accurate reflection of our liabilities. The government should be no different.

With that, I would like to yield to the gentleman from New Jersey.

Mr. GARRETT. First of all, let me just begin by saying I appreciate the gentleman's effort with regard to this legislation. I appreciate also the bipartisan nature and intentions behind the amendment as well. There are unquestionably circumstances where accrual accounting is the best way, the most appropriate way to display the Federal Government's budgetary costs and obligations.

Now, as you know, the underlying bill does focus on one such area where accrual accounting has long been in use, and what it does then is to try to build upon those years of experience and try to study the application of that as applied to Federal credit programs.

The underlying bill, I should say as an aside, also includes a study of another area—because I know there's a question of how far are we going in these things—where it might be appropriate to extend this, and this is with regard to the Federal insurance programs. Why is that? Well, it's because we don't have as many studies on that.

I might just add to the point of the gentleman from Maryland before, there have been a number of references on an area that we're looking to. CBO has done some with regard to student loans, with regard to housing, with regard to SBA and energy. CBO has issued a number of reports with fair value accounting included, and that is why we included it in this bill.

Again, I appreciate the gentleman's work on this amendment. I oppose it as it stands now, however.

Mr. DOLD. Reclaiming my time, if the chairman would work with me to try to make sure we have a fact-based, more accurate, and honest accounting, I would be happy to withdraw the amendment.

Mr. GARRETT of New Jersey. Not only will I work with you, I believe the chairman of the full committee will be intentioned to work with you on this as well. The goal is the same by all of

us here, and I think by the other side as well, to try to get as much information that is able to get out to come out, and we will be glad to work with you on this.

Mr. DOLD. With that, Madam Chairman, I ask unanimous consent to withdraw my bipartisan amendment in hopes that we can have some more accurate accounting in the future.

The CHAIR. Without objection, the amendment is withdrawn.

There was no objection.

□ 1540

AMENDMENT NO. 3 OFFERED BY MR. TONKO

The CHAIR. It is now in order to consider amendment No. 3 printed in House Report 112-388.

Mr. TONKO. Madam Chair, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

At the end of the bill, add the following new title:

**TITLE IV—EFFECTIVE DATE;
ESTABLISHMENT OF COMMISSION**

SEC. 401. EFFECTIVE DATE; ESTABLISHMENT OF COMMISSION.

(a) EFFECTIVE DATE; ESTABLISHMENT.—The provisions of this Act are delayed until and may be superseded by the majority recommendations of a six member commission consisting of the Director of the Congressional Budget Office, the Director of the Office of Management and Budget, and four additional non-congressional members each appointed by the Speaker and Minority Leader of the House and the Majority and Minority leaders of the Senate. Such additional four Members shall have expertise in budgeting and accounting.

(b) RECOMMENDATIONS.—The recommendations of the commission shall reflect the best measure to accurately account for the costs of Federal credit programs, including an analysis of the fair value, market-based risk estimates, and the discount rates mandated by the Federal Credit Reform Act of 1990.

(c) CONGRESSIONAL VOTE REQUIRED.—Such recommendations shall take effect upon their enactment into law. Congress shall vote on the recommendations set forth in subsection (b) not later than 45 days after the date of submission of such recommendations to the Congress.

The CHAIR. Pursuant to House Resolution 539, the gentleman from New York (Mr. TONKO) and a Member opposed each will control 5 minutes.

The Chair recognizes gentleman from New York.

Mr. TONKO. Madam Chair, I rise today to offer an amendment to H.R. 3581, the Budget and Accounting Transparency Act.

My amendment restores a critical step that was skipped by my Republican colleagues. You see, we never once had a hearing in the Budget Committee devoted specifically to exploring the main proposal contained in this bill—the use of fair value estimates to determine the cost of Federal loans. If I could change that, I would, but my Republican colleagues have pushed this bill to the floor.

When so many at home look at Congress and shake their heads at the po-

litical gamesmanship that has come to dominate this institution, my amendment simply asks that we take a moment to be objectively smart rather than just politically savvy about a policy decision with major repercussions.

If this legislation took effect this year, CBO estimates that we would see the Federal deficit jump by \$55 billion. This is a bill that would impact things like housing loans, student loans, small business loans, and even our mortgage guarantee programs for vets. It would create the appearance that these loans and loan guarantees cost more with an accounting method that is relatively new and certainly under debate.

For a bill with “transparency” in its title, we're talking about using some pretty mirky math. My Republican colleagues will say that we need CBO estimates on loans to reflect the risk involved in Federal lending. That makes sense, which is why we already do it. The approach under current law already reflects the risk that borrowers will default on their loans or guarantees.

The real difference here is whether we think estimates of Federal loans should be based on how the government borrows and lends or, alternately, on how the private sector borrows and lends. I understand my colleagues have a great esteem for private sector business practices, and as a former small business owner myself, I share that admiration; but we have to understand that the Federal Government of the most powerful country on Earth isn't a private actor.

No private lender is in the same position as the Federal Government with its ability to borrow at Treasury rates and its ability to spread risk across such a broad portfolio. So, understandably, there is significant debate as to whether and how fair value estimates could be applied to government loans. The bottom line is that it would involve a lot of guesswork.

At a time when our housing market has been devastated, when our workforce is struggling to attain the knowledge and skill set it needs in a difficult job market, when small businesses are fighting their way out of the worst recession since our Great Depression, and when our vets are facing a higher jobless rate than the rest of the country, why on Earth would we make a change of this magnitude without consulting with the best budget and accounting minds in our country? The impact of this legislation is too big to be treated more like an election year talking point than a major policy change with very real impacts on the people that we are here to represent.

That is why I am offering this modest proposal. My amendment simply proposes that we convene a commission of budget and accounting experts to provide recommendations to Congress regarding the best measure to accurately account for the costs of Federal credit programs. Congress will then

have the opportunity to vote on the commission's recommendations, and if changes are deemed wise, we can move forward with the smartest course of action and with a policy that brings our Federal loan and loan guarantee estimates into uniformity. After all, as we heard on this very floor, it's the people's money we're dealing with.

I urge my colleagues to look before we jump on this one, and I urge support of my amendment.

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

Mr. GARRETT. I rise in opposition to the amendment.

The CHAIR. The gentleman from New Jersey is recognized for 5 minutes.

Mr. GARRETT. Madam Chair, in essence, the amendment has the effect, as so many amendments often do that come to the floor, of basically gutting the entire bill.

The core reform made by this bill is to—what?—adopt for all Federal credit programs fair value accounting. Now, this is not a precipitous or rash decision that we're going to make here. The Budget Committee, both with the Republican and Democrat leadership, has, over time, studied and worked on the implications of moving to a fair value accounting for Federal credit programs.

The CBO, which we reference all the time, is an independent arbiter of what is right here and has studied these things, and other academics have conducted studies going back as far as the 1990s, if not earlier, on this question as well. In fact, there was a commission, a commission featuring 36 experts, including six former CBO Directors.

What did they recommend? They recommended moving to a fair value accounting in 2010.

Indeed, it was back in 2009 that this House, under Democrat leadership, voted to require the use of fair value accounting with respect to U.S. commitments made to the IMF, the International Monetary Fund. Additionally, the CBO has conducted analyses of dozens of Federal credit programs on a fair value basis.

So this bill is not precipitous. This bill is not rash. This bill is not extreme. This bill takes a cautious approach and applies fair value budgeting in those areas where we have the most experience while calling for a further study of those areas in which it makes sense to do study—Federal insurance programs.

So I urge my colleagues to oppose this amendment and to support the judicious and experience-based approach of the underlying bill.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from New York (Mr. TONKO).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. TONKO. Madam Chair, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 187, noes 238, not voting 8, as follows:

[Roll No. 40]

AYES—187

Ackerman
Altmire
Andrews
Baca
Baldwin
Bass (CA)
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Bonamici
Boren
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
Cuellar
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutch
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Engel
Eshoo
Farr
Fattah
Filner
Frank (MA)
Fudge
Garamendi
Gibson
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hahn
Hanabusa
Hastings (FL)
Heinrich
Higgins
Himes
Hinchey
Hinojosa
Hirono
Hochul
Holden
Holt
Brown (NJ)
Honda
Hoyer
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
Lujan
Lynch
Maloney
Markey
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
Meeke
Michaud
Miller (NC)
Miller, George
Moore
Moran
Murphy (CT)
Nadler
Napolitano
Neal

NOES—238

Adams
Aderholt
Akin
Alexander
Amash
Amodei
Austria
Bachmann
Bachus
Barletta
Barrow
Bartlett
Barton (TX)
Bass (NH)
Benishek
Berg
Biggett
Bilbray
Bilirakis
Bishop (UT)
Black
Blackburn
Bonner
Bono Mack
Boustany
Brady (TX)
Brooks
Broun (GA)
Buchanan
Bucshon
Buerkle
Burgess
Burton (IN)
Calvert
Camp
Campbell
Cansaco
Cantor
Capito
Carter
Cassidy
Chabot
Chaffetz
Coble
Coffman (CO)
Cole
Conaway
Cravaack
Crawford
Crenshaw
Culberson
Davis (KY)

Gerlach
Gibbs
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Hayworth
Heck
Hensarling
Herger
Herrera Beutler
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Jordan
Kelly
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kline
Labrador
Lamborn
Lance
Landry
Lankford
Latham
Latta
Lewis (CA)
LoBiondo
Long

Owens
Pallone
Pascrell
Pastor (AZ)
Pelosi
Perlmutter
Peters
Petri
Pingree (ME)
Polis
Price (NC)
Quigley
Rahall
Rangel
Reyes
Richardson
Richmond
Ross (AR)
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Sherman
Shuler
Sires
Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Thompson (MS)
Thierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman
Schultz
Waters
Watt
Waxman
Welch
Wilson (FL)
Woolsey
Yarmuth

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
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Palazzo
Paulsen
Pearce
Pence
Peterson
Pitts
Platts
Poe (TX)
Pompeo
Posey
Price (GA)
Quayle
Reed
Rehberg
Reichert
Renacci
Ribble
Rigell
Rivera
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)

NOT VOTING—8

Edwards
Ellison
LaTourette
McNerney
Mulvaney
Oliver
Paul
Payne

□ 1612

Mr. GARY G. MILLER of California changed his vote from "aye" to "no."

Messrs. ALTMIRE, PETRI, COHEN and HINOJOSA changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIR (Mr. KLINE). The question is on the amendment in the nature of a substitute.

The amendment was agreed to.

The Acting CHAIR. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. DOLD) having assumed the chair, Mr. KLINE, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3581) to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to increase transparency in Federal budgeting, and for other purposes and, pursuant to House Resolution 539, reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment in the nature of a substitute.

The amendment was agreed to.

The SPEAKER pro tempore. 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. WALZ of Minnesota. I have a motion at the desk, Mr. Speaker.

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

Mr. WALZ of Minnesota. In its current form, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Walz of Minnesota moves to recommit the bill H.R. 3581 to the Committee on the Budget with instructions to report the same back to the House forthwith with the following amendment:

Page 3, line 21, insert "(i)" after "(C)".

Page 3, line 23, strike "(i)" and insert "(J)".

Page 4, line 7, strike "(ii)" and insert "(II)".

Page 4, after line 9, insert the following:

"(ii) For loans to students or veterans, the risk component is zero."

Mr. WALZ of Minnesota (during the reading). Mr. Speaker, I ask unanimous consent to dispense with the reading.

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

There was no objection.

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

Mr. WALZ of Minnesota. Mr. Speaker, I would like to say that the goals of this legislation that the gentleman and his supporters have put before us are noble. The supporters have stressed it is to improve accuracy in how we account for loan programs. That's, indeed, a laudable goal. As stewards of the taxpayer dollars, we all believe it's our responsibility to keep a careful eye on every dollar spent. This includes using the most accurate accounting measures possible. Unfortunately, we have no assurances.

Mr. Speaker, the intentions of this bill are laudable. The problem we have is there's no assurance that the piece of legislation we're doing today will encode that into law. Instead, what we have are half-finished ideas whose merit is disputed by nonpartisan budgeting experts and whose effects are still unknown.

We've heard concerns today that enactment of this bill could result in us systematically overestimating the cost of Federal loan programs. This will not just be inaccurate accounting; it could cause significant harm to millions of Americans who depend on these loans. As a school teacher and a 24-year veteran of the National Guard, I know that the two groups that depend on

these loans more than any other are students and our veterans. That's why I have this motion at the desk to amend the bill to ensure that, at the very least, as this experiment plays out, we hold harmless students and veterans.

This amendment does not kill the bill, and it changes nothing in it. It simply ensures that until we know how this policy is going to work out, we won't insist that we make it any harder for an Iraq or Afghanistan veteran to get a home loan. At the same time, when economic hardships and rising tuition costs are making it harder for our best and brightest, those very students that we depend on to make this Nation profitable, we need to make sure that they're not harmed by this process.

My amendment would ensure that we hold them, the veterans and the students, harmless until we know how this unvetted, untested piece of legislation will work. I simply encourage my colleagues to join me. Protect the students and the veterans in this. Go ahead and pass the bill, if that's what you want to do; but let's make sure there's a firewall between those that can least afford to have this go bad.

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

Mr. GARRETT. I rise in opposition to the motion.

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

Mr. GARRETT. Mr. Speaker, the prior amendment that this House just overwhelmingly voted down would have gutted the underlying bill entirely. This motion to recommit will now try to gut the bill by approximately one-third. I commend the other side of the aisle for at least going in the right direction. But, Mr. Speaker, I remind us all of the words of the President of the United States when he stood in that same position where he speaks of fairness and the agenda that he proposes, and he speaks of fairness to the American public.

Well, Mr. Speaker, we know that the budget process in this country is broken. We know that there is no fairness in that. This amendment will undercut the legislation before us, and the underlying bill will try to restore it.

We need fairness to the hardworking American taxpayer who, at the end of the day, will be the one who will have to foot the bill when the loans go sour like we saw in the situation with Solyndra. We need to bring fairness to the small business owner who is already compelled to comply with the exact same requirements that we have in this bill. Mr. Speaker, we need to bring fairness to the American public who simply wants to know where their hardworking tax dollar is going.

Mr. Speaker, in conclusion, let me just say this: as we here in Washington travel through that great twilight which is that murky area of obscure accounting rules, let us commit our-

selves to one thing—that we will bring clarity, that we will bring transparency, that we will bring sunshine, and, most importantly, that we will bring fairness to the American public as to the spending of their tax dollars.

I recommend that we vote "no" on this motion to recommit.

I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

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

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

Mr. WALZ of Minnesota. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—yeas 190, nays 238, not voting 5, as follows:

[Roll No. 41]

YEAS—190

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

Tonko	Walz (MN)	Welch
Towns	Wasserman	Wilson (FL)
Tsongas	Schultz	Woolsey
Van Hollen	Waters	Yarmuth
Velázquez	Watt	
Visclosky	Waxman	

NAYS—238

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

NOT VOTING—5

Alexander	Ellison	Payne
Edwards	Paul	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1637

Mr. McNERNEY changed his vote from “no” to “aye.”

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. VAN HOLLEN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

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

The vote was taken by electronic device, and there were—ayes 245, noes 180, not voting 8, as follows:

[Roll No. 42]

AYES—245

Adams	Flake	Long
Aderholt	Fleischmann	Lucas
Akin	Fleming	Luetkemeyer
Alexander	Flores	Lummis
Amash	Forbes	Lungren, Daniel
Amodei	Fortenberry	E.
Austria	Foxx	Mack
Bachmann	Franks (AZ)	Manzullo
Bachus	Frelinghuysen	Marchant
Barletta	Gallely	Marino
Barrow	Gardner	McCarthy (CA)
Bartlett	Garrett	McCaul
Barton (TX)	Gerlach	McClintock
Bass (NH)	Gibbs	McCotter
Benishek	Gibson	McHenry
Berg	Gingrey (GA)	McKeon
Biggert	Gohmert	McKinley
Bilbray	Goodlatte	McMorris
Bilirakis	Gosar	Rodgers
Bishop (UT)	Gowdy	Meehan
Black	Granger	Mica
Blackburn	Graves (GA)	Miller (FL)
Bonner	Graves (MO)	Miller (MI)
Bono Mack	Griffin (AR)	Miller, Gary
Boustany	Griffith (VA)	Mulvaney
Brady (TX)	Grimm	Murphy (PA)
Brooks	Guinta	Myrick
Broun (GA)	Guthrie	Neugebauer
Buchanan	Hall	Noem
Bucshon	Hanna	Nunes
Buerkle	Harper	Nunnelee
Burgess	Harris	Olson
Burton (IN)	Hartzler	Owens
Calvert	Hastings (WA)	Palazzo
Camp	Hayworth	Paulsen
Campbell	Heck	Pearce
Canseco	Hensarling	Pence
Cantor	Herger	Petri
Capito	Herrera Beutler	Pitts
Carter	Huelskamp	Platts
Cassidy	Huizenga (MI)	Poe (TX)
Chabot	Hultgren	Pompeo
Chaffetz	Hunter	Posey
Coffman (CO)	Hurt	Price (GA)
Cole	Issa	Quayle
Conaway	Jenkins	Quigley
Cooper	Johnson (IL)	Reed
Cravaack	Johnson (OH)	Rehberg
Crawford	Johnson, Sam	Reichert
Crenshaw	Jones	Renacci
Cuellar	Jordan	Ribble
Culberson	Kelly	Rigell
Davis (KY)	King (IA)	Rivera
DeFazio	King (NY)	Roby
Denham	Kingston	Roe (TN)
Dent	Kinzinger (IL)	Rogers (AL)
DesJarlais	Kissell	Rogers (KY)
Diaz-Balart	Kline	Rogers (MI)
Dold	Labrador	Rohrabacher
Dreier	Lamborn	Rokita
Duffy	Lance	Rooney
Duncan (SC)	Landry	Ros-Lehtinen
Duncan (TN)	Lankford	Roskam
Ellmers	Latham	Ross (FL)
Emerson	LaTourette	Royce
Farenthold	Latta	Runyan
Fincher	Lewis (CA)	Ryan (WI)
Fitzpatrick	LoBiondo	Scalise

Schilling	Stearns	Webster
Schmidt	Stivers	West
Schock	Stutzman	Westmoreland
Schweikert	Sullivan	Whitfield
Scott (SC)	Terry	Wilson (SC)
Scott, Austin	Thompson (PA)	Wittman
Sensenbrenner	Thornberry	Wolf
Sessions	Tiberi	Womack
Shimkus	Tipton	Woodall
Shuster	Turner (NY)	Yoder
Simpson	Turner (OH)	Young (AK)
Smith (NE)	Upton	Young (FL)
Smith (NJ)	Walberg	Young (IN)
Smith (TX)	Walden	
Southerland	Walsh (IL)	

NOES—180

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

NOT VOTING—8

Edwards	Paul	Tierney
Ellison	Payne	Wilson (FL)
Gutierrez	Thompson (MS)	

□ 1644

Ms. JACKSON LEE of Texas changed her vote from “aye” to “no.”

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. ELLISON. Mr. Speaker, on February 7, 2012, I missed rollcall votes Nos. 36–42 due to commitments in my district. Had I been

present I would have voted "yes" on rollcall Votes 36, 37, 40, and 41 and "no" on rollcall Votes 38, 39, and 42.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3521, EXPEDITED LEGISLATIVE LINE-ITEM VETO AND RE-SCISSIONS ACT OF 2012

Mr. WOODALL, from the Committee on Rules, submitted a privileged report (Rept. No. 112-389) on the resolution (H. Res. 540) providing for consideration of the bill (H.R. 3521) to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for a legislative line-item veto to expedite consideration of rescissions, and for other purposes, which was referred to the House Calendar and ordered to be printed.

NOTICE OF INTENTION TO OFFER MOTION TO INSTRUCT CONFEREES ON H.R. 3630, TEMPORARY PAYROLL TAX CUT CONTINUATION ACT OF 2011

Mr. BISHOP of New York. Mr. Speaker, under rule XXII, clause 7(c), I hereby announce my intention to offer a motion to instruct on H.R. 3630, the conference report to extend the payroll tax, unemployment insurance, and SGR payments for doctors.

The form of the motion is as follows:

Mr. Bishop of New York moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 3630 be instructed to file a conference report not later than February 17, 2012.

NEW YORK CITY NATURAL GAS SUPPLY ENHANCEMENT ACT

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the unfinished business is the question on suspending the rules and passing the bill (H.R. 2606) to authorize the Secretary of the Interior to allow the construction and operation of natural gas pipeline facilities in the Gateway National Recreation Area, and for other purposes, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington (Mr. HASTINGS) that the House suspend the rules and pass the bill, as amended.

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

A motion to reconsider was laid on the table.

THE GOVERNMENT IS THE VIL-LAIN AGAINST RELIGIOUS BELIEFS

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

Mr. POE of Texas. Mr. Speaker, religious civil liberty is the bedrock of a free people, but today we face an unprecedented and unconstitutional act of aggression against our religious liberty sponsored by the U.S. Government. The President's health care edict forces Catholic organizations to choose between either violating their religious faith or not furnishing their employees with health care coverage.

No government has the legal or moral right to harass any religion and make them violate their religious convictions, especially ours. After all, the Constitution prevents this type of government oppression against religion. That's why Catholics, Protestants, and Jews are united in their effort to stand up against this government act of tyranny.

People came to this country to flee religious persecution. Now our own government is a villain to religion. But people of faith will not submit to a government war against religion. The holy line has been drawn by a coalition of all religions.

The head of the Catholic League, Bill Donahue, said it best: "This is going to be fought out with lawsuits, with court decisions, and, dare I say it, maybe even in the streets."

And that's just the way it is.

RECOGNIZING LOUIS MOORE

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

Mr. THOMPSON of Pennsylvania. Mr. Speaker, I rise today to recognize Professor Louis Moore for his long and distinguished career in the field of agriculture. After more than half a century of service, Lew will be retiring this year from Penn State, where most recently he served as a professor of agricultural economics.

Lew has been at the forefront of promoting Pennsylvania agriculture. Most notably, Lew was instrumental in the implementation and expansion of the PSU Agriculture Cooperative Extension, which helps citizens learn and connect with the various agriculture research and services that Penn State's Department of Agriculture provides Commonwealth farmers.

In 1955, Lew began work as a marketing agent for Cooperative Extension in northwestern Pennsylvania and later for the entire Commonwealth. In 1973, he joined Penn State as a professor of agricultural economics, where he also helped expand the Extension beyond Pennsylvania, working with foreign ministries of agriculture, farmers, universities, agribusinesses in countries across the world.

From his research and writings to his marketing and advocacy, Lew's contributions to the field of agriculture stand as a beacon to our State and our Nation.

Congratulations, Professor Moore, and we thank you for your service.

□ 1650

ACADEMY NOMINEES

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

Mr. CRAWFORD. Mr. Speaker, I rise today to recognize the nine students from Arkansas' First District whom I have the privilege to nominate to a U.S. service academy. All of these students have demonstrated exceptional skills in the classroom. Not only are these young men brilliant students, but they have also given much to their communities and deserve recognition.

Jordan Reed from Cabot is active in scouting, Future Farmers of America and Quiz Bowl.

Weston White from Blytheville was elected lieutenant governor at Boys State and is active in Future Business Leaders of America.

Sully Bigger from Walnut Ridge is on the track team and participates in cross-country racing.

Clayton Carpenter from West Memphis lettered in baseball and football where he was an academic All-Conference player.

Robert Raper from Colt is a cadet in the Naval Junior ROTC where he holds the position of cadet company commander.

Andrew Morgan from Mountain Home is a two-time All-Conference Academic selection in football.

Sean Gavan from Cabot is a member of the Air Force Junior ROTC where he is a lieutenant colonel and a logistics commander.

Jack Baltz from Pocahontas is class president and is an active church member.

Daniel Kyle Payne from Violet Hill was selected for the American Christian Honor Society and serves on the student council.

These young men are proof that America's Greatest Generation is not just a story of our Nation's past. With each new generation of Americans, our national spirit is renewed. It is an honor to represent young men like these who embody the hope and purpose that define America.

DEPARTMENT OF ENERGY'S LOAN GUARANTEE PROGRAM

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

Mrs. BLACKBURN. Mr. Speaker, it's an interesting thing: there are programs around here that are completely out of control, and one is the Department of Energy's Loan Guarantee Program that our Energy and Commerce Committee has been investigating for the past year. I'll tell you, I was thinking about an old country song when we were talking about this program today, which is: when you're in a hole, stop digging. That is certainly what applies to the Department of Energy's Loan Guarantee Program, and that is what DOE needs to do.

We are seeking information to figure out exactly what has happened with taxpayer money. Now, everybody has heard about Solyndra. We all know how that has run off the rails. It went bankrupt; it wasted taxpayer money. Now we have Fisker, which is a company that received Federal loan guarantees. Right now, it's trying to renegotiate the terms of its initial loan. Guess what, now we find out that they're laying off employees—20 employees and 40 contractors.

Yet, again, another Department of Energy Loan Guarantee Program, under the watch of Secretary Chu, is having difficulty, and Federal taxpayer money is being wasted.

HONORING THE LIFE OF ALF LARSON

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

Mr. PAULSEN. Mr. Speaker, I rise today to honor the life of Alf Larson, a Minnesota World War II veteran who survived the infamous Bataan Death March. Alf passed away just last week, on January 30, at the age of 93.

Despite experiencing one of the worst aspects of war, Alf kept his faith in the Lord. During his 41 months in captivity as a prisoner, Alf would read the New Testament and the Book of Psalms, which he kept hidden.

After the war, Alf returned home, got married and then reenlisted in the Air Force in 1948. He left the Air Force 6 years later, and came back to Crystal, Minnesota, and raised a family—his three children. Like most heroes, Alf insisted that he was just a regular guy who was doing his duty, saying, I'm not a hero. I was just doing my job.

Mr. Speaker, last week Minnesota and our Nation lost one of our greatest heroes.

To Alf and all the other veterans who serve our country admirably, I want to say thank you for your incredible sacrifice.

NATIONAL BLACK HIV/AIDS DAY AND THE RELEASE OF AMERICAN CITIZENS IN EGYPT

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute.)

Ms. JACKSON LEE of Texas. Mr. Speaker, I do want to acknowledge today the honoring, or the recognition, of National Black HIV/AIDS Day in acknowledging the work that many organizations have done to stop the devastation of HIV/AIDS in certain populations.

I will submit a statement into the record extensively acknowledging the work that has been accomplished; but I rise today to address a very important international issue that appears to be politicized by those running for President in the Republican primary.

First of all, we should all be concerned for Americans who are being

held by ally Egypt, and we should be concerned for the safe passage of those Americans as quickly as possible. Yet it is ridiculous to associate this incident with the taking of hostages in Iran some decades ago. But, of course, where there is foolery, there is opportunity.

I call upon Egyptian Americans to work with this administration to stop the holding of American citizens and to have them released immediately, and I will continue pressing for this as the weeks and days go on.

NATIONAL MARRIAGE WEEK

The SPEAKER pro tempore (Mr. YODER). Under the Speaker's announced policy of January 5, 2011, the gentleman from Mississippi (Mr. NUNNELEE) is recognized for 60 minutes as the designee of the majority leader.

Mr. NUNNELEE. Thank you, Mr. Speaker.

Today begins the observation of National Marriage Week. It is a week that begins today, February 7, and will go through Valentine's Day, February 14, next week. Around the Nation, in fact, indeed around the world, there are those organizations and individuals who will be conducting events around National Marriage Week.

So I think it's all too fitting and proper that we take this hour on the floor of the House of Representatives to recognize the importance of marriage and the importance of homes. Tonight, we will be having a series of speeches that will reflect the importance of marriage and the home, and we will also recognize National Marriage Week.

Mr. Speaker, for the first of those speeches, I would like to recognize my friend, my colleague from Mississippi (Mr. HARPER).

Mr. HARPER. I thank the gentleman for the opportunity to speak on behalf of National Marriage Week. What a special time it is for us. I will also say what an inspiration you and your wife are to my wife and myself on the way that you live that marriage.

As we look and see how our society is today and as we see the prevalence of divorce and the breakdown of the family, I think it's very fitting that we talk for a moment about the importance of marriage and what it means in our lives. While it is not attainable for some family situations or some situations, it should always be our goal to keep that family unit together and to hold that bedrock of our society together.

My experience with marriage came from watching my mom and dad. My dad was a gunner in a B-17 in World War II. He came right after World War II to Columbus Air Force Base, which is in Congressman NUNNELEE's district, and met my mother at a dance when she came down from Lackey, Mississippi, outside Aberdeen. From that point forward, my dad decided he would move his allegiance from Oklahoma to the State of Mississippi.

I watched that marriage through my life. While no marriage is always easy or trouble free, they stuck together through thick and thin. I know, for us—my dad, my late father, being a petroleum engineer—we transferred quite often from kindergarten through the 12th grade. I was in 10 different schools in four different States—and we actually spent another summer in a fifth State—but Mississippi was always home. That bond that we had was very special because, as long as Mom and Dad and my brother and I were together, there was that protection, that safety that came from that; and how I watched them as they handled things that came up in their life inspired me.

Then in that last move that we had from the State of California back to Mississippi, I wound up in a high school in the 10th grade with a great friend of mine whose conduct and behavior indirectly led me to accept Jesus Christ as my savior at the end of my 10th grade year. He got me going to his church, and it was there that I spotted this beautiful young lady; but I had to wait until she broke up with this boyfriend, and then I moved in for the kill.

□ 1700

So I started dating my wife Sidney when she was 15 and I was 17. We dated 5½ years before we got married. We would have gotten married sooner but we were afraid to stay by ourselves, so we had to wait just a little while. But we've now been married 32 years. And I can tell you that I can't imagine not being married to Sidney.

As I look and we talk about National Marriage Week, and you look at the joys and the troubles that you go through in life—and for us, part of that was having a son with special needs. Our son Livingston has Fragile X Syndrome, and the difficulty of going through that with him is something I could have never done without that bond of marriage and that strength that came not only from the Lord but from my relationship with my wife. We've been blessed with our son Livingston, what a wonderful son, and our daughter Maggie. And having that family together and them having us together, I think, helps us as we build our society and we move forward.

I want to commend the gentleman from Mississippi for having this event today where we can come and speak on that. And I want you to know that I'm a very smart husband too because I'm giving this speech, wearing the tie that my wife gave me for Valentine's Day last year. So hopefully that will score points.

But I want to say, as we look at this, let's try to encourage people that are going through difficulties in their marriage to stay together, to keep that family together. And this is something that we can build on that will benefit our society.

Mr. NUNNELEE. Thank you, Mr. HARPER.

Now I would like to call on my friend Mr. LAMBORN, the gentleman from Colorado.

Mr. LAMBORN. Mr. Speaker, I thank the gentleman from Mississippi for putting this time together. And I rise today in support of National Marriage Week.

In so many ways, from so many sources, marriage is under attack in America. When we consider the many social problems facing our country right now, the erosion of marriage and family is at the core of many of them. Scholar Michael Novak once famously referred to the family as the “original Department of Health, Education, and Welfare” because of its role in providing for the needs of all its members and, particularly, the next generation.

Study after study has shown the tremendous advantages for children and society as a whole when there is a sustained presence of mothers and fathers in the home. Families in which mothers and fathers strive to nurture their children together have advantages over every other family form that has been studied to date.

Today we are seeing that marriage is increasingly in trouble in America. High rates of divorce, nonmarital childbearing, and single parenthood were once problems primarily concentrated in poor communities. Now the American retreat from marriage is moving into the heart of the social order, the middle class. There is a widening gulf between the middle class, where a sharp decline in marriage is at work, and the most educated and affluent Americans, where marriage indicators are either stable or are even improving.

As unwed childbearing continues to climb, risking continued social breakdown and increased government dependency, national leaders should be encouraging stable family formation, not redefining marriage. I call upon Congress to recognize the intrinsic good that results to all of society when husbands and wives strive to uphold their marriage vows and raise children in loving and stable homes.

I again want to thank the gentleman from Mississippi for putting this time together on such an important issue.

Mr. NUNNELEE. Thank you, Mr. LAMBORN.

Mr. Speaker, I now recognize the gentleman from Oklahoma (Mr. LANKFORD).

Mr. LANKFORD. I thank the gentleman for hosting this time.

This is a conversation at the end of the day, after all the votes are over on the House floor and all the hustle and bustle and everything, and we get a chance just to shut down and be able to talk about issues like this week being National Marriage Week. Just for a moment, to be able to pause on an area that we really do agree on, as a Congress, and so many people can gather around to celebrate marriage, what marriage has meant in our own families, and what it means in our Nation.

Twenty years ago this May, I watched my bride walk in with her wedding dress, and I could never begin

to explain the emotion of that. It's a moment I will never forget, seeing her smile and thinking, For the rest of my life, I'm going to get to spend it with that lady.

Love is an amazing thing. But marriage is not just love. It is commitment. It is the foundation of our culture. It is the very essence of what we call family. For me, as a follower of Jesus Christ, I also understand that marriage is one of the few things to survive the fall of man. Marriage existed in the Garden of Eden, and it still exists today.

I fully appreciate and understand the dynamics of single parenting—growing up in a single-parent home myself, I watched my mom dedicate her life to myself and my brother, and how hard she worked. But I can tell you, from her perspective and from no person I have ever met, have they picked up a newborn child and looked into that newborn's face and said, I hope this child grows, gets great grades, goes to a good college, gets married, and then gets divorced. No one does that because, as a culture, we understand the value of marriage. It's intrinsic within us that we get it, and we honor that. We see an elderly couple in the park and see them smiling at each other, and we wonder about how many decades they've spent together. And we honor them, as a culture, because they have strived for so many years and have been committed for so many years to each other. It is to be honored. And it's a good thing for us to stop for just a moment in the hustle of this day to honor marriage again.

And let me just say, as a government as well, marriage is a big deal to us because there's a direct correlation: The weaker our families are, the more government has to stand up and provide services. The stronger our families are, the less there is a need for government. You'll see it in law enforcement. You'll see it in social services. You'll see it in food stamps. On and on and on, the stronger our families are, the less government we need. And as our families collapse, we have an acceleration of government to try to fill in the gaps. It is this uniting aspect of our culture—white, black, Latino, Asian, American Indian, every race, faith. Family is the key, and marriage is the essence of that.

A quick story. A few weeks ago at the Martin Luther Day festivities in Oklahoma City, Paco Balderrama, who works the gang unit within Oklahoma City's police department—he is a fantastic officer with a terrific reputation in our community—stood up, and he began to talk about marriage and about families. And he made a statement. He said, of all the gang arrests that they do and of all the gang interventions that they do in Oklahoma City, he said, 1 percent of the gang members that I pick up come from married, intact families, 1 percent. The more our families fall apart, the more government has to rise up.

In intact families, you have a lower use of drug use in those kids, of crime in those kids, of poverty, and passing on poverty to the next generation. They have safer homes with less abuse. They have less risk of early sexual activity, all because they have come from a family that is married and committed to each other. We should maintain that in our Federal policies, that in every way possible, we support marriage, not discourage marriage.

A great example of that is the marriage penalty that's in SSI right now. If you are on disability insurance and you are single, you get one payment. But if you are married, it's much lower. If you are single, you can have one amount, and you can have one amount of assets, but if you are married, it's less. So it basically is a disincentive for a person on SSI to be married.

I have personally interacted with people in Oklahoma City that have been living together for years. And when I asked them about it, and said, Why don't you get married? Why don't you settle this commitment? His response to me was, I can't afford to do that. I'll lose part of my SSI benefits.

We, as a government, should do everything we can to make sure there are no marriage penalties in any of our social service programs because the best thing that can be done to pull families out of poverty is a stable, strong home. And when there's a stable, strong marriage, that will build up families. And the more we step in as a government and say, I know your family's falling apart, but we're just going to subsidize you. In fact, we'll subsidize you to a level that you don't have to get married. In fact, we discourage you from getting married. It's absurd on its face.

The cultural thing that pulls us all together—every race, every religion—is the marriage being the center of that home. And for every family that I have ever talked with, their hope for their children is that they get married, and they stay married.

□ 1710

It is still a core foundation of our culture. Many marriages have fallen apart, but we should as a Nation stand beside marriage. It's a great week. It is always a great week to celebrate National Marriage Week.

Mr. NUNNELEE. Mr. Speaker, it is my honor to participate in National Marriage Week, along with my bride of 30 years, Tori. In fact, it was February 13, 1980, that she and I went out for the first time. And on that night I found a friend, a friend that would be a life partner. A couple of years later we were married.

Now the purpose of National Marriage Week, as has been articulated here on the House floor tonight, is to recognize the benefits and the stability that strong marriages bring to society. Now, it's purpose is not to belittle those who have never been married. Neither is it's purpose to make those

who may have previously been married feel like their value to America is somehow not important. I recognize tonight there are thousands of single parents struggling. They're struggling every day to make ends meet. They're trying to balance two tough full-time jobs—jobs being the sole breadwinner and provider to a family, and the full-time job of being a parent. But it's also important that we not forget to recognize the importance of strong marriages in our society.

The home is the fundamental unit of society. The home is the system whereby values are transmitted from one generation to the next. Studies have shown that children raised in intact, married homes are more likely to attend college. They're physically and emotionally healthier. They're less likely to be physically or sexually abused. They're less likely to use drugs or alcohol. They're less likely to be involved in a teenage pregnancy. The home was the first institution established on Earth. In fact, it's older than the institutions of religion, of government, of education. The home is the only institution we have on Earth that is exactly the same as it was before sin entered the Earth.

And today, we stand on the foundations of the homes created by our ancestors. And a strong America in the next century begins with strong homes today. Strong homes begin with strong marriages. I have known this to be true in my own life. While their story is not unique, in fact it's a story that is replicated throughout America.

Next week, there's a couple in Tupelo, Mississippi, who will celebrate their 55th wedding anniversary. They married as children in 1957. She was 17. He was an old man of 19. If their compatibility had been put into one of the matchmaking computer programs that's available today and all of their data had been input, those computers I'm convinced would have spit out a three-word message: Are you kidding?

He had lived all of his 19 years of life on a small and poor farm in Pontotoc County, Mississippi. He had rarely traveled from the place of his birth. On the other hand, she was born in Pittsburgh, Pennsylvania. She lived there until her family was transferred to Mississippi as she was to begin the 11th grade. The summer after she graduated from high school, they met. She canceled her plans to attend college because she had met what would be her life partner. While their backgrounds had very little in common, their families shared two very important values: a strong faith in God and a commitment to the family unit.

Their first night together, they got down on their knees and they committed their marriage to God, and they committed themselves to each other. Over the ensuing 55 years, they've shared many good days: the birth or adoption of seven children; her graduation from college, an event that had been delayed by almost two decades;

his becoming very successful in the life insurance business, including becoming the president of one of the State's largest and most successful life insurance companies; the birth of 14 grandchildren; seeing all seven of their children given the opportunity to attain a college education.

But just like in so many families, every day has not been a bright one. Trying to raise children while building a sales territory, there were a lot of times when there was not a lot of money left at the end of a long month.

They've held hospitalized children, some hospitalized with routine childhood illnesses, others with life-threatening conditions, and they've had long nights in the hospital not knowing if that child would make it to see the morning.

They've had to console a grieving daughter as she was consoling a son, a grieving daughter who was far too young to be a widow. They leaned on each other as he was terminated from the company that he'd built. He was the casualty of a corporate merger.

Through the good days as well as the bad, the commitment they made to God, the commitment they made to each other, has endured. While the word "retirement" is not in their vocabulary, they are beginning their eighth decade on Earth, and they are beginning it each day with each other.

Their seven children are scattered from Knoxville to San Antonio, and each are contributing members of their communities. One of them lives in Mississippi, but works part-time in Washington, D.C., and tonight he's proud to stand on the floor of the United States House of Representatives and on behalf of their children, their grandchildren, and their great grandchildren, say thank you. Thank you for your commitment to each other, because your commitment to each other, your commitment to your family will not be measured by years, but rather, it will be measured by generations.

This story is not unique. In fact, it's representative of the millions of stories told by millions of families that have made America great. But as we stand here tonight, we need to be mindful that because of the value that strong marriages bring to society, the policies of government should support strong marriages and not oppose them.

□ 1720

All too often, whether it's in tax policy, housing policy, or the policy of Federal benefits, the policies of government are stacked against families. If we truly believe that families are the foundation of a strong America, we need to make the policies of government support and enhance those families.

Mr. Speaker, let me now recognize the gentleman from Texas (Mr. GOHMERT).

Mr. GOHMERT. Thank you.

I appreciate my friend, Mr. NUNNELEE's, effort in recognizing the

role that America has had in fostering the greatest building block any society has ever known—marriage, plain and simple. I was blessed to have had two parents that loved each other, loved each other enough to fuss at each other when they didn't feel like the other was doing the right thing. But, as Mr. LANKFORD from Oklahoma pointed out, it's not all about love. It's also about commitment. And as anybody who has studied sociology and really wants to be honest about the history of the world knows, the greatest societies in the history of the world have had as their building block the marriage between a man and a woman.

Now, my wife was blessed to have been born and raised by a couple who loved her as her natural parents and loved each other, and the commitment was always there. Her dad passed away a few years ago, and her mother is still alive and blesses us. My dad remarried a year after my mother died in 1991, and they've been a blessing to both of us and to our children.

It was certainly a great blessing to me when I met Kathy, when I was in law school and she was an undergrad at Baylor. And somebody again this weekend said, Your wife is so cute; I had no idea. And I have to explain to people that's because she met me and married me while I had hair. I realize I couldn't get somebody cute nowadays if Kathy and I weren't together. But back then, I had hair, and I know it's hard to believe, but I actually looked okay when I had hair. But, anyway, she's stuck with me for 33½ years now, and we have been truly enriched to have three wonderful daughters.

I've learned so much about the nature of God by being a father. I learned a little more by being a judge, but marriage just has been truly the enhancement, beyond my faith in Christ, the number two thing in my life as far as the blessings that I have received.

When we look at the laws regarding marriage, we know there's a great deal going on. The court, as I understand it, today struck down a law that said marriage is between a man and a woman. It's interesting that there are some courts in America where the judges have become so wise in their own eyes that they know better than nature or nature's God.

It was interesting seeing what happened in Iowa a year and a half ago, after an Iowa Supreme Court unanimously—well, they held en banc. Having been a chief justice of a court of appeals, sometimes that means that nobody wanted to be out there signing the decision by themselves so that perhaps behind the scenes they may have said, Hey, look I helped you on that by making that a full decision en banc and so help me out here by all agreeing to this. Well, three of them came up for an up-or-down vote, and for the first time in Iowa's history, the voters in Iowa voted to terminate the time as judge of three of the nine judges—or seven. Three of them were up, and they were terminated.

One of the things that I found interesting as I went on a bus trip across Iowa—I loved the Iowa folks. All I had to do was pull out the decision written by the Iowa court and read in that decision how those judges in Iowa had become so wise in their own eyes that they said that even though the State of Iowa raised as one of their issues that there was biological evidence that supported a marriage being between a man and a woman, that they, the Supreme Court, so wise beyond nature, so wise beyond nature's God, they could not find any evidence whatsoever to support the notion of marriage being between a man and a woman. Iowa voters would often start laughing, and some would just gasp in shock that people that had so many years of education, at least 18, 19, 20 years of education, had studied and looked at the evidence and could not find any indication that nature or biology supported marriage between a man and a woman. Well, nature seemed to like the idea of an egg and a sperm coming together because of procreation. Apparently, they thought the sperm had far better use some other way biologically combining it with something else. But the voters of Iowa came back and said, Do you know what? If you're not smart enough to figure out actual plumbing, as my friend STEVE KING explained it, then perhaps we need new judges, and that's what they did.

Now, it is the Bible, the biblical statement that the two shall become one flesh, and the two become one. It's amazing. In fact, I wrote a song for my wedding in which I pointed out that we would use 10 senses from henceforth instead of five. And you do. You learn from the senses of your mate. You grow together.

A good example of this growth is there was a prosecutor who prosecuted in my court when I was a judge, and he had had a couple, both the man and the woman, the man and wife were on the same jury panel from which the jury of 12 was to be drawn; and he was asking the husband, sir, the laws of Texas require that you cannot be on a jury unless you can independently vote your own conscience. So I have to ask you, sir, you're under oath, will you be able, if you were on a jury with your wife, to vote your own conscience? And the man said, Yes, of course, I can vote my own conscience. I'll ask my wife what's my conscience and then I'll vote it. It won't be a problem.

We two usually grow to become one, as the Bible points out.

It broke my heart to hear testimony on sentencing of a gang leader in Tyler who had been convicted of murder who was being harassed about his gang membership. He had heard all the testimony about his gang, and he pointed out, Look, you keep saying all these bad things about gangs, but let me tell you, my mother was never around. I never knew my father. The gang—my gang is the only family I've ever known. They're my family. You're

trash-mouthing my family. They cared about me. They supported me. We cared about each other. And it led to murder. It led to all kinds of crimes.

□ 1730

There's a reason that the most important building block of a stable society is a marriage between a man and a woman.

I was in the Soviet Union as an exchange student in 1973 visiting a day care before anybody even heard of day care really in the United States. In Mount Pleasant, Texas, we had Momma Stark. And if my mother had to go somewhere when we were little bitty—when we were old enough to go to school, then mother went back to teaching; but before then, she'd drop us off at Momma Stark's. She'd take care of us. We didn't know it was called day care at the time.

At the time I went to the Soviet Union as an exchange student, I was appalled. It was actually shocking to the conscience to see a place where the government had dictated what every child should know about relationships, about the lack of religion—because they preached atheism. They taught the children what the government believed they should know about everything.

We were told that it was so important that each child be taught only what was permissible to the government that if it were ever learned that a parent was teaching or telling a child anything at home that was not in accordance with the teachings and dictates of the government, that the child was then removed from the home and the parents were not allowed to have any contact with what was deemed to be an asset of the government and nothing to do with the home. That was because in that society—before it failed, as it always would—they believed marriage was not that important. It was the government that was the be-all, end-all. It was the government that would teach and would raise the children, and they were only loaning them to parents until such time as they did something the government didn't like and then they took them away. It was not normally any type of sexual abuse. The worst offense, it seemed to be from what I heard from people I talked to there, was if you taught something that was not in keeping with what the government taught.

I thanked God that I lived in a country where my parents could teach me things that were true and things that were right, and not some government that would be wishy-washy and changed depending on who was in charge of the government, not some government that would perhaps take away the rights that were an endowment from our Creator. It was the parents that would train and teach out of love.

Then you find out, as I have over the years, our government, ever since I got

back from the Soviet Union, year after year has moved as if it's an adversary of marriage. Yet as my colleagues before me who've pointed out, the studies Mr. NUNNELEE has pointed out, of course we have some of our greatest citizens come from single-parent homes. But if you want to play the odds, the odds are that a child is more appropriately adjusted if they come from a two-parent home, a loving mother and father playing two different roles.

And yet we find out, gee, for decades now there has been instituted what's called a marriage penalty, so that if a wife and a husband are married and they are both working, then they are going to pay extra in taxes. The message being, subconsciously, our government thinks you're better off not married, just live together.

As Mr. LANKFORD pointed out, with Social Security, we do the same thing. You talk to elderly people who would love to be married because they believe in marriage from a religious standpoint and a doctrinal standpoint, and yet if they get married, they lose government benefits, indication that the government thinks it's better to live together rather than be married.

Not only that, but we have seen it over and over since the mid-sixties, a Congress who simply wanted to help. When a deadbeat father wouldn't help with the financial raising of his children, Congress said, You know what? Let's help these single moms that are trying to make it. Let's give them a check any time they have a child out of wedlock. After over four decades, we've gotten what we paid for, where between 40 and 50 percent of all children born are being born to a single mom, despite the evidence that more children are better adjusted if they have a mother and father in a well-adjusted home.

So, I get to Congress as a result of my wife, Kathy, being a full partner. She taught for awhile. She has her master's in business administration, in accounting. She taught for awhile while I was running, but we saw, if this is really what we believed was appropriate for our marriage, for our lives, to try to get this country back on track, it was going to take a partnership. So she left teaching and came on board and was a full-time campaigner with me as my partner. We could hit two places at the same time. And I was never shocked to hear that people loved Kathy more than they loved me and they would just as soon have her over me. So that went on.

We cashed out every asset we had except our home. I practiced a little law when I could and made a few bucks, but at the same time we cashed out every asset, paying higher penalties, so we could live on that. I didn't see it was a big risk because I knew if I didn't get elected, I could go back and make more money than I ever would in Congress. I've done it before; I could do it again. But at the same time, this is what we believed we were supposed to do.

We were allowed to continue that partnership after I got elected because you can't avoid having a campaign office because you've got to keep raising money. It's part of getting reelected. You've got to keep campaigning basically for the whole 2-year period between each election. So we kept my wife on for the same thing she had been making at teaching.

After 2 years of a true partnership—I mean, we were true partners. I was fighting the battles here in Washington and she was taking care of things in our district, going to all events that I couldn't attend, as my partner. And then when Speaker PELOSI took the gavel, our friends across the aisle determined that we wouldn't allow things like that because there were some people who, in a corrupt manner, had overpaid family members to do nothing.

So, the message went back clearly that my wife could no longer be my partner and take care of the campaign issues. I could no longer pay her the same thing she got as a teacher, that she had to go back. And since we had cashed in all our assets, and since I did not want my children to be coming out of college completely encumbered with massive debt from loans, and since the money that we had tried to save for college had been expended, we still needed her to work. We've still got college loans to be paid even now. But she's no longer my partner as far as this enterprise because this Congress said, under Speaker PELOSI, we don't want wives working as the campaign partner of a Member of Congress. So it seems like, over and over, the message keeps coming back that Congress wants to be an enemy of marriage.

Then we get the President's Jobs Act last fall. And although the President said he was going after millionaires and billionaires, if you looked at the pages that concerned the increased taxes, the President revealed his true heart, and that was that he considered you to be a millionaire or a billionaire—and obviously you're not—if you make \$125,000 a year, because under the President's Jobs Act, if you make \$125,000 a year, you're going to get popped not merely with an alternative minimum tax, you're going to get popped with an extra tax on top of that.

□ 1740

And that didn't matter if you were married, filing singly, or married filing jointly. Either way, a married person could only claim \$125,000 as income before he got popped with President Obama's extra tax. Not exactly a millionaire or billionaire; but, apparently, the President felt if you are going to have the inappropriate conduct such that you would get married, then you'd have to get taxed more than others.

How do you know that? Because in the President's same section, if you're not married and you are filing, you could claim either a \$200,000 exemption, or a \$250,000 exemption. Therefore, if

you were single and lived together, then you could claim either a \$400,000 or \$500,000 exemption under the President's Jobs Act.

And I was always wondering, and I hope some day the President will make clear, why he had such animus toward marriage between a man and a woman. He seems to be happily married. He seems to have a wonderful wife. Why would he want to penalize others in the country simply because they are married?

I didn't understand it. I still don't understand it. And I'm hoping before this year is up that enough people across America will make their voices heard that, you know what, we've gotten away from it, but the studies keep making it impossible to avoid admitting marriage between a man and a woman is a good thing. It is the building block of a stable society.

And as those who took an oath to uphold our Constitution, in essence, do all we could for this country, we owe it to the country to do what we can for marriage. I do appreciate my friend, Mr. NUNNELEE, so much for taking the whole hour and for giving some of the rest of us a chance to come speak with him with one voice.

Mr. NUNNELEE. Thank you, Mr. GOHMERT.

As we wrap up this hour, recognizing the importance of National Marriage Week, I want to conclude, recognizing, first of all, my own life's partner.

February 13 will mark the day, a little over three decades ago, that I thought I was going out to eat dinner for a blind date. What I was doing was being introduced to a friend, a lifelong friend. As we talked that night, we found out that the things we shared we wanted to share with one another.

And I've learned so much from my now bride of 30 years, Tori, but I think one of the things that I've learned from her that applies to National Marriage Week, I've heard her say, time and time again, love's not a feeling, it's an action. You can't help how you feel about something. You can help how you act.

There's another young family that I'm reminded of as we celebrate National Marriage Week, a young couple that, a little under 6 years ago, I sat at a church, watched their families smile with excitement, watched them exchange promises to one another. And here, in their early years of marriage, they've had words introduced to their vocabulary that they didn't think would be part of their everyday conversation, words like "biopsy," "radiation."

As I talked to that young bride over the Christmas holidays, I told her, I said, you didn't sign up for this, did you? She looked at me and smiled and she said, yes, sir, I did. But I committed for better or for worse, in sickness and in health. I did sign up for this. No, I wouldn't choose it, but I'm here, and I'm committed.

So, Mr. Speaker, as we conclude our recognition of National Marriage

Week, I'm reminded of the observation of old, the observation that God saw it was not good for man to live alone, so God put us in families. I thank God for those families.

I hope and I pray that the policies of this government will continue to support marriages and families so that we can have a strong America.

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

MAKE IT IN AMERICA: MANUFACTURING MATTERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes as the designee of the minority leader.

Mr. GARAMENDI. Mr. Speaker, thank you very much for the opportunity to share with those folks that are watching C-SPAN—and hopefully there are many—some of the issues that really confront America today.

We just heard an hour discussion on the fate of the American family, and it comes at that issue from one specific point of view and one specific section of the total problem, and that has to do with the issue of marriage and how we define marriage here in the United States.

But there's also another way to, and other very, very important issues that define the fate of the American family. And I'd like to take that issue up tonight in the context of the economy.

The American family is faced with many, many challenges. One of the most significant challenges is income, jobs. How can the American family make it in America today? What does it take for an American family to make it?

One of the most compelling charts that I've seen over these last several months is this one, which really describes the fate of the American family compared to the fate of the top 1 percent of Americans. We've seen an enormous shift in the income and the wealth in America over the last 30 years, largely because of governmental policies.

This blue line indicates how well the superwealthy are doing. They've seen nearly a 370 percent increase in their annual income. Their wealth would see a similar enormous increase.

Down here on the bottom are the rest of Americans, the other 99 percent. If you took all of this together, you would see that the bottom 50 percent have seen very, very little increase in their annual income; and most of that increase is due to both husbands and wives working simultaneously.

This is the challenge for the American family. How do they make it in America when, in America, we've seen an enormous decline in the great American manufacturing sector, where the middle class really, really succeeded?

And so, tonight, what I'd like to talk about with my colleagues who will

shortly be joining me is how we can make it in America by, once again, “Making it in America.” We can do this. In America, manufacturing matters.

American manufacturing has been in deep trouble for the last 20 years. That trouble has been caused by a variety of issues, some of which are beyond the control of anybody in this Nation, and certainly any Member of Congress or the Senate and the Presidency.

□ 1750

But a far greater part of the American manufacturing issue has been governmental policy.

Let’s see if we can lay the foundation for a discussion on what it takes to once again make it in America. This chart shows what has happened to American manufacturing since 1975. In the seventies, American manufacturing peaked out somewhere just under 20 million American jobs. Those were the good days. That’s when the American middle class was at its peak, when more Americans were enjoying the greatest share of the wealth in this country. That was the time when America was at its ultimate strength, when we had the greatest economy anywhere in the world.

Beginning in that year in the mid-seventies, we’ve seen a steady decline of the American manufacturing base. We’ve seen that decline for a number of reasons. What we need to understand is that through the seventies and into the eighties, and even into the nineties, even though there was a slight decline from some 19 to 17 million manufacturing jobs, it was in the century of 2000–2010 that the great decline took place. We are now down to just over 11 million manufacturing jobs in this country. Why did this happen? Why did we see this great decline?

As we try to answer that question, we need to also understand that there was a great increase in one, two, and three sectors of the American economy, but it was not matched by the manufacturing sector. The manufacturing sector was headed downward from 19 million to just over 11 million jobs. At the same time, the American economy was on fire. The finance, insurance, and real estate economy took off in the United States.

I think all of us have heard the term “financial engineering.” I am a graduate of Harvard Business School. Financial engineering was their schtick. That’s what they wanted to do. It wasn’t over at the engineering or the nuclear engineering or the chemical engineering schools, it was across the river at the business school, and at every other business school in America. If you wanted to make it in America, you had to be a financial engineer.

We saw the economy grow in the areas of Wall Street finance, insurance, real estate. And throughout the nineties, it peaked out. The best and the brightest of America decided that they didn’t want to be in manufacturing.

After all, that was some sort of dirty, greasy job. They wanted to be financial engineers in real estate, insurance, and Wall Street finance. We know where that got us. What that did to us was get us into the great bubble of 2000–2007, and the great crash that occurred. Financial engineering turned out to be nothing but paper. We’re not talking about dollars here; we are talking about worthless paper. That worthless paper nearly crashed the world economy. So there we have it. We became financial engineers rather than chemical engineers, manufacturing, and the rest. Where did our money go? Where did the American wealth go?

As we saw the decline of the jobs in manufacturing, we also saw the rise of imports. If you go back to the year 1976, you will see that we were running a very small trade deficit. We were importing and exporting approximately the same amount. What we were exporting was American-made equipment. We were exporting food that had been processed, food that had been grown. We were exporting machinery, machine tools, and airplanes. We were the great exporter of the world. Then Government policy began to shift, and we wound up here in 2008, the great exporters of American money, the great exporters of American wealth. We need to turn this around.

We’ve seen a slight improvement here in the most recent years, but all of this red is basically China. What’s happened is that the United States has given up its manufacturing power to China, and to a few other countries. We can see this in certain industries, for example, the automobile industry. Thankfully, as a result of laws that were passed by the Democrats and signed by President Obama giving him the power, through the stimulus program, the American Recovery Act, to bail out the American automobile industry, he did. The President said, On my watch, I will not allow the American auto industry to die. And he took action. He bailed out General Motors and Chrysler. In so doing, he saved the American auto industry and the tens of thousands of small businesses that rely upon that industry for their jobs. However, that’s only part of the story.

Here is the rest of the story. Other countries that are automotive manufacturers have been able to increase their supply chain. And while we still have an automobile manufacturing sector in the United States, we heavily depend upon imported parts for the assembly of automobiles here in the United States. So other countries actually manufacture the parts, and assemble the autos. But not in the United States. We assemble, but we also import many of the parts.

We can change this, and here is what the Democrats want to do: We want to change the trend line. We want to rebuild the great American manufacturing sector. And we can, with good, wise, public policies. We say make it in America so that America and Ameri-

cans can make it once again. Manufacturing matters.

As my colleagues begin to join me, I want to share with you some of the ways in which we can do that. Here are the policies that we want to put in place: We want to seek manufacturing within the United States. We want jobs and income within the United States. We are targeting specific industries, and we want to align the trade and tax policies in the United States so that we can once again reignite the American Dream. We’re going to go into these in somewhat more detail as my good friend from New York (Mr. TONKO) takes over for a moment.

□ 1800

Mr. TONKO. I’m always willing to help a sore throat get soothed.

Mr. GARAMENDI. Thank you.

Mr. TONKO. Representative GARAMENDI, thank you for bringing us together in a manner that allows us to look closely at the American economy, the American Dream, and the decline of manufacturing, which represents a serious concern for workers across the country and which represents a serious concern for communities as we engage in this effort to grow jobs and retain jobs. It’s important to look at the statistics out there.

Where was the focus? Where was the emphasis on job creation and job retention? Could we do a better sort of stewardship, if you will, of our resources and our policies? I believe the answer is a resounding, yes, we can do better.

As was made mention by Representative GARAMENDI, it is important for us to acknowledge that the work done here—the challenges, the crises that face us—can also be transformed into opportunities. The opportunity here for this great Nation—for the powerful force that we are in the global economy—is to reignite the American Dream, to reignite that dream with the underpinnings of support that come through three separate dynamics.

The first is engaging in a small business comeback, inspiring that comeback because small business, the pulse of American enterprise, is replete with a history of mom-and-pop operations, of ancestors that built their American Dreams into an ideas economy, into a service economy that enabled small business to become that very promising enterprise.

The second leg of the stool would be that of entrepreneurs—those movers and shakers, those builders, the dreamers, if you will—in our society who constantly inspire us with job creation that is driven by ideas and by the moving of ideas into a product and enabling us to again create that engine of ingenuity and creativity.

Then, finally, there would be a thriving middle class.

These are the basic principles: a thriving middle class that is driven to have additional purchasing power simply by policy that is done so that there is tax fairness, tax justice, in our outcome. Reigniting the American Dream is driven by those principles of small

business, entrepreneurship and of a thriving middle class.

It is a basic, simple approach that we have embraced as Democrats in the House, driven by a set of policies and goals that will enable us to look at all sectors of the economy and to understand that the manufacturing sector was grossly ignored. We focused primarily on service as a sector of the economy—ignored agriculture, ignored manufacturing. When the focus was on the service sector, it was primarily on financial services, which, when they were given free rein—when we turned our backs and said “do as you like”—we found that that drove America’s economy to its knees.

Now we look at the results. We look at the history of the last decade or two. The precipitous loss of manufacturing jobs from 1997 to 2009—a 12-year run—produced a loss of 6 million jobs in manufacturing alone, Representative GARAMENDI. What that meant—indicated, reflected, personified—was the largest such loss in world history. That is unacceptable.

So, when we talk about reigniting the American Dream, there is work to be done. There is work to be done, and it’s time for us to engage in a set of policies, of resource advocacy and goals that are established to create those ladders of opportunity and to enable people to climb up the economic ladder as we had done from our humble beginnings as a Nation, where rags-to-riches scenarios were commonplace and where immigrants saw this land as the promised land. That’s history that ought to speak to us, and we can bring it back through the appropriate advocacy here—a climate that creates manufacturing jobs and makes us competitive in a global economy.

Mr. GARAMENDI. Mr. TONKO, thank you very much for joining me. I needed a break.

Mr. TONKO. Yes.

Mr. GARAMENDI. Beyond that, let’s talk about the specific policies that we’ve been discussing here in the House—legislation that has been introduced—that will bring back the American manufacturing sector because, indeed, it was specific laws that were written here over the years that were largely, in my view, responsible for that outsourcing of jobs.

It’s an interesting word, “outsourcing.” Until December of 2010, an American corporation could receive a tax cut for every job it outsourced. That’s largely over. There is a little bit more to be done, but most of those tax breaks have been eliminated by a law that was passed by the Democrats—not one Republican voted for it—eliminating the tax break for the outsourcing of American jobs.

The President said it so very well in his State of the Union. He said that we should not reward companies for sending jobs overseas; rather, we should reward them for bringing those jobs back to the United States. That can be done by some of the policies that we’re talk-

ing about. The President signed a bill, authored by Democrats and voted on by all Democrats and a few Republicans, that actually encouraged that by giving companies a 100 percent immediate expensing of all capital equipment that they would invest in the United States.

Those are two examples. I know you’ve got some that you’ve been interested in, that you’re actually authoring, and you may want to talk about those. Then we’ll come back and talk about the specific things that we can do.

Mr. TONKO. Absolutely.

I think my response to some of those changes that you just shared is that it creates this sea change. It creates the U-turn in the road, if you will, and it gets everyone’s attention. People understand that.

Now we’re operating under a different set of principles—you need to invest in America, invest in her workforce and in the job opportunities that will follow. That’s what it basically says. When you look at machine tool operations and activity and when you look at it over the last, again, decade or so, you will find, in both categories, Representative GARAMENDI—of the consumption and production of machine tools—that we’re not in the top three. That ought to be a flag that goes up that draws our attention, hopefully, expressing a dire sense of urgency. When you see Japan and China and Germany not only producing the machine tools but also consuming, it tells you where the activity is, and it is robust. That’s all a matter of policy. Those are intentional outcomes that were driven by a very focused agenda in these nations, and America—the United States—needs to get back to that agenda.

I applaud the President for setting the tone in his recent State of the Union message. I applaud the leadership in this House, which is coming under the banner of the Democratic leadership, that has engaged in “Make It In America” as our mantra. Reigniting our American Dream is within our grasp if we begin to advocate a stand that brings back a robust quality to manufacturing opportunities in this country.

Mr. GARAMENDI. I’ll give you another example of how policy can change what has happened.

For a long, long time, we would send our tax dollars overseas to buy buses, railcars, light rail, ferryboats, and the like. Every one of us who buys gasoline or diesel fuel pays a Federal tax on that—18½ cents for gasoline and 25 cents for diesel fuel. That money is used to build transportation systems—roads, bridges and the like.

And where does it go?

The Buy American laws were largely ignored. However, in the American Recovery Act, in the stimulus bill, money was provided for the additional purchase of railcars, buses, and ferryboats. Somehow, wisely, the Democrats, who

authored the bill, put in a clause that said that that money could only be used—only be used—to buy American-made equipment. So what happened in Sacramento, California, is that Siemens, the large German manufacturing company, decided that they would like to have some of that stimulus money. They wanted to build streetcars, light-rail systems, so they opened and expanded their manufacturing plant in Sacramento to manufacture the streetcars for Austin, Texas, and San Diego—made in America because of a law that was passed. It is a prime example of what can be done when we pass the right law that says that our tax money must be used to buy American-made equipment.

□ 1810

Mr. TONKO. I agree that those are great incentives. If we can provide for employment-linked investments in R&D, in tax credits, that’s a feather in the cap; that is a catalyst that draws a great response, a great reaction. Your indications here of procurement, with regard to Buy America, is very important as one of the cornerstones of our agenda. But also, I think we need to focus on the investments in infrastructure and energy and the investments in a different order of infrastructure, the human capital, the human infrastructure, making certain that we move forward with the training and retraining of the American worker, advancing higher education, certainly looking at pre-K through 12, and providing career path opportunities.

Now I mention that because the employment-linked investments in R&D—bringing back R&D here because where research is, manufacturing follows. So I mention that. But I will use the real-life example of Wynn Kintz, and I have mentioned this before on the floor, but it’s a recent example that is worth repeating.

Wynn Kintz of Kintz Plastics in Schoharie County in the 21st Congressional District in New York State—

Mr. GARAMENDI. Who represents that district? It is TONKO?

Mr. TONKO. Oh, I think it’s PAUL TONKO.

But I use that as an example because in order for Kintz Plastics to compete effectively in a global market, they needed to move to an automated portion of their assembly operations. They worked with the local higher ed infrastructure. And we have the partnerships in this country that have existed for a long time. There is this intellectual exchange of creative genius coming from campuses, working with the private sector, public sector. It happens. It happens to a great degree.

And while they developed this automated assembly process for his industry, they also needed to train the workers on this new equipment so that it brought with it an employment link. And it did that through one of the local community colleges, did an RPI automation design, and then did a Hudson

Valley Community College-driven training process so that you developed the workers you needed.

Now, these are the investments that then produce these very tangible results and very lucrative dividends that enable us to prosper. And that's just one small example, but I see it over and over again in the 21st Congressional District. We're a hub of innovation jobs that are coming: green collar, high-tech jobs, clean energy jobs. That's happening because there is a partnership with government, a partnership where government assumes some of the risk, as we do with ARPA-E, a Department of Energy program which has advanced research project moneys. They expedite some of the ideas, innovation concepts, move them along in much quicker stead so that we can develop the jobs associated with that.

So when you talk about the toolkit here, it's an investment in employment-linked R&D and tax credits; and it's an investment in procurement procedures that link themselves with Buy America; and then it's the work investing in infrastructure of a routine kind: wiring communities, wiring the businesses, making certain that our roads, bridges, and rail are state of the art; and then the human infrastructure: creating programs that train, retrain, and educate workers of the future. You need that in a cutting-edge fashion where we can maintain world leadership.

It takes investment. Other nations have shown us that when they invested, they were able to be the giants in the machine operations, the machine tool operation. So it's possible. It's within our reach, and it's all about reigniting the American Dream.

Mr. GARAMENDI. Well, that reigniting of the American Dream will be dependent upon two factors, that is, the public, the small businesses, the entrepreneurs putting together their businesses. And at the same time, it's going to be dependent upon public policies.

You mentioned education. For the last 2 years, the Democrats have been proposing and pushing a series of pieces of legislation to enhance the ability of Americans to go to school. The Workforce Investment Board, very, very important. I suspect that that was one of the programs that your plastics company took advantage of in retraining. Our Republican friends last year, in the budget and in the appropriations, tried to reduce the workforce investment, but we wouldn't have that, and we've been able to at least maintain it.

We were able, on the Democratic side, to increase the Pell Grants so that kids can go to college. Now, I would hope they would go to college to be chemical engineers, process engineers, and not financial engineers, which I discussed early on. But I think that if we can just continue to support the educational system, including such things as vocational education—

used to do vocational education in America. We let it go. And as it went, we saw more and more dropouts. So supporting the educational system.

You mentioned—and I think we need to drive this point home tonight—the research side of it. This is something, Mr. TONKO, that you know a great deal about. You headed up, as I recall, an organization in the State of New York that was specifically looking at how to enhance the research within the State. Share that and then also share about our policies, as Democrats, for enhancing research.

Mr. TONKO. Sure. Before my involvement here in the House of Representatives, I served as president and CEO of NYSEERDA, the New York State Energy Research and Development Authority. And it was there that I got to see policy put into action. I had worked in the State assembly. I had represented the 105th Assembly District in the State of New York for nearly 25 years, the last 15 of which I served as Energy chair. So I got to see that energy policy put into action at NYSEERDA where there were very meaningful partnerships with the private sector, where they would retrofit machine operations, manufacturing assembly lines with energy-efficiency outcomes.

Number one, we're the most glutinous user of energy, as a commodity. It is so important for us to become more resourceful. That should be a social economic goal that is embraced by the Nation. But beyond that, it saves money when we enable these companies to embrace these new technologies in a way that creates a more competitive outcome for them, especially as we move more and more to a global marketplace that is the competing ground.

Also, in so doing, there were opportunities to invest in research. Now, not every story in research is a success story; but the wonderful outcomes, when they are a success story, produce the sort of savings of the environment, savings of our energy supply, and savings of the green, the dollars. Those are quantifiable benefits that ought to be encouraged by policy. And here, what I see is us walking away.

We had a hearing the other day on ARPA-E, on the Energy Department's programs that model themselves after DARPA, with the Defense Department, that gave us a lot of strength for our military, that brought about the application of science and technology, high tech.

Mr. GARAMENDI. The Internet came directly from DARPA. DARPA is a defense research agency.

Mr. TONKO. Exactly. Right. And ARPA-E is the mimicking of that in an advanced research area of energy.

Now we're going to sit there and battle over—perhaps denying dollars to concepts like this when we found out at the hearing that it is expertly managed, very tight-fisted, very laser-sharp in its focus, and has outstanding results.

□ 1820

We should produce additional resources for a program like that that enables us to stay ahead of the curve, and that ought to be government's mission. If we are going to reignite the American Dream, if we're going to do it through the support of small business, which is the economic engine of our recovery and our comeback scenarios, if we're going to do it by partnering with entrepreneurs, who are the dreamers who develop the ideas for the future that grow into job opportunities, if we're going to do it through a thriving middle class, that takes investment. It takes focus, it takes policy, and it's what we're asking to have done here—reignite the American Dream, create the ladders of opportunity, the ladders that build us to success. It happened in generations past. We saw it driven by groups that came here seeing this Nation as the land of opportunity, a promised land. Why not bring that pioneer spirit back into the front line of our thinking, front and center of our thinking so that what we witnessed in the 21st Congressional District in the humble beginnings of this Nation—my district was the donor area to the Erie Canal that inspired the birth of a necklace of communities called mill towns that became epicenters of invention and innovation, inspired a westward movement—that's what we can achieve here if we stay focused and we believe in reigniting the American Dream.

Mr. GARAMENDI. The reigniting of the American Dream is going to depend upon, once again, those small businesses out there, the entrepreneurs who are willing to take the risks, willing to take their concept and their idea and put it into a business.

Along the way, the history of America, as you well described it with the Erie Canal, we can look at all of the other great industrial advances that have been made. There has always been a partnership between the government and the individual companies and the entrepreneurs that are out there.

For example, the oil industry has enjoyed for more than a century over \$13 billion a year of tax subsidies to encourage the production of oil. And there is an incredibly successful partnership between the government, not only with tax subsidies but making the public lands available for the exploration and the extraction of oil over the last 100 years, creating the wealthiest industry in the world.

Now once an industry has matured, as has the oil industry, we should remove those subsidies and use those subsidies for the new industries that we need.

We've been discussing since Carter and the first oil embargo the need for American energy security. Most people now believe that American energy security is going to be based upon the continuation of the oil industry and the coal industry at some level, using the natural gas that we now find is

more plentiful than we once thought as a bridge, let the oil and the coal industries wane while we build the renewable industry.

So if we took those tax subsidies that the oil and coal industry have enjoyed for a century, shifted them to the new industries, we could then see a blossoming of the green industries.

In California today, the solar and wind and biofuel industries employ some 320,000 people. It is a growing sector of the American policy. The policies that emanate from Washington, D.C., can either help or hinder that growth. That growth is not only new jobs here in the United States, but it's also energy independence.

The sun shines on the United States. Well, not at night, but it does shine during the day in most parts of the United States. So solar. The wind blows—and I'm not just talking about the wind in this Chamber, but across the Nation. Now, we have to couple that with public policies, and I want to speak to one specific policy, and that is shifting the subsidies that the oil industry has had for a century, shifting those subsidies over to the renewable side of it. Here again on the renewable side, this bill, H.R. 487, I happen to be the author, I'm kind of pleased with this piece of legislation. This bill would require that the subsidies be used to buy American-made solar and wind and other renewable energy equipment.

We should never use our tax dollars to buy a solar panel made in China. We should never use our tax dollars to buy a wind turbine manufactured in Germany. If somebody wants to go out and buy a solar panel using their own money, buy whatever you want. But if it's our tax dollars, buy American. Use our tax dollars to buy American-made equipment. Use that to reignite the American Dream, to build those machines, those solar panels, in the United States. Use our tax money to buy American-made equipment, whether it's a bus, a train, a plane, or a solar panel or a wind turbine. These are public policies that emanate from this House. We can change what's going on in the American manufacturing sector.

Mr. TONKO. Representative GARAMENDI, as you toss out pieces of the puzzle there, it conjures up all sorts of responses that I think we need to provide and share.

You talk about the intermittent nature of renewables. The sun not shining at night, the wind ceasing to blow, you name it. The hydro facilities perhaps if you have a dry season, whatever. We need to advance the notion of the battery as the linchpin to move forward aggressively with a sustainable agenda which renewables can provide. And so the advanced battery manufacturing that I see taking hold in the 21st Congressional District in Schenectady with the GE operation.

Mr. GARAMENDI. Mr. TONKO, why do we keep coming back to the 21st Congressional District?

Mr. TONKO. It seems to be the one that I know the best. But what I see happening there is, again, a great intellect being poured into design and the concepts of advanced batteries. Not only can these batteries move heavy freight, heavy equipment, they can also deal with storage of renewable, intermittent power. Once you do that, now you've solved the reliability issue, which is so important for our operations of energy.

But to your point, not only is it sustainable and not only does it create energy independence, it speaks to our policies from a national security perspective. We are purchasing from some of the most troubled spots in the world. If we're not doing that at the moment, we inspire, we cause the world market to do that, and a cartel controls our destiny. Is that smart? We are sending hundreds of billions of dollars into treasuries of unfriendly nations that can then use that to train troops against our own American forces. So it speaks eventually and very directly to our national security issues.

And beyond that, when you talk about job creation, when we go energy independent, when we become more resourceful, which we ought to pledge to do simply because no matter how it's generated, no matter what the mix of our supply of energy resources, we need to steward those resources in a very, very deliberate fashion, in a way that is resourceful and not wasteful. So we build alternative technologies, we build into a renewable market, and we do the linchpin activity with the advanced battery design and manufacturing all in the U.S., and then we also provide for the training of the workforce.

When we at NYSEDA had invested in our annual conference on workforce development, green collar job development, in one seminar we had the presentation of how they were training plumbers in Germany in a solar hot water agenda where they were able to put together the training that enabled homes in a very aggressive fashion to use solar panels on their house simply for their hot water purposes. What that could do for a State like California or a State like New York, and en masse cumulatively for the Nation, is an incredible savings to our environment, to our job creation, and to energy costs. Absolutely important. Households will do well. Jobs will be created. The environment will be better addressed, and isn't that the goal of a think tank like the House of Representatives?

Instead, why did we ignore manufacturing for a decade and a half? Why did we avoid dealing with agriculture? Why did we not get into sound energy policy?

I ran for this seat simply driven primarily by the lack of a comprehensive energy plan for this Nation. How can a Nation as great as the United States with all of its small business, all of its manufacturing, its industrial sector, its households demanding a better out-

come for energy, how could we not develop a comprehensive energy plan?

□ 1830

It's what the President has asked us to do. He has challenged us, he's challenged us with fairness in the Tax Code, he has challenged us in a way that will inspire the reigniting of the American Dream driven by that notion of small business support, entrepreneur nurturing, and a thriving middle class. It's achievable, and what I would say, we have the format out there, we have the plan, we have work to do. Let's move forward.

Mr. GARAMENDI. There are so many pieces to this puzzle. You've talked about the research; you've talked about the support of new businesses, particularly in the clean energy sector. As we discuss those things, I keep thinking about what is happening, I think very unfortunately, in this debate. It's a political year, and we've got our elections. We have the election of the President and the Senate, all of those things are up, and so we take issues, and we may take a specific problem and drive that problem to the point of destroying other good programs that are under way.

This is happening right now. The Solyndra case, three times on the floor today I heard the word Solyndra come up. This was a problem, this was a company that was supported by a loan guarantee, and it failed. It largely failed because of China's policy of dumping—dumping on to the American market underpriced solar cells. That's why the company failed.

Now we have the opportunity to deal with this; but before I get to how we can deal with that China problem, I want to just ask my Republican colleagues to be very, very careful as they drive this political issue because they may succeed in making this a big political issue for this country; but by doing so, they may cause America to turn its attention away from renewable energy—the very issue you raised, Mr. TONKO.

We have to have energy security, and renewable energy of all kinds is going to be part of that. So we must be very careful. Whatever political advantage there may be to the Solyndra case, be aware, America, that underlying this is an extremely important policy in the United States to achieve energy independence, to free ourselves from the slavery of the oil barons and dictators around the world so that we can have a secure energy system in the United States.

It will, by necessity, involve renewable energy. Solyndra is a problem. Make it into a political problem, okay, but don't turn Americans' view and hopes away from the renewable, clean energy sector. It is vital, and we have to have policies in place to support that, just as we have supported the oil industry for more than a century.

Put that same support behind the batteries that you talked about, Mr.

TONKO; put that same support behind the bio-fuel industry; put that same support behind the solar, wind, and also the smart grid. Right now, in my district, Lawrence Livermore Labs is looking at developing a research program on how to integrate these renewable and variable energy systems into the grid so that they all mesh and provide the energy that is needed by America as it changes hour by hour across the United States—a very, very important research project. All of these things come back to government policy and support. So we must be very careful about that.

I do want to take up the China currency issue and the dumping of, in this case, solar cells on the American market. Would you like to start that discussion, Mr. TONKO?

Mr. TONKO. Just on the grid thing, I would like to make a comment because sometimes it's like we're challenged so that we can walk away from the challenge of the moment, and it's not the best thing for us. In 2003, this Nation witnessed the blackout from Ohio right through southern Canada into the great Northeast, New England, New York and some of the eastern sea coast, all driven by failure in the grid system.

Now, never in that year that elapsed was there much discussion about public policy, and that was a Presidential year that befell the Nation. And it just does not get talked up. Now, finally, historic amounts of investment through the Recovery Act were made in the grid system and challenging us to step it up, do what's required to use state-of-the-art opportunities for smart grid, smart thermostats, and smart meters enabling people to have more control, more destiny over their energy usage and over their energy bills, making certain that, again, we pour ourselves into an investment of a unique type, a historic investment that enables us to go forward with the sorts of responses that we need.

We need the arteries and veins: the transmission and distribution system to wheel the electrons to the workplace and the home place as it's required. And in New York, again, in our bordering of Canada, if we want to import hydropower from another nation and wheeling now, we've moved well beyond the monopoly setting where you had regional situations. Now you wheel from region to region, State to State and nation to nation. We need upgrades in the system just to transport the electrons that are required.

It's not if we're going to do it; it's when we're going to do it. And the chance that we have right now is to move us forward in a way that strengthens this economy, cuts energy costs, provides for more wise use of those energy supplies, enables us to produce the energy ideas if it's alternative technology or energy efficiency or what have you, but this Nation is replete with a history of invention that has come through very thoughtful ap-

plication of what is needed out there by society.

For us to have walked away from those challenges is unacceptable. And that's what the grid is telling us right now. You can lay back and say, hey, you don't need an upgraded train system, you don't need an upgraded grid system, you don't need broadband, you don't need all this technology, and you don't need the investment in R&D. Well, that complacency or the contentment that people might feel with the status quo will get us nowhere. In fact, it will push us farther behind as nations bulk up, invest and stretch their opportunities simply by committing to a progressive agenda. And that's what we call for here, to reignite the American Dream.

Mr. GARAMENDI. Well, that American Dream is going to be held back by unfair trade policies that are seriously harming the American economy. Early on, I put this up. I don't know that you were here at the time. This is the American trade deficit. Much of this deficit is a deficit in trade with China. A lot of that deficit is caused by Chinese currency manipulation. The Chinese currency is undervalued somewhere around 20 to 25, maybe 27, percent, which gives their manufacturing sector a 20, 25 percent advantage because of the currency manipulation.

Mr. TONKO. Representative GARAMENDI, would you yield to a point? I believe I saw earlier a chart that you had on manufacturing jobs. Could you just put that one up on the easel over that pattern there and point to the '97 to 2009 curve? And it's a startling mimicking; those two graphs absolutely mimic each other. I think you can draw a correlation there that deals with the loss of manufacturing jobs as it relates to the trade deficit. I think that is something that ought to guide our discussions, guide our policy development and actually address the sort of response we need in terms of job creation and job retention.

Mr. GARAMENDI. Thank you. I really hadn't noticed, but they almost parallel. One is right on top of the other. You can put that blue line, and it copies the red line that is the growth in the American trade deficit.

I want to just deal with this China thing quickly. We only have another 7 minutes here before we yield the floor. A year ago, this House, with both Republican and Democrat support, passed the China currency legislation that would require the Department of Commerce to put a countervailing tariff on imported Chinese goods if that currency manipulation were to continue.

□ 1840

It went over to the Senate. It did not pass the Senate. This year—I should say, this session, in 2011, the Senate passed a similar bill that would impose a countervailing tariff on Chinese goods as long as China maintained its currency manipulation. It came over to the House nearly 7 months ago. The

Speaker and the Republicans have refused to take up that bill—the very same bill that a previous year we voted on bipartisan.

This is an important piece of legislation because it would deal with two issues: the loss of American manufacturing jobs and the extraordinary trade deficit, that is, the export of American money to China.

It is the policy behind many of the problems in the manufacturing sector, and it is policy changes that we have the power to put in place to reignite the American manufacturing sector, to rebuild it, and, simultaneously, put in place the ladders of success—education, research, entrepreneurship, support of the small businesses—all of those things that actually do reignite the American Dream.

Mr. TONKO, why don't you take the last 2 minutes and then we can wrap up.

Mr. TONKO. Right.

Well, what I hear here is that an election outcome is more important than the outcome for the American worker. And when political party benefit trumps the American worker or trumps America's manufacturing base and trumps hope into the future, that's a regrettable outcome.

What we need to focus on is the big picture. If there is upset and upheaval because we're coming back from what was a very long and deep and painful recession, if that's upsetting news to a political scene, then we have lost the spirit that is required right now to bring America back and to reignite the American Dream.

That reigniting of the American Dream I believe is what people want to see in action. They keep asking Washington to work together in a bipartisan, bicameral, spirited way, work in a way that will engage the policies and advocate for the resources that will build the hope back into the fabric of America's families, her individuals. And it's within our grasp.

These ladders of success, these rungs of opportunity, they are a very achievable goal. We saw what happened when you ignore manufacturing. We saw what happened when you avoid sound agriculture policy. We saw what happened when you didn't get aggressive about an innovative agenda for energy generation, energy alternatives, energy efficiency. These are the things that people are asking us to do as leaders. They say, We asked you to lead, not to sit content with the status quo, not to watch others pass us by.

Our best days lie ahead of us. I'm filled with optimism about reigniting that American Dream. I saw what happened in my district when there was a commitment. You know, the Erie Canal itself, that came about in response to tough economic times. The leadership then said, Let's do this. Let's wed the waters. Let's build a port on the coast out of New York. Let's wed it to the Great Lakes. Let's inspire progress.

And look what happened. That response to troubling economic times drew upon the leadership. It produced the leadership. It gave it a face and it gave it a voice. The message was: We're going to build. We're not going to cut our way to prosperity, cut our way to opportunity, cut hope. We're going to build hope. We're going to build and invest in America, her workers.

Our best days lie ahead of us, Representative GARAMENDI. Thank you for the chance of joining you this evening.

Mr. GARAMENDI. Thank you, Mr. TONKO.

I notice that we still have a minute. I see my Republican colleagues are going to take the floor in a few moments. If I recall last week when they did this, they said the answer lies in doing away with regulations. Clearly, regulations are a piece of the issue.

Mr. TONKO. Were those regulations the same regulations we wanted to take away from Wall Street?

Mr. GARAMENDI. I would hope that they don't want to eliminate the regulations that we put in place to bring Wall Street under control. But regulations are a small part of the overall problem.

There is a large number of other issues, some of which we've talked about today, others of which we will bring up as we discuss, for example, infrastructure, which will be our next piece. But those regulations that are in place today are there for the protection of key parts of the American economy—worker safety, the pollution regulations so that our streams and rivers are not polluted, our air is not polluted, so there's not mercury and other carcinogens in the air, and regulations dealing with the way in which business operates. Now, they can be modified; but be very, very careful if that is your only solution to the demise of the manufacturing sector, because it is but a small part of the overall issue.

We've discussed many of the other parts here today. We ought to be, all of us, Democrat and Republican, alike in dealing with the twin problems: the trade deficit, and the extraordinary and disastrous loss of manufacturing jobs. This is where the American middle class lost it when the American manufacturing sector declined. We can rebuild it with wise public policies. Wise public policies are what we ought to be doing, rebuilding the American manufacturing sector and reigniting the American Dream as we do that.

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

SOLUTIONS FOR AMERICA

THE SPEAKER pro tempore (Mr. Young of Indiana). Under the Speaker's announced policy of January 5, 2011, the gentleman from Iowa (Mr. KING) is recognized for 30 minutes.

Mr. KING of Iowa. Mr. Speaker, it is my privilege and honor to be recognized by you to address you on the floor of the House of Representatives.

It's also my privilege to be here to listen to the presentation of the gentlemen from essentially the east coast and the west coast present their version of solutions for the United States of America.

If I can just take that, Mr. Speaker, and roll it backwards from bottom to top rather than top to bottom. I hear their concern—and I share concerns—about the loss of American manufacturing and the loss of American trade and the trade deficit that we do have. I hear the advice, which is we should have wise public policies that we should advance going forward that would be good for American manufacturing, good for American trade, that would bring about the refurbishment and the renewal of American manufacturing and bring about a balance in trade and perhaps a surplus in exports, which is good for this country because we would rather collect IOUs than issue IOUs.

I agree with the gentleman on both of those points, and I suspect we don't agree on how to get there to those points, Mr. Speaker. But I would make this point, that the United States has been a very strong, industrial Nation. In fact, at the end of World War II, we were the only industrialized nation in the world that had an established, globally competitive industry that had not been devastated by the war. We had a surplus of exports because here in the United States we could produce things, we could make things, we could export them to the rest of the world, and we did. We did it with military supplies. We did it with all kinds of industrial supplies. The United States of America was the industrial powerhouse of the world. Much of the rest of the industry had been destroyed, and we had built ours up in that period of time in order to supply the global World War II war effort. So the United States' industry was the preeminent industry in the world.

Why was it?

Because of the reasons I've said, plus we were competitive. We had a wage and a salary and a benefit package that was competitive. We had American workers that were more productive than any other workers in the world. We had a well-educated workforce. We had a work ethic. We had a work ethic where we took great pride in being able to go to work. If we punched the clock, we produced more per hour that we were out there on the floor of that factory than anybody else in the world because of a number of reasons: American ingenuity, American industriousness, and America's work ethic. We did those things, and we set the standard for the world. That carried us beyond World War II, through the fifties, through the sixties, through the seventies, into the eighties, and actually into the nineties.

Over a period of time, as the gentleman's charts show, America's industry began to lose its competitive advantage with the rest of the world, and the rest of the world began to catch up.

□ 1850

I saw the signs of that. I saw the signs of it in the fifties, when we would get close to New Year's—and just think of Japan, Japan devastated in World War II. A lot of their production facilities were in homes, not in factories. And they had factories too. And they were bombed, and they were burned, and they were destroyed, and the tragedy, all that is part of history that I don't care to address here tonight, Mr. Speaker.

But in the aftermath they needed to start up something. They needed to produce goods and services that had a marketable value, both in Japan and abroad, and they did. And the things that showed up here were paper goods, little things like when it came time to celebrate New Year's, there would be a little Japanese whistle that would blow out like the tongue of the dragon and roll back up again. That way we got those paper products coming from Japan because that's what they could do. They could make them. They could produce them. They could sell them. They could make a little money selling those things to Americans. And that would be in the fifties.

In the early sixties, what came along? Well, transistor radios. And there would be the Toshiba radio, Japanese-made, portable transistor radio that you could carry around with you out on the farm and listen to the radio. How about that? What an idea of an invention.

I didn't mean that that was a Japanese idea. It was a Japanese-produced idea that could compete with the American production. And so they sold radios, made in Japan, into the United States, and a lot of young American kids carried those Toshiba radios around, and other portable radios, in order to listen to rock music of the time. They didn't have talk shows at that time, not that I remember anyway.

And so slowly the Japanese began to ramp up their industry. They went from paper toys to radios, to optical equipment. Some of the best optical equipment in the world was produced in Japan. It still is, for that matter. And so they made binoculars and cameras, and they created a culture of people that love their cameras, and they evaluate those cameras made in Japan and how they compete with the rest of the world. And if you watch the Japanese tourists, they're here using their cameras on a regular basis.

Now, all the ways they've ramped up to be able to compete with the rest of the world, here we sat in the United States thinking that somehow or another this wave that we had caught would forever carry us, and our industry slowly began to atrophy, slowly began to lose its competitiveness.

And it reminds me of a study that was done by a Russian economist who was commissioned by Lenin back in the second decade of the 20th century, when Lenin decided that he wanted to

find an economist who would prove that capitalism would eventually expire, that it was a self-defeating economy. So he hired an economist, or ordered him to produce a product, and his name was Kondratiev.

Well, the economist Kondratiev put together the theory that Lenin had directed him to produce, which is that capitalism would expire, that it was self-defeating, that even though it might have brief bursts of success, eventually that it would run out of energy and it would expire and diminish and, essentially, that would be the end of the wave of capitalism.

So Kondratiev sat down, and he chartered the free enterprise economy going clear back to the 18th century and earlier, and he tracked unemployment, gross domestic product, the output of the nations, and followed the industries. And when he tracked this cycle of capitalism in the effort to prove his charge that had come from Lenin, it was this: That yes, capitalism does decline, that the capital investment and the unemployment and the GDP of the countries that have free enterprise economies does diminish, but it diminishes down to a point where it regenerates itself again.

And when looked at, and this was a study that was back in the dusty volumes at MIT University and much forgotten about until there was a computer study that was done, and somebody remembered that they had read Kondratiev's study that was back in the annals at MIT. Now, they went back and dusted it off and compared it to the modern computer analysis which now is a generation old, and they concluded that the computer analysis of the cycles of capitalism matched that of Kondratiev, whose theory was this: that we have a 52-year cycle.

Now, I don't stand on that it's 52 years or 75 or 25 or any year other than that. But the theory that he uses to explain his 52-year cycle is instructive to all of us, and that's this: That when you hit the bottom economically, when your GDP has bottomed out, when your unemployment rate is at the top, and when your capital investment is at the bottom, you look around, as a society, a culture, and economy, and you think we have to do something. What are we going to do?

And the psychology of that is that all of us sitting at the bottom of the economic cycle, with high unemployment, low GDP and low capital investment, we see that if we keep doing the same thing over and again, we're going to end up with the same result. And we don't like where we are. We don't want to be where we are in 4 or 5 or 10 or 20 years or a generation or two, so what will we do that's different?

And I've lived through this a time or two, especially during the farm crisis years of the eighties, when I saw that land values were spiraling downwards to perhaps as low as a third of what they were just a few years before, market prices going downwards the same

way. We rely on rain. It couldn't rain. The markets didn't produce the value for the crops that could be raised, and the land values went down. Everything was spiraling downwards.

But what was going on was the manifestation of Kondratiev's theory springing up, and people who had no immediate hope economically began to put together a strategy for the long term so that we would have a successful economy. And it matched almost perfectly with Kondratiev's theory, the Russian economist's theory, which is that when your economic cycle reaches the bottom, and everything is sitting down here with the low capital investment, high unemployment, low GDP, people are looking for a way to solve those problems. So their creativity kicks in and they begin to think and talk and dream and pray about what kind of ideas can come to fruition to reverse the cycle, the downward cycle that they are in.

And so they begin to come up with new inventions, and they come up with new efficiencies. They come up with new business models. And as these ideas are generated, the ideas have to catch the kind of energy that can attract capital.

Now, there's not as much capital in a low economy as there is in a high economy, but there's much more demand for it. And so you go out with your ideas and you market them, and you attract the capital to generate these ideas.

This is what we did at the beginning of the dot-com bubble. If you remember, we learned here the creativity of a bad economic cycle was a contributing factor to developing the microchip and the ability to store and transfer information more effectively and more efficiently than ever before. And thus was born the dot-com bubble, the creation of the boom of the dot-com.

And that was, once investors saw that ability to store and transfer information more effectively, more efficiently than ever before, they began to invest in it because they believed that transferring that information, storing and transferring it, turned into a profit share. So they invested their capital, and the profit share began to get injected into the dot-com, and the dot-com bubble was born.

Now, the mistake with the dot-com bubble was just an adjustment in investment. But what really happened was there was an overexuberance in investment during the dot-com bubble years, and those were the years that the middle of the nineties were the beneficiaries of. The overexuberance in investments reflected the understanding of the investment community, the attraction of capital to these dot-com ideas, these creative ideas, to store and transfer information more efficiently than ever before.

The creativeness of that was not regulated by this realization that storing and transferring information didn't necessarily translate into profit; that

it had to create efficiencies in order to be translated into profit. So we had an overexuberance in investment. The dot-com bubble began to swell. And when, under the Clinton administration, the Justice Department filed a lawsuit against Microsoft, that was the lance that pierced the dot-com bubble. The dot-com bubble collapsed.

But the growth that came was the growth that came from the understanding that we had created an ability to be more efficient than ever before, and the adjustments were in the aftermath.

Well, that fits exactly within Kondratiev's theory. We had hit the bottom economically. The creative people were looking around for something that they could do to change that paradigm. And what they came up with was the microchip and the other tools of software that allowed us to store and transfer information more efficiently than ever before, and being able to do that caused people to invest more, start new businesses, to transfer efficiencies around the country, and to increase our efficiencies.

If you think for example, just in the trucking industry, the software packages that would allow truck dispatchers to click the mouse rather than make a judgment decision and send a truck to Portland that could drop a load off there and go to Seattle and circle back through Montana and drop off a load and come back to the warehouse in, say, Des Moines, for example. Many more efficiencies were created by software packages that made the decisions instead of fallible mortals that were using judgment calls while they were under stress on the fly.

□ 1900

All of those things fit back to Kondratiev's theory, his theory that during hard economic times you would generate ideas. Some of those would be good ideas. The good ideas would attract capital. The capital would be invested. The invested capital would bring about new technology. The new technology would bring about increased efficiencies. Increased efficiencies increase productivity. Increase the GDP, the gross domestic product, increase GDP. Of course it was good for the wealth of the Nation. And once you reached the apex of growth in the GDP, you ended up with a sense of success, a sense of complacency where we have arrived, we have invested our capital, we have invented our new methods to produce more goods and services more efficiently than ever before, and we've translated that into profits. Now, let's just keep this ball rolling down the road.

As you keep the ball rolling down the road—you don't realize it at the time, but the complacency of the continued day-to-day success brings about that idea of let's just hold on. Let's not create new. Let's just ride this out. And societies, economies, cultures ride out the successes. When they ride out the

successes—if competition doesn't catch you first from a foreign country—even- tually those successes are riding on the capital investment of decades gone by, and the efficiencies diminish in propor- tion to the depreciation of these cap- ital investments and also in proportion to the creativity of the competing economies. When that happens, you don't know it, but you're going down- hill.

I think of a poster that I saw in a friend of mine's house years and years ago. It is a picture of a little boy sit- ting on a tricycle, and he has his hands on the handlebars and his feet up off the pedals. He's got a big grin on his face, and his hair is blowing back be- hind his head. Underneath the poster picture, it says: If you're coasting, you're going downhill.

Mr. Speaker, there are many econo- mies in the world throughout history that have reached the apex of their growth and they have decided they like where they are. They get complacent and they begin to coast. If they are coasting, they are going downhill. Each economy, each society, each culture gets to that point where they start to coast and they go downhill. The soci- eties and cultures that see it a dif- ferent way, that understand that you have to constantly be innovating, you have to constantly be creating, you have to constantly find a way to be more competitive, they are the ones that show up in the Super Bowl of the global economy.

When I listen to my colleagues from the east coast and the west coast talk about what's wrong and what we need to fix and we need manufacturing jobs and that we've exported these jobs overseas, I would say to them, you've been advocates for the policies that are protectionism. You tried to protect the union jobs in the United States. You've opposed the free trade agreements that we've negotiated with foreign coun- tries, including South Korea, Panama, and Colombia. And just being the voices of the unions that you rep- resent, you have insisted that we have trade protectionism and that the work- ing conditions and the jobs and the benefits packages that are negotiated in places like Colombia or South Korea be similar to those that are negotiated here in the United States.

Mr. Speaker, we can't change the pol- icy in South Korea; we can't change it in Colombia; we can't change it in Pan- ama; and we can't change it in places like China or other places in the world. They are who they are, and they will compete within the limits of their abil- ity to produce. If we have policies that diminish our ability to compete, then we are going to have a lower market share, and no amount of Congress pos- turing itself for the people that write campaign checks is going to change that competitiveness. We've got to be competitive.

What would I advocate? What is my solution for this? I could go down through the list. They talked about the

American Dream and they talked about trade agreements, and they talked about manufacturing jobs and exporting our jobs overseas and the ex- port of American manufacturing to China. They talked about trade protec- tionism and they want to reignite the American Dream. So do I. I would like to think that it still burns. It burns based upon American liberty, Amer- ican freedom, American opportunity. And what makes this country great would be a wonderful discussion to have between Democrats and Repub- licans here in the United States Con- gress. We seldom have any discussion like that.

What makes this country great? What are the underpinnings that has grown this country into the unchal- lenged greatest Nation in the world? Yes, we have our contemporary trou- bles. We remain the unchallenged greatest Nation in the world economi- cally, culturally, militarily, politi- cally. We're the unchallenged greatest Nation in the world.

Why?

I challenge my colleagues to embel- lish the things that I'm about to say, but I would say this: We have God- given rights, God-given liberty. This is not a manifestation of STEVE KING and the modern world in 2012 telling you something right now. This was a deep conviction of the American Founders that we have rights that come directly from God. We get our rights from God. We don't get them from man. We don't get them from government. If govern- ment gives us rights, then who are we, if government decides to take our rights away, who are we to complain? They are the all powerful. They are the omnipotent, the government.

Our rights come from God, and our Founding Fathers all knew it and they signed off on the Declaration of Inde- pendence. We're endowed by our Cre- ator with certain unalienable rights. These are the rights that are the founda- tion of American vigor. Think about the breadth of what this means.

America has received immigrants from donor nations all over the world. I believe every nation in the world. Why do they come here? Because they are inspired by the American Dream, the image of the Statue of Liberty— not necessarily the inscription, but the image of the Statue of Liberty. It says all of you who come here legally into the United States have an opportunity to access the American Dream. When you access the American Dream, you have an obligation to leave this coun- try and this world a better place than it was when you came. And into that bargain is this: God-given rights.

We are the only country in the his- tory of the world that has been founded upon that principle. Others might as- pire to it, others might look across the ocean here to the United States and as- pire to God-given liberty, but this is the only Nation in the world that is founded upon it. And the beacon that comes out of the Statue of Liberty, the

beacon of that liberty, itself, is what attracts people here to the United States. When they get on that ship or on that plane, or whatever their meth- od of transportation is to legally come into the United States, they come for the dream. They are attracted by the freedom of speech, the freedom of reli- gion, freedom of press, the right to keep and bear arms, the protection against double jeopardy, to be tried by a jury of your peers, to have property rights.

There is a State's right component of this that devolves these powers down to the States so each State can be a laboratory; and the Federal Govern- ment is to be a hands-off minimalist government, not an all-powerful, om- nipotent government.

Mr. Speaker, that vision, that attrac- tion, that magnetism of American lib- erty brings people from all over the world here to the United States.

Who does it bring?

We have the visa lottery, and even that gets a better cross section of the global humanity than you would have if you just went out and did a random selection of 6-plus billion people on the planet and brought 50,000 in under the visa lottery. At least those that sign up for the visa lottery have a dream: They want to come to America.

And 50,000 a year get lucky and cash in on the visa lottery. I think it is a bad policy. And you add the visa lot- tery to the family reunification plan and a number of other plans that we have, and anywhere between 93 and 89 percent of the legal immigrants in America are not measured by their merit, not measured by their ability to contribute to the United States; they are measured simply by their ability, their desire to come here, or if they have a family member to come and join, or if they got lucky in the visa lottery, or if they happen to receive asylum as directed by the Secretary of State or some other method.

□ 1910

But we only have between 7 and 11 percent of legal immigration where we actually set the criteria here in this country. The Constitution says that our job is and that Congress has an au- thority to establish a uniform form of immigration. Well, "uniform," to me, would mean a standard for everybody who comes into the United States, and I would set that policy to reward those people who could most contribute to the United States of America.

Why wouldn't you have an immigra- tion policy designed to enhance the economic, social, and cultural well- being of the United States?

That's the logic and the rationale that we had when the Constitution was drafted and when it was ratified. It should be our logic and our rationale today, Mr. Speaker.

But what's good? There are many good things about our immigration pol- icy, but what's good?

In particular, it is that it has at- tracted the cream of the crop of every

donor civilization on the planet. Every country that contributed immigrants to the United States has sent us their dreamers, their doers, their workers—those people who wanted to access the American liberty and develop out the American Dream.

So, when you think about America as being an appendage of England or Scotland or Ireland or Italy or Ethiopia or Colombia or any other nation on the planet, we're not an appendage of that. We're the country that set up the filter, that screened out those also-rans—those people who had only a mediocre dream—and let through that filter people who had the exceptional dream, the dream that gave them an exceptional energy, an exceptional vision, an exceptional desire to come here and add to American exceptionalism.

American exceptionalism is built upon those liberties, those rights—the freedom of speech, religion, the press, to keep and bear arms, the protection from double jeopardy, property rights, States' rights, to be tried by a jury of your peers. The list goes on. It's all of those things, and free enterprise capitalism is an essential component.

If you want to be naturalized into the United States and if you want to study for the naturalization test, then you can use the flashcards—the glossy flashcards put out by CIS, Citizen Immigration Services—to study in order to become a naturalized American citizen. They have these little flashcards. You look at them, and on one side, it will say a question such as: Who is the Father of our country? Snap it over and it says—we all know the answer, Mr. Speaker—George Washington. Then you pick up the next card, and it might say: Who emancipated the slaves? Snap it over: Abraham Lincoln. The next card: What is the economic system of the United States of America? The President might flunk this, but the answer is—snap it over—free enterprise capitalism.

Those are principles that give us American vigor. When you look at the American vigor and the component of that and at the American vigor that comes from a filter, the filter of the difficulty of legally coming into the United States that skimmed the also-rans out and skimmed the global vigor in and redirected them into the United States, we have this saying: The dreamers came to America. The doers came to America. We are an American vigorous civilization and society of people who came here because they wanted more opportunity than they had in the country that they left. There was only one place they could go that had the opportunity that matches that, and it was the United States of America. They came here to do, and they did. They came for religious freedom. They came to raise their families. They came to leave this country a better place than it was, and they succeeded in all of that.

Mr. Speaker, the United States of America is the unchallenged greatest

Nation in the world because of the fundamental principles, the fundamental rights, the fundamental American liberty—that exercise by dreamers and doers who stood on principle, who came here for religious freedom, for economic freedom, for property rights, for all of the things that are listed and laid out in the Bill of Rights. They were not just a mediocre cross section of the global population. They were the dreamers, the doers. The vigor of the planet came to the United States of America, and this vigorous American character, culture, and personality is unsuitable for the nanny state. It's unsuitable for the nanny state. The nanny state cannot be used and should not be used to oppress a free people—a people of vigor, a people of personality, a people of can-do spirit.

Yet here we are with what happened in the last Congress. The ruling troika imposed upon us Dodd-Frank, ObamaCare, and they tried to impose upon us cap-and-tax. All of them should be rejected by a vigorous American people who will regulate themselves, who will moderate and control themselves, who will set their own moral standards, and who need to have those standards implemented and enforced at the closest level to the people as possible. That's the cities, the counties, and the States, not the Federal Government, Mr. Speaker.

So I think it's important for us to realize and recognize that the American people are a unique race of people, that we are not like anyone else on the planet. We may not look like anyone else, but underneath whatever those looks might be of your idea of what a cross section of Americans are is an American vigor, an American personality, an American culture, a common sense of history, a can-do spirit, people who are members of the society and the culture and the civilization of the unchallenged greatest Nation in the world. We derive our strength from free enterprise capitalism, Judeo-Christianity, Western civilization. That's the core of America, the vigor of America, and that's what we must continue to protect, regrow, and refurbish.

Mr. Speaker, I am aware that the clock is winding down, and whether there is another speaker who is about to arrive, I have more in me, but I would pause for a moment to receive my instruction from the Speaker.

The SPEAKER pro tempore. The gentleman has 30 seconds remaining.

Mr. KING of Iowa. In which case, Mr. Speaker, I would recap this with my gratitude to the American people: We are here. We are putting a mark in place for posterity, and posterity watches us today. They're inspired, and they're informed by the actions of this Congress and by the actions of the President.

As I watch what unfolds here in the continuing growth and dependency and in the growth of the regulatory class in society and as I think about the growth of the nanny state—the nanny state

that seems to think that it can be the protectorate for all of us and that somehow we can't make decisions for ourselves and for our well-being—Mr. Speaker, yes, we can, to quote the President, but not in any foreign language like “si se puede.”

Thank you, Mr. Speaker. I appreciate your attention and the opportunity to address you here on the floor of the House of Representatives.

I yield back the balance of my time.

THE WORLD ACCORDING TO OIL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Maryland (Mr. BARTLETT) is recognized for 30 minutes.

Mr. BARTLETT. Thank you, Mr. Speaker.

Oil is about \$100 a barrel. We're in a recession. The United States, just a couple of years ago, used 22 million barrels of oil a day. Now we're using less than 19 million barrels of oil a day, and still oil is \$100 a barrel in the middle of a recession. We are also producing more oil in our country than we did last year for the first time since 1970. The production of oil has increased this last year. Every year before that, the production of oil was lower than it was the preceding year. Now, with Bakken oil, we're producing a bit more than we did last year.

So why, with increased oil production and decreased oil use in the middle of a recession, should oil still be \$100 a barrel?

This is really hurting our economy. It increases the cost of just about everything we use because, if you've got it, a truck probably brought it, and the increased fuel cost increases the cost of just about everything, therefore, that we have.

□ 1920

I believe the most important speech given in the last century was given in 1956 on the 8th day of March in San Antonio, Texas, by an oil geologist known as M. King Hubbard. We need to put his speech in context. At that time, the United States was king of oil. We produced more oil. We used more oil. We exported more oil than any other country in the world.

On this 8th day of March in 1956, M. King Hubbard made an astounding prediction. He said that in just 14 years, the United States would reach its maximum oil production. He wasn't sure what that number would be. But he made the prediction that we would reach our maximum production in 1970, just 14 years later, and no matter what we did, it would continue to go down after that. And from 1970 until about a year or so ago, that was true.

Here I have a chart that shows what has happened to oil production in our country. A whole lot of it comes from Texas, as you can see from the lower dark blue below, and the rest of the United States is the lighter blue above.

The kind of orange here is natural gas liquids. That's not in your gas tanks. That's propane and butane and chemicals like that.

M. King Hubbard made his predictions using only the contiguous 48. He didn't include Alaska, and he didn't include the Gulf of Mexico in his predictions. He made that prediction in 1956, about here. In 1970, as you can see here, we reached our maximum production in the lower 48, and it went down pretty consistently after that. Then we found oil in Alaska, a lot of it. And there was a little blip on the way down when you add that to the oil to the rest of the United States and Texas. And then a little later were the fabled discoveries of oil in the Gulf of Mexico. And you can see what that did—you can hardly see the blip there. A lot of oil, but we use a lot of oil.

The world uses 1 billion barrels of oil every 12 days. It's pretty simple arithmetic: 84 million barrels a day by about 12; that's 1,000 million, which is 1 billion barrels of oil every 12 days.

Oh, by the way, the M. King Hubbard that predicted that the United States was going to peak in 1970—of course he became a legend in his own time because he lived well beyond that, and he was exactly right. Relegated to the lunatic fringe for maybe 15 years or so, he became a celebrity after his predictions came true.

And he predicted that what happened to the United States had to happen to the world. Oil is finite. One day, it will run out. One day, we will reach our maximum production, after which it will tail off in the world, just as it did in the United States.

Now if you think that, collectively, the world is brighter and cleverer, and so forth, than the United States, then you might think that that won't happen. I think that we are the most creative, innovative society in the world. And if we couldn't turn it around, I think it's unlikely the world is going to turn it around.

Well, here is a chart from just a few years ago: Peak oil, this is a plateau. The maximum production is called peak oil. And the question was asked, Are we there yet? Because you see, these curves have flattened out. These are from the two entities that do the best job of cataloging the production and use of oil, the EIA and the IEA. It's the same three letters of the alphabet turned a bit. One is a creature of the OECD, and the other is a part of our Department of Energy.

They both, as you see, had a plateau here. And look what happened to the price of oil. Now this was a little bit before it peaked at \$147 a barrel and the economy collapsed, along with the housing market. That was kind of a double whammy, with both the housing market and the price of oil at \$147 a barrel. When the economy came tumbling down, oil dropped to something under \$40 a barrel, and it has steadily climbed since then up to now around \$100 a barrel, where it has been for several months now.

Are we there yet? Well, just recently we've had two charts produced by one of those entities, the IEA, the International Energy Agency. This is called the World Energy Outlook. The chart on top here is from 2008, and the one on the bottom is from 2010. Now if you look at their Web site, you're going to have trouble finding the chart from 2008. They have purged their Web site of that chart. And in a few moments, you will understand why they purged it.

Let's look at that chart. This dark blue is conventional oil. That's what we looked at before in the production of the United States. And it's been going up now for a very long time. If you started back here 150 years ago at zero, and then we pumped more and more and more. And now the total liquids—not all of it oil; some of it is natural gas liquids—are up to about 84 million barrels of oil a day.

Now they are predicting just exactly what M. King Hubbard predicted, and that is that there would be a peak, and after that peak, it would fall off. And you see, they are predicting a fairly dramatic falloff in the production of oil from the fields that we are now exploiting.

But predicting out to 2030, they believe that by then, we will have a total liquid fuels production of about 106 million barrels of oil a day that will be made up of increasing amounts of natural gas liquids. And that will happen. We have found a lot of natural gas, so those will increase.

The green here is nonconventional oil. That's going to also increase. That's oil like the tar sands of Alberta, Canada, that won't flow. You have to lift it with a 100-ton shovel and put it in a truck that hauls 400 tons. And then you cook it into what we call stranded natural gas. That is natural gas where there aren't very many people to use it. So its kind of stranded, so its price is less. So you can afford to cook this oil with it. And that's going to grow too some.

And then they make two predictions here. That this light blue is production from fields that we've found but are too difficult to develop, like a field found in the Gulf of Mexico under 7,000 feet of water and 30,000 feet of rock. I heard a number. I have no idea how you get this precise. But it was said that when oil was \$111 a barrel, they could afford to develop this field. So this is projected production from fields that we have found but are, with the current price of oil, too difficult to develop, uneconomically feasible to develop.

And then the bright red here are fields yet to be discovered. The dark red here really belongs as a part of the oil down here. It's a little bit of additional conventional oil we've gotten by what we have called enhanced oil recovery. That's pumping some live steam down there or pumping some CO₂ down there or, in Saudi Arabia, pushing some seawater down there. And

some of their wells now are producing seven times as much seawater as oil, but it's okay because they can separate the seawater from the oil.

Okay, two things about this chart: Note the falloff in production from conventional fields, and note that by 2030, 106 million barrels of oil a day projected—that's what the world is going to be producing. Just 2 years later, in 2010, reality is setting in—that's the lower chart down here—reality is setting in. Now they are up by 35, 5 years later, now they're up to only 96 million barrels of oil a day, not 106 million barrels of oil a day. This is 5 years later, when it really should have been higher.

□ 1930

These top two curves here have been reversed and the colors different, but they are exactly the same thing. This is unconventional oil and this is natural gas liquids. Notice the precipitous decline in production from our current fields. And this includes, by the way, the enhanced oil recovery. You see it is in this chart, but it doesn't exist in this one because they have now incorporated and included where it belongs, and it is part of the conventional fields where we are now pumping from.

Here they show two huge wedges. To keep this production going up slightly, they show two huge wedges here. Notice how considerably bigger they are than the ones they projected just 2 years earlier.

I don't think that these two wedges are going to occur. They did not occur in the United States. Now today we have technologies that we didn't have there, like horizontal drilling and fracking. So we can get more out of a field than we could then, and we are going to go down and get some more oil out of fields that we thought were exhausted with this new technology.

When you find a field that produces 10 billion barrels of oil, that is a big field. We have not found very many fields that produce 10 billion barrels of oil. That will last the world 120 days. Every 12 days, we use a billion barrels of oil.

Now, I think you can see why you can no longer find this projection they made in 2008 in their Web site, because it is just not consistent with the reality that they are forced to use in projecting here just last year, in 2010.

I will be enormously surprised if these two wedges occur. There is little evidence that they should occur. They did not occur in our country. Unless you think the world is incredibly more capable than the United States, then you will have some doubts whether those two wedges will occur or not.

If they don't, this top curve is going to tip over for the world just exactly the way it did for the United States. We're not running out of oil. Many people who are disparaging, people who talk about peak oil will say that the peak oil people say we're running out of oil. We're not running out of oil.

There is a lot of oil out there. There is more oil out there to be pumped than all of the oil that we have pumped in the last 150 years. What we're running out of is our ability to pump that oil as fast as we would like to use it.

This next chart is an interesting one. It kind of puts what we're talking about in perspective—the world according to oil. This is what the world would look like if the size of the country was relative to how much oil reserves it had.

You see here that Saudi Arabia kind of dominates the planet. They do for oil reserves. They have, we believe, maybe about 22 percent of all the reserves in all the world. Now, we aren't quite sure of that because a Wikipedia leak a few months ago indicated that they may have 40 percent less oil than they've said.

Let me explain what happened back when OPEC could produce more oil than the world needed and increased production would drive down prices. And so they had an agreement in the OPEC nations that you could pump a certain percentage of your reserves. So if you were a country that needed some more revenue, you simply had more reserves. And without finding any new oil, you can look back through history and see that some of them magically had maybe twice the reserves that they had. They didn't find any new fields; they just said they had twice the reserves in the fields they already had. Then you see, they could pump more oil. None of these OPEC nations will let our technical people in to look at their records so we really don't know how much oil they have, but we believe that it is relatively like this.

You see little Kuwait looms huge on the world scene in terms of how much oil they have. Iraq, Iran, huge amounts of oil. Venezuela really dominates our hemisphere, doesn't it. It's bigger than all of the rest of the countries put together in terms of oil reserves.

And here we are, the United States. We have 2 percent of the reserves of oil in the world, and we use 25 percent of the world's oil, a little less now because our cars get a little better mileage and our economy is down a little so we're using a little less, but roughly 25 percent of the world's oil.

Our number one importer is Canada. They have less oil than we, but they don't have very many people up there to use it, so they can export it to us.

Until a couple of years ago, our number two importer of oil was Mexico. They also have less than us. Now, they have a lot of people, but their people are too poor to use the oil so they can export it. Just a few years ago, the second largest oil field in the world, the Cantarell oil field in Mexico, started in rapid decline, declining as much as 20 percent a year in production. So now Mexico is our number three importer and Saudi Arabia is now our number two. Mexico has been displaced by Saudi Arabia.

Look at China and India over there. Tiny. China with a 1.3 billion people, India with well over a billion people,

with an economy in China that's growing—well, in a recession; they've slumped. They were 16 percent growth, and now I think they are something like 8 percent growth, and India is not far behind them. With a static oil production of 84 million barrels a day, and China last year used 6 percent more oil than they did the year before, where is it coming from? We used less. We used to be 22 million barrels a day; now we're less than 19 million barrels a day. And some of the poorer countries of the world just can't afford the oil so they are doing without.

This disparity between the people who are using the oil and the people who have the oil is going to set up some huge geopolitical tensions in the world. China last year sold more cars than we sold, and that curve is accelerating. China is now the number one polluter in the world. They just passed us. China is buying up oil all over the world. I wonder why.

We have only 2 percent of the oil in the world, and we use 25 percent of the oil in the world, and we're not buying oil anywhere. We don't need to because all you need to do is go to the global oil auction and have enough money and be the high bidder or participate at the bid price, and you get all the oil that you need if there's enough to meet everybody's needs. So why is China buying oil? They aren't just buying oil; they're buying goodwill: you need a hospital, soccer field, roads.

Simultaneous with buying oil reserves all over the world, China is also aggressively building a blue-water navy. They soon will have more ships than we. They aren't our ships yet by a long shot, but this year they will graduate seven times as many engineers as we graduate, and about half of our engineering students are Chinese mostly and some India students.

We can't for long have that disparity between the graduates of engineers and our two countries and we continue to be the world's premier economic and military power. We have got to do something to capture the imagination of our people and encourage our young people to go into careers of science, math, and engineering.

Let me tell you what I think may happen; I hope it doesn't. Why would China buy oil while they're simultaneously very aggressively building a blue-water navy and building capabilities for denial. There is now—look it up—a Chinese anti-ship missile that we essentially have no defense against. It travels 1,200 miles. There's no reason they can't put it on a ship, which means you couldn't get within 1,200 miles of a Chinese ship that had this missile on it unless we developed some defense against that missile.

□ 1940

Let's hope the time does not come when China says, hey, guys, I'm sorry, but we have 1.3 billion people. We have 900 million people in rural areas that, through the miracle of communications, know the benefits of an industrialized society, and they're saying, hey,

guys, what about us? And our empire may unravel if we don't meet the needs of those people, so we can't share our oil. It's ours, we bought it, we can't share it, and we've got to have it. That would plunge the rest of the world into a recession, and China then would have to look to their population as consumers for the goods that they produce. And 1.3 billion people could be a pretty big consuming population.

The tragedy is that your government has paid for four different studies, two of them issuing in '05 and two of them in '07, that said the same thing, the peaking of oil is either present or imminent with potentially devastating consequences. Your government chose to ignore those four studies because it was not politically expedient to admit that we had a problem of those proportions.

Now, we should have known that those predictions were coming because a very wise man in what, I think, was the most insightful speech of the last century, M. King Hubbert, gave the most important speech. I think that Hyman Rickover, the father of our nuclear submarine, gave the most insightful speech just about a year later. I don't know if these two men knew each other, but on the 15th day of May in 1957 to a group of physicians in St. Paul, Minnesota, Hyman Rickover gave a speech that was lost until a few years ago, and now you can find it on the Internet. Just Google for "Rickover" and "energy speech" and it will come up.

He said some things there that should have been self-evident, and everyone should have been saying it; but it took Hyman Rickover to say the obvious. There is nothing man can do to rebuild exhausted fuel reserves. They are finite. The Moon is not made out of green cheese; the Earth is not made out of oil. One day, it will be gone. They were created by solar energy 500 million years ago and took eons to grow to their present volume.

In the face of the basic fact that fossil fuel reserves are finite, the exact length of time these reserves will last is important in only one respect: the longer they last, the more time do we have to invent ways to live off renewable energy—you've heard of renewable energy—or substitute energy sources and to adjust our economy to the vast changes that we can expect from such a shift.

Have you noticed we've been doing that? I haven't. I love this last quote here because I think it pretty well describes where we are and what we're doing.

Fossil fuels resemble capital in the bank. A prudent and responsible parent will use his capital sparingly in order to pass on to his children as much as possible of his inheritance. A selfish and irresponsible parent will squander it in riotous living and care not one whit how his offspring will fare.

Drill, baby, drill. And the unspoken part of that mantra is the hell with our

kids and our grandkids, let them shift for themselves.

I remember when the Vice President came and asked me if I would vote to drill in ANWR, and I said I would be happy to do that when you commit—this was Dick Cheney—that you're going to use all the revenues you get from ANWR to invest in alternatives, because we're way late in doing what Hyman Rickover said we needed to do in 1957.

I noted that we were going to leave our kids a huge debt. It's bigger now than I thought it would be then. I said, wouldn't it be nice to leave them a little oil?

Here is a quote from one of those studies. This was the first and the biggest of those studies, the so-called Hirsch, SAIC, big study: world oil peaking is going to happen, world production of conventional oil will reach a maximum and decline thereafter. That maximum was called the peak. A number of competent forecasters project peaking within a decade. It has happened. Others contend it will occur later. Prediction of the peaking is extremely difficult. He says that oil peaking presents a unique challenge. The world has never faced a problem like this. It is an unprecedented problem that the world faces.

I have a last chart here that I think kind of helps us to put this in perspective. And this shows the production of oil, and this chart is a few years old. We need to have it updated. But this is when oil was discovered, way back in the 40s, the 50s, the 60s, the 70s. This is the use of oil.

By the way, tonight when you do your prayers, thank the Islamic world for the oil price spike hikes in the 70s. Look what it did. It woke us up. If they hadn't awakened us and this curve continued, we would be through the top of the chart by now. Up until the Carter years, it was a stunning statistic. Every 10 years we used as much oil as had been used in all of previous history. Now look at the slope of that curve. It is much lower than that.

Our time is running out, and I must yield back; but I will come to the floor again soon, and we'll spend quite some time looking at this chart. Because if you had only one chart to look at where you were going to predict what you thought might happen in the future, I think this would be the chart, because you look back through history and see what has happened, and then you'll make a judgment. Wow, are we going to find that much more oil in the future that we found back here even with our increased capability to find oil? Yeah, we're going to find more, and we're going to pump more, but I think there is little or no chance that we'll be able to produce that oil fast enough to meet the growing demands of the world.

I love challenges. This is a huge challenge. And I think that facing this challenge we can produce more jobs; we can be an exporter of the technologies

for green energy. I just feel challenged by this, Mr. Speaker, and I hope Americans feel the same way.

Thank you, Mr. Speaker. I yield back the balance of my time.

ENROLLED BILL SIGNED

Karen L. Haas, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 658. An act to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2011 through 2014, to streamline programs, create efficiencies, reduce waste, and improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes.

ADJOURNMENT

Mr. BARTLETT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 45 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, February 8, 2012, at 10 a.m. for morning-hour debate.

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 7, 2012.

To: Trudi Terry, Chief Clerk, Office of Official Reporters

From: Karen L. Haas, Clerk

Subject: Oath of Office

In compliance with the provisions of 2 U.S.C. 25, please have printed in the appropriate place of the House section of the Congressional Record of Tuesday, February 7, 2012, the following entry related to those Members who have executed the Oath of Office:

OATH OF OFFICE MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

"I, AB, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 112th Congress, pursuant to the provisions of 2 U.S.C. 25:

SUZANNE BONAMICI, Oregon First.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

4876. A letter from the Secretary, Commodity Futures Trading Commission, transmitting the Commission's "Major" final rule — Real-Time Public Reporting of Swap Transaction Data (RIN: 3038-AD08) received February 7, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4877. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — *Bacillus amyloliquefaciens* strain D747; Exemption from the Requirement of a Tolerance; Technical Correction [EPA-HQ-OPP-2010-0944; FRL-9334-3] received January 17, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4878. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket ID: FEMA-2011-0002] [Internal Agency Docket No. FEMA-B-1235] received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4879. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's "Major" final rule — Net Worth Standard for Accredited Investors [Release Nos.: 33-9287; IA-3341; IC-29891; File No.: S7-04-11] (RIN: 3235-AK90) received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4880. 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; Delaware, New Jersey, and Pennsylvania; Determinations of Attainment of the 1997 Annual Fine Particulate Standard for the Philadelphia-Wilmington Nonattainment Area [EPA-R03-OAR-2011-0714; FRL-9620-3] received January 17, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4881. 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; Missouri; Reasonably Available Control Technology (RACT) for the 8-Hour Ozone National Ambient Air Quality Standard (NAAQS) [EPA-R07-OAR-2011-0859; FRL-9621-1] received January 17, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4882. 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; Pennsylvania; Clean Vehicles Program [EPA-R03-OAR-2011-0605; FRL-9620-2] received January 17, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4883. A letter from the Director, Regulatory Management Division, Environmental Protection Agency, transmitting the Agency's final rule — Great Lakes Steamship Repower Incentive Program [EPA-HQ-OAR-2011-0928; FRL-9618-9] (RIN: 2060-XXXX) received January 17, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4884. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule — Guidance for Fuel Cycle Facility

Change Processes [Regulatory Guide 3.74] received January 10, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4885. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule — Guidance on Making Changes to Emergency Plans for Nuclear Power Reactors [Regulatory Guide 1.219] received January 10, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4886. A letter from the Chairman, National Transportation Safety Board, transmitting the Board's report on competitive sourcing efforts for fiscal year 2011; to the Committee on Oversight and Government Reform.

4887. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Atlantic Highly Migratory Species; Atlantic Bluefin Tuna Fisheries [Docket No.: 110210132-1275-02] (RIN: 0648-XA842) received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4888. A letter from the Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Pacific Cod by Vessels Catching Pacific Cod for Processing By the Inshore Component of the Central Regulatory Area of the Gulf of Alaska [Docket No.: 101126522-0640-02] (RIN: 0648-XA886) received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4889. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Magnuson-Stevens Act Provisions; Fisheries Off West Coast States; Pacific Coast Ground Fish Fishery; Biennial; Specifications and Management Measures; Inseason Adjustments [Docket No.: 100804324-1265-02] (RIN: 0648-BB65) received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4890. A letter from the Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries Off West Coast States; Pacific Coast Groundfish Fishery; 2012 Specifications and Management Measures and Secretarial Amendment 1 [Docket No.: 110908575-1687-03] (RIN: 0648-BB27) received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4891. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Pilot, Flight Instructor, and Pilot School Certification; Technical Amendment [Docket No.: FAA-2006-26661; Amdt. No. 61-129] (RIN: 2120-AI86) received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4892. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Authorization to Use Lower Than Standard Takeoff, Approach and Landing Minimums at Military and Foreign Airports [Docket No.: FAA-2012-0007; Amdt. No. 135-126] (RIN: 2120-AK20) received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4893. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacles Departure Procedures; Miscellaneous Amendments [Docket No.: 30817; Amdt. No. 3456] received January 13, 2012, pursuant to 5 U.S.C.

801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4894. A letter from the Senior Program Analyst, Department of Transportation, transmitting the Department's final rule — Standard Instrument Approach Procedures, and Takeoff Minimums and Obstacle Departure Procedures; Miscellaneous Amendments [Docket No.: 30811; Amdt. No. 3451] received January 18, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4895. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Establishment of Class D and Amendment of Class E Airspace; Los Angeles, CA [Docket No.: FAA-2011-0496; Airspace Docket No. 11-AWP-6] received January 17, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4896. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Blythe, CA [Docket No.: FAA-2011-0585; Airspace Docket No. 11-AWP-9] received January 18, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4897. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Umiat, AK [Docket No.: FAA-2011-0750; Airspace Docket No. 11-AAL-08] received January 18, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4898. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Amendment of Class E Airspace; Fayette, AL [Docket No.: FAA-2011-0559; Airspace Docket No. 11-ASO-23] received January 18, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4899. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Airspace; Tatitlek, AK [Docket No.: FAA-2011-0757; Airspace Docket No. 11-AAL-10] received January 18, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4900. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Modification of Class B Airspace; Seattle, WA [Docket No.: FAA-2011-0232; Airspace Docket No. 11-AWA-3] (RIN: 2120-AA66) received January 18, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4901. A letter from the Director, Regulation Policy & Management, Office of General Counsel, Department of Veterans Affairs, transmitting the Department's "Major" final rule — Vocational Rehabilitation and Employment Program — Changes to Subsistence Allowance (RIN: 2900-AO10) received January 17, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

4902. A letter from the Director, National Legislative Commission, American Legion, transmitting the financial statement and independent audit of The American Legion, proceedings of the 93rd Annual National Convention of the American Legion, held in Minneapolis, Minnesota from August 26 — September 1, 2011, and a report on the Organization's activities for the year preceding the Convention, pursuant to 36 U.S.C. 49; (H. Doc. No. 112—86); to the Committee on Veterans' Affairs and ordered to be printed.

4903. A letter from the Director, Office of Regulations, Social Security Administration, transmitting the Administration's final rule — Mailing of Tickets Under the Ticket

to Work Program [Docket No.: SSA-2011-0034] (RIN: 0960-AH34) received January 13, 2012, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4904. A letter from the General Counsel, Department of Commerce, transmitting draft legislation, entitled "Port State Measures Agreement Act of 2011"; jointly to the Committees on Transportation and Infrastructure, Foreign Affairs, Natural Resources, the Judiciary, Ways and Means, and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WOODALL: Committee on Rules, House Resolution 540. Resolution providing for consideration of the bill (H.R. 3521) to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for a legislative line-item veto to expedite consideration of rescissions, and for other purposes (Rept. 112-389). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. MURPHY of Pennsylvania (for himself, Mr. DOYLE, Mr. ALTMIRE, Mr. CRITZ, Mr. KELLY, Mr. BARLETTA, Mr. PITTS, Mr. GERLACH, and Mr. SHUSTER):

H.R. 3911. A bill to prohibit the permanent relocation of C-130 aircraft assigned to Pittsburgh 911th Airlift Wing; to the Committee on Armed Services.

By Mr. BISHOP of New York (for himself, Mr. RANGEL, Mr. HANNA, Mr. ISRAEL, Mr. SERRANO, Mr. KING of New York, Mr. GRIMM, Mr. ENGEL, Mr. HIGGINS, Mr. TONKO, Mr. OWENS, Mrs. LOWEY, Ms. SLAUGHTER, Mr. ACKERMAN, Mrs. MALONEY, Mr. TOWNS, Mr. HINCHEY, Ms. BUERKLE, Ms. HAYWORTH, Mrs. MCCARTHY of New York, Mr. CROWLEY, Ms. VELÁZQUEZ, Mr. NADLER, Mr. GIBSON, Ms. HOCHUL, Ms. CLARKE of New York, Mr. TURNER of New York, Mr. REED, and Mr. MEEKS):

H.R. 3912. A bill to designate the facility of the United States Postal Service located at 110 Mastic Road in Mastic Beach, New York, as the "Brigadier General Nathaniel Woodhull Post Office Building"; to the Committee on Oversight and Government Reform.

By Mr. DEFAZIO:

H.R. 3913. A bill to amend the Natural Gas Act with respect to application of the right to exercise eminent domain in construction of pipelines for the exportation of natural gas, and for other purposes; to the Committee on Energy and Commerce.

By Mr. OWENS:

H.R. 3914. A bill to amend the Export Apple Act to permit the export of apples to Canada in bulk bins without certification by the Department of Agriculture; to the Committee on Agriculture.

By Mr. SCOTT of Virginia:

H.R. 3915. A bill to consolidate programs at the Department of Justice and enact the CAMPUS Safety Act of 2011; to the Committee on the Judiciary.

By Ms. WATERS:

H.R. 3916. A bill to reduce the operating costs of the United States Postal Service, to

provide for continued postal services for certain areas, and for other purposes; to the Committee on Oversight and Government Reform.

By Mr. WATT:

H.R. 3917. A bill to extend the temporary suspension of duty on Disperse Red 60; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3918. A bill to extend temporarily the suspension of duty on Disperse Yellow 64; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3919. A bill to extend temporarily the suspension of duty on Vat Blue 66; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3920. A bill to extend temporarily the suspension of duty on Acid Black 172; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3921. A bill to extend temporarily the suspension of duty on Reactive Blue 224; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3922. A bill to extend the temporary suspension of duty on Cuprate (4-); to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3923. A bill to suspend temporarily the duty on certain other made up articles; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3924. A bill to extend temporarily the suspension of duty on Reactive Yellow 27; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3925. A bill to extend temporarily the suspension of duty on Disperse Blue 77; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3926. A bill to suspend temporarily the duty on other knitted or crocheted fabrics, of cotton, dyed, other, of single knit construction; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3927. A bill to extend temporarily the suspension of duty on Solvent Yellow 163; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3928. A bill to suspend temporarily the duty on 1H-Xantheno; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3929. A bill to extend temporarily the suspension of duty on Reactive Red 123; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3930. A bill to extend temporarily the suspension of duty on Reactive Black 5; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3931. A bill to suspend temporarily the duty on Disperse Blue 284; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3932. A bill to extend temporarily the suspension of duty on Reactive Red 198; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3933. A bill to extend temporarily the suspension of duty on Acid Blue 324; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3934. A bill to suspend temporarily the duty on Acid Yellow 151; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3935. A bill to extend temporarily the suspension of duty on Acid Blue 221; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3936. A bill to suspend temporarily the duty on Acid Yellow 137; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3937. A bill to extend temporarily the suspension of duty on Acid Yellow 230; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3938. A bill to extend temporarily the suspension of duty on Acid Red 414; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3939. A bill to suspend temporarily the duty on mixtures of Disperse Red 367; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3940. A bill to suspend temporarily the duty on Reduced Vat Blue 1; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3941. A bill to suspend temporarily the duty on Acid Red 278; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3942. A bill to suspend temporarily the duty on Direct Red 84; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3943. A bill to suspend temporarily the duty on Acetic acid; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3944. A bill to suspend temporarily the duty on Acid Yellow 79; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3945. A bill to suspend temporarily the duty on Acid Blue 171; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3946. A bill to suspend temporarily the duty on Reactive Blue 19; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3947. A bill to suspend temporarily the duty on Disperse Yellow 184:1; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3948. A bill to suspend temporarily the duty on Acid Red 182; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3949. A bill to suspend temporarily the duty on mixtures of (3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)diazenyl]-2-[[2-(2-hydroxyethoxy) ethyl]amino]-4-methyl-6-(phenylamino)-) and (3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)diazenyl]-6-[[2-(2-hydroxyethoxy) ethyl]amino]-4-methyl-2-(phenylamino)-); to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3950. A bill to suspend temporarily the duty on Direct Green 91; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3951. A bill to suspend temporarily the duty on Disperse Red 159; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3952. A bill to suspend temporarily the duty on Reactive Red 122; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3953. A bill to suspend temporarily the duty on mixtures of Cobaltate (2-) and Cobaltate (3-); to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3954. A bill to suspend temporarily the duty on Disperse Red 311; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3955. A bill to suspend temporarily the duty on Reactive Blue 187; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3956. A bill to suspend temporarily the duty on Disperse Yellow 71; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3957. A bill to suspend temporarily the duty on mixtures of Acid Black 244, (Chromate(2-), (Cobaltate(1-), and (Chromate(1-); to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3958. A bill to suspend temporarily the duty on Acid Blue 284; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3959. A bill to suspend temporarily the duty on Basic Blue 94:1; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3960. A bill to suspend temporarily the duty on Disperse Orange 288; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3961. A bill to suspend temporarily the duty on Disperse Blue 284; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3962. A bill to suspend temporarily the duty on Disperse Blue 56; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3963. A bill to suspend temporarily the duty on Acid Blue 264; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3964. A bill to suspend temporarily the duty on mixtures of (9,10-Anthracenedione, 1,5-diamino-4,8-dihydroxy(4-hydroxyphenyl)-) and (9,10-Anthracenedione, 1,5-diamino-4,8-dihydroxy(4-methoxyphenyl)-); to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3965. A bill to suspend temporarily the duty on Acid Red 426; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3966. A bill to suspend temporarily the duty on mixtures of Reactive Blue 250 and Reactive Black 5; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3967. A bill to suspend temporarily the duty on mixtures of Reactive Black 5, Benzenesulfonic acid, and 1-Naphthalenesulfonic acid; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3968. A bill to suspend temporarily the duty on mixtures of Disperse Red 367, Benzo, and Acetic acid; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3969. A bill to suspend temporarily the duty on mixtures of Disperse Blue 77; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3970. A bill to suspend temporarily the duty on mixtures of Reactive Red 198 and Reactive Red 239; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3971. A bill to suspend temporarily the duty on mixtures of Reactive Blue 19; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3972. A bill to suspend temporarily the duty on certain woven fabrics of cotton; to the Committee on Ways and Means.

By Mr. WATT:

H.R. 3973. A bill to facilitate the development of energy on Indian lands by reducing Federal regulations that impede tribal development of Indian lands, and for other purposes; to the Committee on Natural Resources.

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.

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3962.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3963.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3964.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3965.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3966.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3967.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3968.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3969.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3970.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3971.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. WATT:
H.R. 3972.

Congress has the power to enact this legislation pursuant to the following:

Article I, Section 8, Clause 1 of the United States Constitution, the Taxing and Spending Clause: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States . . ."

By Mr. YOUNG of Alaska:
H.R. 3973.

Congress has the power to enact this legislation pursuant to the following: article 1 section 8 clause 3.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 26: Mr. CLAY.
H.R. 32: Ms. HIRONO and Mr. JOHNSON of Georgia.
H.R. 139: Mrs. NAPOLITANO and Ms. MATSUI.
H.R. 178: Mr. SHIMKUS.
H.R. 192: Mr. QUIGLEY.
H.R. 210: Mr. PAUL.
H.R. 361: Mr. MULVANEY.
H.R. 365: Mr. CICILLINE.
H.R. 420: Mr. GIBBS.
H.R. 458: Ms. LINDA T. SÁNCHEZ of California.
H.R. 459: Mrs. SCHMIDT, Mr. BROOKS, and Mrs. BLACK.
H.R. 571: Mr. SABLAN.
H.R. 593: Mr. PEARCE.
H.R. 769: Mr. ROTHMAN of New Jersey.
H.R. 870: Mr. DAVID SCOTT of Georgia, Ms. WATERS, Mr. COHEN, Mr. YARMUTH, Ms. FUDGE, and Mr. GUTIERREZ.
H.R. 890: Mr. BARTLETT and Mr. JACKSON of Illinois.
H.R. 931: Mr. POSEY.
H.R. 975: Mr. SMITH of Washington and Mr. SHIMKUS.
H.R. 997: Mr. POE of Texas.
H.R. 1179: Mr. WESTMORELAND, Mr. BACHUS, Mrs. BLACK, Mr. REED, Mr. MULVANEY, Mr. PRICE of Georgia, Mr. REHBERG, Mr. BARTON of Texas, Mrs. NOEM, Mr. YODER, and Mr. YOUNG of Indiana.
H.R. 1206: Mr. WESTMORELAND.
H.R. 1288: Mr. SIRES, Mr. CARSON of Indiana, and Mr. RIGELL.
H.R. 1319: Mr. KEATING and Mr. CAPUANO.

H.R. 1340: Mrs. SCHMIDT.
H.R. 1370: Mr. PENCE.
H.R. 1385: Mr. HECK.
H.R. 1404: Ms. HAHN and Mr. CONNOLLY of Virginia.
H.R. 1418: Ms. BONAMICI and Mr. PAUL.
H.R. 1464: Mr. VAN HOLLEN.
H.R. 1558: Mr. STUTZMAN.
H.R. 1585: Mr. HUIZENGA of Michigan.
H.R. 1614: Mr. GARRETT.
H.R. 1639: Mr. ROGERS of Michigan.
H.R. 1668: Mr. HOLT.
H.R. 1675: Mr. MULVANEY and Ms. MOORE.
H.R. 1744: Mr. JOHNSON of Illinois and Mr. GALLEGLEY.
H.R. 2040: Mrs. NOEM, Mr. POE of Texas, and Mr. WALBERG.
H.R. 2086: Mr. PETERSON.
H.R. 2106: Mr. RIBBLE, Mr. RYAN of Ohio, and Mr. WILSON of South Carolina.
H.R. 2140: Mr. DICKS and Mr. ROTHMAN of New Jersey.
H.R. 2161: Mrs. LOWEY and Mrs. CAPPS.
H.R. 2182: Mr. MATHESON.
H.R. 2193: Mr. CARSON of Indiana.
H.R. 2245: Mrs. CAPPS.
H.R. 2280: Mr. ELLISON.
H.R. 2299: Mr. MULVANEY.
H.R. 2310: Mr. TIERNEY.
H.R. 2353: Mr. TONKO.
H.R. 2429: Mr. STUTZMAN.
H.R. 2487: Mr. POLIS.
H.R. 2492: Mr. DUFFY.
H.R. 2569: Mr. BACA.
H.R. 2595: Mr. MCGOVERN.
H.R. 2682: Mr. MCINTYRE.
H.R. 2874: Mr. YOUNG of Indiana.
H.R. 2885: Mr. STEARNS.
H.R. 2978: Mr. PRICE of Georgia and Mr. POMPEO.
H.R. 2982: Mr. POLIS.
H.R. 2985: Mr. LATTA, Ms. LEE of California, Mr. HIMES, Mr. COLE, Mr. DEUTCH, and Mr. SCOTT of South Carolina.
H.R. 3032: Mr. WITTMAN.
H.R. 3053: Mr. FILNER.
H.R. 3059: Mr. LATTA.
H.R. 3086: Mr. FRANK of Massachusetts, Mr. BOREN, Mrs. LOWEY, and Mr. CHANDLER.
H.R. 3159: Mr. FARENTHOLD.
H.R. 3173: Ms. HAHN and Mr. YOUNG of Indiana.
H.R. 3187: Mr. THOMPSON of California and Mr. CROWLEY.
H.R. 3199: Mrs. ADAMS and Mr. BROUN of Georgia.
H.R. 3200: Mr. SIMPSON.
H.R. 3276: Mr. MACK and Mr. SOUTHERLAND.
H.R. 3300: Mr. CARNAHAN.
H.R. 3336: Mr. MCINTYRE.
H.R. 3337: Mr. FILNER, Mrs. HARTZLER, Mr. TONKO, Mr. POSEY, and Mr. LIPINSKI.
H.R. 3341: Mr. FARR.
H.R. 3364: Mr. ROE of Tennessee.
H.R. 3393: Mr. LONG.
H.R. 3405: Ms. ZOE LOFGREN of California.
H.R. 3418: Mr. DOYLE.
H.R. 3435: Mr. LOEBSACK.
H.R. 3461: Mr. PENCE, Mrs. LOWEY, Mr. DENT, Mr. MARCHANT, Mr. CHANDLER, Ms. JENKINS, Mr. FORTENBERRY, Mr. COLE, Mrs. LUMMIS, Mr. STIVERS, Mr. WHITFIELD, Mr. FITZPATRICK, Mr. FORBES, Mrs. SCHMIDT, Mr. COBLE, and Mr. SCHILLING.
H.R. 3462: Mr. RUSH and Mr. RANGEL.
H.R. 3480: Mr. YODER.
H.R. 3481: Mr. ALEXANDER.
H.R. 3506: Mr. REICHERT.
H.R. 3523: Mr. BROOKS, Mr. HUIZENGA of Michigan, Mr. CARTER, and Mrs. HARTZLER.
H.R. 3541: Mr. LANDRY.
H.R. 3548: Mr. HENSARLING and Mrs. CAPITO.
H.R. 3591: Mr. McDERMOTT.
H.R. 3596: Mr. STARK.
H.R. 3606: Mr. SCOTT of South Carolina and Mr. SCHOCK.
H.R. 3612: Ms. LEE of California, and Mr. POLIS.

H.R. 3635: Ms. HAHN and Mr. PETERS.
 H.R. 3643: Mr. BARROW.
 H.R. 3652: Mrs. BLACKBURN, Mrs. NOEM, and Mr. CONAWAY.
 H.R. 3662: Mr. GINGREY of Georgia, Mr. COFFMAN of Colorado, Mr. LEWIS of California, Mr. GALLEGLEY, Mr. GARY G. MILLER of California, Mr. HERGER, and Mr. SAM JOHNSON of Texas.
 H.R. 3663: Mr. GRIFFITH of Virginia.
 H.R. 3666: Mr. LIPINSKI.
 H.R. 3676: Mr. FARENTHOLD.
 H.R. 3698: Mrs. MYRICK.
 H.R. 3702: Mr. CLARKE of Michigan.
 H.R. 3767: Mr. GERLACH, Mrs. DAVIS of California, Mr. DEUTCH, and Mr. DEFAZIO.
 H.R. 3789: Mr. FILNER.
 H.R. 3798: Mr. SMITH of Washington.
 H.R. 3803: Mr. CRAWFORD and Mr. PEARCE.
 H.R. 3805: Mr. HARRIS.
 H.R. 3811: Mr. DUFFY.
 H.R. 3816: Mr. POMPEO and Mrs. HARTZLER.
 H.R. 3819: Mr. PAUL and Mr. BURTON of Indiana.
 H.R. 3824: Mr. BRADY of Pennsylvania, Mr. BISHOP of New York, and Mr. MCKINLEY.
 H.R. 3842: Mr. SCHWEIKERT and Mr. HARRIS.
 H.R. 3848: Mr. SCHOCK and Mrs. BLACKBURN.
 H.R. 3852: Ms. LEE of California and Mr. QUIGLEY.
 H.R. 3856: Mr. BILIRAKIS, and Ms. ROSLEHTINEN.
 H.R. 3866: Mr. SERRANO, Mr. CLEAVER, Mr. RANGEL, Mr. DINGELL, Mr. ALTMIRE, Mr. WALZ of Minnesota, Mr. COSTELLO, Mr. RAHALL, Mr. MICHAUD, Mr. LARSEN of Washington, Mr. NADLER, and Mr. DEFAZIO.
 H.R. 3875: Mr. WELCH, and Mrs. CAPPS.
 H.R. 3878: Mr. DEFAZIO.
 H.R. 3895: Mr. JONES.
 H.R. 3903: Ms. SUTTON, Mr. WELCH, Mr. JOHNSON of Georgia, Mr. JACKSON of Illinois, Mr. CONYERS, Ms. KAPTUR, Ms. MOORE, Mr. MCGOVERN, Ms. LEE of California, Mr. HONDA, Mr. FILNER, and Mr. CICILLINE.
 H. Res. 298: Ms. ZOE LOFGREN of California.
 H. Res. 460: Ms. ZOE LOFGREN of California, Mr. LANGEVIN, Mr. HOLT, Mr. CALVERT, Mr. LEWIS of Georgia, Ms. EDDIE BERNICE JOHNSON of Texas, and Ms. ROYBAL-ALLARD.
 H. Res. 532: Mr. NUNNELEE and Mr. FITZPATRICK.

PETITIONS, ETC.

Under clause 3 of rule XII,

36. The SPEAKER presented a petition of the City of Lauderdale Lakes, Florida, relative to Resolution No. 2011-121 setting forth the City's 2012 Federal Legislative and Appropriations priorities; jointly to the Committees on Energy and Commerce, Transportation and Infrastructure, Homeland Security, the Judiciary, and Financial Services.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

S. 2038

OFFERED BY MR. FLAKE

AMENDMENT No. 1: Add at the end the following new title:

TITLE III—EARMARK ELIMINATION

SEC. 301. SHORT TITLE.

This title may be cited as the "Earmark Elimination Act of 2012".

Subtitle A—House of Representatives

SEC. 311. PROHIBITING CONSIDERATION OF LEGISLATION CONTAINING EARMARKS.

(a) PROHIBITION.—

(1) IN GENERAL.—It shall not be in order in the House of Representatives to consider any

bill, joint resolution, amendment, or conference report if the bill, joint resolution, amendment, or conference report, or any accompanying report or joint explanatory statement of managers, includes a congressional earmark, limited tax benefit, or limited tariff benefit.

(2) PROCEDURE.—If a point of order is raised under paragraph (1) with respect to a congressional earmark, limited tax benefit, or limited tariff benefit and the point of order is sustained, the congressional earmark, limited tax benefit, or limited tariff benefit shall be deemed to be stricken from the measure involved.

(3) SPECIAL PROCEDURE FOR CONFERENCE REPORT AND AMENDMENTS BETWEEN THE HOUSES.—

(A) IN GENERAL.—If a point of order is raised and sustained under paragraph (1) with respect to a conference report or a motion that the House recede from its disagreement to a Senate amendment and concur therein, with or without amendment, then after disposition of all such points of order the conference report or motion, as the case may be, shall be considered as rejected and the matter remaining in disagreement shall be disposed of under subparagraph (B) or (C), as the case may be.

(B) CONFERENCE REPORTS.—After the House has sustained one or more points of order under paragraph (1) with respect to a conference report—

(i) if the conference report accompanied a House measure amended by the Senate, the pending question shall be whether the House shall recede and concur in the Senate amendment with an amendment consisting of so much of the conference report as was not rejected; and

(ii) if the conference report accompanied a Senate measure amended by the House, the pending question shall be whether the House shall insist further on the House amendment.

(C) MOTIONS.—After the House has sustained one or more points of order under paragraph (1) with respect to a motion that the House recede and concur in a Senate amendment, with or without amendment, the following motions shall be privileged and shall have precedence in the order stated:

(i) A motion that the House recede and concur in the Senate amendment with an amendment in writing then available on the floor.

(ii) A motion that the House insist on its disagreement to the Senate amendment and request a further conference with the Senate.

(iii) A motion that the House insist on its disagreement to the Senate amendment.

(b) DETERMINATION BY HOUSE.—If a point of order is raised under this section and the Chair is unable to ascertain whether a provision constitutes a congressional earmark, limited tax benefit, or limited tariff benefit, the Chair shall put the question to the House and the question shall be decided without debate or intervening motion.

(c) CONFORMING AMENDMENT.—Rule XXI of the Rules of the House of Representatives is amended by striking clause 9.

SEC. 312. DEFINITIONS.

In this subtitle—

(1) the term "congressional earmark" means a provision or report language included primarily at the request of a Member, Delegate, Resident Commissioner, or Senator providing, authorizing or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an entity, or targeted to a specific State, locality or Congressional

district, other than through a statutory or administrative formula-driven or competitive award process;

(2) the term "limited tax benefit" means—

(A) any revenue-losing provision that—

(i) provides a Federal tax deduction, credit, exclusion, or preference to 10 or fewer beneficiaries under the Internal Revenue Code of 1986, and

(ii) contains eligibility criteria that are not uniform in application with respect to potential beneficiaries of such provision; or

(B) any Federal tax provision which provides one beneficiary temporary or permanent transition relief from a change to the Internal Revenue Code of 1986; and

(3) the term "limited tariff benefit" means a provision modifying the Harmonized Tariff Schedule of the United States in a manner that benefits 10 or fewer entities.

Subtitle B—Senate

SEC. 321. PROHIBITION ON EARMARKS.

(a) BILLS AND JOINT RESOLUTIONS, AMENDMENTS, AMENDMENTS BETWEEN THE HOUSES, AND CONFERENCE REPORTS.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider a bill or resolution introduced in the Senate or the House of Representatives, amendment, amendment between the Houses, or conference report that includes an earmark.

(2) PROCEDURE.—Upon a point of order being made by any Senator pursuant to paragraph (1) against an earmark, and such point of order being sustained, such earmark shall be deemed stricken.

(b) CONFERENCE REPORT AND AMENDMENT BETWEEN THE HOUSES PROCEDURE.—When the Senate is considering a conference report on, or an amendment between the Houses, upon a point of order being made by any Senator pursuant to subsection (a), and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable under the same conditions as was the conference report. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

(c) WAIVER.—Any Senator may move to waive any or all points of order under this section by an affirmative vote of two-thirds of the Members, duly chosen and sworn.

(d) DEFINITIONS.—

(1) EARMARK.—For the purpose of this section, the term "earmark" means a provision or report language included primarily at the request of a Senator or Member of the House of Representatives as certified under paragraph 1(a)(1) of rule XLIV of the Standing Rules of the Senate—

(A) providing, authorizing, or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an entity, or targeted to a specific State, locality or Congressional district, other than through a statutory or administrative formula-driven or competitive award process;

(B) that—

(i) provides a Federal tax deduction, credit, exclusion, or preference to a particular beneficiary or limited group of beneficiaries under the Internal Revenue Code of 1986; and

(ii) contains eligibility criteria that are not uniform in application with respect to potential beneficiaries of such provision; or

(C) modifying the Harmonized Tariff Schedule of the United States in a manner that benefits 10 or fewer entities.

(2) DETERMINATION BY THE SENATE.—In the event the Chair is unable to ascertain whether or not the offending provision constitutes an earmark as defined in this subsection, the question of whether the provision constitutes an earmark shall be submitted to the Senate and be decided without debate by

an affirmative vote of two-thirds of the Members, duly chosen and sworn.

(e) APPLICATION.—This section shall not apply to any authorization of appropriations to a Federal entity if such authorization is not specifically targeted to a State, locality or congressional district.