United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 109th CONGRESS, SECOND SESSION

Vol. 152 WASHINGTON, FRIDAY, DECEMBER 8, 2006 No. 135

House of Representatives

The House met at 9:30 a.m.

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

Lord God, in You there is no beginning, no end. You live in the ever-present moment: now. Before You, all human life is fragile and dependent. Limited by time and space, human nature changes very little, yet hopes and dreams expand. Often, the powerful of this world seem powerless and those who hunger for justice and thirst for peace increase in numbers.

Be with the Members of the United States House of Representatives as

NOTICE

The Government Printing Office will publish corrections to the *Congressional Record* as a pilot program that has been authorized by the U.S. Senate and House of Representatives. Corrections to the online *Congressional Record* will appear on the page on which the error occurred. The corrections will also be printed after the History of Bills and Resolutions section of the *Congressional Record Index* for print-only viewers of the *Congressional Record*.

By order of the Joint Committee on Printing.

TRENT LOTT, *Chairman.*

NOTICE

If the 109th Congress, 2d Session, adjourns sine die on or before December 15, 2006, a final issue of the *Congressional Record* for the 109th Congress, 2d Session, will be published on Wednesday, December 27, 2006, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT–60 or S–123 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m. through Wednesday, December 27. The final issue will be dated Wednesday, December 27, 2006, and will be delivered on Thursday, December 28, 2006.

None of the material printed in the final issue of the *Congressional Record* may contain subject matter, or relate to any event that occurred after the sine die date.

Senators' statements should also be submitted electronically, either on a disk to accompany the signed statement, or by e-mail to the Official Reporters of Debates at "Record@Sec.Senate.gov".

Members of the House of Representatives' statements may also be submitted electronically by e-mail, to accompany the signed statement, and formatted according to the instructions for the Extensions of Remarks template at http://clerk.house.gov/forms. The Official Reporters will transmit to GPO the template formatted electronic file only after receipt of, and authentication with, the hard copy, and signed manuscript. Deliver statements to the Official Reporters in Room HT–60.

Members of Congress desiring to purchase reprints of material submitted for inclusion in the *Congressional Record* may do so by contacting the Office of Congressional Publishing Services, at the Government Printing Office, on 512–0224, between the hours of 8:00 a.m. and 4:00 p.m. daily.

By order of the Joint Committee on Printing.

TRENT LOTT, *Chairman.*

☐ 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.

Printed on recycled paper.

they approach these last hours of the 109th Congress. Pressured by the complexity of today's society and limited by constitution and human capability, they have regularly turned to You to help foster the American dream and enact laws and policies for the American people and our neighbors on Earth. You have not failed them in their compromises. You have counseled them in dealing with mistrust and reconciled differences in the search for the common good.

Called to lead Your freed people is not always easy. Popular understanding for decisions cannot be the guide, only world history can adequately measure and ultimately, You alone, Lord God, can offer judgment.

Lord, bless the accomplishments, nurture the seeds which have been planted, reward justice with peace, heal all blindness and paralysis, and supply compensation for all our deficiencies. Reward and bless J. DENNIS HASTERT for his public service as Speaker of this House. For not to us, O Lord, not to us, but to You, Lord God, be the glory, honor, power, and thanksgiving now and forever. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

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

Mr. CHABOT led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain five 1-minute speeches on each side.

SUNSET ON THE BORDER

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

Mr. POE. Mr. Speaker, as the sun sets on the 109th Congress today, the sun is also setting in the Southwest at a border unguarded from illegal entry, open for settlement and incursion. Our government has voiced empty words of border security and protecting our Nation from foreign invasion.

Much like the Empire of Rome in 364 A.D., when the Goths encroached into Roman lands, there were not enough border security agents to keep them out. They were not required to assimilate into the Roman culture. The Romans did nothing. Blind to Goth occupation, Rome created its own downfall and disappearance as a Nation.

Inability to protect borders and keep intruders out has led to the extermination of civilizations throughout history. Our government has failed with empty, meaningless political promises to protect the American people from border invasions.

Mr. Speaker, Americans are tired of the hollow, hapless words. They are demanding secure borders to keep our Nation sovereign. It is the moral responsibility of this Nation to protect its citizens from invasion, to secure its borders from foreign invaders, before we become another Rome and pass smoldering into the ash heap of historical insignificance.

All the while the sun sets in the Southwest. And that's just the way it is.

HONORING CONGRESSMAN LANE EVANS

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

Mr. HONDA. Mr. Speaker, I rise today to honor the service and achievements of my dear friend LANE EVANS. LANE EVANS is a hero who has tirelessly fought to provide just for over 200,000 ''comfort women'' who were forced into sex slavery by the Japanese Imperial Army during World War II. He has been a voice for those voiceless women who are still holding out hope that they will receive a formal apology from the Japanese Government for the indignities they have suffered.

I want to assure LANE that I will do my best to continue his work and legacy on this issue after his retirement this year. He has personally inspired me, and I look forward to seeking the justice the ''comfort women'' deserve, knowing that LANE EVANS blazed much of the trail.

Mr. Speaker, for his leadership, mentorship and companionship, for his work on behalf of those who would have otherwise been forgotten, and for his unparalleled work these past 24 years, I will not forget LANE.

LANE, Semper Fi.

LASALLE, MT. NOTRE DAME MAKE CHAMPIONSHIP RUNS, MERCY TAKES HOME RUNNER-UP

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

Mr. CHABOT. Mr. Speaker, today I would like to recognize the achievements of three exceptional high school teams from my district in Cincinnati, the volleyball teams from Mt. Notre Dame and Mother of Mercy High Schools, and the cross-country team from my alma mater, LaSalle High School.

On November 11, Mt. Notre Dame and Mother of Mercy battled for Ohio's Division I State volleyball championship. In the third and most important meeting of the season, Mt. Notre Dame emerged victorious. The victory marks Mt. Notre Dame's fifth State volleyball title. Mother of Mercy also gave a top-notch effort and finished an impressive second in the State.

The GCL also saw one of its own bring home a State championship when the LaSalle Lancers' cross-country team sprinted to their second consecutive State title.

It gives me great pride to acknowledge the achievement of these exceptional young men and women, and their coaches and parents and fans and teachers and administrators. It is important to point out that while these schools enjoy tremendous success in athletics, they also have a tradition of academic excellence, and they should be equally proud of that accomplishment.

Congratulations again to Mt. Notre Dame and Mother of Mercy, and my alma mater, LaSalle.

BRING THE TROOPS HOME NOW

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

Mr. KUCINICH. The American people made clear on November 7 that they demand a new direction in Iraq: Out. Bring the troops home. Just 1 month later, they have their answer. President Bush will not bring the troops home.

The Iraq Study Group report does not recommend bringing the troops home and ending the occupation. Read the fine print of the report. Only Congress can bring the troops home and keep faith with the American people.

The money is there. Just 2 months ago, we appropriated $70 billion for the war. That money should be used to start bringing the troops home now. If Congress gives the President another $130 billion in the spring to keep the war going, we will then be directly responsible for the casualties.

Why won't we take responsibility for bringing the troops home? The money is there now to bring the troops home. The American people voted for a new Congress to bring the troops home. We cannot say we are against the war and vote to fund it. We cannot say we are for the troops and vote to keep them in Iraq when the money is there to bring them home now.

IN MEMORY OF DR. GEORGE MEETZE

(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. Madam Speaker, I rise today in memory of Dr. George Meetze of Columbia,

South Carolina. Dr. Meetze passed away on Thanksgiving Day after a brief illness.

During his 97 years, Dr. Meetze touched numerous lives. I had the honor of working with him during the 17 years I served in South Carolina's State Senate. Dr. Meetze was elected chaplain of the South Carolina Senate in January 1950 and served until his death. His 57 years of service make him the longest-serving chaplain of a legislative body in the history of our Nation.

Dr. Meetze spent his life in service to others, honorably working for his God, his community, and his country. He was a colonel and chief chaplain in the South Carolina State Guard, a past president of the South Carolina American Cancer Society, and a faithful member of St. Paul's Lutheran Church.

Dr. Meetze was a loving husband, father and grandfather. He will be greatly missed by all who knew him.

In conclusion, God bless our troops, and we will never forget September 11.

CONGRATULATING THE 2006 UNC WOMEN'S SOCCER TEAM

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

Mr. PRICE of North Carolina. Madam Speaker, I rise today to celebrate an accomplishment for which my constituents and all North Carolinians have tremendous pride. The 2006 Lady Tarheels of the University of North Carolina have just claimed their 19th Women's Soccer National Championship, beating the Notre Dame Fighting Irish 2–1 in the title game last Sunday.

Under the leadership of Head Coach Anson Dorrance, Carolina women's Soccer has been the most dominant program in the history of college athletics, winning 18 of the last 25 national championships since the NCAA established the women's tournament.

The national title game capped off a stellar career for senior captain Heather O'Reilly, who was named the tournament's Most Outstanding Offensive Player, as well as for Carolina's other seniors. Junior Defender Robyn Gayle was named Most Outstanding Defense Player, and seven freshmen played for the Lady Tarheels in the game.

I also take great pride in the fact that the championship game took place in my district at the SAS Soccer Park in Cary. The sell-out crowd of more than 8,300 enthusiastic fans is a testament to the growing popularity of soccer in North Carolina and across the country.

So I extend my congratulations to the Lady Tarheels on their outstanding success, to a Notre Dame squad for a well-played tournament, and to the university community in Chapel Hill that has come to embrace women's soccer as one of its most precious gems.

Even the great Dean Smith, himself the winningest coach in college basketball history, once remarked: ''This is a women's soccer school. We're just trying to keep up with them.''

TRIBUTE TO J.B. HUNT, SR.

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

Mr. BOOZMAN. Madam Speaker, I rise today to honor the memory of a great Arkansan, a giant of American business who passed away yesterday morning, J.B. Hunt of Springdale, Arkansas.

He built a billion-dollar trucking business from humble beginnings, and in the span of a lifetime went from a sharecropper's son to the employer of over 16,000 people and a major force in shaping the economy of the Third District of Arkansas.

He donated to charities, he was very, very active in his church, and was known to carry $100 bills in case he ran across somebody who needed help immediately. When asked why, he explained, I was hungry once, a lesson we can all learn from.

I knew him when I was a young man, when he had absolutely no idea who I was; and I knew him when I was a young professional in my community, and later on as his Congressman. He was the kind of man that treated me the same in regard to all of those stations in life.

He was a wonderful man, and certainly our prayers are with him, his wife Johnelle, his family, and his company which lives the American Dream every day.

THE DO-NOTHING CONGRESS AND A NEW DIRECTION

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

Mr. PALLONE. Madam Speaker, the differences between this session of Congress and the one that will begin next month will be vast. In this tale of two Congresses, let us compare the current ''do-nothing'' Congress, led by the Republican Majority, and the upcoming Democratic New Direction Congress.

The Republican ''do-nothing'' Congress that ends this week has set abysmal records for the fewest number of days worked and for defeating numerous important bills, or simply not bringing them forth at all. Now they will adjourn for good at the end of this week, long before they need to, without passing a budget for 9 of the 11 appropriation bills. It is shameful, Madam Speaker, but fortunately it is about to change.

In January, when the Democratic Majority takes control of this body, we will immediately begin to pass legislation that will benefit working families all across our country. Democrats will raise the minimum wage, pass ethics reform, lower the price of higher education and prescription drugs, and repeal the needless tax breaks to big oil all within the first 100 hours of the next Congress.

Madam Speaker, Democrats will turn this do-nothing Congress into a body that works hard for all Americans.

HOMELAND AND BORDER SECURITY

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

Ms. SEKULA GIBBS. Madam Speaker, I rise today to discuss subjects of homeland security and border security as it relates to my District 22 in Texas, which is Houston, Sugar Land, and Clear Lake. That includes two distinct assets. One is Johnson Space Center, and one is Ellington Fields.

These two important assets require some additional funding that would have been discussed had the process allowed for a little more opportunity. But because of the lack of regular order, they may not be addressed in the continuing resolution that will be brought up either today or tomorrow.

On a positive note, there will be a Predator squadron placed at Ellington Field, but on a more concerning note, we may lose our F–16 jets, which provides excellent homeland security for petrochemical products that are made in our area, the Port of Houston, NASA, and the Texas Medical Center.

It is my hope that these two assets, both Johnson Space Center and Ellington Field, will be adequately funded in the very near future.

□ 0945

WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS AND PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mrs. CAPITO. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 1102 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1102

Resolved, That the requirement of clause 6(a) of rule XIII for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported on the legislative day of December 8, 2006.

SEC. 2. It shall be in order at any time on the legislative day of December 8, 2006, for the Speaker to entertain motions that the House suspend the rules. The Speaker or his designee shall consult with the Minority Leader or her designee on the designation of any matter for consideration pursuant to this resolution.

The SPEAKER pro tempore (Ms. FOXX). The gentlewoman from West Virginia (Mrs. CAPITO) is recognized for 1 hour.

Mrs. CAPITO. Madam Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentlewoman from California (Ms. MATSUI), 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.

(Mrs. CAPITO asked and was given permission to revise and extend her remarks.)

Mrs. CAPITO. Madam Speaker, House Resolution 1102 waives clause 6(a) of rule XIII, requiring a two-thirds vote to consider a rule on the same day it is reported from the Rules Committee, against certain resolutions reported from the Rules Committee. The resolution applies the waiver to any special rule reported on this legislative day.

The rule also provides that suspensions will be in order at any time on the legislative day. The resolution also provides that the Speaker or his designee shall consult with the minority leader or her designee on any suspension considered under the rule.

Madam Speaker, we have before us this morning a simple rule that will allow for the consideration of important final measures that must be addressed before we adjourn sine die. Most important is the consideration of the continuing resolution, which will continue funding of the government until February of 2007.

Although I am disappointed this Congress was unable to complete its spending bills for fiscal year 2007, we must consider and pass this continuing resolution before we leave tonight. It is my hope that in future Congresses we can work together with the other body to ensure we finish the appropriating process on schedule and in a fiscally responsible manner.

This balanced rule provides the minority with the ability to consult with the Speaker on any suspension that is offered, ensuring that their input and views are duly considered before any legislation considered under this rule is brought to the floor. This rules also allows for consideration of special rules reported on this day.

We are nearing the end of our session, always a chaotic time, and this rule will allow the House to finish its business in a timely fashion. I now ask my colleagues to support this rule so that we may continue the work of the American people in a timely fashion today. Completing consideration of these suspensions and remaining bills ensures that we may accomplish as much as possible in the final days of this Congress, and I encourage my colleagues on both sides of the aisle to support this balanced rule.

Madam Speaker, I reserve the balance of my time.

Ms. MATSUI. Madam Speaker, I thank my good friend, the gentlewoman from West Virginia, for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

(Ms. MATSUI asked and was given permission to revise and extend her remarks.)

Ms. MATSUI. Madam Speaker, it is disappointing we are adjourning after passing only 2 of the 13 appropriation bills that fund the Federal Government. We should have done better, and clearly we could have done better. Instead, we are leaving this year's unfinished business to the next Congress. That is far from the ideal way of handling our constitutional responsibilities.

Nonetheless, that is a reality, and we will deal with it as such when Congress returns next year under new leadership. But the American people should be assured that such a turn of events will not alter the focus of the next Congress. We will remain focused on the critical priorities of American families, priorities that were made clear in the recent election: a sensible energy policy, affordable health care for working families, reforming prescription drug benefits, honest wages for honest work, increasing homeland security, and responsible oversight of and a change in direction of our policy in Iraq.

I hope those issues will be addressed next year in a bipartisan manner, with open debate and a focus on concrete results for the American people.

The time to deal with those will come soon. The problem before us now is that the Federal Government shuts down at midnight tonight unless we invoke martial law under this rule. It concludes the 109th Congress on a less than satisfactory note, but it is nonetheless necessary.

Madam Speaker, I yield back the balance of my time.

Mrs. CAPITO. Madam Speaker, I have no further speakers, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 5682, HENRY J. HYDE U.S.-INDIA PEACEFUL ATOMIC ENERGY COOPERATION ACT OF 2006

Mr. BISHOP of Utah. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 1101 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1101

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 5682) to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore. The gentleman from Utah (Mr. BISHOP) is recognized for 1 hour.

Mr. BISHOP of Utah. Madam Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman 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.

(Mr. BISHOP of Utah asked and was given permission to revise and extend his remarks.)

Mr. BISHOP of Utah. Madam Speaker, House Resolution 1101 allows for consideration of the conference report on House Resolution 5682, the Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act of 2006. It provides for a closed rule with 1 hour general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations. It waives all points of order against the conference report and against its consideration, and it provides that the conference report shall be considered as read.

The underlying bill is not only an excellent bipartisan bill, but also a tribute to the skill and wisdom of one of the body's most distinguished and respected representatives, the Honorable HENRY HYDE, Chairman of the House Committee on International Relations, a representative from Illinois's Sixth Congressional District for the last 32 years.

It is fitting that this underlying bill is named after Chairman HYDE, in recognition for his long and faithful service and commitment to American ideals as well as nonproliferation activities. Yesterday we had many people pay their respect to this great man, and this is a fitting conclusion with this bill today.

I would also be remiss if I did not also thank the ranking member, Representative LANTOS of California, for his repeated efforts and his strong efforts in pushing this legislation forward and the hard work he also put in, in a dedicated and respected manner, to come up with a truly bipartisan bill and a bipartisan conference report.

We should also thank the conferees for their efforts to come in here with a conference report that is focused, that is clean, that is direct and without extraneous materials added to it. It is one that actually goes to the heart of the issue in a very direct report and is a very good conference report.

To the substance of the bill, which was passed on July 26 of this year by an overwhelming majority, with 359 of our colleagues supporting the bill, it contained a myriad of important measures, beginning with a Sense of Congress Resolution that the preventing of proliferation of nuclear weapons and other weapons of mass destruction, the means to produce them, and the means to deliver them are critical objectives

of United States foreign policy, and that sustaining the Nuclear Nonproliferation Treaty and strengthening its implementation, particularly its verification and compliance, is the keystone of the United States' nonproliferation policy.

We live in an uncertain world where any number of demagogues would pay any price to obtain the technology to inflict pain and suffering on the world's inhabitants.

□ 1000

Because of that it is important that India's commitment to nuclear nonproliferation and America's commitment is the same, and it makes the world a safer place.

This bill, with additions added by the Senate, and one of those unique elements actually strengthens the overall bill itself. It provides for the administration to report to Congress of its activities in forwarding this particular agreement. It provides for an affirmative response by Congress to that agreement that is there. And it provides for greater control on nonproliferation efforts between both of our countries in this very uncomfortable and unstable world.

I have to commend Chairman HYDE, Ranking Member LANTOS, the entire conference committee that did a wonderful job, excellent work with this particular committee report.

With that, I urge adoption of the rule and the underlying legislation.

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

Mr. MCGOVERN. Madam Speaker, I want to thank my colleague from Utah (Mr. BISHOP) for yielding me the time, and yield myself such time as I may consume.

Madam Speaker, I rise today in support of the U.S.-India Nuclear Cooperation Promotion Act. I, too, want to commend Chairman HYDE and Ranking Member LANTOS and the members of International Relations Committee for their work on this. This conference report that comes before us has been signed by all of the conferees, the process has been good, and I support the rule.

Madam Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Madam Speaker, I thank my colleague from Massachusetts for yielding me time.

Madam Speaker, I rise in support of the rule and in strong support of the U.S.-India Nuclear deal conference report. I would like to thank Chairman HYDE and incoming Chairman LANTOS for their hard work to help ensure passage of this bill after the agreement was announced. I would also like to thank the House and Senate conferees who negotiated throughout the night to reconcile differences and reach a compromise.

The U.S. has an important strategic partnership with India, and this civilian nuclear cooperation deal is a critical component to a continued successful partnership. The agreement strengthens energy security for the U.S. and India, and promotes the development of stable and efficient energy markets in India to ensure adequate and affordable supplies.

This deal is also the foundation of a promising U.S.-India alliance that will serve as a defense against terrorism and nuclear proliferation. The U.S. has an important stake in ensuring regional stability in South Asia, even as Pakistan continues to produce and test nuclear weapons without proper safeguards.

With the rising power of Communist China in the region and Osama bin Laden continuing to hide in Afghanistan or Pakistan, we need India as our strategic ally. The bill before us today has a new policy that will solidify the U.S.-India bilateral relationship. India has been a responsible nuclear power and deserves to be treated that way.

I urge my colleagues to vote ''yes'' on both the rule and the conference report.

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

Mr. MCGOVERN. Madam Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Madam Speaker, I rise to express my concern about the impact that this agreement will have on the state of nonproliferation in the world. The United States has not had a nonproliferation policy, per se. As a matter of fact, if we look at the administration, this administration has moved to build new nuclear weapons called bunker busters. They have moved to discourage efforts at nuclear disarmament. They have, in the first days of their administration, canceled the antiballistic treaty with Russia. This administration does not have a commitment to nonproliferation, and the world knows that.

Iran knows that. That is why it is very difficult for us to be able to simultaneously discourage Iran from acquiring nuclear technology, and at the same time speak to the imperative of a bilateral progress with India.

The United States has to have a consistent policy with respect to nuclear nonproliferation. This country cannot speak out of one side of its mouth and tell Iran and North Korea, don't you dare go in that direction, don't you dare try to acquire nuclear technology, because we cannot see whether you can separate civilian and military, and on the other hand give a blessing to that same kind of an arrangement with a country that, yes, we have a great relationship with; yes, it is the longest and the oldest democracy in the world; yes, there is a lot to be said about the people in the Indian Government being responsible people.

My point here is not in any way to diminish the role that India has in trying to develop social and technological progress in the world, but it is to speak to our responsibility as citizens of the United States to ask: What is the impact of any agreement that we have with India on the rest of the world?

And I would say that with this administration not being willing to talk to Iran with respect to Iran's nuclear ambitions, with this administration not being ready to talk to North Korea with respect to North Korea's nuclear ambitions, this is a dangerous time to be approving such an agreement, because it will be seen as a license to other countries which have nuclear ambitions to proceed whether they are talking to the United States or not.

The imperative of the Nuclear Nonproliferation Treaty at its inception was not to manage proliferation, but it was to do away with all nuclear weapons. Read the treaty. We are at a moment in human history where we have not found a way to be able to resolve our differences without war.

Witness the failed policies of this administration with respect to Iraq. Iraq did not have weapons of mass destruction, but we chose to attract Iraq anyway. Policies of unilateralism, of first strike breed the same kind of policies around the world.

It is premature for us to be promoting an agreement with India when we have not shown the capacity as a Nation to take a direction which prizes diplomacy, which shows that we can use the science of human relations to be able to avert conflict. We have to show a capacity to demonstrate that war is not inevitable; we have not done that.

And so when we are on the threshold of approving a new nuclear agreement with India, notwithstanding our good relations with that country, we cannot do that without looking at the impact that will have on the rest of the world.

Mr. BISHOP of Utah. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, without speaking to the merits of the allegations made by gentleman from Ohio, he should indeed be happy with this particular resolution and conference report coming to us. For not only does it take the country of India that did not sign the Nuclear Nonproliferation Treaty and provide that both the United States and India will work together to try and combine ourselves so we are working within the parameters of that treaty, it also provides for the administration to present any results of their negotiation back to Congress, and forcing Congress to actually take an affirmative approach ''yea'' or ''nay'' on the results of those negotiations, which once again will allow all Members of Congress to again have some kind of say in the ultimate process.

I also appreciate once again what the conferees did with this report in trying to narrow the focus down to the specifics of how the United States and India deal together in separating civilian and military uses of this new type of energy, and not trying to expand it into other areas which may indeed

make the process much more complex and the questions much more difficult to answer.

Madam Speaker, this once again is a very clean, specific and focused conference report.

Madam Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Madam Speaker, I yield 5 minutes to the distinguished gentleman from Oregon (Mr. WU).

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

Mr. WU. Madam Speaker, I rise in strong opposition to the rule and the underlying legislation. When I was a child, this country sold F–15s to Iran so that Iran could be our offset to Soviet power in South Asia. And because we sold F–15s and other arms to Iran, we wound up selling chemical weapon precursor materials to Iraq to offset Iranian power in the Middle East, and today we have 135,000 troops in Iraq, in part, because of those unwise decisions.

Now, we are told that we should sell nuclear materials to India, which would free up Indian nuclear reactors to produce many more nuclear weapons for the Indian nuclear weapons program as an offset to Chinese power in Asia.

If we approved this deal with India, it would encourage China to increase its nuclear arsenal, and I submit to you that we, that we are one of the potential targets of that enhanced Chinese nuclear arsenal.

Even more worrisome is that an Indian nuclear build-up would further accelerate the Pakistani nuclear build-up. While I have strong confidence in the stability of the Indian Government and in the stability of Indian democracy, I have much, much less faith in the stability of the Pakistani Government and of Pakistani democracy, and of the Pakistani Government's ability to keep under control those nuclear weapons which it already has and the additional weapons it would build because of an Indian nuclear build-up.

If there is a military coup in Pakistan, we should be very, very concerned about the stability of not only South Asia, but of the world. There have been three military coups in Pakistan since its independence in 1947. Rather than approving nonsignatory states like India in violation of nonproliferation treaties, the better course of action is to respect international agreements and immediately bring to the Senate a total ban on nuclear testing and a comprehensive set of treaties to curtail nuclear proliferation.

Back in July, just this summer, there were only 68 of us in this Chamber who voted against approving the legislation to permit sales of nuclear materials to India. I ask more of my colleagues to join me today at this historic moment to prevent adding fuel to the fire of nuclear proliferation in South Asia. This legislation and the following sale of nuclear materials to India blows out of the water any hope we have of treaty constraints on the proliferation of nuclear weapons.

I want to make it clear for this record and for history that the actions of this administration in containing nuclear proliferation have been patently irresponsible. This administration has underfunded the Nunn-Lugar legislation which takes nuclear materials out of the open market which would otherwise be available for sale to terrorists. This administration has failed to support internal treaties limiting nuclear weapon proliferation, and now, and now it has proposed a treaty with India that would sell India nuclear materials, which would result in a nuclear arms race between India and China and between India and Pakistan.

Pakistan is not a stable country. It is already leaking nuclear weapons technology to other countries and groups. Let the RECORD show that if or when a mushroom cloud ever erupts over an American city, that event will be traced back to this unwise vote in the United States Senate and to the boneheaded policy of this administration toward treaty obligations, Nunn-Lugar, and the sale of nuclear materials to India.

Ladies and gentlemen, compared to this legislation, the authorization to go to war in Iraq was a piker. This is the moment to pull back from the brink of a new nuclear arms race.

□ 1015

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

Mr. HASTINGS of Florida. Madam Speaker, how much time remains on each side?

The SPEAKER pro tempore. Twenty minutes.

Mr. HASTINGS of Florida. Madam Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Madam Speaker, I thank the gentleman from Florida for yielding me time.

Madam Speaker, it is with great respect for my good friends I consider this conference report the right start in the face of challenge of nuclear nonproliferation. It is a start. And even though this conference report allows a relationship with India and the United States to pursue civilian nuclear research and investment, this is not the final stop.

There is a responsibility that there is an agreement with the IAEA that the Indian Government must assure that their purposes are for civilian purposes only. We do need to continue the friendship between India, the United States, and Pakistan. And I would much rather affirm the fact that there are two governments who are allies of the United States in the South Asia region, India and Pakistan, and to include both of those countries in our discussions in the war against terror, and as well the isolation of Iran and certainly the resolution in Iraq.

To do so we must show the respect and the friendship that India has shown to us. And so this is an important step.

I might say that this conference report ensures that safeguards in the agreements between India and the International Atomic Energy Agency is finalized before the President can exempt India from certain legal restrictions.

It also provides for end-use monitoring of U.S. exports to India, and as well it strengthens the Nuclear Supplier Group, the group of countries that try to stem nuclear nonproliferation around the world. It helps us, in fact, by having India in the family of nonproliferation, but also having civilian use.

Madam Speaker, I am also glad that my amendment stayed in that I offered in the House, remained in the conference report. And that amendment particularly talks about the fact that there are two important countries in South Asia, and that is India and Pakistan, and that relationships should continue with both of them.

Madam Speaker, this is, in fact, the right start. There is a second chance, and that second chance is the atomic energy agency. We do have the opportunity to maintain our friendship, to pass this legislation, to allow India to do its research in civilian nonproliferation nuclear use, and at the same time provide a buffer for those countries who refuse to adhere to international guidelines. India has shown itself a democracy, shown itself to be a friend, and I would encourage that this conference report be a roadmap, if you will, for ensuring the friendship of the United States with India and Pakistan, and at the same time recognizing the longstanding democracy that India has been.

I believe it is a good step. I think it is a first step. I think that we have the checks and balances that would support the idea that we are not promoting the proliferation of nuclear use; we are helping to provide for the safe nonproliferation use of nuclear devices, particularly in the civilian area.

I thank the Gentleman for yielding, I thank the Rules Committee for making consideration of the conference report to accompany H.R. 5682, the "United States and India Nuclear Cooperation Promotion Act of 2006" in order.

Madam Speaker, the United States' relationship with India and Pakistan is of paramount importance to our nation's political and economic future. With the receding of the Cold War's global divisions and the new realities of globalization and trans-national terrorism, we have embarked on a new era of promise, possibility and uncertainty. This means the United States, the world's only superpower, bears an especially heavy responsibility to remain engaged in all regions of the world, with all nation-states. It is in the national interest for the United States to continue our policy of engagement, collaboration, and exchange which has served the nation well in the past, particularly in the South Asia region.

It is important that we are considering this conference report today. I also want to thank my colleagues for adopting my amendment to H.R. 5682. My bipartisan amendment, which was endorsed and co-sponsored by Congressman BURTON, and which was not opposed by either the Majority or Minority of the Committee on International Relations, simply states that the "South Asia region is so important that the United States should continue its policy of engagement, collaboration, and exchanges with and between India and Pakistan."

Peaceful nuclear cooperation with India can serve multiple U.S. foreign policy objectives so long as it is undertaken in a manner that minimizes potential risks to the nonproliferation regime. This will be best achieved by sustained and active engagement and cooperation between India and the United States.

Similarly, Pakistan has been a critical ally in the global war on terror. Pakistan has been a good friend to the people of the United States. Although H.R. 5682 signals no change in this country's relationship with Pakistan, it is not difficult to understand why it may give pause to some supporters of Pakistan. This is another reason why it is vital for the United States to continue to engage both Pakistan and India in ongoing political engagement, economic and technological collaborations, and personal exchanges, which will bring the United States closer to these two vitally important democracies in the South Asia region and will bring India and Pakistan closer to each other.

I support this Rule, this Bill with my Amendment, and this Conference Report. I urge my colleagues to do the same.

Mr. BISHOP of Utah. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I commend the gentlewoman from Texas for her very articulate expression of what this resolution and this conference report does indeed do, and refocusing the debate on the specifics that brought an unusual harmony together from both sides of the aisle and to a specific report and specific conference report that is here.

Madam Speaker, I reserve the balance.

Mr. HASTINGS of Florida. Madam Speaker, I yield 8½ minutes to the gentleman from Massachusetts (Mr. MARKEY), who has been a leader in this area for some time here in the Congress.

Mr. MARKEY. Madam Speaker, I thank the gentleman very much for yielding me time.

This bill that we are considering is an historic mistake, a mistake which will come back to haunt the United States and the world. India has refused to sign the Nuclear Nonproliferation Treaty. Iran is a signatory to the Nuclear Nonproliferation Treaty.

We are asking the U.N. to isolate Iran, to force it to comply with its signature on the Nuclear Nonproliferation Treaty, not to use civilian nuclear materials in order to create a military nuclear weapon.

What are we doing here today? We are saying to India, you do not have to abide by the Nuclear Nonproliferation Treaty at all. You never signed it, we put it on the books because of India, we know that it created an arms race with Pakistan, and instead of enforcing our own law, our own law, we are now out here going to carve out an exception.

Now, what do the experts say? Well, the experts say that India produces approximately seven nuclear bombs per year, but they have a limited amount of nuclear material. What are we doing? We are going to provide the nuclear materials for their civilian nuclear program so that it will free up their domestic nuclear materials for their weapons program.

What do the experts say? The experts say that is going to increase India's capacity to make nuclear weapons to 40 to 50 nuclear bombs per year. Now, people here say, well, that is fine. Why worry about it? India is a country that we trust. Well, you know who does not trust India? I will tell you who does not trust India: Pakistan does not trust India. Pakistan, the home of al-Qaeda. Pakistan, the home of A.Q. Khan, the nuclear Pied Piper, the nuclear Johnny Appleseed, who spread nuclear weapons material across the world.

Here is what we have learned now: We have learned that Pakistan is constructing its own nuclear weapons manufacturing facility that will increase their capacity from 2 to 3 nuclear bombs per year to 40 to 50 nuclear bombs per year.

Now, the Bush administration, as we all know, has already made a mess of our nuclear nonproliferation policy in North Korea, a mess of our nuclear nonproliferation policy in Iraq, a mess of our nuclear nonproliferation policy in Iran. And the world is now looking at us. Pakistan is looking at us. Iran is looking at us. North Korea, Venezuela, Saudi Arabia, Egypt. How will we handle this challenge on the Asian subcontinent? The answer: We are just going to do away with the Nuclear Nonproliferation Treaty, because that is what this vote will be on the House floor today.

We are just basically saying: It is all over. The rest of the world will not listen to us again. The consequences, the domino effect, the nuclear weapons domino effect begins here, ladies and gentlemen. It begins today. It begins with a policy that says that it is not enough for the United States to have high-tech commerce with India, to have outsourcing of our jobs to India, to have massive increases in diplomatic relations and dozens of other areas with India. No, as a gesture of our friendship with India, we are going to gut our own nuclear nonproliferation policy.

Now, back in the debates of 2004, there was really only one thing that George Bush and JOHN KERRY agreed upon, and that was that the most important issue in the world was nuclear nonproliferation. And here we are on the last day of the Republican era in the United States Congress gutting the most important policy, the policy which has kept the reins imperfectly but significantly on the spread of nuclear weapons over the last generation.

And this is in a way almost the exclamation point on the end of this Republican era, on the Bush administration's efforts to control nuclear weapons. This era will be looked back at as the era where the Bush administration and the Republicans in this Congress said: Anything goes. Anything for trade with India. When asked, we will surrender our nuclear nonproliferation policy.

Pakistan is now in a massive escalation of its nuclear weapons program. Al-Qaeda is headquartered in Pakistan. A.Q. Khan lives in Pakistan in a palace, still not under arrest, still not in prison, his people who helped to spread these nuclear weapons still walking the streets of Pakistan. What kind of administration do we have that instead of saying, we are going to put together a conference that deals with that issue which will threaten us here in the United States, because these materials will escalate massively in the Asian subcontinent.

This is in many ways comical. I mean, it really is comical. We are going to debate the end of the nuclear nonproliferation regime in the United States for an hour on the last day of Congress. It is comical. I am scraping here to get an extra minute out of this paltry amount of time to debate what the consequences are of what we are doing. And so, yeah, this is a going-away present to the Bush administration. There has been such a mismanagement of the nuclear nonproliferation policy over these last 6 years that this probably does represent, in a crazy kind of a way, you know, the final statement.

But I will tell you, we are going to come back and we will rue this day, because the Pakistanis and the Iranians, they are not going to sit on their hands and allow this to happen. They are going to look at us and they are going to say: These Americans, they preach temperance from a bar stool. They are going to say that this is an era of historic hypocrisy, where the United States expects the rest of the world to listen to us when we tell them that they should not pursue nuclear weapons, while we selectively grant exceptions to countries that never signed the Nuclear Nonproliferation Treaty in the first place.

It is a nonsustainable policy. It will come back to haunt us, not today, not tomorrow, but there will be a day in 5 years or 10 years when everyone here today will be able to point back to this moment and say that is the day the historic mistake was made.

Madam Speaker, I rise in strong opposition to this conference report.

For over three decades it has been the policy of the United States to restrict nuclear trade with India. Why? Because in 1974 India violated its pledges to the United States and Canada to use American and Canadian nuclear technologies only for peaceful purposes.

Instead, India used our technology to develop and explode a nuclear bomb.

Despite that history, despite the refusal of India to sign the Nuclear Nonproliferation Treaty or to honor its contractual obligations to the United States, this Administration has now undertaken to ignore the past and to ask Congress to approve legislation that will, according to nonproliferation experts from across the political spectrum, enhance India's nuclear bomb-making capacity from 7 bombs a year to over 40 bombs a year.

This is exactly the reverse of what we should be doing if we are serious about reducing the spread of nuclear weapons in the world. In fact, it was India's blatant misuse of peaceful American nuclear technologies for a weapons program that prompted the Congress to radically strengthen our nonproliferation laws. And when we were done with that, we went to our allies and established new international guidelines to prevent any other country from doing what India had done: misusing imported nuclear technologies for a secret weapons program. And now, in an act fraught with hypocrisy, irony, and hubris, the Congress will approve a sweeping exception from our nonproliferation laws for the very country that prompted us to strengthen those laws.

I fully support strengthening American ties with India on trade, high-tech, military cooperation, and so many other issues, but why do we need to gut our nonproliferation laws at the same time? The simple fact is that we DON'T have to gut our nonproliferation laws in order to improve our relationship with India, but the President took us into the nuclear Twilight Zone, instead.

During the Conference, the Bush Administration, reportedly at New Delhi's urging, tried to strip out the few good nonproliferation provisions that the Congress inserted into what is a deeply flawed piece of legislation.

Last week, Secretary of State Condoleezza Rice wrote a letter asking Congress to remove a requirement that India help us prevent Iran from going nuclear. I don't know what the administration was thinking, telling the Congress that we can't ask for India's help on Iran's nuclear program.

I want to thank the gentleman from California (Mr. LANTOS) for fighting to ensure that at least an ongoing assessment of India's cooperation with U.S. and international efforts to curb Iran's nuclear ambitions be performed, both at the time that the formal nuclear cooperation agreement is submitted to Congress and every year thereafter. While the Gentleman and I may disagree on the underlying legislation, I appreciate his efforts, and those of Chairman HYDE, to try to address this issue and to try to mitigate some of the damage that this agreement may do to our nation's nuclear nonproliferation policies.

But the bottom line is that under the President's plan to fuel India's nuclear power reactors, we're going to free up their nuclear material for weapons. And just this summer, we learned that India's arch-rival Pakistan is building a huge new reactor to make nuclear bomb material.

There's a nuclear arms race on in South Asia, and the United States is about to become an accomplice to this arms race.

If we want the rest of the world to stop fueling the proliferation of new nuclear weapons, we had better stop throwing gasoline on the fire ourselves. The India Nuclear Deal is bad for U.S. security. It undermines U.S. nuclear nonproliferation efforts around the world, and it risks fueling an accelerated nuclear arms race in South Asia.

Madam Speaker, this is a watershed moment for the world. If the United States goes soft on nuclear weapons proliferation, the entire world will go soft. Countries which in good faith abstained from nuclear weapons development will have a green light to go ahead following the India-U.S. model. In my view, this is a prelude to catastrophe. I cannot imagine that the House will ever again confront a vote that is so central to our leadership, our standing, our moral authority on the issue of stopping the spread of nuclear weapons. I urge my colleagues to vote against this Conference Report.

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

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

Madam Speaker, I rise today in strong support of The U.S.-India Nuclear Cooperation Promotion Act. As Chairman HENRY HYDE said earlier in the year in the House Rules Committee, this is the single most important piece of legislation that has come through the International Relations Committee this year and we must do everything in our power to pass it today.

India, the world's largest democracy, and the United States, the world's oldest democracy, must come together and strengthen their friendship. After centuries of an unsteady relationship, there has been a dramatic improvement starting with the Clinton Administration and continuing today.

This bill tells India that we believe in them, and that we want to support them just like they have consistently supported us.

The Civilian Nuclear Initiative will deepen the U.S.-India Strategic Partnership. The initiative reflects U.S. trust in India as a global tactical partner and indicates our admiration for India's democratic traditions, her commitment to tolerance and her commitment to freedom.

I, as well as many of our colleagues, have had the great pleasure of traveling to the country of India on several different occasions. Any person who goes to India recognizes the crucial necessity of clean.

This legislation will provide production of clean energy and can potentially reduce further pollution on the environment through decreasing the dependency on fossil fuels. Civil nuclear cooperation is vital to the development of a clean and safe environment for our Indian friends.

As our distinguished colleague and incoming Chairman TOM LANTOS said in July and no doubt will repeat shortly, India is a nuclear nonproliferator. India has pledged to identify and separate her civil and military nuclear facilities and programs and place the civil portions under IAEA safeguards.

India, America's strongest ally in the Southeast Asia region, is on the verge of an energy crisis. India is the sixth largest energy consumer in the world, but in order to maintain their strong economic growth, India's energy consumption will need to increase substantially.

The facts are astounding, and civilian nuclear cooperation is the only way India's energy can remain secure.

I urge my colleagues to vote for the rule and the underlying bill.

Madam Speaker, I yield back the balance of my time.

Mr. BISHOP of Utah. Madam Speaker, I yield myself the balance of our time.

Madam Speaker, in closing, I would like to urge Members' support of the rule, providing for the consideration of the conference report for this particular piece of legislation. It is a bipartisan bill. It was based in a bipartisan and bicameral fashion, which is a unique combination we have.

It is a nice, harmonious way to actually end this particular session of Congress on something that does move us forward when you focus in on what the bill is actually about, and the issues that are actually handled in this particular report.

Madam Speaker, 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. The question is on the resolution.

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

Mr. KUCINICH. 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 X, further proceedings on this question will be postponed.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the house is requested, bills of the House of the following titles:

H.R. 482. An act to provide for a land exchange involving Federal lands in the Lincoln National Forest in the State of New Mexico, and for other purposes.

H.R. 486. An act to provide for a land exchange involving private land and Bureau of Land Management land in the vicinity of Holloman Air Force Base, New Mexico, for the purpose of removing private land from the required safety zone surrounding munitions storage bunkers at Holloman Air Force Base.

The message also announced that the Senate has passed bills and a concurrent resolution of the following titles in which the concurrence of the House is requested:

S. 997. An act to direct the Secretary of Agriculture to convey certain land in the Beaverhead-Deerlodge National Forest, Montana, to Jefferson County, Montana, for use as a cemetery.

S. 1529. An act to provide for the conveyance of certain Federal land in the city of Yuma, Arizona.

S. 1535. An act to amend the Cheyenne River Sioux Tribe Equitable Compensation Act to provide compensation to members of the Cheyenne River Sioux Tribe for damage resulting from the Oahe Dam and Reservoir Project, and for other purposes.

S. 1548. An act to provide for the conveyance of certain Forest Service land to the city of Coffman Cove, Alaska.

S. 2030. An act to make permanent the authorization for watershed restoration and enhancement agreements.

S. 2054. An act to direct the Secretary of the Interior to conduct a study of water resources in the State of Vermont.

S. 2150. An act to direct the Secretary of Interior to convey certain Bureau of Land Management Land to the City of Eugene, Oregon.

S. 2205. An act to direct the Secretary of the Interior to convey certain parcels of land acquired for the Blunt Reservoir and Pierre Canal features of the initial stage of the Oahe Unit, James Division, South Dakota, to the Commission of Schools and Public Lands and the Department of Game, Fish, and Parks of the State of South Dakota for the purpose of mitigating lost wildlife habitat, on the condition that the current preferential leaseholders shall have an option to purchase the parcels from the Commission, and for other purposes.

S. 2373. An act to provide for the sale of approximately 132 acres of public land to the City of Green River, Wyoming, at fair market value.

S. 2403. An act to modify the boundaries of Grand Teton National Park to include certain land within the GT Park Subdivision, and for other purposes.

S. Con. Res. 123. Concurrent Resolution providing for correction to the enrollment of the bill H.R. 5946.

□ 1030

RELATING TO CONSIDERATION OF H.R. 6111, TAX RELIEF AND HEALTH CARE ACT OF 2006

Mr. GINGREY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1099 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1099

Resolved, That upon the adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 6111) to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending, with the Senate amendment thereto, and to consider in the House, without intervention of any point of order, a motion offered by the chairman of the Committee on Ways and Means or his designee that the House concur in the Senate amendment with the amendment printed in the report of the Committee on Rules accompanying this resolution. The Senate amendment and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion to its adoption without intervening motion except one motion to amend, which shall be separately debatable for five minutes by the proponent and five minutes by an opponent.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. GINGREY) is recognized for 1 hour.

Mr. GINGREY. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman 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.

Madam Speaker, House Resolution 1099 provides for the disposition of the Senate amendment to H.R. 6111. It makes in order a motion by the chairman of the Committee on Ways and Means to concur in the Senate amendment with the amendment printed in the Rules Committee report accompanying this resolution. This resolution waives all points of order against the motion and it provides 1 hour of debate on the motion, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. Finally, it provides one motion to amend which shall be separately debatable for 5 minutes by the proponent and 5 minutes by an opponent.

Madam Speaker, I rise today in support of House Resolution 1099 and the underlying bill, H.R. 6111, which is entitled the Tax Relief and Health Care Act of 2006. Madam Speaker, I also rise today for what will likely be my last time managing a rule, at least perhaps until the 111th Congress. I would like to briefly take this opportunity to thank Speaker HASTERT for allowing me to serve on this prestigious Rules Committee and also I would like to thank Chairman DREIER for his stewardship of the committee in addition to the committee staff who have been there each and every step of the way to assist me and my staff. It has truly been an honor to serve with my colleagues on the Rules Committee and I feel blessed for having had this opportunity to work with all the members, Republicans and Democrats, of this great committee.

Madam Speaker, from the extension of expiring tax credits and the strengthening of health savings accounts, to the exploration of the Outer Continental Shelf and an increase in payments for physician services, this bill provides the Congress with an opportunity to debate and pass a vast array of good policy initiatives. I know there are some who do not agree with the legislative agenda in the closing days of the 109th Congress. Indeed, most on the other side of the aisle have opposed the majority agenda every step of the way, perhaps so they could use the soundbite that this is a do-nothing Congress. However, the Tax Relief and Health Care Act of 2006 is a crucial piece of legislation that must be passed for the sake of taxpayers and their families.

This bill demonstrates our commitment to returning more money to the taxpayers on top of creating more incentives for economic growth, innovation and entrepreneurship. Madam Speaker, at the end of last year and at the close of this current year, many important tax provisions and incentives will expire, thereby forcing hardworking Americans and their families to shell out more of their hard-earned money to the Federal Government. This bill will extend these expiring provisions through 2007, and it demonstrates our commitment to the American taxpayer and our commitment to fostering entrepreneurship and economic growth.

Specifically, this bill provides teachers with an important and a well-deserved deduction for higher education expenses as well as a deduction for their out-of-pocket classroom expenditures on behalf of their pupils. Our teachers should not be punished by the Tax Code for investing in their students and improving the quality of education in the classroom.

Also, this bill strengthens our rural communities by extending a new markets tax credit to help foster new industries and diversify our local economies.

Additionally, the bill extends the State and local sales tax deduction. This is most important in those States which have no income tax to deduct, but they are burdened with very substantial sales tax levies.

Madam Speaker, this legislation also extends the research and development tax credit. Technological innovation is absolutely vital to America's continued economic growth and prosperity. Without investment in research and development, all innovation and growth would come to a screeching halt, with catastrophic effects on our economy as we continue the fight to try and compete globally. We must do everything that we can to help incentivize research and development so that we keep the United States a leader in business and technological innovation.

Additionally, this bill also extends the welfare-to-work tax credit and the work opportunity tax credit, creating more chances to put people to work and further reduce the Federal welfare rolls. Recognizing our need to reduce energy costs and maximize energy efficiency, this bill also extends various energy tax credits for energy efficient homes and businesses, for methanol and ethanol fuel, and for businesses that produce electricity from solar energy, fuel cells or microturbines.

Also, the underlying legislation provides for the exploration, the development and production activities for mineral resources in the OCS, Outer Continental Shelf. In February of 2006, the Department of Interior released a comprehensive inventory of OCS resources, estimating approximately 8.5 billion barrels of oil and 29.3 trillion cubic feet of natural gas.

Madam Speaker, the combination of energy-efficient tax incentives and increased domestic energy production are integral to reducing our dependence on foreign energy as well as finding new and cleaner ways to produce and use energy. I don't know whether the Iraqi Study Group included this as part of their 79 recommendations, but if they didn't, make this No. 80.

This bill also contains many important bipartisan health care provisions which represent the culmination of many hardworking hours spent by our committee chairs and our leadership on both sides of the aisle, in both chambers. The final product is one that communicates to the American people that Congress is dedicated to addressing the

problems in our health care delivery system.

First and foremost, this legislation reverses the scheduled 5.1 percent cut to physician's reimbursements for services rendered to Medicare beneficiaries. In 1997, Congress established this sustainable growth rate formula in an attempt to control part B utilization in the Medicare program by reducing physician fees. Unfortunately, the formula is so inherently flawed and it is estimated that physician reimbursement in the Medicare program will continue to decrease into the foreseeable future. In fact, MedPAC, the Medicare Payment Advisory Committee, has reported that physician payments are expected to be cut by a total of 37 percent over the next 9 years under this SGR formula. With the reality of the impending retirement of the baby boomer generation, the already strained Medicare program will reach a crisis state. By reversing this scheduled cut for one year, 2007, this legislation takes a step in the right direction to protect access to quality health care for our seniors. To state it simply, as a result of these changes, primary care and other physician specialists will be there when our seniors need them.

Madam Speaker, this legislation also includes very important and helpful revisions to current law in regards to health savings accounts. These changes are just another example of the forward-thinking ideas that are needed to reform our health care system. This bill provides more flexibility to individuals by allowing them to roll over assets from flexible health spending accounts and health reimbursement arrangements into health savings accounts.

Health savings accounts are growing in popularity among employers and employees, and when these accounts are coupled with a high deductible catastrophic health plan, they serve as an all-encompassing insurance solution for individuals of all ages and at all stages of life.

America's Health Insurance Plans conducted a study earlier this year that showed that over 30 percent of individuals enrolled in HSAs were previously uninsured. It also showed that one-third of purchasers had incomes of $50,000 or less. This really debunks the naysayers' claim that this choice, this health savings account option, benefits only the wealthy. Nothing could be further from the truth, Madam Speaker.

By tearing through the red tape and allowing people to consolidate and transfer their accounts into the increasingly popular HSAs, more consumers will have access to these insurance plans, putting themselves in the driver's seat of their health care decisions. And when they have skin in the game, both figuratively and literally, they will choose the best and most effective choice from the health care menu.

Madam Speaker, the list goes on as to what this legislation does for health care in America. From ensuring doctors are reimbursed for using the latest treatment therapy for prostate cancer, to extending the therapy caps exception process for an additional year, the Tax Relief and Health Care Act of 2006 continues the much-needed reform of our health care system, and this Republican-led Congress spearheaded this over the last years.

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

Mr. McGOVERN. Madam Speaker, I want to thank the gentleman from Georgia, Dr. Gingrey, 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. Madam Speaker, I am disappointed but not surprised that this is how we are ending the 109th Congress. Like I said yesterday, old habits die hard. Once again, we are here on the floor debating an omnibus bill, a smorgasbord, if you will, a bill which cobbles together several bills and other provisions that have absolutely nothing to do with each other.

This process is unfortunate. The Republican leadership is forcing a bill through this body today that includes tax extenders, Medicare payments, offshore drilling and an expansion of the D.C. school voucher program. It is a 279-page bill that is date-stamped yesterday at 1:39 p.m. I wonder how many people in this House, Madam Speaker, have actually had the time to read and research what is in this bill and how it will impact current policy.

□ 1045

I would say to my colleagues, don't be surprised if in a week or two you pick up your local newspaper and that there is a story about other goodies that are hidden in this bill that we are about to consider today. Sadly, that is what we have come to expect from this Republican leadership.

There are at least four separate bills included in these 279 pages, each of which does a variety of things. First, the tax extenders bill. The tax extenders provisions include things like the R&D tax credit and Work Opportunity Act, just to name a couple. These tax extensions happen every year, are generally bipartisan and noncontroversial, and could and should be passed on their own and considered in the Senate under regular order.

Second, this bill includes Medicare payments to ensure our seniors are able to receive the health care that they have come to expect. The Republican leadership and the Republicans on the Ways and Means committee have known for an entire year about the need to address these Medicare payment issues. They just didn't care enough to act. They should have written a bill and brought it through the committee through regular order, but they just didn't seem to care enough to get it done.

Third, and most problematic, is the offshore drilling bill that has been inserted in this tax bill. This bill passed the House earlier this year but failed to get out of conference, so instead of the Republican House and the Republican Senate doing their job and sending us a conference report, we get instead a bill stuck in with tax extensions and Medicare payments that allows for offshore drilling in the Gulf of Mexico. This bill is as far from a solid, comprehensive energy strategy as we can get, Madam Speaker, and yet another bow to the interests of Big Oil. And that comes as no surprise. That is what the majority has been doing for the past 6 years.

So let's be clear. Opening up these areas of the Gulf of Mexico will have no significant impact on oil and gas prices but it will benefit the oil and gas industry. This is the same industry that used a royalty relief loophole to swindle the American taxpayers out of at least $7 billion in royalties. And it is the same industry that received $7.5 billion in tax breaks in the so-called energy bill, all courtesy of the Republican leadership in this Congress.

Fourth and finally, Madam Speaker, we know there is an expansion of the school voucher program for Washington, D.C. Rather than advocate for more money to improve public schools, the Republican leadership has decided to divert funds to unaccountable religious and private schools. This is a highly controversial program that should not be stuffed in a catch-all bill as the Congress is trying to adjourn.

Madam Speaker, I support extending the noncontroversial tax credits and at long last fixing these Medicare reimbursement problems, but I cannot support efforts to open up offshore drilling in the Gulf of Mexico or expand the D.C. school voucher program. And I certainly cannot support the way the Republican leadership is forcing the House to consider this omnibus bill, under a closed rule, with no time for adequate review or amendment.

Madam Speaker, this is not the way the House of Representatives should be run. This is not the way we should legislate.

I urge my colleagues to vote ''no'' on the rule and vote ''no'' on the bill.

Madam Speaker, I reserve the balance of my time.

Mr. GINGREY. Madam Speaker, I yield myself such time as I may consume. I would just say to my friend from Massachusetts as he bemoans the provision in the bill regarding the provisions that allow for expansion of offshore exploration of natural gas off of the gulf coast States, he is right.

In this body, we have tried to be more comprehensive. That is no reason to oppose what little bit of agreement that we could get from the Senate in regard to an attempt at a comprehensive energy provision. Because of parochial opposition, we were not able to do the same thing off the coast of Florida and California. I indeed and many on

my side of the aisle were in favor of that and a more comprehensive, expanded opportunity for domestic production.

And another example I want to point out particularly for the gentleman from Massachusetts, there was a very interesting project off the coast of his State called Cape Wind that would have produced a tremendous amount of energy in the cleanest of clean ways, renewable energy, in that Cape Wind project, but it was parochial opposition from the Members of Congress and possibly the State legislature in the State of Massachusetts that did not permit that project to go forward.

So we have to deal with those. It is understandable, we can understand the opposition even though passage would be for the greater good of the entire country, but we do what we can do. There are very, very many energy provisions in this bill, a lot of tax credits to try to incentivize the use of cellulosity of products and biofuel to produce methanol and ethanol. And so I think we have a very good, comprehensive project here.

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

Mr. MCGOVERN. Mr. Speaker, just so I can correct the record, I should tell the gentleman from Georgia that the Cape Wind project has not been blocked. And, in fact, those of us in Massachusetts, in New England, understand the need for increased energy and right now are working with our Governor to try to find an adequate location for a new LNG facility.

So it is incorrect to say that that Cape Wind project has been blocked.

Our problem here is that the energy policy of this Republican leadership is like going to the dentist. It's drill, drill, drill, drill. Those of us who believe that we should be pursuing alternative, renewable, safe and clean sources of energy are frustrated that those on the other side are all talk and no action. We have an opportunity to end our dependence on foreign oil. We have an opportunity to create a whole new energy economy based on renewable energy sources, and we have not been given the help or the support from this Congress or from this President. So that is what we are frustrated about. And also the constant giveaways to the oil companies who have gourged and who have ripped off the American taxpayer. It is obscene that in the energy bill over $7 billion in tax subsidies and tax breaks have been given to the oil industry. We need to change our direction.

With that, Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Massachusetts and also join in the remarks that he made.

I rise to express my strong opposition to the rule and my serious concerns about the substance of the bill we are about to consider. First off, we are considering complex pieces of legislation that affect a wide variety of U.S. policies and we are doing so after getting only a few short hours to read the actual bill text. I suppose we shouldn't have expected more from this Congress, but it is still reprehensible that the Republican leadership has chosen to throw so many bills together at the very end of the session without giving Members the opportunity for amendments.

I will say that on behalf of the doctors and patients in my district, I am glad to see that Congress is taking action to avert a drastic 5.1 percent cut in Medicare payments to physicians. It is a shame, however, that we have to wait until the end of the last week of this Congress in order to address a problem we saw coming from far away. What really needs to be done is a permanent fix that will avoid Congress from having to correct the Medicare reimbursement rate on an annual basis. If doctors face annual cuts, seniors may lose access to physician services, and that is why it is important to permanently fix the formula by which we pay physicians under Medicare.

On the other hand, I strongly oppose the offshore drilling language in this bill. It is inconceivable given what we know about our current energy problems and the looming threat of global warming that we are considering another proposal to do nothing more than drill, drill, and drill as the gentleman from Massachusetts said. I have said many times before, the United States consumes a quarter of the world's oil but contains only 3 percent of the world's known reserves. There is simply no way we can drill our way out of our dependence on foreign oil. What we need instead is a more comprehensive solution that focuses on increasing the efficiency of our cars, our homes and businesses and promotes the use of clean, renewable technology. We see more and more evidence every day that our dangerous addiction to fossil fuels is threatening our national security, causing volatile prices at the pump and exacerbating global warming. Instead, we are given the choice of more oil rigs in offshore waters which is little more than a sop to the oil and gas industries that have gotten so many favors already from this Congress. Apparently, the Republican leadership can't help giving them one more favor as they go out the door.

It is my sincere hope, Mr. Speaker, that next year we can start this process over and work in a bipartisan fashion on legislation to address all these issues. I hope Members realize that next year the new Democratic Congress will not resort to such tactics as the rule we are dealing with today and will choose to deal with important matters such as energy legislation and physician payment schedules in a timely and rational manner.

I strongly urge my colleagues to vote ''no'' on this ill-conceived rule.

Mr. GINGREY. Mr. Speaker, I yield to myself 30 seconds before yielding to the gentlewoman from North Carolina just in response to my good friend from New Jersey. What a welcome relief to hear him say that as they ascend to the majority in the 110th Congress that he is going to fix permanently this physician shortfall.

As I said in my opening remarks, we are estimated by MedPAC that over the next several years we are going to have a 37 percent decrease in physician payments to permanently fix, CBO and OMB estimates, a $150 to $200 billion cost over 10 years. So it will be interesting to see how our friends on the other side of the aisle pay for that, but I am glad that they are going to step forward to the challenge.

At this point I want to yield to my good friend from North Carolina (Ms. FOXX) for 2 minutes.

Ms. FOXX. Mr. Speaker, I thank my colleague from Georgia for yielding me this time.

As I was reading through the 279 pages of this bill last night, on page 148 I stumbled across division B, title I, section 111. It was here I found a provision that seemed rather obscure but turns out to be a part of the bill that is required to be there by the Senate minority leader for the bill to pass. This section contains a redesignation for a hospice satellite program, specifically Medicare provider number 29–1511. Apparently, this redesignation would allow the facility to exceed its reimbursement cap, which sounds an awful lot like an earmark to me. I understand this program is located in Nevada and the provision was advocated by the Senate minority leader, a constant and vocal critic of hiding earmarks. The public often wonders how these unusual things get funded by the government. The reason is because the language is written like this:

''Notwithstanding any other provision of law, for purposes of calculating the hospice aggregate payment cap for 2004, 2005, and 2006 and for a hospice program under section 1814(i)(2)(A) of the Social Security Act (42 U.S.C. 1395f(i)(2)(A)) for hospice care provided on or after November 1, 2003, and before December 27, 2005, Medicare provider number 29–1511 is deemed to be a multiple location of Medicare provider number 29–1500.''

It is clear this agency has violated the rules for at least 3 years and the minority leader is bailing it out with an earmark, those horrible things that the minority party has taken such objection to in the past few months. However, now that they have used the subject to win a majority, they continue to use the practice. We are castigated for not passing budgets and other bills, but one reason has been the minority leaders often demand earmarks. Furthermore, they demand that their fingerprints not be on those earmarks.

I think it is important that we point out the double standard practiced by the minority leadership.

□ 1100

Mr. MCGOVERN. Mr. Speaker, the gentlewoman from North Carolina has

made the case more eloquently than I could possibly make the case about the need to have a more open process and the need to follow regular order. If she objects to earmarks and certain provisions in the bill, she should have the opportunity to be able to introduce amendments to strike some of these provisions. If we followed a regular process that had some integrity in this Congress, then I think all of us here could be confident that the final product on some of these pieces of legislation are things that we can be proud of.

Mr. Speaker, I yield 4½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I would say that there is a kinship with many of my colleagues about the necessity of regular order. In the best of all worlds, we would have had a number of days to debate many of the very pithy and challenging issues that are in this particular rule that now will, ultimately, if this rule pass, will bring up any number of issues that require our thoughtful deliberation.

But I would say that we are in the waning hours of the 109th Congress, and we look forward to a new day when the light of day will shine on issues dealing with conservation, dealing with the right relationship between patient and physician and the payment of their services and, yes, when we address the question of tax relief for people who really, really need it.

I want to rebut Lou Dobbs' attack on the middle class and say that we stand for working Americans. And so I believe that there is a great need for some of the aspects of this legislation. We need the college tuition deduction extension. We need the State sales tax exemption for States who do not have State income tax, but the burden of taxation falls unfairly on those who are least able to pay it because they pay a high sales tax. We need the welfare-to-work tax credit, and we certainly need the tax that relieves teachers who pay their own money for books and supplies for children in inner-city and rural schools. I know it firsthand because my daughter, as a teacher, had to go in, because she desired to do it, and take her resources so her class could have an enthusiastic and challenging way of learning. These are vital aspects of what needs to be done.

And then, who has not heard from their doctor who wants to do what is right in rural and urban areas who cannot get the complete respect, if you will, of CMS by the cuts in their Medicare payments every single year. We need this stability, this fund, that will help bring about stability in the payments to physicians.

My friends, not only are we losing medical students in medical schools, meaning that the numbers are declining, doctors are giving up the ship, and they are doing it because we have not been fair to them.

And now, of course, I am from Texas, and I believe in conservation. I had hoped that when we were talking about energy legislation, the President would open the door on conservation here in the United States. But let me tell you what this sharing of revenue is all about. It is not a giveaway. It is not a throwaway. I recognize that when we talk about the energy industry, we are certainly talking about those that cannot win a popularity contest. But we have got to address the question of coastal restoration. This is a key element to protecting the coastal line, not for the coastal States but for America.

Do you want to see the ticking clock on what we have now expended for those folk in Louisiana who are still in need? My visit to Louisiana tells me that they are still in troubling times. People can't go home. Homes are not restored. But we are spending billions and billions of dollars for the most catastrophic evacuation and tragedy that we have seen most in the history of the United States.

The coastal lines have deteriorated. The wetlands have deteriorated. And what this revenue sharing will do, in the exploration of the Outer Continental Shelf, it will provide it revenue to protect the coastal line.

My understanding is that our friends from Florida, at least those who have engaged in this discussion, believe that there is sufficient protection for them as well. We did not ignore the concerns of coastal States. But it is imperative that, one, we engage in conservation, but we also engage in safe, environmentally safe exploration of natural gas.

We are going to dispute this. We are going to disagree. We are going to castigate. We are going to suggest that we are falling victim to those who want to explore. We are going to be called the, if you will, explorer and giveaway on this particular bill.

I would have preferred a more thorough, ongoing debate on this question. But I believe this is the right way to go right now. We have got to provide the resources for the restoration of those coastal areas. We have got to provide an environmentally safe way of exploration. We have got to have some domestic production. And LNG, or the natural gas production that is going on and has the ability of being done in the Outer Continental Shelf is vital for the aspect of conservation and energy independence of the United States of America. I ask my colleagues to support this rule and the underlying bill.

Mr. Speaker, first and foremost, I think it is imperative that we all agree on the vital importance of America achieving energy independence in the 21st century. We must end our addiction to foreign sources of oil, most of which are found in regions of the world which are unstable and in some cases, opposed to our interests. Accordingly, there is no issue more integral to our economic and national security than energy independence.

Although I must admit that I do have reservations about certain aspects of this bill and the process with which this bill has arrived on the House floor, I nevertheless support it as a step in the right direction of America achieving energy independence. I think many of us in the House would agree that the issues central to this bill, the future of energy exploration off of our gulf coastlines, deserves more time for deliberation, debate, and a process for amendment. Some of these amendments which were incorporated into H.R. 4671 include my amendments which supported minority-serving universities and minority-owned businesses. These very important provisions were designed to ensure that sectors of our Nation and economy which are often overlooked, namely, minority-serving institutions and minority-owned business, were given an opportunity to benefit from and compete for the opportunities afforded in this bill.

Nevertheless, I still support H.R. 6111 because it is a step in the right direction, a step towards energy independence, and a step away from being eternally beholden to foreign sources of oil. Moreover, this step includes an integral revenue sharing formula which ensures that 37.5 percent of the revenue from new areas of production and new leases go towards gulf producing States. Furthermore, 20 percent of the revenue allocated to gulf producing States must be allocated to the State's coastal subdivisions to be used for the purposes of: coastal protection, conservation, coastal restoration, hurricane protection, protecting coastal wetlands, and mitigating damage to fish and wildlife. In addition, 12.5 percent of the revenue will be allocated to the Land and Water Conservation Fund, which ensures that the environmental impact of offshore drilling will be monitored, managed, and regulated to ensure that our coasts are protected.

Energy is the lifeblood of every economy, especially ours. Producing more of it leads to more good jobs, cheaper goods, lower fuel prices, and greater economic and national security. However, the U.S. is more than 60 percent dependent on foreign sources of energy, twice as dependent today as we were just 30 years ago. Although energy is the lifeblood of America's economic security, this growing and dangerous dependence has resulted in the loss of hundreds of thousands of good American jobs, skyrocketing consumer prices, and vulnerabilities in our national security.

Energy imports now make up one-third of America's trade deficit. Through this bill, America could improve the supply-demand imbalance, lower consumer prices, and increase jobs by producing more of its own energy resources. With my district of Houston being the energy capital of the world, I support the efforts that this bill makes to recognize State stakeholders and incorporate their interests in revenue sharing.

According to the U.S. Minerals Management Service, MMS, America's deep

seas on the Outer Continental Shelf, OCS, contain 420 trillion cubic feet of natural gas—the U.S. consumes 23 TCF per year—and 86 billion barrels of oil—the U.S. imports 4.5 billion per year. Even with all these energy resources, the U.S. sends more than $300 billion—and countless American jobs—overseas every year for energy we can create at home.

In some cases, the U.S. is facing much-higher energy prices than other countries. Natural gas, for example, is as much as ten times more expensive in the United States than it is in foreign nations. This fact alone has led to the loss of hundreds of thousands of high-paying American jobs, as natural gas-dependent factories are forced to close their doors and move overseas in search of more affordable energy. The outsourcing of American jobs is an issue of central importance to me and my constituents, and I believe this bill is a step in the right direction of bringing jobs back to hard-working Americans.

Regarding the physician payment adjustment portion of this bill, beginning January 1, 2007, payments to physicians who treat Medicare patients will be cut 5.0 percent. Over the next 9 years, Medicare's trustees are projecting a total of 40 percent in Medicare payment cuts to physicians. If the January 1 cut is imposed, the average physician payment rate, accounting for increases in the cost of running a practice, will be less in 2007 than it was in 2001. This bill will eliminate that cut for at least 1 year. We certainly need to do more.

The Medicare sustainable growth rate, SGR, formula, used in establishing payment rates under the physician fee schedule under the Medicare program, resulted in significant payment cuts to physicians and health care professionals in 2002. These cuts were for doctors only, not for hospitals or other medical facilities.

The Medicare SGR formula would have resulted in payment cuts to physicians and health care professionals in 2003, 2004, 2005, and 2006 had Congress not intervened.

According to the Medicare Payment Advisory Commission, MedPAC, and the board of trustees of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, the Medicare SGR formula will result in substantial payment cuts to physicians and health care professionals through at least 2015.

MedPAC is very well respected and a recognized authority on Medicare and healthcare issues. It does not support the impending payment cuts and is concerned that such consecutive annual payment cuts would threaten access to physician services over time, particularly primary care services.

MedPAC has raised concerns over current payment policies that may discourage medical students and residents from becoming primary care physicians because many Medicare beneficiaries rely on primary care providers for important health care management.

According to a 2006 American Medical Association survey, if payment cuts to physicians under the Medicare program go into effect: Half of physicians plan to decrease the number of new Medicare patients they accept; half of physicians plan to defer the purchase of information technology; 1 in 3 physicians who treat patients living in rural communities will discontinue rural outreach services; and almost half—43 percent—of physicians will decrease the number of new TRICARE patients they accept.

The annual actions by Congress that have overridden the Medicare SGR formula have only resulted in instability and unpredictability for physicians, health care professionals, seniors, and individuals with disabilities. It does not solve the long-term systemic problem of rising costs.

Stable, positive updates under the Medicare physician fee schedule that accurately reflect medical practice cost increases are vital for encouraging and economically supporting physicians' ability to make the significant financial investment required for health information technology and participation in quality improvement programs.

A stable payment system for physicians is critical to preserve Medicare beneficiaries' access to high-quality health care.

We cannot in good conscience establish barriers for doctors and health care professionals to surmount in order to continue to provide access to high-quality Medicare services for all Medicare beneficiaries. Congress must halt the impending January 1 cuts and develop an alternative payment system that accurately reflects the costs of providing care to Medicare beneficiaries.

The biggest single flaw is that this payment schedule rubric recently announced by CMS has no connection to the actual cost of providing patient care. Starving doctor's practices will not decrease healthcare prices, or change unethical behavior. It will drive doctors out of business who are desperately needed to provide care to our elderly.

In conclusion, I urge my colleagues to support H.R. 6111 as a step in the right direction towards securing energy independence and ensuring that Gulf Coast States share in the revenue from new areas of production while protecting our environment.

Mr. GINGREY. Mr. Speaker, I yield myself 1½ minutes.

I thank the gentlewoman from Texas. She started her discussion by saying that this bill has kind of been rushed through in the dark of night and there hasn't been an opportunity to study the details of the bill. But as a hard-working Member of this body, the gentlewoman from Texas clearly has had sufficient time to look at all those provisions, that litany of provisions, those line items that she went through and endorsed wholeheartedly because of the compassion that she has got in regard to the education of our children and public schools, the provisions in there that help to continue to rebuild the Gulf Coast States, one of which of course is her great State of Texas, and what that expanded ability to obtain natural gas in the Gulf of Mexico, what that means to the State of Texas and Louisiana, Alabama and Mississippi. So, while she was decrying that the bill was rushed through and she doesn't understand it, I am glad to know that she fully understands it and endorses it. And I guess if she had more time she would have gone on and listed some other provisions that she is in favor of, and I thank her for that.

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

Mr. MCGOVERN. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Florida (Mr. DAVIS).

Mr. DAVIS of Florida. Mr. Speaker, it is outrageous what this Congress is about to do. This Congress is voting on a sorely needed adjustment to reimbursement rates for physicians that is very important to my home State, Florida, and the entire country.

But as part of that, the Congress is also being forced to vote on opening up 8 million acres in the Gulf of Mexico to drilling, which threatens the environment and the economy in the State of Florida. There has not been a single hearing in the U.S. House of Representatives, in the State of Florida, anywhere in the country, on the implications to the environment, the economy, the Florida beaches, not just a State treasure, a national treasure, opening this area up for drilling.

And what's at stake? What's at stake is this drilling is going to occur in a part of the Gulf of Mexico where the currents, the tides, the wind and the slew of hurricanes that we know all plague this part of the country could bring disaster to Florida in the event of a spill.

Now, reasonable people will disagree on the probability of a spill. But we should at least have an open and honest debate as to those facts and the serious implications to the State of Florida if there is a spill, because there has been evidence I have put in this RECORD from public hearings in Florida, from experts, that if there is a spill out in the Gulf of Mexico, this current could easily bring this oil spill into the west coast of Florida, my home, the Florida Keys, a national treasure, even to the east coast of Florida.

And why are we doing this? For 60 days of oil for the country and 97 days of natural gas one State, the State of Florida, is being put at risk, also, at a time where there are over 4,000 leases currently in effect for the oil and gas industry that are not being tapped.

As a matter of fact, 80 percent of the known oil and gas reserves on the

Outer Continental Shelf are already available for lease exploration and drilling. And yet, on the last day of this Congress, this Congress forces the American people, the United States Congress, who want relief for physicians and their patients, to be forced to open the Gulf of Mexico up to 8 million acres of drilling.

Now, what should happen instead? This rule should be defeated. This Congress should come back next year and have a comprehensive energy bill.

Should Florida support drilling in the Gulf of Mexico? Of course we should. We should be part of the national solution, but only after an open and honest debate to make sure that Florida's environment and our economy is protected, to make sure that drilling is part of a comprehensive bill that includes stronger, smarter fuel efficiency standards for cars and trucks, emphasis on renewables and alternative fuel. That is the responsible approach, not just for the State of Florida, but for the country.

So I would urge defeat of this rule, and let's go back and take up this issue in a fair way, not just for the State of Florida, but for the entire country.

Mr. GINGREY. Mr. Speaker, I yield myself 1 minute in response to the gentleman from Florida.

I'm sure the gentleman from Florida had a number of occasions over the last year to give that speech throughout the State of Florida, and I appreciate his position on this issue.

But I want to point out to him that of the Gulf Coast States, those four States of Alabama, Mississippi, Texas, Louisiana, we have seven Republican Senators, and that we have three Republican Governors, three out of four. Seven out of eight.

But when this bill was debated in the Senate, the vote was 71–25, and I remind the gentleman from Florida that there are only 55 Republican Senators in the other body. I can only say that Governor Blanco and Senator LANDRIEU must be awfully persuasive. This was a strong bipartisan support in the Senate, and I would guess it will have strong bipartisan support, including these provisions in regard to gas exploration in the Gulf of Mexico. It doesn't involve Florida or California.

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

Mr. MCGOVERN. Mr. Speaker, at this time I yield 5 minutes to the distinguished gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, the gentleman from Massachusetts has already pointed out to the gentleman from Georgia that we in Massachusetts and all the rest of the States that aren't involved in this raid on the Federal treasury, are interested in putting together a real comprehensive energy policy for our country. But we have been excluded from this debate, over the 6 years of the Bush/Cheney secret energy task force, of any considerations for environmental consumer conservation-related issues. And this final bill, which comes out here on the floor, is the exclamation point on the Bush Republican energy policy.

In this bill, believe it or not, and it is staggering, we are going to allow, as the gentleman from Florida just pointed out, massive new drilling for oil and gas on Federal lands. Now, the States of Texas, Louisiana, Alabama and Mississippi will derive $170 billion. That is right; $170 billion worth of revenues from this drilling.

Now, the risk runs to Florida. We have a huge Federal deficit, which we are constantly lectured about from the White House and from the Republican side. But this will drain another $170 billion. The other 46 States in the Union, if they vote for this bill, they deserve to be lectured to on deficit reduction. But if you come from one of these four States, this is the proudest moment you will ever have in your tenure here in the House of Representatives. If you can convince 46 States to give you $170 billion as part of this Outer Continental Shelf drilling, you will never have an achievement bigger than this. If you are one of the other 46 States, you should hang your head in shame.

And, by the way, this Congress has already appropriated $80 billion to help the States which have been affected by Hurricane Katrina.

□ 1115

We will vote for more, if necessary, to help the States affected by Hurricane Katrina, $80 billion already. But don't come to us and tell us that we should shift the whole formula for who receives benefits from drilling on Federal lands and give it over to four States.

Now, to the credit of the Rules Committee, and I thank the gentleman from Massachusetts and the other Democratic Members of the Rules Committee, and I also thank the leadership from the Republican side, they have actually put in order, as part of this bill, an amendment which will be voted upon here out on the House floor.

That amendment is one that has already passed the House back in May. It passed overwhelmingly: 252 of us voted for it. That amendment calls for the renegotiation of the leases that were let back in the 1990s that actually, believe it or not, do not require royalties to be paid for by ExxonMobil or other oil and gas companies. When the price of a barrel of oil goes to $50, $60, $70 a barrel, they don't even have to pay royalties to the American people for drilling on public lands. It is all windfall profits.

The amendment which we will have out here to vote upon later today will require a renegotiation of all of those contracts so that the Federal taxpayer gets the benefit of the royalties and drilling on public lands when they go above $30 and $40 and $50 and $60 and $70 a barrel, and they at least will reclaim $10 or $20 billion worth of revenues that are strictly going into the pockets of the oil and gas companies right now.

Right now, those oil and gas companies are tipping the American taxpayer upside down, shaking money out of their pockets, and putting it into the pockets of their own shareholders. That money should be used to reduce the Federal deficit, to pay for Medicare, for Medicaid, for educational programs.

I thank the Rules Committee for putting that amendment in order. I urge the Members of Congress to support that amendment.

By the way, one other bonus benefit to the Members out here, that amendment also gives a 1-year extension on relief from the alternate minimum tax. It is a good amendment. I thank the gentleman for making that possible.

Mr. GINGREY. Mr. Speaker, I yield myself 30 seconds.

My able staff has just presented me with some fairly interesting statistics. I just said in my previous remarks that the vote on the Senate side was 71–25. Included in the 71 ''yea'' vote for this exploration off the gulf coast were 17 Democrats. The interesting thing about this is one of those is the incoming majority leader of the Senate, Harry Reid of Nevada, and Senator CLINTON from New York, a Senator of some prominence in a neighboring State to Massachusetts, and last, but not least, Senator NELSON from the great State of Florida.

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

Mr. MCGOVERN. Mr. Speaker, let me close for our side here, once again reiterating that this is a lousy process, and that it is really unfortunate that the Republican leadership has decided to meld together provisions, some of which have broad bipartisan support, with a provision on this offshore drilling that is extremely controversial, that some of us believe will do great damage to the environment, and as my colleague from Florida has pointed out, poses potential risks for the State of Florida. This is not the way this should be done.

We should have a more open process. We should have regular order. We should have hearings. We should have committee markups. We should do this the right way. Unfortunately, a pattern has developed under this Republican leadership where process and rules haven't mattered, and that is, indeed, unfortunate. We need to do better, not just for the sake of this institution, but we need to do better for the American people.

I hope that in the next Congress that we will set a new standard, one that we can all be proud of, Democrats and Republicans together.

Having said that, Mr. Speaker, let me also take this opportunity to say that notwithstanding the fact that I think this is a lousy process, I have great respect for the gentleman from Georgia, who is departing from the Rules Committee. It has been a privilege to serve

with him. I have enjoyed debating with him and listening to his perspective. There is not very much we agree on, but having said that, we have, I think, had a good relationship, a collegial relationship, and a respectful relationship. The committee will not be the same without his voice and without his insight, so I want to thank him.

Mr. Speaker, I again urge people to vote ''no'' on the rule and on the final bill because of the way it has been messed up.

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

Mr. GINGREY. Mr. Speaker, I want to thank my good friend JIM MCGOVERN for those kind remarks. The feeling is indeed mutual. I certainly have enjoyed serving with him and all the members of the Rules Committee on both sides of the aisle, and I thank him for his kind remarks.

GENERAL LEAVE

Mr. GINGREY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H. Res. 1099.

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

There was no objection.

Mr. GINGREY. Mr. Speaker, in closing, I rise again in support of this rule and in recognition of the importance of the underlying bill. I do want to take this opportunity in closing to recognize the hard work and efforts of Chairman THOMAS and Chairman BARTON, as well as their respective committees, for the final product that we have before us today.

Also, Mr. Speaker, I want to recognize and thank Chairman THOMAS for his decades of service to this House and the people of his district, as well as Americans all across this Nation.

BILL THOMAS, a brilliant professor from Bakersfield, has truly been a leader across the board, and his expertise and devotion of 28 years of service across this country will truly be missed.

Mr. Speaker, the Tax Relief and Health Care Act of 2006 is a very important piece of legislation that positively impacts each and every American by fostering economic growth, driving innovation, increasing our energy supply, and improving the quality of health care in this country. As the 109th Congress draws to a close, and the minority prepares to become the majority, I believe that we must work together to produce legislation like this that recognizes the fact that when the government gets out of the way, Americans can do what they do best, and that is what is best for America.

I want to encourage all of my colleagues to support this rule and support the underlying legislation.

Mr. Speaker, 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. The question is on the resolution.

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

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

The yeas and nays were ordered.

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

RECORD votes on postponed questions will be taken later today.

VETERANS BENEFITS, HEALTH CARE, AND INFORMATION TECHNOLOGY ACT OF 2006

Mr. BUYER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3421) to authorize major medical facility projects and major medical facility leases for the Department of Veterans Affairs for fiscal years 2006 and 2007, and for other purposes, as amended.

The Clerk read as follows:

S. 3421

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Veterans Benefits, Health Care, and Information Technology Act of 2006''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—ATTORNEY REPRESENTATION MATTERS

Sec. 101. Agent or attorney representation in veterans benefits cases before the Department of Veterans Affairs.

TITLE II—HEALTH MATTERS

Sec. 201. Additional mental health providers.
Sec. 202. Pay comparability for the Chief Nursing Officer, Office of Nursing Services.
Sec. 203. Improvement and expansion of mental health services.
Sec. 204. Disclosure of medical records.
Sec. 205. Expansion of telehealth services.
Sec. 206. Strategic plan for long-term care.
Sec. 207. Blind rehabilitation outpatient specialists.
Sec. 208. Extension of certain compliance reports.
Sec. 209. Parkinson's Disease research, education, and clinical centers and multiple sclerosis centers of excellence.
Sec. 210. Repeal of term of office for the Under Secretary for Health and the Under Secretary for Benefits.
Sec. 211. Modifications to State home authorities.
Sec. 212. Office of Rural Health.
Sec. 213. Outreach program to veterans in rural areas.
Sec. 214. Pilot program on improvement of caregiver assistance services.
Sec. 215. Expansion of outreach activities of Vet Centers.
Sec. 216. Clarification and enhancement of bereavement counseling.
Sec. 217. Funding for Vet Center program.

TITLE III—EDUCATION MATTERS

Sec. 301. Expansion of eligibility for Survivors' and Dependents' Educational Assistance program.
Sec. 302. Restoration of lost entitlement for individuals who discontinue a program of education because of being ordered to full-time National Guard duty.
Sec. 303. Exception for institutions offering Government-sponsored non-accredited courses to requirement of refunding unused tuition.
Sec. 304. Extension of work-study allowance.
Sec. 305. Deadline and extension of requirement for report on educational assistance program.
Sec. 306. Report on improvement in administration of educational assistance benefits.
Sec. 307. Technical amendments relating to education laws.

TITLE IV—NATIONAL CEMETERY AND MEMORIAL AFFAIRS MATTERS

Sec. 401. Provision of Government memorial headstones or markers and memorial inscriptions for deceased dependent children of veterans whose remains are unavailable for burial.
Sec. 402. Provision of Government markers for marked graves of veterans at private cemeteries.
Sec. 403. Eligibility of Indian tribal organizations for grants for the establishment of veterans cemeteries on trust lands.
Sec. 404. Removal of remains of Russell Wayne Wagner from Arlington National Cemetery.

TITLE V—HOUSING AND SMALL BUSINESS MATTERS

Sec. 501. Residential cooperative housing units.
Sec. 502. Department of Veterans Affairs goals for participation by small businesses owned and controlled by veterans in procurement contracts.
Sec. 503. Department of Veterans Affairs contracting priority for veteran-owned small businesses.

TITLE VI—EMPLOYMENT AND TRAINING MATTERS

Sec. 601. Training of new disabled veterans' outreach program specialists and local veterans' employment representatives by NVTI required.
Sec. 602. Rules for part-time employment for disabled veterans' outreach program specialists and local veterans' employment representatives.
Sec. 603. Performance incentive awards for employment service offices.
Sec. 604. Demonstration project on credentialing and licensure of veterans.
Sec. 605. Department of Labor implementation of regulations for priority of service.

TITLE VII—HOMELESS VETERANS ASSISTANCE
Sec. 701. Reaffirmation of national goal to end homelessness among veterans.
Sec. 702. Sense of Congress on the response of the Federal Government to the needs of homeless veterans.
Sec. 703. Authority to make grants for comprehensive service programs for homeless veterans.
Sec. 704. Extension of treatment and rehabilitation for seriously mentally ill and homeless veterans.
Sec. 705. Extension of authority for transfer of properties obtained through foreclosure of home mortgages.
Sec. 706. Extension of funding for grant program for homeless veterans with special needs.
Sec. 707. Extension of funding for homeless veteran service provider technical assistance program.
Sec. 708. Additional element in annual report on assistance to homeless veterans.
Sec. 709. Advisory Committee on Homeless Veterans.
Sec. 710. Rental assistance vouchers for Veterans Affairs supported housing program.
TITLE VIII—CONSTRUCTION MATTERS
Subtitle A—Construction and Lease Authorities
Sec. 801. Authorization of fiscal year 2006 major medical facility projects.
Sec. 802. Extension of authorization for certain major medical facility construction projects previously authorized in connection with Capital Asset Realignment Initiative.
Sec. 803. Authorization of fiscal year 2007 major medical facility projects.
Sec. 804. Authorization of advance planning and design for a major medical facility, Charleston, South Carolina.
Sec. 805. Authorization of fiscal year 2006 major medical facility leases.
Sec. 806. Authorization of fiscal year 2007 major medical facility leases.
Sec. 807. Authorization of appropriations.
Subtitle B—Facilities Administration
Sec. 811. Director of Construction and Facilities Management.
Sec. 812. Increase in threshold for major medical facility projects.
Sec. 813. Land conveyance, city of Fort Thomas, Kentucky.
Subtitle C—Reports on Medical Facility Improvements
Sec. 821. Report on option for medical facility improvements in San Juan, Puerto Rico.
Sec. 822. Business plans for enhanced access to outpatient care in certain rural areas.
Sec. 823. Report on option for construction of Department of Veterans Affairs Medical Center in Okaloosa County, Florida.
TITLE IX—INFORMATION SECURITY MATTERS
Sec. 901. Short title.
Sec. 902. Department of Veterans Affairs information security programs and requirements.
Sec. 903. Information security education assistance programs.
TITLE X—OTHER MATTERS
Sec. 1001. Notice to congressional veterans committees of certain transfers of funds.
Sec. 1002. Clarification of correctional facilities covered by certain provisions of law.
Sec. 1003. Extension of authority for health care for participation in DOD chemical and biological warfare testing.
Sec. 1004. Technical and clerical amendments.
Sec. 1005. Codification of cost-of-living adjustment provided in Public Law 109–361.
Sec. 1006. Coordination of provisions with Veterans Programs Extension Act of 2006.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ATTORNEY REPRESENTATION MATTERS

SEC. 101. AGENT OR ATTORNEY REPRESENTATION IN VETERANS BENEFITS CASES BEFORE THE DEPARTMENT OF VETERANS AFFAIRS.

(a) QUALIFICATIONS AND STANDARDS OF CONDUCT FOR INDIVIDUALS RECOGNIZED AS AGENTS OR ATTORNEYS.—

(1) ADDITIONAL QUALIFICATIONS AND STANDARDS FOR AGENTS AND ATTORNEYS GENERALLY.—Subsection (a) of section 5904 is amended—

(A) by inserting ''RECOGNITION.—(1)'' after ''(a)'';

(B) by striking ''The Secretary may recognize'' and inserting ''Except as provided in paragraph (4), the Secretary may recognize'';

(C) by striking the second sentence; and

(D) by adding at the end the following new paragraphs:

''(2) The Secretary shall prescribe in regulations (consistent with the Model Rules of Professional Conduct of the American Bar Association) qualifications and standards of conduct for individuals recognized under this section, including a requirement that, as a condition of being so recognized, an individual must—

''(A) show that such individual is of good moral character and in good repute, is qualified to render claimants valuable service, and is otherwise competent to assist claimants in presenting claims;

''(B) have such level of experience or specialized training as the Secretary shall specify; and

''(C) certify to the Secretary that the individual has satisfied any qualifications and standards prescribed by the Secretary under this section.

''(3) The Secretary shall prescribe in regulations requirements that each agent or attorney recognized under this section provide annually to the Secretary information about any court, bar, or Federal or State agency to which such agent or attorney is admitted to practice or otherwise authorized to appear, any relevant identification number or numbers, and a certification by such agent or attorney that such agent or attorney is in good standing in every jurisdiction where the agent or attorney is admitted to practice or otherwise authorized to appear.

''(4) The Secretary may not recognize an individual as an agent or attorney under paragraph (1) if such individual has been suspended or disbarred by any court, bar, or Federal or State agency to which the individual was previously admitted to practice and has not been subsequently reinstated.

''(5) The Secretary may prescribe in regulations reasonable restrictions on the amount of fees that an agent or attorney may charge a claimant for services rendered in the preparation, presentation, and prosecution of a claim before the Department. A fee that does not exceed 20 percent of the past due amount of benefits awarded on a claim shall be presumed to be reasonable.

''(6)(A) The Secretary may charge and collect an assessment from an individual recognized as an agent or attorney under this section in any case in which the Secretary pays to the agent or attorney, from past-due benefits owed to a claimant represented by the agent or attorney, an amount as a fee in accordance with a fee arrangement between the claimant and the agent or attorney.

''(B) The amount of an assessment under subparagraph (A) shall be equal to five percent of the amount of the fee required to be paid to the agent or attorney, except that the amount of such an assessment may not exceed $100.

''(C) The Secretary may collect an assessment under subparagraph (A) by offsetting the amount of the fee otherwise required to be paid to the agent or attorney from the past-due benefits owed to the claimant represented by the agent or attorney.

''(D) An agent or attorney who is charged an assessment under subparagraph (A) may not, directly or indirectly, request, receive, or obtain reimbursement for such assessment from the claimant represented by the agent or attorney.

''(E) Amounts collected under this paragraph shall be deposited in the account available for administrative expenses for veterans' benefits programs. Amounts so deposited shall be merged with amounts in such account and shall be available for the same purpose, and subject to the same conditions and limitations, as amounts otherwise in such account.''.

(2) SUSPENSION OF RECOGNIZED REPRESENTATIVES OF VETERANS SERVICE ORGANIZATIONS.—Section 5902(b) is amended—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(B) by inserting ''(1)'' after ''(b)''; and

(C) by adding at the end the following new paragraph:

''(2) An individual recognized under this section shall be subject to the provisions of section 5904(b) of this title on the same basis as an individual recognized under section 5904(a) of this title.''.

(3) SUSPENSION OF INDIVIDUALS RECOGNIZED FOR PARTICULAR CLAIMS.—Section 5903 is amended—

(A) by inserting ''(a) IN GENERAL.—'' before ''The Secretary''; and

(B) by adding at the end the following new subsection:

''(b) SUSPENSION.—An individual recognized under this section shall be subject to the provisions of section 5904(b) of this title on the same basis as an individual recognized under section 5904(a) of this title.''.

(b) ADDITIONAL BASES FOR SUSPENSION OF INDIVIDUALS.—Subsection (b) of section 5904 is amended—

(1) by inserting ''SUSPENSION OF AGENTS AND ATTORNEYS.—'' after ''(b)'';

(2) in paragraph (4), by striking ''or'' at the end;

(3) in paragraph (5), by striking the period and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

''(6) has presented to the Secretary a frivolous claim, issue, or argument, involving conduct inconsistent with ethical standards for the practice of law;

''(7) has been suspended or disbarred by any court or bar to which such agent or attorney was previously admitted to practice, or has been disqualified from participating in or appearing before any Federal agency, and has not been subsequently reinstated;

''(8) has charged excessive or unreasonable fees, as determined by the Secretary in accordance with subsection (c)(3)(A); or

''(9) has failed to comply with any other condition specified in regulations prescribed by the Secretary for purposes of this subsection.''.

(c) MODIFICATION OF DATE FOR COMMENCEMENT OF SERVICES SUBJECT TO FEES.—

(1) MODIFICATION.—Effective as provided in subsection (h), paragraph (1) of subsection (c) of such section is amended—

(A) by striking ''the Board of Veterans' Appeals first makes a final decision in'' and inserting ''a notice of disagreement is filed with respect to'';

(B) by striking the second sentence; and

(C) in the third sentence, by inserting ''fees charged, allowed, or paid for'' before ''services provided''.

(2) REPORT.—Not later than 42 months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to Congress a report that sets forth an assessment of the effects of allowing agents and attorneys recognized under section 5904 of title 38, United States Code, to charge a fee to a claimant for services rendered in the preparation, presentation, and prosecution of a claim before the Department of Veterans Affairs after a notice of disagreement has been filed. Such report shall include the recommendations of the Secretary with respect to agent and attorney representation.

(d) MODIFICATION OF REQUIREMENTS TO FILE ATTORNEY FEE AGREEMENTS.—Effective as provided in subsection (h), paragraph (2) of subsection (c) of such section is amended—

(1) by striking ''after the Board first makes a final decision in the case'' and inserting ''after a notice of disagreement is filed with respect to the case'';

(2) by striking ''with the Board at such time as may be specified by the Board'' and inserting ''with the Secretary pursuant to regulations prescribed by the Secretary''; and

(3) by striking the second and third sentences.

(e) ATTORNEY FEES.—Subsection (c) of such section is further amended—

(1) in paragraph (1), by striking ''paragraph (3)'' and inserting ''paragraph (4)''; and

(2) by redesignating paragraph (3) as paragraph (4);

(3) by inserting after paragraph (2) the following new paragraph (3):

''(3)(A) The Secretary may, upon the Secretary's own motion or at the request of the claimant, review a fee agreement filed pursuant to paragraph (2) and may order a reduction in the fee called for in the agreement if the Secretary finds that the fee is excessive or unreasonable.

''(B) A finding or order of the Secretary under subparagraph (A) may be reviewed by the Board of Veterans' Appeals under section 7104 of this title.

''(C) If the Secretary under subsection (b) suspends or excludes from further practice before the Department any agent or attorney who collects or receives a fee in excess of the amount authorized under this section, the suspension shall continue until the agent or attorney makes full restitution to each claimant from whom the agent or attorney collected or received an excessive fee. If the agent or attorney makes such restitution, the Secretary may reinstate such agent or attorney under such rules as the Secretary may prescribe.''.

(f) TECHNICAL AND CONFORMING AMENDMENTS.—Subsection (d) of such section is amended—

(1) by inserting ''PAYMENT OF FEES OUT OF PAST-DUE BENEFITS.—'' after ''(d)'';

(2) by inserting ''agent or'' before ''attorney'' each place it appears;

(3) in paragraph (1), by striking ''of this subsection'' after ''paragraph (2)'';

(4) in paragraph (2)(B), by striking ''of this paragraph'' after ''subparagraph (A)''; and

(5) in paragraph (3)—

(A) by striking ''attorneys' fee'' and inserting ''fee to an agent or attorney''; and

(B) by striking ''of this subsection'' after ''paragraph (1)''.

(g) REPEAL OF PENALTY FOR CERTAIN ACTS.—Section 5905 is amended by striking ''(1)'' and all that follows through ''(2)''.

(h) EFFECTIVE DATE.—The amendments made by subsections (c)(1) and (d) shall take effect on the date that is 180 days after the date of the enactment of this Act and shall apply with respect to services of agents and attorneys that are provided with respect to cases in which notices of disagreement are filed on or after that date.

(i) LIMITATION ON COLLECTION OF FEE ASSESSMENT.—No assessments on fees may be collected under paragraph (6) of section 5904(a) of title 38, United States Code (as added by subsection (a)(1)(D) of this section), until the date on which the Secretary of Veterans Affairs prescribes the regulations required by the amendments made by this section.

TITLE II—HEALTH MATTERS

SEC. 201. ADDITIONAL MENTAL HEALTH PROVIDERS.

(a) APPOINTMENTS.—Section 7401(3) is amended by inserting after ''social workers,'' the following: ''marriage and family therapists, licensed professional mental health counselors,''.

(b) QUALIFICATIONS.—Section 7402(b) is amended—

(1) by redesignating paragraph (10) as paragraph (12); and

(2) by inserting after paragraph (9) the following new paragraphs:

''(10) MARRIAGE AND FAMILY THERAPIST.—To be eligible to be appointed to a marriage and family therapist position, a person must—

''(A) hold a master's degree in marriage and family therapy, or a comparable degree in mental health, from a college or university approved by the Secretary; and

''(B) be licensed or certified to independently practice marriage and family therapy in a State, except that the Secretary may waive the requirement of licensure or certification for an individual marriage and family therapist for a reasonable period of time recommended by the Under Secretary for Health.

''(11) LICENSED PROFESSIONAL MENTAL HEALTH COUNSELOR.—To be eligible to be appointed to a licensed professional mental health counselor position, a person must—

''(A) hold a master's degree in mental health counseling, or a related field, from a college or university approved by the Secretary; and

''(B) be licensed or certified to independently practice mental health counseling.''.

(c) REPORT ON MARRIAGE AND FAMILY THERAPY WORKLOAD.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Under Secretary for Health of the Department of Veterans Affairs shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the provision of treatment for post-traumatic stress disorder by marriage and family therapists employed by the Department of Veterans Affairs.

(2) CONTENTS.—The report submitted under paragraph (1) shall include the following:

(A) The actual and projected workloads in facilities of the Veterans Readjustment Counseling Service and the Veterans Health Administration for the provision of marriage and family counseling for veterans diagnosed with, or otherwise in need of treatment for, post-traumatic stress disorder.

(B) The resources available and needed to support the projected workload described in subparagraph (A).

(C) An assessment by the Under Secretary for Health of the effectiveness of treatment for post-traumatic stress disorder that is provided by marriage and family therapists.

(D) Recommendations, if any, for improvements in the provision of such treatment by such therapists.

SEC. 202. PAY COMPARABILITY FOR THE CHIEF NURSING OFFICER, OFFICE OF NURSING SERVICES.

Section 7404 is amended—

(1) in subsection (d), by striking ''subchapter III and in'' and inserting ''subsection (e), subchapter III, and''; and

(2) by adding at the end the following new subsection:

''(e) The position of Chief Nursing Officer, Office of Nursing Services, shall be exempt from the provisions of section 7451 of this title and shall be paid at a rate determined by the Secretary, not to exceed the maximum rate established for the Senior Executive Service under section 5382 of title 5.''.

SEC. 203. IMPROVEMENT AND EXPANSION OF MENTAL HEALTH SERVICES.

(a) REQUIRED CAPACITY FOR COMMUNITY-BASED OUTPATIENT CLINICS.—

(1) IN GENERAL.—The Secretary of Veterans Affairs shall ensure that each community-based outpatient clinic of the Department of Veterans Affairs has the capacity to provide, or monitor the provision of, mental health services to enrolled veterans who, as determined by the Secretary, are in need of such services.

(2) SETTINGS.—In carrying out paragraph (1), the Secretary shall ensure that mental health services are provided through—

(A) a community-based outpatient clinic of the Department by an employee of the Department;

(B) referral to another facility of the Department;

(C) contract with an appropriate mental health professional in the community; or

(D) telemental health services.

(b) CLINICAL TRAINING AND PROTOCOLS.—

(1) COLLABORATION.—The National Center on Post-Traumatic Stress Disorder of the Department of Veterans Affairs shall collaborate with the Secretary of Defense—

(A) to enhance the clinical skills of military clinicians on matters relating to post-traumatic stress disorder through training, treatment protocols, web-based interventions, and the development of evidence-based interventions; and

(B) to promote pre-deployment resilience and post-deployment readjustment among members of the Armed Forces serving in Operation Iraqi Freedom and Operation Enduring Freedom.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the Department of Veterans Affairs for fiscal year 2007 $2,000,000 to carry out this subsection.

(c) MENTAL HEALTH OUTREACH.—The Secretary of Veterans Affairs shall—

(1) develop additional educational materials on post-traumatic stress disorder; and

(2) undertake additional efforts to educate veterans about post-traumatic stress disorder.

(d) REVIEW OF PTSD CLINICAL GUIDELINES.—The Secretary of Veterans Affairs shall—

(1) review the clinical guidelines of the Department of Veterans Affairs on post-traumatic stress disorder and all appropriate protocols related to post-traumatic stress disorder;

(2) revise such guidelines and protocols as the Secretary considers appropriate to ensure that clinicians are able to effectively

distinguish between diagnoses with similar symptoms that may manifest as post-traumatic stress disorder, including traumatic brain injury; and

(3) develop performance measures for the treatment of post-traumatic stress disorder among veterans.

SEC. 204. DISCLOSURE OF MEDICAL RECORDS.

(a) LIMITED EXCEPTION TO CONFIDENTIALITY OF MEDICAL RECORDS.—Section 5701 is amended by adding at the end the following new subsection:

''(k)(1)(A) Under regulations that the Secretary shall prescribe, the Secretary may disclose the name and address of any individual described in subparagraph (C) to an entity described in subparagraph (B) in order to facilitate the determination by such entity whether the individual is, or after death will be, a suitable organ, tissue, or eye donor if—

''(i) the individual is near death (as determined by the Secretary) or is deceased; and

''(ii) the disclosure is permitted under regulations promulgated pursuant to section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note).

''(B) An entity described in this subparagraph is—

''(i) an organ procurement organization, including eye and tissue banks; or

''(ii) an entity that the Secretary has determined—

''(I) is substantially similar in function, professionalism, and reliability to an organ procurement organization; and

''(II) should be treated for purposes of this subsection in the same manner as an organ procurement organization.

''(C) An individual described in this subparagraph is—

''(i) a veteran; or

''(ii) a dependent of veteran.

''(2) In this subsection, the term 'organ procurement organization' has the meaning given the term 'qualified organ procurement organization' in section 371(b) of the Public Health Service Act (42 U.S.C. 273(b)).''.

(b) DISCLOSURES FROM CERTAIN MEDICAL RECORDS.—Section 7332(b)(2) is amended by adding at the end the following new subparagraph:

''(E) To an entity described in paragraph (1)(B) of section 5701(k) of this title, but only to the extent authorized by such section.''.

(c) DEADLINE FOR PRESCRIBING REGULATIONS.—The Secretary of Veterans Affairs shall prescribe regulations under subsection (k) of section 5701 of title 38, United States Code, as added by subsection (a), not later than 180 days after the date of the enactment of this Act.

SEC. 205. EXPANSION OF TELEHEALTH SERVICES.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall increase the number of facilities of the Readjustment Counseling Service that are capable of providing health services and counseling through telehealth linkages with facilities of the Veterans Health Administration.

(b) PLAN.—Not later than July 1, 2007, the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a plan to implement the requirement in subsection (a). The plan shall specify which facilities of the Readjustment Counseling Service will have the capabilities described in subsection (a) as of the end of each of fiscal years 2007, 2008, and 2009.

SEC. 206. STRATEGIC PLAN FOR LONG-TERM CARE.

(a) PUBLICATION.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall publish a strategic plan for the provision of long-term care by the Department of Veterans Affairs.

(b) POLICIES AND STRATEGIES.—The plan published under subsection (a) shall contain policies and strategies for—

(1) the delivery of care in domiciliaries, residential treatment facilities, and nursing homes and for seriously mentally ill veterans;

(2) maximizing the use of State veterans homes;

(3) locating domiciliary units as close to patient populations as feasible; and

(4) identifying freestanding nursing homes as an acceptable care model.

(c) DATA.—The plan published under subsection (a) shall include data on—

(1) the provision of care of catastrophically disabled veterans; and

(2) the geographic distribution of catastrophically disabled veterans.

(d) NONINSTITUTIONAL LONG-TERM CARE OPTIONS.—The plan published under subsection (a) shall address the spectrum of noninstitutional long-term care options, including each of the following:

(1) Respite care.

(2) Home-based primary care.

(3) Geriatric evaluation.

(4) Adult day health care.

(5) Skilled home health care.

(6) Community residential care.

(e) ADDITIONAL MATTERS TO BE INCLUDED.—The plan published under subsection (a) shall provide—

(1) cost and quality comparison analyses of all the different levels of long-term care for veterans;

(2) detailed information about geographic distribution of services and gaps in care; and

(3) specific plans for working with Medicare, Medicaid, and private insurance companies to expand the availability of such care.

SEC. 207. BLIND REHABILITATION OUTPATIENT SPECIALISTS.

(a) FINDINGS.—Congress makes the following findings:

(1) There are approximately 135,000 blind veterans throughout the United States, including approximately 35,000 who are enrolled with the Department of Veterans Affairs. An aging veteran population and injuries incurred in Operation Iraqi Freedom and Operation Enduring Freedom are increasing the number of blind veterans.

(2) Since 1996, when the Department of Veterans Affairs hired its first 14 blind rehabilitation outpatient specialists (referred to in this section as ''Specialists''), Specialists have been a critical part of the continuum of care for blind and visually impaired veterans.

(3) The Department of Veterans Affairs operates 10 residential blind rehabilitation centers that are considered among the best in the world. These centers have had long waiting lists, with as many as 1,500 blind veterans waiting for openings in 2004.

(4) Specialists provide—

(A) critically needed services to veterans who are unable to attend residential centers or are waiting to enter a residential center program;

(B) a range of services for blind veterans, including training with living skills, mobility, and adaptation of manual skills; and

(C) pre-admission screening and follow-up care for blind rehabilitation centers.

(5) There are not enough Specialist positions to meet the increased numbers and needs of blind veterans.

(b) ESTABLISHMENT OF ADDITIONAL SPECIALIST POSITIONS.—Not later than 30 months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall establish an additional Specialist position at not fewer than 35 additional facilities of the Department of Veterans Affairs.

(c) SELECTION OF FACILITIES.—In identifying the most appropriate facilities to receive a Specialist position under this section, the Secretary shall—

(1) give priority to facilities with large numbers of enrolled legally blind veterans;

(2) ensure that each facility does not have such a position; and

(3) ensure that each facility is in need of the services of a Specialist.

(d) COORDINATION.—The Secretary shall coordinate the provision of blind rehabilitation services for veterans with services for the care of the visually impaired offered by State and local agencies, especially to the extent to which such State and local agencies can provide necessary services to blind veterans in settings located closer to the residences of such veterans at similar quality and cost to the veteran.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the Department of Veterans Affairs to carry out this section $3,500,000 for each of fiscal years 2007 through 2012.

SEC. 208. EXTENSION OF CERTAIN COMPLIANCE REPORTS.

(a) MANAGEMENT OF HEALTH CARE.—Section 1706(b)(5)(A) is amended by striking ''2004'' and inserting ''2008''.

(b) ADVISORY COMMITTEE ON WOMEN VETERANS.—Section 542(c)(1) is amended by striking ''2004'' and inserting ''2008''.

SEC. 209. PARKINSON'S DISEASE RESEARCH, EDUCATION, AND CLINICAL CENTERS AND MULTIPLE SCLEROSIS CENTERS OF EXCELLENCE.

(a) REQUIREMENT FOR ESTABLISHMENT OF CENTERS.—

(1) IN GENERAL.—Subchapter II of chapter 73 is amended by adding at the end the following new sections:

''§ 7329. Parkinson's Disease research, education, and clinical centers

''(a) ESTABLISHMENT OF CENTERS.—(1) The Secretary, upon the recommendation of the Under Secretary for Health, shall designate not less than six Department health-care facilities as the locations for centers of Parkinson's Disease research, education, and clinical activities.

''(2) Subject to the availability of appropriations for such purpose, the Secretary shall establish and operate centers of Parkinson's Disease research, education, and clinical activities centers at the locations designated pursuant to paragraph (1).

''(b) CRITERIA FOR DESIGNATION OF FACILITIES.—(1) In designating Department health-care facilities for centers under subsection (a), the Secretary, upon the recommendation of the Under Secretary for Health, shall assure appropriate geographic distribution of such facilities.

''(2) Except as provided in paragraph (3), the Secretary shall designate as the location for a center of Parkinson's Disease research, education, and clinical activities pursuant to subsection (a)(1) each Department health-care facility that as of January 1, 2005, was operating a Parkinson's Disease research, education, and clinical center.

''(3) The Secretary may not under subsection (a) designate a facility described in paragraph (2) if (on the recommendation of the Under Secretary for Health) the Secretary determines that such facility—

''(A) does not meet the requirements of subsection (c); or

''(B) has not demonstrated—

''(i) effectiveness in carrying out the established purposes of such center; or

''(ii) the potential to carry out such purposes effectively in the reasonably foreseeable future.

''(c) REQUIREMENTS FOR DESIGNATION.—(1) The Secretary may not designate a Department health-care facility as a location for a

center under subsection (a) unless the peer review panel established under subsection (d) has determined under that subsection that the proposal submitted by such facility as a location for a new center under subsection (a) is among those proposals that meet the highest competitive standards of scientific and clinical merit.

''(2) The Secretary may not designate a Department health-care facility as a location for a center under subsection (a) unless the Secretary (upon the recommendation of the Under Secretary for Health) determines that the facility has (or may reasonably be anticipated to develop) each of the following:

''(A) An arrangement with an accredited medical school that provides education and training in neurology and with which the Department health-care facility is affiliated under which residents receive education and training in innovative diagnosis and treatment of chronic neurodegenerative diseases and movement disorders, including Parkinson's Disease.

''(B) The ability to attract the participation of scientists who are capable of ingenuity and creativity in health-care research efforts.

''(C) An advisory committee composed of veterans and appropriate health-care and research representatives of the Department health-care facility and of the affiliated school or schools to advise the directors of such facility and such center on policy matters pertaining to the activities of the center during the period of the operation of such center.

''(D) The capability to conduct effectively evaluations of the activities of such center.

''(E) The capability to coordinate (as part of an integrated national system) education, clinical, and research activities within all facilities with such centers.

''(F) The capability to jointly develop a consortium of providers with interest in treating neurodegenerative diseases, including Parkinson's Disease and other movement disorders, at facilities without centers established under subsection (a) in order to ensure better access to state-of-the-art diagnosis, care, and education for neurodegenerative disorders throughout the health-care system of the Department.

''(G) The capability to develop a national repository in the health-care system of the Department for the collection of data on health services delivered to veterans seeking care for neurodegenerative diseases, including Parkinson's Disease, and other movement disorders.

''(d) PEER REVIEW PANEL.—(1) The Under Secretary for Health shall establish a panel to assess the scientific and clinical merit of proposals that are submitted to the Secretary for the establishment of centers under this section.

''(2)(A) The membership of the panel shall consist of experts in neurodegenerative diseases, including Parkinson's Disease and other movement disorders.

''(B) Members of the panel shall serve for a period of no longer than two years, except as specified in subparagraph (C).

''(C) Of the members first appointed to the panel, one half shall be appointed for a period of three years and one half shall be appointed for a period of two years, as designated by the Under Secretary at the time of appointment.

''(3) The panel shall review each proposal submitted to the panel by the Under Secretary and shall submit its views on the relative scientific and clinical merit of each such proposal to the Under Secretary.

''(4) The panel shall not be subject to the Federal Advisory Committee Act.

''(e) PRIORITY OF FUNDING.—Before providing funds for the operation of a center designated under subsection (a) at a Department health-care facility other than at a facility designated pursuant to subsection (b)(2), the Secretary shall ensure that each Parkinson's Disease center at a facility designated pursuant to subsection (b)(2) is receiving adequate funding to enable that center to function effectively in the areas of Parkinson's Disease research, education, and clinical activities.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for the support of the research and education activities of the centers established pursuant to subsection (a). The Under Secretary for Health shall allocate to such centers from other funds appropriated generally for the Department medical services account and medical and prosthetics research account, as appropriate, such amounts as the Under Secretary for Health determines appropriate.

''(g) AWARD COMPETITIONS.—Activities of clinical and scientific investigation at each center established under subsection (a) shall be eligible to compete for the award of funding from funds appropriated for the Department medical and prosthetics research account. Such activities shall receive priority in the award of funding from such account insofar as funds are awarded to projects for research in Parkinson's Disease and other movement disorders.

''§ 7330. Multiple sclerosis centers of excellence

''(a) ESTABLISHMENT OF CENTERS.—(1) The Secretary, upon the recommendation of the Under Secretary for Health, shall designate not less than two Department health-care facilities as the locations for multiple sclerosis centers of excellence.

''(2) Subject to the availability of appropriations for such purpose, the Secretary shall establish and operate multiple sclerosis centers of excellence at the locations designated pursuant to paragraph (1).

''(b) CRITERIA FOR DESIGNATION OF FACILITIES.—(1) In designating Department health-care facilities for centers under subsection (a), the Secretary, upon the recommendation of the Under Secretary for Health, shall assure appropriate geographic distribution of such facilities.

''(2) Except as provided in paragraph (3), the Secretary shall designate as the location for a center pursuant to subsection (a)(1) each Department health-care facility that as of January 1, 2005, was operating a multiple sclerosis center of excellence.

''(3) The Secretary may not under subsection (a) designate a facility described in paragraph (2) if (on the recommendation of the Under Secretary for Health) the Secretary determines that such facility—

''(A) does not meet the requirements of subsection (c); or

''(B) has not demonstrated—

''(i) effectiveness in carrying out the established purposes of such center; or

''(ii) the potential to carry out such purposes effectively in the reasonably foreseeable future.

''(c) REQUIREMENTS FOR DESIGNATION.—(1) The Secretary may not designate a Department health-care facility as a location for a center under subsection (a) unless the peer review panel established under subsection (d) has determined under that subsection that the proposal submitted by such facility as a location for a new center under subsection (a) is among those proposals that meet the highest competitive standards of scientific and clinical merit.

''(2) The Secretary may not designate a Department health-care facility as a location for a center under subsection (a) unless the Secretary (upon the recommendation of the Under Secretary for Health) determines that the facility has (or may reasonably be anticipated to develop) each of the following:

''(A) An arrangement with an accredited medical school that provides education and training in neurology and with which the Department health-care facility is affiliated under which residents receive education and training in innovative diagnosis and treatment of autoimmune diseases affecting the central nervous system, including multiple sclerosis.

''(B) The ability to attract the participation of scientists who are capable of ingenuity and creativity in health-care research efforts.

''(C) An advisory committee composed of veterans and appropriate health-care and research representatives of the Department health-care facility and of the affiliated school or schools to advise the directors of such facility and such center on policy matters pertaining to the activities of the center during the period of the operation of such center.

''(D) The capability to conduct effectively evaluations of the activities of such center.

''(E) The capability to coordinate (as part of an integrated national system) education, clinical, and research activities within all facilities with such centers.

''(F) The capability to jointly develop a consortium of providers with interest in treating multiple sclerosis at facilities without such centers in order to ensure better access to state-of-the-art diagnosis, care, and education for autoimmune disease affecting the central nervous system throughout the health-care system of the Department.

''(G) The capability to develop a national repository in the health-care system of the Department for the collection of data on health services delivered to veterans seeking care for autoimmune disease affecting the central nervous system.

''(d) PEER REVIEW PANEL.—(1) The Under Secretary for Health shall establish a panel to assess the scientific and clinical merit of proposals that are submitted to the Secretary for the establishment of centers under this section.

''(2)(A) The membership of the panel shall consist of experts in autoimmune disease affecting the central nervous system.

''(B) Members of the panel shall serve for a period of no longer than two years, except as specified in subparagraph (C).

''(C) Of the members first appointed to the panel, one half shall be appointed for a period of three years and one half shall be appointed for a period of two years, as designated by the Under Secretary at the time of appointment.

''(3) The panel shall review each proposal submitted to the panel by the Under Secretary and shall submit its views on the relative scientific and clinical merit of each such proposal to the Under Secretary.

''(4) The panel shall not be subject to the Federal Advisory Committee Act.

''(e) PRIORITY OF FUNDING.—Before providing funds for the operation of a center designated under subsection (a) at a Department health-care facility other than at a facility designated pursuant to subsection (b)(2), the Secretary shall ensure that each multiple sclerosis center at a facility designated pursuant to subsection (b)(2) is receiving adequate funding to enable that center to function effectively in the areas of multiple sclerosis research, education, and clinical activities.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for the support of the research and education activities of the centers established pursuant to subsection

(a). The Under Secretary for Health shall allocate to such centers from other funds appropriated generally for the Department medical services account and medical and prosthetics research account, as appropriate, such amounts as the Under Secretary for Health determines appropriate.

''(g) AWARD COMPETITIONS.—Activities of clinical and scientific investigation at each center established under subsection (a) shall be eligible to compete for the award of funding from funds appropriated for the Department medical and prosthetics research account. Such activities shall receive priority in the award of funding from such account insofar as funds are awarded to projects for research in multiple sclerosis and other neurodegenerative disorders.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7328 the following new items:

''7329. Parkinson's Disease research, education, and clinical centers.
''7330. Multiple sclerosis centers of excellence.''.

(b) EFFECTIVE DATE.—Sections 7329 and 7330 of title 38, United States Code, as added by subsection (a), shall take effect at the end of the 30-day period beginning on the date of the enactment of this Act.

SEC. 210. REPEAL OF TERM OF OFFICE FOR THE UNDER SECRETARY FOR HEALTH AND THE UNDER SECRETARY FOR BENEFITS.

(a) UNDER SECRETARY FOR HEALTH.—

(1) IN GENERAL.—Section 305 is amended by striking subsection (c).

(2) CONFORMING AMENDMENT.—Subsection (d) of such section is redesignated as subsection (c).

(b) UNDER SECRETARY FOR BENEFITS.—

(1) IN GENERAL.—Section 306 is amended by striking subsection (c).

(2) CONFORMING AMENDMENT.—Subsection (d) of such section is redesignated as subsection (c).

SEC. 211. MODIFICATIONS TO STATE HOME AUTHORITIES.

(a) NURSING HOME CARE AND PRESCRIPTION MEDICATIONS IN STATE HOMES FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES.—

(1) NURSING HOME CARE.—Subchapter V of chapter 17 is amended by adding at the end the following new section:

''§ 1745. Nursing home care and medications for veterans with service-connected disabilities

''(a)(1) The Secretary shall pay each State home for nursing home care at the rate determined under paragraph (2), in any case in which such care is provided to any veteran as follows:

''(A) Any veteran in need of such care for a service-connected disability.

''(B) Any veteran who—

''(i) has a service-connected disability rated at 70 percent or more; and

''(ii) is in need of such care.

''(2) The rate determined under this paragraph with respect to a State home is the lesser of—

''(A) the applicable or prevailing rate payable in the geographic area in which the State home is located, as determined by the Secretary, for nursing home care furnished in a non-Department nursing home (as that term is defined in section 1720(e)(2) of this title); or

''(B) a rate not to exceed the daily cost of care, as determined by the Secretary, following a report to the Secretary by the director of the State home.

''(3) Payment by the Secretary under paragraph (1) to a State home for nursing home care provided to a veteran described in that paragraph constitutes payment in full to the State home for such care furnished to that veteran.''.

(2) PROVISION OF PRESCRIPTION MEDICINES.—Such section, as so added, is further amended by adding at the end the following new subsection:

''(b) The Secretary shall furnish such drugs and medicines as may be ordered on prescription of a duly licensed physician as specific therapy in the treatment of illness or injury to any veteran as follows:

''(1) Any veteran who—

''(A) is not being provided nursing home care for which payment is payable under subsection (a); and

''(B) is in need of such drugs and medicines for a service-connected disability.

''(2) Any veteran who—

''(A) has a service-connected disability rated at 50 percent or more;

''(B) is not being provided nursing home care for which payment is payable under subsection (a); and

''(C) is in need of such drugs and medicines.''.

(3) CONFORMING AMENDMENTS.—

(A) CRITERIA FOR PAYMENT.—Section 1741(a)(1) is amended by striking ''The'' and inserting ''Except as provided in section 1745 of this title, the''.

(B) ELIGIBILITY FOR NURSING HOME CARE.—Section 1710(a)(4) is amended—

(i) by striking ''and'' before ''the requirement in section 1710B of this title''; and

(ii) by inserting '', and the requirement in section 1745 of this title to provide nursing home care and prescription medicines to veterans with service-connected disabilities in State homes'' after ''a program of extended care services''.

(4) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 1744 the following new item:

''1745. Nursing home care and medications for veterans with service-connected disabilities.''.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall take effect 90 days after the date of the enactment of this Act.

(b) IDENTIFICATION OF VETERANS IN STATE HOMES.—Such chapter is further amended—

(1) in section 1745, as added by subsection (a)(1) of this section, by adding at the end the following new subsection:

''(c) Any State home that requests payment or reimbursement for services provided to a veteran under this section shall provide to the Secretary such information as the Secretary considers necessary to identify each individual veteran eligible for payment under such section.''; and

(2) in section 1741, by adding at the end the following new subsection:

''(f) Any State home that requests payment or reimbursement for services provided to a veteran under this section shall provide to the Secretary such information as the Secretary considers necessary to identify each individual veteran eligible for payment under such section.''.

(c) AUTHORITY TO TREAT CERTAIN HEALTH FACILITIES AS STATE HOMES.—

(1) AUTHORITY.—Subchapter III of chapter 81 is amended by adding at the end the following new section:

''§ 8138. Treatment of certain health facilities as State homes

''(a) The Secretary may treat a health facility (or certain beds in a health facility) as a State home for purposes of subchapter V of chapter 17 of this title if the following requirements are met:

''(1) The facility (or certain beds in such facility) meets the standards for the provision of nursing home care that are applicable to State homes, as prescribed by the Secretary under section 8134(b) of this title, and such other standards relating to the facility (or certain beds in such facility) as the Secretary may require.

''(2) The facility (or certain beds in such facility) is licensed or certified by the appropriate State and local agencies charged with the responsibility of licensing or otherwise regulating or inspecting State home facilities.

''(3) The State demonstrates in an application to the Secretary that, but for the treatment of a facility (or certain beds in such facility), as a State home under this subsection, a substantial number of veterans residing in the geographic area in which the facility is located who require nursing home care will not have access to such care.

''(4) The Secretary determines that the treatment of the facility (or certain beds in such facility) as a State home best meets the needs of veterans for nursing home care in the geographic area in which the facility is located.

''(5) The Secretary approves the application submitted by the State with respect to the facility (or certain beds in such facility).

''(b) The Secretary may not treat a health facility (or certain beds in a health facility) as a State home under subsection (a) if the Secretary determines that such treatment would increase the number of beds allocated to the State in excess of the limit on the number of beds provided for by regulations prescribed under section 8134(a) of this title.

''(c) The number of beds occupied by veterans in a health facility for which payment may be made under subchapter V of chapter 17 of this title by reason of subsection (a) shall not exceed—

''(1) 100 beds in the aggregate for all States; and

''(2) in the case of any State, the difference between—

''(A) the number of veterans authorized to be in beds in State homes in such State under regulations prescribed under section 8134(a) of this title; and

''(B) the number of veterans actually in beds in State homes (other than facilities or certain beds treated as State homes under subsection (a)) in such State under regulations prescribed under such section.

''(d) The number of beds in a health facility in a State that has been treated as a State home under subsection (a) shall be taken into account in determining the unmet need for beds for State homes for the State under section 8134(d)(1) of this title.

''(e) The Secretary may not treat any new health facilities (or any new certain beds in a health facility) as a State home under subsection (a) after September 30, 2009.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8137 the following new item:

''8138. Treatment of certain health facilities as State homes.''.

SEC. 212. OFFICE OF RURAL HEALTH.

(a) IN GENERAL.—

(1) ESTABLISHMENT AND FUNCTIONS.—Chapter 73 is amended by inserting after section 7307 the following new section:

''§ 7308. Office of Rural Health

''(a) ESTABLISHMENT.—There is established in the Department within the Office of the Under Secretary for Health an office to be known as the 'Office of Rural Health' (in this section referred to as the 'Office').

''(b) HEAD.—The Director of the Office of Rural Health shall be the head of the Office. The Director of the Office of Rural Health shall be appointed by the Under Secretary of Health from among individuals qualified to perform the duties of the position.

''(c) FUNCTIONS.—The functions of the Office are as follows:

''(1) In cooperation with the medical, rehabilitation, health services, and cooperative studies research programs in the Office of Policy and the Office of Research and Development of the Veterans Health Administration, to assist the Under Secretary for Health in conducting, coordinating, promoting, and disseminating research into issues affecting veterans living in rural areas.

''(2) To work with all personnel and offices of the Department of Veterans Affairs to develop, refine, and promulgate policies, best practices, lessons learned, and innovative and successful programs to improve care and services for veterans who reside in rural areas of the United States.

''(3) To designate in each Veterans Integrated Service Network (VISN) an individual who shall consult on and coordinate the discharge in such Network of programs and activities of the Office for veterans who reside in rural areas of the United States.

''(4) To perform such other functions and duties as the Secretary or the Under Secretary for Health considers appropriate.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7307 the following new item:

''7308. Office of Rural Health.''.

(b) ASSESSMENT OF FEE-BASIS HEALTH-CARE PROGRAM.—The Director of the Office of Rural Health shall conduct an assessment of the effects of the implementation of the fee-basis health-care program of the Veterans Health Administration on the delivery of health-care services to veterans who reside in rural areas of the United States. The assessment shall be conducted in consultation with the individuals designated under subsection (c)(3) of section 7308 of title 38, United States Code, as added by subsection (a). In conducting the assessment, the Director shall—

(1) identify various mechanisms for expanding the program in order to enhance and improve health-care services for such veterans and determine the feasibility and advisability of implementing such mechanisms; and

(2) for each mechanism determined under paragraph (1) to be feasible and advisable to implement, make recommendations to the Under Secretary for Health on the implementation of such mechanism.

(c) PLAN TO IMPROVE ACCESS AND QUALITY OF CARE.—Not later than September 30, 2007, the Director of the Office of Rural Health shall develop a plan to improve the access and quality of care for enrolled veterans in rural areas. The plan shall include—

(1) measures for meeting the long term care needs of rural veterans; and

(2) measures for meeting the mental health needs of veterans residing in rural areas.

(d) REPORT ON COMMUNITY-BASED OUTPATIENT CLINICS AND ACCESS POINTS IDENTIFIED IN CARES MAY 2004 DECISION DOCUMENT.— Not later than March 30, 2007, the Secretary of Veterans Affairs shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report that—

(1) identifies each of the community based outpatient clinics and access points identified in the May 2004 Decision Document of Capital Asset Realignment for Enhanced Services (CARES) that have been opened; and

(2) identifies each of the clinics and access points identified in such report that would be opened in fiscal year 2007 or 2008 if funding were available for such purpose.

SEC. 213. OUTREACH PROGRAM TO VETERANS IN RURAL AREAS.

(a) PROGRAM.—The Secretary of Veterans Affairs shall conduct an extensive outreach program to identify and provide information to veterans who served in the theater of operations for Operation Iraqi Freedom or Operation Enduring Freedom and who reside in rural communities in order to enroll those veterans in the health-care system of the Department of Veterans Affairs during the period when they are eligible for such enrollment.

(b) FEATURES OF PROGRAM.—In carrying out the program under subsection (a), the Secretary shall seek to work at the local level with employers, State agencies, community health centers located in rural areas, rural health clinics, and critical access hospitals located in rural areas, and units of the National Guard and other reserve components based in rural areas, in order to increase the awareness of veterans and their families of the availability of health care provided by the Secretary and the means by which those veterans can achieve access to the health-care services provided by the Department of Veterans Affairs.

SEC. 214. PILOT PROGRAM ON IMPROVEMENT OF CAREGIVER ASSISTANCE SERVICES.

(a) IN GENERAL.—Commencing not later than 120 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall carry out a pilot program to assess the feasibility and advisability of various mechanisms to expand and improve caregiver assistance services.

(b) DURATION OF PILOT PROGRAM.—The pilot program required by subsection (a) shall be carried out during the two-year period beginning on the date of the commencement of the pilot program.

(c) CAREGIVER ASSISTANCE SERVICES.—For purposes of this section, the term ''caregiver assistance services'' means services of the Department of Veterans Affairs that assist caregivers of veterans. Such services including the following:

(1) Adult-day health care services.

(2) Coordination of services needed by veterans, including services for readjustment and rehabilitation.

(3) Transportation services.

(4) Caregiver support services, including education, training, and certification of family members in caregiver activities.

(5) Home care services.

(6) Respite care.

(7) Hospice services.

(8) Any modalities of non-institutional long-term care.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of Veterans Affairs $5,000,000 for each of fiscal years 2007 and 2008 to carry out the pilot program authorized by this section.

(e) ALLOCATION OF FUNDS TO FACILITIES.—The Secretary shall allocate funds appropriated pursuant to the authorization of appropriations in subsection (d) to individual medical facilities of the Department in such amounts as the Secretary determines appropriate, based upon proposals submitted by such facilities for the use of such funds for improvements to the support of the provision of caregiver assistance services. Special consideration should be given to rural facilities, including those without a long-term care facility of the Department.

(f) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the implementation of this section. The report shall include—

(1) a description and assessment of the activities carried out under the pilot program;

(2) information on the allocation of funds to facilities of the Department under subsection (e); and

(3) a description of the improvements made with funds so allocated to the support of the provision of caregiver assistance services.

SEC. 215. EXPANSION OF OUTREACH ACTIVITIES OF VET CENTERS.

(a) ADDITIONAL OUTREACH WORKERS.—The Secretary of Veterans Affairs shall employ not fewer than 100 veterans for the purpose of providing outreach to veterans on the availability of readjustment counseling and related mental health services for veterans under section 1712A of title 38, United States Code.

(b) CONSTRUCTION WITH CURRENT OUTREACH PROGRAM.—The veterans employed under subsection (a) are in addition to any veterans employed by the Secretary for the purpose described in that subsection under the February 2004 program of the Department of Veterans Affairs to provide outreach described in that subsection.

(c) ASSIGNMENT TO VET CENTERS.—The Secretary may assign any veteran employed under subsection (a) to any center for the provision of readjustment counseling and related mental health services under section 1712A of title 38, United States Code, that the Secretary considers appropriate in order to meet the purpose described in that subsection.

(d) INAPPLICABILITY AND TERMINATION OF LIMITATION ON DURATION OF EMPLOYMENT.—Any limitation on the duration of employment of veterans under the program described in subsection (b) is hereby terminated and shall not apply to veterans employed under such program or under this section.

(e) EMPLOYMENT STATUS.—Veterans employed under subsection (a) shall be employed in career conditional status, which is the employment status in which veterans are employed under the program described in subsection (b).

SEC. 216. CLARIFICATION AND ENHANCEMENT OF BEREAVEMENT COUNSELING.

(a) CLARIFICATION OF MEMBERS OF IMMEDIATE FAMILY ELIGIBLE FOR COUNSELING.—Subsection (b) of section 1783 is amended—

(1) by inserting ''(1)'' before ''The Secretary''; and

(2) by adding at the end the following new paragraph:

''(2) For purposes of this subsection, the members of the immediate family of a member of the Armed Forces described in paragraph (1) include the parents of such member.''.

(b) PROVISION OF COUNSELING THROUGH VET CENTERS.—Such section is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection (c):

''(c) PROVISION OF COUNSELING THROUGH VET CENTERS.—Bereavement counseling may be provided under this section through the facilities and personnel of centers for the provision of readjustment counseling and related mental health services under section 1712A of this title.''.

SEC. 217. FUNDING FOR VET CENTER PROGRAM.

There are authorized to be appropriated to the Department of Veterans Affairs for fiscal year 2007 $180,000,000 for the provision of readjustment counseling and related mental health services through centers under section 1712A of title 38, United States Code.

TITLE III—EDUCATION MATTERS

SEC. 301. EXPANSION OF ELIGIBILITY FOR SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE PROGRAM.

(a) EXPANSION OF ELIGIBILITY.—Section 3501(a)(1) is amended—

(1) in the matter preceding subparagraph (A), by striking ''means—'' and inserting ''means any of the following:'';

(2) in each of subparagraphs (A) through (D), by capitalizing the first letter of the first word;

(3) in subparagraph (A)—

(A) by inserting after ''a person who'' the following: '', as a result of qualifying service'';

(B) by striking the comma at the end of clause (i) and inserting ''; or'';

(C) by striking '', or'' at the end of clause (ii) and inserting a period; and

(D) by striking clause (iii);

(4) in subparagraph (B) by striking the comma at the end and inserting the following: ''sustained during a period of qualifying service.'';

(5) in subparagraph (C)—

(A) by inserting ''or child'' after ''the spouse''; and

(B) by striking '', or'' at the end and inserting a period;

(6) in subparagraph (D)—

(A) in clause (i), by inserting before the comma the following: ''sustained during a period of qualifying service''; and

(B) by striking the comma at the end and inserting a period;

(7) by inserting after subparagraph (D) the following new subparagraph:

''(E) The spouse or child of a person who—

''(i) at the time of the Secretary's determination under clause (ii), is a member of the Armed Forces who is hospitalized or receiving outpatient medical care, services, or treatment;

''(ii) the Secretary determines has a total disability permanent in nature incurred or aggravated in the line of duty in the active military, naval, or air service; and

''(iii) is likely to be discharged or released from such service for such disability.''; and

(8) by striking ''arising out of'' and all that follows through the end.

(b) CONFORMING AMENDMENTS TO CHAPTER 35.—Chapter 35 is amended as follows:

(1) Section 3501(a) is amended by adding at the end the following new paragraph:

''(12) The term 'qualifying service' means service in the active military, naval, or air service after the beginning of the Spanish-American War that did not terminate under dishonorable conditions.''.

(2) Section 3511 is amended—

(A) in subsection (a)(1)—

(i) by striking ''Each eligible person'' and inserting the following: ''Each eligible person, whether made eligible by one or more of the provisions of section 3501(a)(1) of this title,'';

(ii) by striking ''a period'' and inserting ''an aggregate period''; and

(iii) by striking the second sentence;

(B) in subsection (b)—

(i) in paragraph (2)—

(I) by striking ''the provisions of section 3501(a)(1)(A)(iii) or'' and inserting ''section''; and

(II) by striking ''or'' at the end;

(ii) in paragraph (3)—

(I) by striking ''section 3501(a)(1)(D)'' and inserting ''subparagraph (D) or (E) of section 3501(a)(1)''; and

(II) by inserting ''or'' after the comma at the end; and

(iii) by inserting after paragraph (3) the following new paragraph:

''(4) the parent or spouse from whom such eligibility is derived based upon subparagraph (E) of section 3501(a)(1) of this title no longer meets a requirement under clause (i), (ii), or (iii) of that subparagraph,''; and

(C) by striking subsection (c).

(3) Section 3512 is amended—

(A) in subsection (a)—

(i) by striking ''an eligible person (within the meaning of section 3501(a)(1)(A) of this title)'' and inserting ''an eligible person whose eligibility is based on the death or disability of a parent or on a parent being listed in one of the categories referred to in section 3501(a)(1)(C) of this title''; and

(ii) in paragraph (6), by striking ''the provisions of section 3501(a)(1)(A)(iii)'' and inserting ''a parent being listed in one of the categories referred to in section 3501(a)(1)(C)'';

(B) in subsection (b)—

(i) in paragraph (1)(A)—

(I) by inserting after ''section 3501(a)(1) of this title'' the following: ''or a person made eligible by the disability of a spouse under section 3501(a)(1)(E) of this title''; and

(II) by striking ''or 3501(a)(1)(D)(ii) of this title'' and inserting ''3501(a)(1)(D)(ii), or 3501(a)(1)(E) of this title'';

(ii) in paragraph (1)(B), by adding at the end the following new clause:

''(iii) The date on which the Secretary notifies the member of the Armed Forces from whom eligibility is derived that the member has a total disability permanent in nature incurred or aggravated in the line of duty in the active military, naval, or air service.''; and

(iii) in paragraph (2)—

(I) by striking ''or (D) of this title'' and inserting ''(D), or (E) of this title''; and

(II) by inserting ''whose eligibility is based on the death or disability of a spouse or on a spouse being listed in one of the categories referred to in section 3501(a)(1)(C) of this title'' after ''of this title)'';

(C) in subsection (d), by striking ''veteran'' and inserting ''person''; and

(D) in subsection (e)—

(i) by inserting ''based on a spouse being listed in one of the categories referred to in section 3501(a)(1)(C) of this title'' after ''of this title'';

(ii) by inserting ''so'' after ''the spouse was''; and

(iii) by striking ''by the Secretary'' and all that follows through ''occurs''.

(4) Section 3540 is amended by striking ''(as defined in subparagraphs (A), (B), and (D) of section 3501(a)(1) of this title)'' and inserting ''(other than a person made eligible under subparagraph (C) of such section by reason of a spouse being listed in one of the categories referred to in that subparagraph)''.

(5) Section 3563 is amended by striking ''each eligible person defined in section 3501(a)(1)(A) of this title'' and inserting ''each eligible person whose eligibility is based on the death or disability of a parent or on a parent being listed in one of the categories referred to in section 3501(a)(1)(C) of this title''.

(c) OTHER CONFORMING AMENDMENTS.—Such title is further amended as follows:

(1) Section 3686(a)(1) is amended by striking ''or (D)'' and inserting ''(D), or (E)''.

(2) Section 5113(b)(3) is amended—

(A) in subparagraph (B) by striking ''section 3501(a)(1)'' and all that follows through the end and inserting the following: ''subparagraphs (A), (B), (D), and (E) of section 3501(a)(1) of this title.''; and

(B) in subparagraph (C)—

(i) by striking ''such veteran's death'' and inserting ''the death of the person from whom such eligibility is derived''; and

(ii) by striking ''such veteran's service-connected total disability permanent in nature'' and inserting ''the service-connected total disability permanent in nature (or, in the case of a person made eligible under section 3501(a)(1)(E), the total disability permanent in nature incurred or aggravated in the line of duty in the active military, naval, or air service) of the person from whom such eligibility is derived''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to a payment of educational assistance for a course of education pursued after the date of the enactment of this Act.

SEC. 302. RESTORATION OF LOST ENTITLEMENT FOR INDIVIDUALS WHO DISCONTINUE A PROGRAM OF EDUCATION BECAUSE OF BEING ORDERED TO FULL-TIME NATIONAL GUARD DUTY.

(a) RESTORATION OF ENTITLEMENT.—Section 3511(a)(2)(B)(i) is amended by inserting after ''title 10'' the following: ''or of being involuntarily ordered to full-time National Guard duty under section 502(f) of title 32''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to a payment of educational assistance allowance made after September 11, 2001.

SEC. 303. EXCEPTION FOR INSTITUTIONS OFFERING GOVERNMENT-SPONSORED NONACCREDITED COURSES TO REQUIREMENT OF REFUNDING UNUSED TUITION.

Section 3676(c)(13) is amended by striking ''prior to completion'' and all that follows and inserting the following: ''before completion and—

''(A) in the case of an institution (other than (i) a Federal, State, or local Government institution or (ii) an institution described in subparagraph (B)), such policy provides that the amount charged to the eligible person for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length; or

''(B) in the case of an institution that is a nonaccredited public educational institution, the institution has and maintains a refund policy regarding the unused portion of tuition, fees, and other charges that is substantially the same as the refund policy followed by accredited public educational institutions located within the same State as such institution.''.

SEC. 304. EXTENSION OF WORK-STUDY ALLOWANCE.

Section 3485(a)(4) is amended by striking ''December 27, 2006'' each place it appears and inserting ''June 30, 2007''.

SEC. 305. DEADLINE AND EXTENSION OF REQUIREMENT FOR REPORT ON EDUCATIONAL ASSISTANCE PROGRAM.

(a) DEADLINE.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense and the Secretary of Veterans Affairs shall each submit to Congress a report containing the information specified in subsections (b) and (c) of section 3036 of title 38, United States Code.

(b) EXTENSION OF REQUIREMENT.—Subsection (d) of section 3036 of title 38, United States Code, is amended by striking ''January 1, 2005'' and inserting ''January 1, 2011''.

SEC. 306. REPORT ON IMPROVEMENT IN ADMINISTRATION OF EDUCATIONAL ASSISTANCE BENEFITS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to Congress a report on the administration of education benefits, including benefits under chapters 30, 31, 32, 34, 35, and 36 of title 38, United States Code, and chapters 1606 and 1607 of title 10, United States Code. Such report shall propose methods to streamline the processes and procedures of administering such benefits.

SEC. 307. TECHNICAL AMENDMENTS RELATING TO EDUCATION LAWS.

Section 3485 is amended—

(1) in subsection (a)(4)(E), by inserting ''or 1607'' after ''chapter 1606'';

(2) in subsection (b), by striking ''chapter 106'' and inserting ''chapter 1606 or 1607''; and

(3) in subsection (e)(1)—

(A) by striking ''services of the kind described in clauses (A) through (E) of subsection (a)(1) of this section'' and inserting ''a qualifying work-study activity described in subsection (a)(4)''; and

(B) by striking ''chapter 106'' and inserting ''chapter 1606 or 1607''.

TITLE IV—NATIONAL CEMETERY AND MEMORIAL AFFAIRS MATTERS

SEC. 401. PROVISION OF GOVERNMENT MEMORIAL HEADSTONES OR MARKERS AND MEMORIAL INSCRIPTIONS FOR DECEASED DEPENDENT CHILDREN OF VETERANS WHOSE REMAINS ARE UNAVAILABLE FOR BURIAL.

(a) PROVISION OF MEMORIAL HEADSTONES OR MARKERS.—Subsection (b) of section 2306 is amended—

(1) in paragraph (2), by adding at the end the following new subparagraph:

''(C) An eligible dependent child of a veteran.''; and

(2) by adding at the end the following new paragraph:

''(5) For purposes of this section, the term 'eligible dependent child' means a child—

''(A) who is under 21 years of age, or under 23 years of age if pursuing a course of instruction at an approved educational institution; or

''(B) who is unmarried and became permanently physically or mentally disabled and incapable of self-support before reaching 21 years of age, or before reaching 23 years of age if pursuing a course of instruction at an approved educational institution.''.

(b) ADDITION OF MEMORIAL INSCRIPTION TO HEADSTONE OR MARKER OF VETERAN.—Subsection (f) of such section is amended by inserting ''or eligible dependent child'' after ''surviving spouse'' both places it appears.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to individuals dying after the date of the enactment of this Act.

SEC. 402. PROVISION OF GOVERNMENT MARKERS FOR MARKED GRAVES OF VETERANS AT PRIVATE CEMETERIES.

(a) EXTENSION OF AUTHORITY.—Paragraph (3) of subsection (d) of section 2306 is amended by striking ''December 31, 2006'' and inserting ''December 31, 2007''.

(b) PROVISION OF HEADSTONE OR MARKER.—

(1) IN GENERAL.—Such subsection is further amended—

(A) in paragraph (1)—

(i) in the first sentence, by striking ''Government marker'' and inserting ''Government headstone or marker''; and

(ii) in the second sentence, by inserting ''headstone or'' before ''marker'' each place it appears; and

(B) in paragraph (2), by inserting ''headstone or'' before ''marker''.

(2) CONFORMING AMENDMENT.—Subsection (g)(3) of such section is amended by inserting ''headstone or'' before ''marker''.

(c) PLACEMENT OF HEADSTONE OR MARKER.—The second sentence of subsection (d)(1) of such section, as amended by subsection (b)(1)(A)(ii), is further amended by inserting before the period the following: '', or, if placement on the grave is impossible or impracticable, as close as possible to the grave within the grounds of the cemetery in which the grave is located''.

(d) DELIVERY OF HEADSTONE OR MARKER.—Subsection (d)(2) of such section, as amended by subsection (b)(1)(B), is further amended by inserting before the period the following: ''or to a receiving agent for delivery to the cemetery''.

(e) REPEAL OF OBSOLETE REPORT REQUIREMENT.—Subsection (d) of such section is further amended by striking paragraph (4).

(f) SCOPE OF HEADSTONES AND MARKERS FURNISHED.—Subsection (d) of such section is further amended by inserting after paragraph (3) the following new paragraph (4):

''(4) The headstone or marker furnished under this subsection shall be the headstone or marker selected by the individual making the request from among all the headstones and markers made available by the Government for selection.''.

SEC. 403. ELIGIBILITY OF INDIAN TRIBAL ORGANIZATIONS FOR GRANTS FOR THE ESTABLISHMENT OF VETERANS CEMETERIES ON TRUST LANDS.

Section 2408 is amended by adding at the end the following new subsection:

''(f)(1) The Secretary may make grants under this subsection to any tribal organization to assist the tribal organization in establishing, expanding, or improving veterans' cemeteries on trust land owned by, or held in trust for, the tribal organization.

''(2) Grants under this subsection shall be made in the same manner, and under the same conditions, as grants to States are made under the preceding provisions of this section.

''(3) For purposes of this subsection:

''(A) The term 'tribal organization' has the meaning given that term in section 3765(4) of this title.

''(B) The term 'trust land' has the meaning given that term in section 3765(1) of this title.''.

SEC. 404. REMOVAL OF REMAINS OF RUSSELL WAYNE WAGNER FROM ARLINGTON NATIONAL CEMETERY.

(a) REMOVAL OF REMAINS.—The Secretary of the Army shall remove the remains of Russell Wayne Wagner from Arlington National Cemetery.

(b) NOTIFICATION OF NEXT-OF-KIN.—The Secretary of the Army shall—

(1) notify the next-of-kin of record for Russell Wayne Wagner of the impending removal of his remains; and

(2) upon removal, relinquish the remains to the next-of-kin of record for Russell Wayne Wagner or, if the next-of-kin of record for Russell Wayne Wagner is unavailable, arrange for an appropriate disposition of the remains.

TITLE V—HOUSING AND SMALL BUSINESS MATTERS

SEC. 501. RESIDENTIAL COOPERATIVE HOUSING UNITS.

(a) HOUSING BENEFITS FOR COOPERATIVE HOUSING UNITS.—Subsection (a) of section 3710 is amended by inserting after paragraph (11) the following new paragraph:

''(12) With respect to a loan guaranteed after the date of the enactment of this paragraph and before the date that is five years after that date, to purchase stock or membership in a cooperative housing corporation for the purpose of entitling the veteran to occupy for dwelling purposes a single family residential unit in a development, project, or structure owned or leased by such corporation, in accordance with subsection (h).''.

(b) CONDITIONS OF HOUSING BENEFITS FOR COOPERATIVE HOUSING UNITS.—Such section is further amended by adding at the end the following new subsection:

''(h)(1) A loan may not be guaranteed under subsection (a)(12) unless—

''(A) the development, project, or structure of the cooperative housing corporation complies with such criteria as the Secretary prescribes in regulations; and

''(B) the dwelling unit that the purchase of stock or membership in the development, project, or structure of the cooperative housing corporation entitles the purchaser to occupy is a single family residential unit.

''(2) In this subsection, the term 'cooperative housing corporation' has the meaning given such term in section 216(b)(1) of the Internal Revenue Code of 1986.

''(3) When applying the term 'value of the property' to a loan guaranteed under subsection (a)(12), such term means the appraised value of the stock or membership entitling the purchaser to the permanent occupancy of the dwelling unit in the development, project, or structure of the cooperative housing corporation.''.

SEC. 502. DEPARTMENT OF VETERANS AFFAIRS GOALS FOR PARTICIPATION BY SMALL BUSINESSES OWNED AND CONTROLLED BY VETERANS IN PROCUREMENT CONTRACTS.

(a) GOALS.—

(1) IN GENERAL.—Subchapter II of chapter 81 is amended by adding at the end the following new section:

''§ 8127. Small business concerns owned and controlled by veterans: contracting goals and preferences

''(a) CONTRACTING GOALS.—(1) In order to increase contracting opportunities for small business concerns owned and controlled by veterans and small business concerns owned and controlled by veterans with service-connected disabilities, the Secretary shall—

''(A) establish a goal for each fiscal year for participation in Department contracts (including subcontracts) by small business concerns owned and controlled by veterans who are not veterans with service-connected disabilities in accordance with paragraph (2); and

''(B) establish a goal for each fiscal year for participation in Department contracts (including subcontracts) by small business concerns owned and controlled by veterans with service-connected disabilities in accordance with paragraph (3).

''(2) The goal for a fiscal year for participation under paragraph (1)(A) shall be determined by the Secretary.

''(3) The goal for a fiscal year for participation under paragraph (1)(B) shall be not less than the Government-wide goal for that fiscal year for participation by small business concerns owned and controlled by veterans with service-connected disabilities under section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1)).

''(4) The Secretary shall establish a review mechanism to ensure that, in the case of a subcontract of a Department contract that is counted for purposes of meeting a goal established pursuant to this section, the subcontract was actually awarded to a business concern that may be counted for purposes of meeting that goal.

''(b) USE OF NONCOMPETITIVE PROCEDURES FOR CERTAIN SMALL CONTRACTS.—For purposes of meeting the goals under subsection (a), and in accordance with this section, in entering into a contract with a small business concern owned and controlled by veterans for an amount less than the simplified acquisition threshold (as defined in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403)), a contracting officer of the Department may use procedures other than competitive procedures.

''(c) SOLE SOURCE CONTRACTS FOR CONTRACTS ABOVE SIMPLIFIED ACQUISITION THRESHOLD.—For purposes of meeting the goals under subsection (a), and in accordance with this section, a contracting officer of the Department may award a contract to a small business concern owned and controlled by veterans using procedures other than competitive procedures if—

''(1) such concern is determined to be a responsible source with respect to performance of such contract opportunity;

''(2) the anticipated award price of the contract (including options) will exceed the simplified acquisition threshold (as defined in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403)) but will not exceed $5,000,000; and

''(3) in the estimation of the contracting officer, the contract award can be made at a fair and reasonable price that offers best value to the United States.

''(d) USE OF RESTRICTED COMPETITION.—Except as provided in subsections (b) and (c), for purposes of meeting the goals under subsection (a), and in accordance with this section, a contracting officer of the Department shall award contracts on the basis of competition restricted to small business concerns owned and controlled by veterans if the contracting officer has a reasonable expectation that two or more small business concerns owned and controlled by veterans will submit offers and that the award can be made at a fair and reasonable price that offers best value to the United States.

''(e) ELIGIBILITY OF SMALL BUSINESS CONCERNS.—A small business concern may be awarded a contract under this section only if the small business concern and the veteran owner of the small business concern are listed in the database of veteran-owned businesses maintained by the Secretary under subsection (f).

''(f) DATABASE OF VETERAN-OWNED BUSINESSES.—(1) Subject to paragraphs (2) through (6), the Secretary shall maintain a database of small business concerns owned and controlled by veterans and the veteran owners of such business concerns.

''(2) To be eligible for inclusion in the database, such a veteran shall submit to the Secretary such information as the Secretary may require with respect to the small business concern or the veteran.

''(3) Information maintained in the database shall be submitted on a voluntary basis by such veterans.

''(4) In maintaining the database, the Secretary shall carry out at least the following two verification functions:

''(A) Verification that each small business concern listed in the database is owned and controlled by veterans.

''(B) In the case of a veteran who indicates a service-connected disability, verification of the service-disabled status of such veteran.

''(5) The Secretary shall make the database available to all Federal departments and agencies and shall notify each such department and agency of the availability of the database.

''(6) If the Secretary determines that the public dissemination of certain types of information maintained in the database is inappropriate, the Secretary shall take such steps as are necessary to maintain such types of information in a secure and confidential manner.

''(g) ENFORCEMENT PENALTIES FOR MISREPRESENTATION.—Any business concern that is determined by the Secretary to have misrepresented the status of that concern as a small business concern owned and controlled by veterans or as a small business concern owned and controlled by service-disabled veterans for purposes of this subsection shall be debarred from contracting with the Department for a reasonable period of time, as determined by the Secretary.

''(h) TREATMENT OF BUSINESSES AFTER DEATH OF VETERAN-OWNER.—(1) Subject to paragraph (3), if the death of a veteran causes a small business concern to be less than 51 percent owned by one or more veterans, the surviving spouse of such veteran who acquires ownership rights in such small business concern shall, for the period described in paragraph (2), be treated as if the surviving spouse were that veteran for the purpose of maintaining the status of the small business concern as a small business concern owned and controlled by veterans.

''(2) The period referred to in paragraph (1) is the period beginning on the date on which the veteran dies and ending on the earliest of the following dates:

''(A) The date on which the surviving spouse remarries.

''(B) The date on which the surviving spouse relinquishes an ownership interest in the small business concern.

''(C) The date that is ten years after the date of the veteran's death.

''(3) Paragraph (1) only applies to a surviving spouse of a veteran with a service-connected disability rated as 100 percent disabling or who dies as a result of a service-connected disability.

''(i) PRIORITY FOR CONTRACTING PREFERENCES.—Preferences for awarding contracts to small business concerns shall be applied in the following order of priority:

''(1) Contracts awarded pursuant to subsection (b), (c), or (d) to small business concerns owned and controlled by veterans with service-connected disabilities.

''(2) Contracts awarded pursuant to subsection (b), (c), or (d) to small business concerns owned and controlled by veterans that are not covered by paragraph (1).

''(3) Contracts awarded pursuant to—

''(A) section 8(a) of the Small Business Act (15 U.S.C. 637(a)); or

''(B) section 31 of such Act (15 U.S.C. 657a).

''(4) Contracts awarded pursuant to any other small business contracting preference.

''(j) ANNUAL REPORTS.—Not later than December 31 each year, the Secretary shall submit to Congress a report on small business contracting during the fiscal year ending in such year. Each report shall include, for the fiscal year covered by such report, the following:

''(1) The percentage of the total amount of all contracts awarded by the Department during that fiscal year that were awarded to small business concerns owned and controlled by veterans.

''(2) The percentage of the total amount of all such contracts awarded to small business concerns owned and controlled by veterans with service-connected disabilities.

''(3) The percentage of the total amount of all contracts awarded by each Administration of the Department during that fiscal year that were awarded to small business concerns owned and controlled by veterans.

''(4) The percentage of the total amount of all contracts awarded by each such Administration during that fiscal year that were awarded to small business concerns owned and controlled by veterans with service-connected disabilities.

''(k) DEFINITIONS.—In this section:

''(1) The term 'small business concern' has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

''(2) The term 'small business concern owned and controlled by veterans' means a small business concern—

''(A)(i) not less than 51 percent of which is owned by one or more veterans or, in the case of a publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

''(ii) the management and daily business operations of which are controlled by one or more veterans; or

''(B) not less than 51 percent of which is owned by one or more veterans with service-connected disabilities that are permanent and total who are unable to manage the daily business operations of such concern or, in the case of a publicly owned business, not less than 51 percent of the stock of which is owned by one or more such veterans.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8126 the following new item:

''8127. Small business concerns owned and controlled by veterans: contracting goals and preferences.''.

(b) TRANSITION RULE.—A small business concern that is listed in any small business database maintained by the Secretary of Veterans Affairs on the date of the enactment of this Act shall be presumed to be eligible for inclusion in the database under subsection (f) of section 8127 of title 38, United States Code, as added by subsection (a), during the period beginning on the effective date of that section and ending one year after such effective date. Such a small business concern may be removed from the database during that period if it is found not to be a small business concern owned and controlled by veterans (as defined in subsection (k) of such section).

(c) COMPTROLLER GENERAL STUDY AND REPORT.—

(1) STUDY REQUIRED.—During the first three fiscal years for which this section is in effect, the Comptroller General shall conduct a study on the efforts made by the Secretary of Veterans Affairs to meet the contracting goals established pursuant to section 8127 of title 38, United States Code, as added by subsection (a).

(2) INFORMATION TO CONGRESS ON STUDY.—On or before January 31 of each year during which the Comptroller General conducts the study under paragraph (1), the Comptroller General shall brief Congress on such study, placing special emphasis on any structural or organizational issues within the Department of Veterans Affairs that might act as an impediment to reaching such contracting goals.

(3) REPORT.—Not later than 180 days after the end of the three-year period during which the Comptroller General conducts the study under paragraph (1), the Comptroller General shall submit to Congress a report on the findings of such study.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date that is 180 days after the date of the enactment of this Act.

SEC. 503. DEPARTMENT OF VETERANS AFFAIRS CONTRACTING PRIORITY FOR VETERAN-OWNED SMALL BUSINESSES.

(a) PRIORITY FOR VETERAN-OWNED SMALL BUSINESSES.—

(1) IN GENERAL.—Subchapter II of chapter 81, as amended by section 502 of this Act, is further amended by adding at the end the following new section:

''§ 8128. Small business concerns owned and controlled by veterans: contracting priority

''(a) CONTRACTING PRIORITY.—In procuring goods and services pursuant to a contracting preference under this title or any other provision of law, the Secretary shall give priority to a small business concern owned and controlled by veterans, if such business concern also meets the requirements of that contracting preference.

''(b) DEFINITION.—For purposes of this section, the term 'small business concern owned and controlled by veterans' means a small business concern that is included in the small business database maintained by the Secretary under section 8127(f) of this title.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter, as so amended, is further amended by inserting after the item relating to section 8127 the following new item:

''8128. Small business concerns owned and controlled by veterans: contracting priority.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date that is 180 days after the date of the enactment of this Act.

TITLE VI—EMPLOYMENT AND TRAINING MATTERS

SEC. 601. TRAINING OF NEW DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES BY NVTI REQUIRED.

(a) TRAINING REQUIRED.—Section 4102A(c) is amended by adding at the end the following new paragraph:

''(8)(A) As a condition of a grant or contract under which funds are made available to a State in order to carry out section 4103A or 4104 of this title, the Secretary shall require the State to require each employee hired by the State who is assigned to perform the duties of a disabled veterans' outreach program specialist or a local veterans' employment representative under this chapter to satisfactorily complete training provided by the National Veterans' Employment and Training Services Institute during the three-year period that begins on the date on which the employee is so assigned.

''(B) For any employee described in subparagraph (A) who does not complete such training during such period, the Secretary may reduce by an appropriate amount the amount made available to the State employing that employee.

''(C) The Secretary may establish such reasonable exceptions to the completion of training otherwise required under subparagraph (A) as the Secretary considers appropriate.''.

(b) SUBMISSION OF EMPLOYEE TRAINING INFORMATION REQUIRED.—Section 4102A(c)(2)(A) is amended—

(1) by redesignating clause (iii) as clause (iv); and

(2) by inserting after clause (ii) the following new clause (iii):

''(iii) For each employee of the State who is assigned to perform the duties of a disabled veterans' outreach program specialist or a local veterans' employment representative under this chapter—

''(I) the date on which the employee is so assigned; and

''(II) whether the employee has satisfactorily completed such training by the National Veterans' Employment and Training Services Institute as the Secretary requires for purposes of paragraph (8).''.

(c) APPLICABILITY.—Paragraph (8) of section 4102A(c) of title 38, United States Code, as added by subsection (a), and clause (iii) of section 4102A(c)(2)(A) of such title, as added by subsection (b), shall apply with respect to a State employee assigned to perform the duties of a disabled veterans' outreach program specialist or a local veterans' employment representative under chapter 41 of such title who is so assigned on or after January 1, 2006.

SEC. 602. RULES FOR PART-TIME EMPLOYMENT FOR DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS AND LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.

(a) DISABLED VETERANS' OUTREACH PROGRAM SPECIALISTS.—Section 4103A is amended by adding at the end the following new subsection:

''(c) PART-TIME EMPLOYEES.—A part-time disabled veterans' outreach program specialist shall perform the functions of a disabled veterans' outreach program specialist under this section on a half-time basis.''.

(b) LOCAL VETERANS' EMPLOYMENT REPRESENTATIVES.—Section 4104 is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection (d):

''(d) PART-TIME EMPLOYEES.—A part-time local veterans' employment representative shall perform the functions of a local veterans' employment representative under this section on a half-time basis.''.

(c) EFFECTIVE DATE.—Section 4103A(c) of title 38, United States Code, as added by subsection (a), and section 4104(d) of such title, as amended by subsection (b), shall apply with respect to pay periods beginning after the date that is 180 days after the date of the enactment of this Act.

SEC. 603. PERFORMANCE INCENTIVE AWARDS FOR EMPLOYMENT SERVICE OFFICES.

(a) PROVISION OF INCENTIVES TO EMPLOYMENT SERVICE OFFICES.—Section 4112 is amended—

(1) in subsection (a)(1)(B), by inserting ''and employment service offices'' after ''recognize eligible employees''; and

(2) in subsection (c)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2)—

(i) by striking ''is'' and inserting ''in the case of such an award made to an eligible employee, shall be''; and

(ii) by striking the period at the end and inserting the following: ''; and''; and

(C) by adding at the end the following new paragraph:

''(3) in the case of such an award made to an employment service office, may be used by that employment service office for any purpose.''.

(b) CONFORMING AMENDMENT.—The heading for subsection (c) of such section is amended to read as follows: ''ADMINISTRATION AND USE OF AWARDS.—''.

SEC. 604. DEMONSTRATION PROJECT ON CREDENTIALING AND LICENSURE OF VETERANS.

(a) ESTABLISHMENT OF DEMONSTRATION PROJECT.—

(1) IN GENERAL.—Chapter 41 is amended by adding at the end the following new section:

''§ 4114. Credentialing and licensure of veterans: demonstration project

''(a) DEMONSTRATION PROJECT AUTHORIZED.—The Assistant Secretary for Veterans' Employment and Training may carry out a demonstration project on credentialing in accordance with this section for the purpose of facilitating the seamless transition of members of the Armed Forces from service on active duty to civilian employment.

''(b) IDENTIFICATION OF MILITARY OCCUPATIONAL SPECIALTIES AND ASSOCIATED CREDENTIALS AND LICENSES.—(1) The Assistant Secretary shall select not less than 10 military occupational specialties for purposes of the demonstration project. Each specialty so selected by the Assistant Secretary shall require a skill or set of skills that is required for civilian employment in an industry with high growth or high worker demand.

''(2) The Assistant Secretary shall consult with appropriate Federal, State, and industry officials to identify requirements for credentials, certifications, and licenses that require a skill or set of skills required by a military occupational specialty selected under paragraph (1).

''(3) The Assistant Secretary shall analyze the requirements identified under paragraph (2) to determine which requirements may be satisfied by the skills, training, or experience acquired by members of the Armed Forces with the military occupational specialties selected under paragraph (1).

''(c) ELIMINATION OF BARRIERS TO CREDENTIALING AND LICENSURE.—The Assistant Secretary shall cooperate with appropriate Federal, State, and industry officials to reduce or eliminate any barriers to providing a credential, certification, or license to a veteran who acquired any skill, training, or experience while serving as a member of the Armed Forces with a military occupational specialty selected under subsection (b)(1) that satisfies the Federal and State requirements for the credential, certification, or license.

''(d) TASK FORCE.—The Assistant Secretary may establish a task force of individuals with appropriate expertise to provide assistance to the Assistant Secretary in carrying out this section.

''(e) CONSULTATION.—In carrying out this section, the Assistant Secretary shall consult with the Secretary of Defense, the Secretary of Veterans Affairs, appropriate Federal and State officials, private-sector employers, labor organizations, and industry trade associations.

''(f) CONTRACT AUTHORITY.—For purposes of carrying out any part of the demonstration project under this section, the Assistant Secretary may enter into a contract with a public or private entity with appropriate expertise.

''(g) PERIOD OF PROJECT.—The period during which the Assistant Secretary may carry out the demonstration project under this section shall be the period beginning on the date that is 60 days after the date of the enactment of the Veterans Benefits, Health Care, and Information Technology Act of 2006 and ending on September 30, 2009.

''(h) FUNDING.—The Assistant Secretary may carry out the demonstration project under this section utilizing unobligated funds that are appropriated in accordance with the authorization set forth in section 4106 of this title.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4114. Credentialing and licensure of veterans: demonstration project.''.

(b) MEMBERSHIP OF ADVISORY COMMITTEE ON VETERANS EMPLOYMENT, TRAINING, AND EMPLOYER OUTREACH.—Section 4110(c)(1)(A) is amended—

(1) by striking ''Six'' and inserting ''Seven''; and

(2) by adding at the end the following new clause:

''(vii) The National Governors Association.''.

SEC. 605. DEPARTMENT OF LABOR IMPLEMENTATION OF REGULATIONS FOR PRIORITY OF SERVICE.

Not later than two years after the date of the enactment of this Act, the Secretary of Labor shall prescribe regulations to implement section 4215 of title 38, United States Code.

TITLE VII—HOMELESS VETERANS ASSISTANCE

SEC. 701. REAFFIRMATION OF NATIONAL GOAL TO END HOMELESSNESS AMONG VETERANS.

(a) REAFFIRMATION.—Congress reaffirms the national goal to end chronic homelessness among veterans within a decade of the enactment of the Homeless Veterans Comprehensive Assistance Act of 2001 (Public Law 107–95; 115 Stat. 903).

(b) REAFFIRMATION OF ENCOURAGEMENT OF COOPERATIVE EFFORTS.—Congress reaffirms its encouragement, as specified in the Homeless Veterans Comprehensive Assistance Act of 2001 (Public Law 107–95; 115 Stat. 903), that all departments and agencies of the Federal, State, and local governments, quasi-governmental organizations, private and public sector entities, including community-based organizations, faith-based organizations, and individuals, work cooperatively to end chronic homelessness among veterans.

SEC. 702. SENSE OF CONGRESS ON THE RESPONSE OF THE FEDERAL GOVERNMENT TO THE NEEDS OF HOMELESS VETERANS.

It is the sense of Congress that—

(1) homelessness is a significant problem in the veterans community and veterans are disproportionately represented among the homeless population;

(2) while many effective programs assist homeless veterans to become, once again, productive and self-sufficient members of their communities and society, all the essential services, assistance, and support that homeless veterans require are not currently provided;

(3) federally funded programs for homeless veterans should be held accountable for achieving clearly defined results;

(4) Federal efforts to assist homeless veterans should include prevention of homelessness;

(5) Federal efforts regarding homeless veterans should be particularly vigorous where women veterans have minor children in their care;

(6) Federal agencies, particularly the Department of Veterans Affairs, the Department of Labor, and the Department of Housing and Urban Development, should cooperate more fully to address the problem of homelessness among veterans; and

(7) the programs reauthorized by this title provide important housing and services to homeless veterans.

SEC. 703. AUTHORITY TO MAKE GRANTS FOR COMPREHENSIVE SERVICE PROGRAMS FOR HOMELESS VETERANS.

(a) PERMANENT AUTHORITY.—Section 2011(a) is amended—

(1) by striking paragraph (2); and

(2) in paragraph (1)—

(A) by striking ''(1)''; and

(B) by redesignating subparagraphs (A) through (D) as paragraphs (1) through (4), respectively.

(b) AUTHORIZATION OF APPROPRIATIONS.—The text of section 2013 is amended to read as follows: ''There is authorized to be appropriated to carry out this subchapter $130,000,000 for fiscal year 2007 and each fiscal year thereafter.''.

SEC. 704. EXTENSION OF TREATMENT AND REHABILITATION FOR SERIOUSLY MENTALLY ILL AND HOMELESS VETERANS.

(a) EXTENSION OF AUTHORITY FOR GENERAL TREATMENT.—Section 2031(b) is amended by striking ''December 31, 2006'' and inserting ''December 31, 2011''.

(b) EXTENSION OF AUTHORITY FOR ADDITIONAL SERVICES.—Section 2033(d) is amended by striking ''December 31, 2006'' and inserting ''December 31, 2011''.

SEC. 705. EXTENSION OF AUTHORITY FOR TRANSFER OF PROPERTIES OBTAINED THROUGH FORECLOSURE OF HOME MORTGAGES.

Section 2041(c) is amended by striking ''December 31, 2008'' and inserting ''December 31, 2011''.

SEC. 706. EXTENSION OF FUNDING FOR GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS.

Section 2061(c)(1) is amended—

(1) by striking ''Medical Care'' and inserting ''Medical Services''; and

(2) by striking ''fiscal years 2003, 2004, and 2005'' and inserting ''fiscal years 2007 through 2011''.

SEC. 707. EXTENSION OF FUNDING FOR HOMELESS VETERAN SERVICE PROVIDER TECHNICAL ASSISTANCE PROGRAM.

Subsection (b) of section 2064 is amended to read as follows:

''(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for each of fiscal years 2007 through 2012 to carry out the program under this section.''.

SEC. 708. ADDITIONAL ELEMENT IN ANNUAL REPORT ON ASSISTANCE TO HOMELESS VETERANS.

Section 2065(b) is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph (5):

''(5) Information on the efforts of the Secretary to coordinate the delivery of housing and services to homeless veterans with other Federal departments and agencies, including—

''(A) the Department of Defense;

''(B) the Department of Health and Human Services;

''(C) the Department of Housing and Urban Development;

''(D) the Department of Justice;

''(E) the Department of Labor;

''(F) the Interagency Council on Homelessness;

''(G) the Social Security Administration; and

''(H) any other Federal department or agency with which the Secretary coordinates the delivery of housing and services to homeless veterans.''.

SEC. 709. ADVISORY COMMITTEE ON HOMELESS VETERANS.

(a) ADDITIONAL EX OFFICIO MEMBERS.—Subsection (a)(3) of section 2066 is amended by adding at the end the following new subparagraphs:

''(E) The Executive Director of the Interagency Council on Homelessness (or a representative of the Executive Director).

''(F) The Under Secretary for Health (or a representative of the Under Secretary after consultation with the Director of the Office of Homeless Veterans Programs).

''(G) The Under Secretary for Benefits (or a representative of the Under Secretary after consultation with the Director of the Office of Homeless Veterans Programs).''.

(b) EXTENSION.—Subsection (d) of such section is amended by striking ''December 31, 2006'' and inserting ''December 30, 2011''.

SEC. 710. RENTAL ASSISTANCE VOUCHERS FOR VETERANS AFFAIRS SUPPORTED HOUSING PROGRAM.

Section (8)(o)(19)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(19)(B)) is amended to read as follows:

''(B) AMOUNT.—The amount specified in this subparagraph is—

''(i) for fiscal year 2007, the amount necessary to provide 500 vouchers for rental assistance under this subsection;

''(ii) for fiscal year 2008, the amount necessary to provide 1,000 vouchers for rental assistance under this subsection;

''(iii) for fiscal year 2009, the amount necessary to provide 1,500 vouchers for rental assistance under this subsection;

''(iv) for fiscal year 2010, the amount necessary to provide 2,000 vouchers for rental assistance under this subsection; and

''(v) for fiscal year 2011, the amount necessary to provide 2,500 vouchers for rental assistance under this subsection.''.

TITLE VIII—CONSTRUCTION MATTERS

Subtitle A—Construction and Lease Authorities

SEC. 801. AUTHORIZATION OF FISCAL YEAR 2006 MAJOR MEDICAL FACILITY PROJECTS.

(a) IN GENERAL.—The Secretary of Veterans Affairs may carry out the following major medical facility projects in fiscal year 2006, with each project to be carried out in the amount specified for that project:

(1) Restoration, new construction or replacement of the medical center facility for the Department of Veterans Affairs Medical Center, New Orleans, Louisiana, due to damage from Hurricane Katrina in an amount not to exceed $300,000,000. The Secretary is authorized to carry out the project in or near New Orleans as a collaborative effort consistent with the New Orleans Collaborative Opportunities Study Group Report dated June 12, 2006.

(2) Restoration of the Department of Veterans Affairs Medical Center, Biloxi, Mississippi, and consolidation of services performed at the Department of Veterans Affairs Medical Center, Gulfport, Mississippi, in an amount not to exceed $310,000,000.

(3) Replacement of the Department of Veterans Affairs Medical Center, Denver, Colorado, in an amount not to exceed $98,000,000.

(b) REPORT ON REPLACEMENT OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER, DENVER, COLORADO.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report identifying and outlining the various options available to the Department of Veterans Affairs for replacing the current Department of Veterans Affairs Medical Center, Denver, Colorado. The report shall include the following:

(1) The feasibility of entering into a partnership with a Federal, State, or local governmental agency, or a suitable non-profit organization, for the construction and operation of a new facility.

(2) The medical, legal, and financial implications of each of the options identified, including recommendations regarding any statutory changes necessary for the Department of Veterans Affairs to carry out any of the options identified.

(3) A detailed cost-benefit analysis of each of the options identified.

(4) Estimates regarding the length of time and associated costs needed to complete such a facility under each of the options identified.

SEC. 802. EXTENSION OF AUTHORIZATION FOR CERTAIN MAJOR MEDICAL FACILITY CONSTRUCTION PROJECTS PREVIOUSLY AUTHORIZED IN CONNECTION WITH CAPITAL ASSET REALIGNMENT INITIATIVE.

The Secretary of Veterans Affairs may carry out the following major medical facility projects, with each such project to be carried out in the amount specified for that project:

(1) Construction of an outpatient clinic and regional office at the Department of Veterans Affairs Medical Center, Anchorage, Alaska, in an amount not to exceed $75,270,000.

(2) Consolidation of clinical and administrative functions of the Department of Veterans Affairs Medical Center, Cleveland, Ohio, and the Department of Veterans Affairs Medical Center in Brecksville, Ohio, in an amount not to exceed $102,300,000.

(3) Construction of the Extended Care Building at the Department of Veterans Affairs Medical Center, Des Moines, Iowa, in an amount not to exceed $25,000,000.

(4) Renovation of patient wards at the Department of Veterans Affairs Medical Center, Durham, North Carolina, in an amount not to exceed $9,100,000.

(5) Correction of patient privacy deficiencies at the Department of Veterans Affairs Medical Center, Gainesville, Florida, in an amount not to exceed $85,200,000.

(6) 7th and 8th floor wards modernization addition at the Department of Veterans Affairs Medical Center, Indianapolis, Indiana, in an amount not to exceed $27,400,000.

(7) Construction of a new Medical Center Facility at the Department of Veterans Affairs Medical Center, Las Vegas, Nevada, in an amount not to exceed $406,000,000.

(8) Construction of an ambulatory surgery/outpatient diagnostic support center in the

Gulf South Submarket of Veterans Integrated Service Network (VISN) 8 and completion of Phase I land purchase, Lee County, Florida, in an amount not to exceed $65,100,000.

(9) Seismic corrections, Buildings 7 and 126 at the Department of Veterans Affairs Medical Center, Long Beach, California, in an amount not to exceed $107,845,000.

(10) Seismic Corrections, Buildings 500 and 501 at the Department of Veterans Affairs Medical Center, Los Angeles, California, in an amount not to exceed $79,900,000.

(11) Construction of a new medical center facility in the Orlando, Florida, area in an amount not to exceed $377,700,000.

(12) Consolidation of campuses at the University Drive and H. John Heinz III divisions, Pittsburgh, Pennsylvania, in an amount not to exceed $189,205,000.

(13) Ward upgrades and expansion at the Department of Veterans Affairs Medical Center, San Antonio, Texas, in an amount not to exceed $19,100,000.

(14) Construction of a spinal cord injury center at the Department of Veterans Affairs Medical Center, Syracuse, New York, in an amount not to exceed $77,700,000.

(15) Upgrade essential electrical distribution systems at the Department of Veterans Affairs Medical Center, Tampa, Florida, in an amount not to exceed $49,000,000.

(16) Expansion of the spinal cord injury center addition at the Department of Veterans Affairs Medical Center, Tampa, Florida, in an amount not to exceed $7,100,000.

(17) Blind Rehabilitation and Psychiatric Bed renovation and new construction project at the Department of Veterans Affairs Medical Center, Temple, Texas, in an amount not to exceed $56,000,000.

SEC. 803. AUTHORIZATION OF FISCAL YEAR 2007 MAJOR MEDICAL FACILITY PROJECTS.

The Secretary of Veterans Affairs may carry out the following major medical facility projects in fiscal year 2007 in the amount specified for each project:

(1) Seismic Corrections, Nursing Home Care Unit and Dietetics at the Department of Veterans Affairs Medical Center, American Lake, Washington, in an amount not to exceed $38,220,000.

(2) Replacement of Operating Suite at the Department of Veterans Affairs Medical Center, Columbia, Missouri, in an amount not to exceed $25,830,000.

(3) Construction of a new clinical addition at the Department of Veterans Affairs Medical Center, Fayetteville, Arkansas, in an amount not to exceed $56,163,000.

(4) Construction of Spinal Cord Injury Center at the Department of Veterans Affairs Medical Center, Milwaukee, Wisconsin, in an amount not to exceed $32,500,000.

(5) Medical facility improvements and cemetery expansion of Jefferson Barracks at the Department of Veterans Affairs Medical Center, St. Louis, Missouri, in an amount not to exceed $69,053,000.

SEC. 804. AUTHORIZATION OF ADVANCE PLANNING AND DESIGN FOR A MAJOR MEDICAL FACILITY, CHARLESTON, SOUTH CAROLINA.

(a) AGREEMENT AUTHORIZED.—The Secretary of Veterans Affairs may enter into an agreement with the Medical University of South Carolina to design, and plan for the operation of, a co-located joint-use medical facility in Charleston, South Carolina, to replace the Ralph H. Johnson Department of Veterans Affairs Medical Center, Charleston, South Carolina.

(b) COST LIMITATION.—Advance planning and design for a co-located, joint-use medical facility in Charleston, South Carolina, under subsection (a) shall be carried out in an amount not to exceed $36,800,000.

(c) LIMITATION ON NAMING.—A joint-use medical facility referred to in subsection (a) may not be named by the Secretary of Veterans Affairs or any other entity after any living Member or former Member of the Senate or House of Representatives.

SEC. 805. AUTHORIZATION OF FISCAL YEAR 2006 MAJOR MEDICAL FACILITY LEASES.

The Secretary of Veterans Affairs may carry out the following major medical facility leases in fiscal year 2006 at the locations specified, and in an amount for each lease not to exceed the amount shown for such location:

(1) For an outpatient clinic, Baltimore, Maryland, $10,908,000.

(2) For an outpatient clinic, Evansville, Indiana, $8,989,000.

(3) For an outpatient clinic, Smith County, Texas, $5,093,000.

SEC. 806. AUTHORIZATION OF FISCAL YEAR 2007 MAJOR MEDICAL FACILITY LEASES.

The Secretary of Veterans Affairs may carry out the following major medical facility leases in fiscal year 2007 at the locations specified, and in an amount for each lease not to exceed the amount shown for such location:

(1) For an outpatient and specialty care clinic, Austin, Texas, $6,163,000.

(2) For an outpatient clinic, Lowell, Massachusetts, $2,520,000.

(3) For an outpatient clinic, Grand Rapids, Michigan, $4,409,000.

(4) For up to four outpatient clinics, Las Vegas, Nevada, $8,518,000.

(5) For an outpatient clinic, Parma, Ohio, $5,032,000.

SEC. 807. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2006 MAJOR MEDICAL FACILITY PROJECTS.—There is authorized to be appropriated to the Secretary of Veterans Affairs for fiscal year 2006 for the Construction, Major Projects, account, $708,000,000 for the projects authorized in section 801(a).

(b) AUTHORIZATION OF APPROPRIATIONS FOR MAJOR MEDICAL FACILITY PROJECTS UNDER CAPITAL ASSET REALIGNMENT INITIATIVE.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Secretary of Veterans Affairs for fiscal year 2007 for the Construction, Major Projects, account, $1,758,920,000 for the projects whose authorization is extended by section 802.

(2) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations in paragraph (1) shall remain available until September 30, 2009.

(c) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2007 MAJOR MEDICAL FACILITY PROJECTS.—There is authorized to be appropriated to the Secretary of Veterans Affairs for fiscal year 2007 for the Construction, Major Projects, account, $221,766,000 for the projects authorized in section 803.

(d) AUTHORIZATION OF APPROPRIATIONS FOR ADVANCE PLANNING AND DESIGN FOR MAJOR MEDICAL FACILITY, CHARLESTON, SOUTH CAROLINA.—There is authorized to be appropriated to the Secretary of Veterans Affairs for the Construction, Major Projects, account, $36,800,000 for the advance planning and design authorized in section 804.

(e) AUTHORIZATION OF APPROPRIATIONS FOR MAJOR MEDICAL FACILITY LEASES.—

(1) FISCAL YEAR 2006 LEASES.—There is authorized to be appropriated for the Secretary of Veterans Affairs for fiscal year 2006 for the Medical Care account, $24,990,000 for the leases authorized in section 805.

(2) FISCAL YEAR 2007 LEASES.—There is authorized to be appropriated for the Secretary of Veterans Affairs for fiscal year 2007 for the Medical Care account, $26,642,000 for the leases authorized in section 806.

(f) LIMITATION.—The projects authorized in sections 801(a) and 802 may only be carried out using—

(1) funds appropriated for fiscal year 2006 or 2007 pursuant to the authorization of appropriations in subsections (a), (b), and (c) of this section;

(2) funds available for Construction, Major Projects, for a fiscal year before fiscal year 2006 that remain available for obligation;

(3) funds available for Construction, Major Projects, for a fiscal year after fiscal year 2006 or 2007 that are available for obligation; and

(4) funds appropriated for Construction, Major Projects, for fiscal year 2006 or 2007 for a category of activity not specific to a project.

Subtitle B—Facilities Administration

SEC. 811. DIRECTOR OF CONSTRUCTION AND FACILITIES MANAGEMENT.

(a) ESTABLISHMENT OF POSITION.—Chapter 3 is amended by inserting after section 312 the following new section:

"§ 312A. Director of Construction and Facilities Management

''(a) IN GENERAL.—(1) There is in the Department a Director of Construction and Facilities Management, who shall be appointed by the Secretary.

''(2) The position of Director of Construction and Facilities Management is a career reserved position, as such term is defined in section 3132(a)(8) of title 5.

''(3) The Director shall provide direct support to the Secretary in matters covered by the responsibilities of the Director under subsection (c).

''(4) The Director shall report to the Deputy Secretary in the discharge of the responsibilities of the Director under subsection (c).

''(b) QUALIFICATIONS.—Each individual appointed as Director of Construction and Facilities Management shall be an individual who—

''(1) holds an undergraduate or master's degree in architectural design or engineering; and

''(2) has substantive professional experience in the area of construction project management.

''(c) RESPONSIBILITIES.—(1) The Director of Construction and Facilities Management shall—

''(A) be responsible for overseeing and managing the planning, design, construction, and operation of facilities and infrastructure of the Department, including major and minor construction projects; and

''(B) perform such other functions as the Secretary shall prescribe.

''(2) In carrying out the oversight and management of construction and operation of facilities and infrastructure under this section, the Director shall be responsible for the following:

''(A) Development and updating of short-range and long-range strategic capital investment strategies and plans of the Department.

''(B) Planning, design, and construction of facilities for the Department, including determining architectural and engineering requirements and ensuring compliance of the Department with applicable laws relating to the construction program of the Department.

''(C) Management of the short-term and long-term leasing of real property by the Department.

''(D) Repair and maintenance of facilities of the Department, including custodial services, building management and administration, and maintenance of roads, grounds, and infrastructure.

''(E) Management of procurement and acquisition processes relating to the construction and operation of facilities of the Department, including the award of contracts related to design, construction, furnishing, and supplies and equipment.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 312 the following new item:

''312A. Director of Construction and Facilities Management.''.

SEC. 812. INCREASE IN THRESHOLD FOR MAJOR MEDICAL FACILITY PROJECTS.

Section 8104(a)(3)(A) is amended by striking ''$7,000,000'' and inserting ''$10,000,000''.

SEC. 813. LAND CONVEYANCE, CITY OF FORT THOMAS, KENTUCKY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of Veterans Affairs may convey to the city of Fort Thomas, Kentucky (in this section referred to as the ''City''), all right, title, and interest of the United States in and to a parcel of real property, including the 15 structures located thereon, consisting of approximately 11.75 acres that is managed by the Department of Veterans Affairs and located in the northeastern portion of Tower Park in Fort Thomas, Kentucky. Any such conveyance shall be subject to valid existing rights, easements, and rights-of-way.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall pay to the United States an amount equal to the fair market value of the conveyed real property, as determined by the Secretary.

(c) TREATMENT OF CONSIDERATION.—The consideration received under subsection (b) shall be deposited, at the discretion of the Secretary, in the ''Medical Facilities'' account or the ''Construction, Minor Projects'' account (or a combination of those accounts) and shall be available to the Secretary, without limitation and until expended—

(1) to cover costs incurred by the Secretary associated with the environmental remediation of the real property before conveyance under subsection (a); and

(2) with any funds remaining after the Secretary has covered costs as required under paragraph (1), for acquisition of a site for use as a parking facility, or contract (by lease or otherwise) for the operation of a parking facility, to be used in connection with the Department of Veterans Affairs Medical Facility, Cincinnati, Ohio.

(d) RELEASE FROM LIABILITY.—Effective on the date of the conveyance under subsection (a), the United States shall not be liable for damages arising out of any act, omission, or occurrence relating to the conveyed real property, but shall continue to be liable for damages caused by acts of negligence committed by the United States or by any employee or agent of the United States before the date of conveyance, consistent with chapter 171 of title 28, United States Code.

(e) PAYMENT OF COSTS OF CONVEYANCE.—

(1) PAYMENT REQUIRED.—The Secretary shall require the City to cover costs to be incurred by the Secretary, or to reimburse the Secretary for costs incurred by the Secretary, to carry out the conveyance under subsection (a), including survey costs, costs related to environmental documentation, and other administrative costs related to the conveyance. If amounts are collected from the City in advance of the Secretary incurring the actual costs, and the amount collected exceeds the costs actually incurred by the Secretary to carry out the conveyance, the Secretary shall refund the excess amount to the City.

(2) TREATMENT OF AMOUNTS RECEIVED.—Amounts received as reimbursement under paragraph (1) shall be credited to the fund or account that was used to cover the costs incurred by the Secretary in carrying out the conveyance. Amounts so credited shall be merged with amounts in such fund or account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in such fund or account.

(f) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers necessary to protect the interests of the United States.

Subtitle C—Reports on Medical Facility Improvements

SEC. 821. REPORT ON OPTION FOR MEDICAL FACILITY IMPROVEMENTS IN SAN JUAN, PUERTO RICO.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report identifying and outlining the various options available to the Department of Veterans Affairs for replacing the current Department of Veterans Affairs Medical Center, San Juan, Puerto Rico. The report shall not affect current contracts at the current site, and the report shall include the following:

(1) The feasibility of entering into a partnership with a Federal, Commonwealth, or local governmental agency, or a suitable non-profit organization, for the construction and operation of a new facility.

(2) The medical, legal, and financial implications of each of the options identified, including recommendations regarding any statutory changes necessary for the Department to carry out any of the options identified.

(3) A detailed cost-benefit analysis of each of the options identified.

(4) Estimates regarding the length of time and associated costs needed to complete such a facility under each of the options identified.

SEC. 822. BUSINESS PLANS FOR ENHANCED ACCESS TO OUTPATIENT CARE IN CERTAIN RURAL AREAS.

(a) REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a business plan for enhanced access to outpatient care (as described in subsection (b)) for primary care, mental health care, and specialty care in each of the following areas:

(1) The Lewiston-Auburn area of Maine.

(2) The area of Houlton, Maine.

(3) The area of Dover-Foxcroft, Maine.

(4) Whiteside County, Illinois.

(b) MEANS OF ENHANCED ACCESS.—The means of enhanced access to outpatient care to be covered by the business plans under subsection (a) are, with respect to each area specified in that subsection, one or more of the following:

(1) New sites of care.

(2) Expansions at existing sites of care.

(3) Use of existing authority and policies to contract for care where necessary.

(4) Increased use of telemedicine.

SEC. 823. REPORT ON OPTION FOR CONSTRUCTION OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER IN OKALOOSA COUNTY, FLORIDA.

(a) FEASIBILITY STUDY.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committee on Veterans' Affairs and the Committee on Armed Services of the Senate of the Senate and the Committee on Veterans' Affairs and the Committee on Armed Services of the House of Representatives of the House of Representatives a report identifying and outlining the various options available to the Department of Veterans Affairs for the placement of a Department of Veterans Affairs Medical Center in Okaloosa County, Florida. The report shall be prepared in conjunction with the Secretary of Defense and the Secretary of the Air Force.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) The feasibility of entering into a partnership with Eglin Air Force Base for the construction and operation of a new, joint Department of Veterans Affairs-Department of Defense facility.

(2) The medical, legal, and financial implications of each of the options identified, including recommendations regarding any statutory changes necessary for the Department of Veterans Affairs to carry out any of the options identified.

(3) A detailed cost-benefit analysis of each of the options identified.

(4) Estimates regarding the length of time and associated costs needed to complete such a facility under each of the options identified.

TITLE IX—INFORMATION SECURITY MATTERS

SEC. 901. SHORT TITLE.

This title may be cited as the ''Department of Veterans Affairs Information Security Enhancement Act of 2006''.

SEC. 902. DEPARTMENT OF VETERANS AFFAIRS INFORMATION SECURITY PROGRAMS AND REQUIREMENTS.

(a) INFORMATION SECURITY PROGRAMS AND REQUIREMENTS.—Chapter 57 is amended by adding at the end the following new subchapter:

''SUBCHAPTER III—INFORMATION SECURITY

''§ 5721. Purpose

''The purpose of the Information Security Program is to establish a program to provide security for Department information and information systems commensurate to the risk of harm, and to communicate the responsibilities of the Secretary, Under Secretaries, Assistant Secretaries, other key officials, Assistant Secretary for Information and Technology, Associate Deputy Assistant Secretary for Cyber and Information Security, and Inspector General of the Department of Veterans Affairs as outlined in the provisions of subchapter III of chapter 35 of title 44 (also known as the 'Federal Information Security Management Act of 2002', which was enacted as part of the E-Government Act of 2002 (Public Law 107–347)).

''§ 5722. Policy

''(a) IN GENERAL.—The security of Department information and information systems is vital to the success of the mission of the Department. To that end, the Secretary shall establish and maintain a comprehensive Department-wide information security program to provide for the development and maintenance of cost-effective security controls needed to protect Department information, in any media or format, and Department information systems.

''(b) ELEMENTS.—The Secretary shall ensure that the Department information security program includes the following elements:

''(1) Periodic assessments of the risk and magnitude of harm that could result from

the unauthorized access, use, disclosure, disruption, modification, or destruction of information and information systems that support the operations and assets of the Department.

''(2) Policies and procedures that—

''(A) are based on risk assessments;

''(B) cost-effectively reduce security risks to an acceptable level; and

''(C) ensure that information security is addressed throughout the life cycle of each Department information system.

''(3) Selection and effective implementation of minimum, mandatory technical, operational, and management security controls, or other compensating countermeasures, to protect the confidentiality, integrity, and availability of each Department system and its information.

''(4) Subordinate plans for providing adequate security for networks, facilities, systems, or groups of information systems, as appropriate.

''(5) Annual security awareness training for all Department employees, contractors, and all other users of VA sensitive data and Department information systems that identifies the information security risks associated with the activities of such employees, contractors, and users and the responsibilities of such employees, contractors, and users to comply with Department policies and procedures designed to reduce such risks.

''(6) Periodic testing and evaluation of the effectiveness of security controls based on risk, including triennial certification testing of all management, operational, and technical controls, and annual testing of a subset of those controls for each Department system.

''(7) A process for planning, developing, implementing, evaluating, and documenting remedial actions to address deficiencies in information security policies, procedures, and practices.

''(8) Procedures for detecting, immediately reporting, and responding to security incidents, including mitigating risks before substantial damage is done as well as notifying and consulting with the US-Computer Emergency Readiness Team of the Department of Homeland Security, law enforcement agencies, the Inspector General of the Department, and other offices as appropriate.

''(9) Plans and procedures to ensure continuity of operations for Department systems.

''(c) COMPLIANCE WITH CERTAIN REQUIREMENTS.—The Secretary shall comply with the provisions of subchapter III of chapter 35 of title 44 and other related information security requirements promulgated by the National Institute of Standards and Technology and the Office of Management and Budget that define Department information system mandates.

''§ 5723. Responsibilities

''(a) SECRETARY OF VETERANS AFFAIRS.—In accordance with the provisions of subchapter III of chapter 35 of title 44, the Secretary is responsible for the following:

''(1) Ensuring that the Department adopts a Department-wide information security program and otherwise complies with the provisions of subchapter III of chapter 35 of title 44 and other related information security requirements.

''(2) Ensuring that information security protections are commensurate with the risk and magnitude of the potential harm to Department information and information systems resulting from unauthorized access, use, disclosure, disruption, modification, or destruction.

''(3) Ensuring that information security management processes are integrated with Department strategic and operational planning processes.

''(4) Ensuring that the Under Secretaries, Assistant Secretaries, and other key officials of the Department provide adequate security for the information and information systems under their control.

''(5) Ensuring enforcement and compliance with the requirements imposed on the Department under the provisions of subchapter III of chapter 35 of title 44.

''(6) Ensuring that the Department has trained program and staff office personnel sufficient to assist in complying with all the provisions of subchapter III of chapter 35 of title 44 and other related information security requirements.

''(7) Ensuring that the Assistant Secretary for Information and Technology, in coordination with the Under Secretaries, Assistant Secretaries, and other key officials of the Department report to Congress, the Office of Management and Budget, and other entities as required by law and Executive Branch direction on the effectiveness of the Department information security program, including remedial actions.

''(8) Notifying officials other than officials of the Department of data breaches when required under this subchapter.

''(9) Ensuring that the Assistant Secretary for Information and Technology has the authority and control necessary to develop, approve, implement, integrate, and oversee the policies, procedures, processes, activities, and systems of the Department relating to subchapter III of chapter 35 of title 44, including the management of all related mission applications, information resources, personnel, and infrastructure.

''(10) Submitting to the Committees on Veterans' Affairs of the Senate and House of Representatives, the Committee on Government Reform of the House of Representatives, and the Committee on Homeland Security and Governmental Affairs of the Senate, not later than March 1 each year, a report on the compliance of the Department with subchapter III of chapter 35 of title 44, with the information in such report displayed in the aggregate and separately for each Administration, office, and facility of the Department.

''(11) Taking appropriate action to ensure that the budget for any fiscal year, as submitted by the President to Congress under section 1105 of title 31, sets forth separately the amounts required in the budget for such fiscal year for compliance by the Department with Federal law and regulations governing information security, including this subchapter and subchapter III of chapter 35 of title 44.

''(12) Providing notice to the Director of the Office of Management and Budget, the Inspector General of the Department, and such other Federal agencies as the Secretary considers appropriate of a presumptive data breach of which notice is provided the Secretary under subsection (b)(16) if, in the opinion of the Assistant Secretary for Information and Technology, the breach involves the information of twenty or more individuals.

''(b) ASSISTANT SECRETARY FOR INFORMATION AND TECHNOLOGY.—The Assistant Secretary for Information and Technology, as the Chief Information Officer of the Department, is responsible for the following:

''(1) Establishing, maintaining, and monitoring Department-wide information security policies, procedures, control techniques, training, and inspection requirements as elements of the Department information security program.

''(2) Issuing policies and handbooks to provide direction for implementing the elements of the information security program to all Department organizations.

''(3) Approving all policies and procedures that are related to information security for those areas of responsibility that are currently under the management and the oversight of other Department organizations.

''(4) Ordering and enforcing Department-wide compliance with and execution of any information security policy.

''(5) Establishing minimum mandatory technical, operational, and management information security control requirements for each Department system, consistent with risk, the processes identified in standards of the National Institute of Standards and Technology, and the responsibilities of the Assistant Secretary to operate and maintain all Department systems currently creating, processing, collecting, or disseminating data on behalf of Department information owners.

''(6) Establishing standards for access to Department information systems by organizations and individual employees, and to deny access as appropriate.

''(7) Directing that any incidents of failure to comply with established information security policies be immediately reported to the Assistant Secretary.

''(8) Reporting any compliance failure or policy violation directly to the appropriate Under Secretary, Assistant Secretary, or other key official of the Department for appropriate administrative or disciplinary action.

''(9) Reporting any compliance failure or policy violation directly to the appropriate Under Secretary, Assistant Secretary, or other key official of the Department along with taking action to correct the failure or violation.

''(10) Requiring any key official of the Department who is so notified to report to the Assistant Secretary with respect to an action to be taken in response to any compliance failure or policy violation reported by the Assistant Secretary.

''(11) Ensuring that the Chief Information Officers and Information Security Officers of the Department comply with all cyber security directives and mandates, and ensuring that these staff members have all necessary authority and means to direct full compliance with such directives and mandates relating to the acquisition, operation, maintenance, or use of information technology resources from all facility staff.

''(12) Establishing the VA National Rules of Behavior for appropriate use and protection of the information which is used to support Department missions and functions.

''(13) Establishing and providing supervision over an effective incident reporting system.

''(14) Submitting to the Secretary, at least once every quarter, a report on any deficiency in the compliance with subchapter III of chapter 35 of title 44 of the Department or any Administration, office, or facility of the Department.

''(15) Reporting immediately to the Secretary on any significant deficiency in the compliance described by paragraph (14).

''(16) Providing immediate notice to the Secretary of any presumptive data breach.

''(c) ASSOCIATE DEPUTY ASSISTANT SECRETARY FOR CYBER AND INFORMATION SECURITY.—In accordance with the provisions of subchapter III of chapter 35 of title 44, the Associate Deputy Assistant Secretary for Cyber and Information Security, as the Senior Information Security Officer of the Department, is responsible for carrying out the responsibilities of the Assistant Secretary for Information and Technology under the provisions of subchapter III of chapter 35 of title 44, as set forth in subsection (b).

''(d) DEPARTMENT INFORMATION OWNERS.—In accordance with the criteria of the Centralized IT Management System, Department information owners are responsible for the following:

''(1) Providing assistance to the Assistant Secretary for Information and Technology regarding the security requirements and appropriate level of security controls for the information system or systems where sensitive personal information is currently created, collected, processed, disseminated, or subject to disposal.

''(2) Determining who has access to the system or systems containing sensitive personal information, including types of privileges and access rights.

''(3) Ensuring the VA National Rules of Behavior is signed on an annual basis and enforced by all system users to ensure appropriate use and protection of the information which is used to support Department missions and functions.

''(4) Assisting the Assistant Secretary for Information and Technology in the identification and assessment of the common security controls for systems where their information resides.

''(5) Providing assistance to Administration and staff office personnel involved in the development of new systems regarding the appropriate level of security controls for their information.

''(e) OTHER KEY OFFICIALS.—In accordance with the provisions of subchapter III of chapter 35 of title 44, the Under Secretaries, Assistant Secretaries, and other key officials of the Department are responsible for the following:

''(1) Implementing the policies, procedures, practices, and other countermeasures identified in the Department information security program that comprise activities that are under their day-to-day operational control or supervision.

''(2) Periodically testing and evaluating information security controls that comprise activities that are under their day-to-day operational control or supervision to ensure effective implementation.

''(3) Providing a plan of action and milestones to the Assistant Secretary for Information and Technology on at least a quarterly basis detailing the status of actions being taken to correct any security compliance failure or policy violation.

''(4) Complying with the provisions of subchapter III of chapter 35 of title 44 and other related information security laws and requirements in accordance with orders of the Assistant Secretary for Information and Technology to execute the appropriate security controls commensurate to responding to a security bulletin of the Security Operations Center of the Department, with such orders to supersede and take priority over all operational tasks and assignments and be complied with immediately.

''(5) Ensuring that—

''(A) all employees within their organizations take immediate action to comply with orders from the Assistant Secretary for Information and Technology to—

''(i) mitigate the impact of any potential security vulnerability;

''(ii) respond to a security incident; or

''(iii) implement the provisions of a bulletin or alert of the Security Operations Center; and

''(B) organizational managers have all necessary authority and means to direct full compliance with such orders from the Assistant Secretary.

''(6) Ensuring the VA National Rules of Behavior is signed and enforced by all system users to ensure appropriate use and protection of the information which is used to support Department missions and functions on an annual basis.

''(f) USERS OF DEPARTMENT INFORMATION AND INFORMATION SYSTEMS.—Users of Department information and information systems are responsible for the following:

''(1) Complying with all Department information security program policies, procedures, and practices.

''(2) Attending security awareness training on at least an annual basis.

''(3) Reporting all security incidents immediately to the Information Security Officer of the system or facility and to their immediate supervisor.

''(4) Complying with orders from the Assistant Secretary for Information and Technology directing specific activities when a security incident occurs.

''(5) Signing an acknowledgment that they have read, understand, and agree to abide by the VA National Rules of Behavior on an annual basis.

''(g) INSPECTOR GENERAL OF DEPARTMENT OF VETERANS AFFAIRS.—In accordance with the provisions of subchapter III of chapter 35 of title 44, the Inspector General of the Department is responsible for the following:

''(1) Conducting an annual audit of the Department information security program.

''(2) Submitting an independent annual report to the Office of Management and Budget on the status of Department information security program, based on the results of the annual audit.

''(3) Conducting investigations of complaints and referrals of violations as considered appropriate by the Inspector General.

''§ 5724. Provision of credit protection and other services

''(a) INDEPENDENT RISK ANALYSIS.—(1) In the event of a data breach with respect to sensitive personal information that is processed or maintained by the Secretary, the Secretary shall ensure that, as soon as possible after the data breach, a non-Department entity or the Office of Inspector General of the Department conducts an independent risk analysis of the data breach to determine the level of risk associated with the data breach for the potential misuse of any sensitive personal information involved in the data breach.

''(2) If the Secretary determines, based on the findings of a risk analysis conducted under paragraph (1), that a reasonable risk exists for the potential misuse of sensitive personal information involved in a data breach, the Secretary shall provide credit protection services in accordance with the regulations prescribed by the Secretary under this section.

''(b) REGULATIONS.—Not later than 180 days after the date of the enactment of the Veterans Benefits, Health Care, and Information Technology Act of 2006, the Secretary shall prescribe interim regulations for the provision of the following in accordance with subsection (a)(2):

''(1) Notification.

''(2) Data mining.

''(3) Fraud alerts.

''(4) Data breach analysis.

''(5) Credit monitoring.

''(6) Identity theft insurance.

''(7) Credit protection services.

''(c) REPORT.—(1) For each data breach with respect to sensitive personal information processed or maintained by the Secretary, the Secretary shall promptly submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing the findings of any independent risk analysis conducted under subsection (a)(1), any determination of the Secretary under subsection (a)(2), and a description of any services provided pursuant to subsection (b).

''(2) In the event of a data breach with respect to sensitive personal information processed or maintained by the Secretary that is the sensitive personal information of a member of the Army, Navy, Air Force, or Marine Corps or a civilian officer or employee of the Department of Defense, the Secretary shall submit the report required under paragraph (1) to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives in addition to the Committees on Veterans' Affairs of the Senate and House of Representatives.

''§ 5725. Contracts for data processing or maintenance

''(a) CONTRACT REQUIREMENTS.—If the Secretary enters into a contract for the performance of any Department function that requires access to sensitive personal information, the Secretary shall require as a condition of the contract that—

''(1) the contractor shall not, directly or through an affiliate of the contractor, disclose such information to any other person unless the disclosure is lawful and is expressly permitted under the contract;

''(2) the contractor, or any subcontractor for a subcontract of the contract, shall promptly notify the Secretary of any data breach that occurs with respect to such information.

''(b) LIQUIDATED DAMAGES.—Each contract subject to the requirements of subsection (a) shall provide for liquidated damages to be paid by the contractor to the Secretary in the event of a data breach with respect to any sensitive personal information processed or maintained by the contractor or any subcontractor under that contract.

''(c) PROVISION OF CREDIT PROTECTION SERVICES.—Any amount collected by the Secretary under subsection (b) shall be deposited in or credited to the Department account from which the contractor was paid and shall remain available for obligation without fiscal year limitation exclusively for the purpose of providing credit protection services pursuant to section 5724(b) of this title.

''§ 5726. Reports and notice to Congress on data breaches

''(a) QUARTERLY REPORTS.—(1) Not later than 30 days after the last day of a fiscal quarter, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on any data breach with respect to sensitive personal information processed or maintained by the Department that occurred during that quarter.

''(2) Each report submitted under paragraph (1) shall identify, for each data breach covered by the report—

''(A) the Administration and facility of the Department responsible for processing or maintaining the sensitive personal information involved in the data breach; and

''(B) the status of any remedial or corrective action with respect to the data breach.

''(b) NOTIFICATION OF SIGNIFICANT DATA BREACHES.—(1) In the event of a data breach with respect to sensitive personal information processed or maintained by the Secretary that the Secretary determines is significant, the Secretary shall provide notice of such breach to the Committees on Veterans' Affairs of the Senate and House of Representatives.

''(2) In the event of a data breach with respect to sensitive personal information processed or maintained by the Secretary that is the sensitive personal information of a member of the Army, Navy, Air Force, or Marine Corps or a civilian officer or employee of the Department of Defense that the Secretary determines is significant under paragraph

(1), the Secretary shall provide the notice required under paragraph (1) to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives in addition to the Committees on Veterans' Affairs of the Senate and House of Representatives.

''(3) Notice under paragraphs (1) and (2) shall be provided promptly following the discovery of such a data breach and the implementation of any measures necessary to determine the scope of the breach, prevent any further breach or unauthorized disclosures, and reasonably restore the integrity of the data system.

"§ 5727. Definitions

''In this subchapter:

''(1) AVAILABILITY.—The term 'availability' means ensuring timely and reliable access to and use of information.

''(2) CONFIDENTIALITY.—The term 'confidentiality' means preserving authorized restrictions on access and disclosure, including means for protecting personal privacy and proprietary information.

''(3) CONTROL TECHNIQUES.—The term 'control techniques' means methods for guiding and controlling the operations of information systems to ensure adherence to the provisions of subchapter III of chapter 35 of title 44 and other related information security requirements.

''(4) DATA BREACH.—The term 'data breach' means the loss, theft, or other unauthorized access, other than those incidental to the scope of employment, to data containing sensitive personal information, in electronic or printed form, that results in the potential compromise of the confidentiality or integrity of the data.

''(5) DATA BREACH ANALYSIS.—The term 'data breach analysis' means the process used to determine if a data breach has resulted in the misuse of sensitive personal information.

''(6) FRAUD RESOLUTION SYSTEMS.—The term 'fraud resolution services' means services to assist an individual in the process of recovering and rehabilitating the credit of the individual after the individual experiences identity theft.

''(7) IDENTITY THEFT.—The term 'identity theft' has the meaning given such term under section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a).

''(8) IDENTITY THEFT INSURANCE.—The term 'identity theft insurance' means any insurance policy that pays benefits for costs, including travel costs, notary fees, and postage costs, lost wages, and legal fees and expenses associated with efforts to correct and ameliorate the effects and results of identity theft of the insured individual.

''(9) INFORMATION OWNER.—The term 'information owner' means an agency official with statutory or operational authority for specified information and responsibility for establishing the criteria for its creation, collection, processing, dissemination, or disposal, which responsibilities may extend to interconnected systems or groups of interconnected systems.

''(10) INFORMATION RESOURCES.—The term 'information resources' means information in any medium or form and its related resources, such as personnel, equipment, funds, and information technology.

''(11) INFORMATION SECURITY.—The term 'information security' means protecting information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide integrity, confidentiality, and availability.

''(12) INFORMATION SECURITY REQUIREMENTS.—The term 'information security requirements' means information security requirements promulgated in accordance with law, or directed by the Secretary of Commerce, the National Institute of Standards and Technology, and the Office of Management and Budget, and, as to national security systems, the President.

''(13) INFORMATION SYSTEM.—The term 'information system' means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information, whether automated or manual.

''(14) INTEGRITY.—The term 'integrity' means guarding against improper information modification or destruction, and includes ensuring information non-repudiation and authenticity.

''(15) NATIONAL SECURITY SYSTEM.—The term 'national security system' means an information system that is protected at all times by policies and procedures established for the processing, maintenance, use, sharing, dissemination or disposition of information that has been specifically authorized under criteria established by statute or Executive Order to be kept classified in the interest of national defense or foreign policy.

''(16) PLAN OF ACTION AND MILESTONES.—The term 'plan of action and milestones', means a plan used as a basis for the quarterly reporting requirements of the Office of Management and Budget that includes the following information:

''(A) A description of the security weakness.

''(B) The identity of the office or organization responsible for resolving the weakness.

''(C) An estimate of resources required to resolve the weakness by fiscal year.

''(D) The scheduled completion date.

''(E) Key milestones with estimated completion dates.

''(F) Any changes to the original key milestone date.

''(G) The source that identified the weakness.

''(H) The status of efforts to correct the weakness.

''(17) PRINCIPAL CREDIT REPORTING AGENCY.—The term 'principal credit reporting agency' means a consumer reporting agency as described in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)).

''(18) SECURITY INCIDENT.—The term 'security incident' means an event that has, or could have, resulted in loss or damage to Department assets, or sensitive information, or an action that breaches Department security procedures.

''(19) SENSITIVE PERSONAL INFORMATION.—The term 'sensitive personal information', with respect to an individual, means any information about the individual maintained by an agency, including the following:

''(A) Education, financial transactions, medical history, and criminal or employment history.

''(B) Information that can be used to distinguish or trace the individual's identity, including name, social security number, date and place of birth, mother's maiden name, or biometric records.

''(20) SUBORDINATE PLAN.—The term 'subordinate plan', also referred to as a 'system security plan', means a subordinate plan defines the security controls that are either planned or implemented for networks, facilities, systems, or groups of systems, as appropriate, within a specific accreditation boundary.

''(21) TRAINING.—The term 'training' means a learning experience in which an individual is taught to execute a specific information security procedure or understand the information security common body of knowledge.

''(22) VA NATIONAL RULES OF BEHAVIOR.—The term 'VA National Rules of Behavior' means a set of Department rules that describes the responsibilities and expected behavior of personnel with regard to information system usage.

''(23) VA SENSITIVE DATA.—The term 'VA sensitive data' means all Department data, on any storage media or in any form or format, which requires protection due to the risk of harm that could result from inadvertent or deliberate disclosure, alteration, or destruction of the information and includes information whose improper use or disclosure could adversely affect the ability of an agency to accomplish its mission, proprietary information, and records about individuals requiring protection under applicable confidentiality provisions.

"§ 5728. Authorization of appropriations

''There are authorized to be appropriated to carry out this subchapter such sums as may be necessary for each fiscal year.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 57 is amended by adding at the end the following:

''SUBCHAPTER III—INFORMATION SECURITY

''5721. Purpose.
''5722. Policy.
''5723. Responsibilities.
''5724. Provision of credit protection and other services.
''5725. Contracts for data processing or maintenance.
''5726. Reports and notice to Congress on data breaches.
''5727. Definitions.
''5728. Authorization of appropriations.''.

(c) DEADLINE FOR REGULATIONS.—Not later than one year after the date of the enactment of this Act, the Secretary of Veterans Affairs shall prescribe regulations to carry out subchapter III of chapter 57 of title 38, United States Code, as added by subsection (a).

SEC. 903. INFORMATION SECURITY EDUCATION ASSISTANCE PROGRAMS.

(a) PROGRAMS AUTHORIZED.—

(1) IN GENERAL.—Title 38 is amended by inserting after chapter 78 the following new chapter:

"CHAPTER 79—INFORMATION SECURITY EDUCATION ASSISTANCE PROGRAM

''Sec.
''7901. Programs; purpose.
''7902. Scholarship program.
''7903. Education debt reduction program.
''7904. Preferences in awarding financial assistance.
''7905. Requirement of honorable discharge for veterans receiving assistance.
''7906. Regulations.
''7907. Termination.

"§ 7901. Programs; purpose

''(a) IN GENERAL.—To encourage the recruitment and retention of Department personnel who have the information security skills necessary to meet Department requirements, the Secretary may carry out programs in accordance with this chapter to provide financial support for education in computer science and electrical and computer engineering at accredited institutions of higher education.

''(b) TYPES OF PROGRAMS.—The programs authorized under this chapter are as follows:

''(1) Scholarships for pursuit of doctoral degrees in computer science and electrical and computer engineering at accredited institutions of higher education.

''(2) Education debt reduction for Department personnel who hold doctoral degrees in computer science and electrical and computer engineering at accredited institutions of higher education.

"§ 7902. Scholarship program

''(a) AUTHORITY.—(1) Subject to the availability of appropriations, the Secretary may

establish a scholarship program under which the Secretary shall, subject to subsection (d), provide financial assistance in accordance with this section to a qualified person—

''(A) who is pursuing a doctoral degree in computer science or electrical or computer engineering at an accredited institution of higher education; and

''(B) who enters into an agreement with the Secretary as described in subsection (b).

''(2)(A) Except as provided in subparagraph (B), the Secretary may provide financial assistance under this section to an individual for up to five years.

''(B) The Secretary may waive the limitation under subparagraph (A) if the Secretary determines that such a waiver is appropriate.

''(b) SERVICE AGREEMENT FOR SCHOLARSHIP RECIPIENTS.—(1) To receive financial assistance under this section an individual shall enter into an agreement to accept and continue employment in the Department for the period of obligated service determined under paragraph (2).

''(2) For the purposes of this subsection, the period of obligated service for a recipient of financial assistance under this section shall be the period determined by the Secretary as being appropriate to obtain adequate service in exchange for the financial assistance and otherwise to achieve the goals set forth in section 7901(a) of this title. In no event may the period of service required of a recipient be less than the period equal to the total period of pursuit of a degree for which the Secretary agrees to provide the recipient with financial assistance under this section. The period of obligated service is in addition to any other period for which the recipient is obligated to serve on active duty or in the civil service, as the case may be.

''(3) An agreement entered into under this section by a person pursuing an doctoral degree shall include terms that provide the following:

''(A) That the period of obligated service begins on a date after the award of the degree that is determined under the regulations prescribed under section 7906 of this title.

''(B) That the individual will maintain satisfactory academic progress, as determined in accordance with those regulations, and that failure to maintain such progress constitutes grounds for termination of the financial assistance for the individual under this section.

''(C) Any other terms and conditions that the Secretary determines appropriate for carrying out this section.

''(c) AMOUNT OF ASSISTANCE.—(1) The amount of the financial assistance provided for an individual under this section shall be the amount determined by the Secretary as being necessary to pay—

''(A) the tuition and fees of the individual; and

''(B) $1,500 to the individual each month (including a month between academic semesters or terms leading to the degree for which such assistance is provided or during which the individual is not enrolled in a course of education but is pursuing independent research leading to such degree) for books, laboratory expenses, and expenses of room and board.

''(2) In no case may the amount of assistance provided for an individual under this section for an academic year exceed $50,000.

''(3) In no case may the total amount of assistance provided for an individual under this section exceed $200,000.

''(4) Notwithstanding any other provision of law, financial assistance paid an individual under this section shall not be considered as income or resources in determining eligibility for, or the amount of benefits under, any Federal or federally assisted program.

''(d) REPAYMENT FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—(1) An individual who receives financial assistance under this section shall repay to the Secretary an amount equal to the unearned portion of the financial assistance if the individual fails to satisfy the requirements of the service agreement entered into under subsection (b), except in circumstances authorized by the Secretary.

''(2) The Secretary may establish, by regulations, procedures for determining the amount of the repayment required under this subsection and the circumstances under which an exception to the required repayment may be granted.

''(3) An obligation to repay the Secretary under this subsection is, for all purposes, a debt owed the United States. A discharge in bankruptcy under title 11 does not discharge a person from such debt if the discharge order is entered less than five years after the date of the termination of the agreement or contract on which the debt is based.

''(e) WAIVER OR SUSPENSION OF COMPLIANCE.—The Secretary shall prescribe regulations providing for the waiver or suspension of any obligation of an individual for service or payment under this section (or an agreement under this section) whenever noncompliance by the individual is due to circumstances beyond the control of the individual or whenever the Secretary determines that the waiver or suspension of compliance is in the best interest of the United States.

''(f) INTERNSHIPS.—(1) The Secretary may offer a compensated internship to an individual for whom financial assistance is provided under this section during a period between academic semesters or terms leading to the degree for which such assistance is provided. Compensation provided for such an internship shall be in addition to the financial assistance provided under this section.

''(2) An internship under this subsection shall not be counted toward satisfying a period of obligated service under this section.

''(g) INELIGIBILITY OF INDIVIDUALS RECEIVING MONTGOMERY GI BILL EDUCATION ASSISTANCE PAYMENTS.—An individual who receives a payment of educational assistance under chapter 30, 31, 32, 34, or 35 of this title or chapter 1606 or 1607 of title 10 for a month in which the individual is enrolled in a course of education leading to a doctoral degree in information security is not eligible to receive financial assistance under this section for that month.

''§ 7903. Education debt reduction program

''(a) AUTHORITY.—Subject to the availability of appropriations, the Secretary may establish an education debt reduction program under which the Secretary shall make education debt reduction payments under this section to qualified individuals eligible under subsection (b) for the purpose of reimbursing such individuals for payments by such individuals of principal and interest on loans described in paragraph (2) of that subsection.

''(b) ELIGIBILITY.—An individual is eligible to participate in the program under this section if the individual—

''(1) has completed a doctoral degree in computer science or electrical or computer engineering at an accredited institution of higher education during the five-year period preceding the date on which the individual is hired;

''(2) is an employee of the Department who serves in a position related to information security (as determined by the Secretary); and

''(3) owes any amount of principal or interest under a loan, the proceeds of which were used by or on behalf of that individual to pay costs relating to a doctoral degree in computer science or electrical or computer engineering at an accredited institution of higher education.

''(c) AMOUNT OF ASSISTANCE.—(1) Subject to paragraph (2), the amount of education debt reduction payments made to an individual under this section may not exceed $82,500 over a total of five years, of which not more than $16,500 of such payments may be made in each year.

''(2) The total amount payable to an individual under this section for any year may not exceed the amount of the principal and interest on loans referred to in subsection (b)(3) that is paid by the individual during such year.

''(d) PAYMENTS.—(1) The Secretary shall make education debt reduction payments under this section on an annual basis.

''(2) The Secretary shall make such a payment—

''(A) on the last day of the one-year period beginning on the date on which the individual is accepted into the program established under subsection (a); or

''(B) in the case of an individual who received a payment under this section for the preceding fiscal year, on the last day of the one-year period beginning on the date on which the individual last received such a payment.

''(3) Notwithstanding any other provision of law, education debt reduction payments under this section shall not be considered as income or resources in determining eligibility for, or the amount of benefits under, any Federal or federally assisted program.

''(e) PERFORMANCE REQUIREMENT.—The Secretary may make education debt reduction payments to an individual under this section for a year only if the Secretary determines that the individual maintained an acceptable level of performance in the position or positions served by the individual during the year.

''(f) NOTIFICATION OF TERMS OF PROVISION OF PAYMENTS.—The Secretary shall provide to an individual who receives a payment under this section notice in writing of the terms and conditions that apply to such a payment.

''(g) COVERED COSTS.—For purposes of subsection (b)(3), costs relating to a course of education or training include—

''(1) tuition expenses; and

''(2) all other reasonable educational expenses, including fees, books, and laboratory expenses.

''§ 7904. Preferences in awarding financial assistance

''In awarding financial assistance under this chapter, the Secretary shall give a preference to qualified individuals who are otherwise eligible to receive the financial assistance in the following order of priority:

''(1) Veterans with service-connected disabilities.

''(2) Veterans.

''(3) Persons described in section 4215(a)(1)(B) of this title.

''(4) Individuals who received or are pursuing degrees at institutions designated by the National Security Agency as Centers of Academic Excellence in Information Assurance Education.

''(5) Citizens of the United States.

''§ 7905. Requirement of honorable discharge for veterans receiving assistance

''No veteran shall receive financial assistance under this chapter unless the veteran was discharged from the Armed Forces under honorable conditions.

''§ 7906. Regulations

''The Secretary shall prescribe regulations for the administration of this chapter.

"§ 7907. Termination

''The authority of the Secretary to make a payment under this chapter shall terminate on July 31, 2017.''.

(2) CLERICAL AMENDMENTS.—The tables of chapters at the beginning of title 38, and of part V of title 38, are each amended by inserting after the item relating to chapter 78 the following new item:

"79. Information Security Education Assistance Program ..... 7901".

(b) GAO REPORT.—Not later than three years after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on the scholarship and education debt reduction programs under chapter 79 of title 38, United States Code, as added by subsection (a).

(c) APPLICABILITY OF SCHOLARSHIPS.—Section 7902 of title 38, United States Code, as added by subsection (a), may only apply with respect to financial assistance provided for an academic semester or term that begins on or after August 1, 2007.

TITLE X—OTHER MATTERS

SEC. 1001. NOTICE TO CONGRESSIONAL VETERANS COMMITTEES OF CERTAIN TRANSFERS OF FUNDS.

To the extent that the Secretary of Veterans Affairs is required or directed, under any provision of law, to provide written notice to any committee of Congress other than the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives on the transfer of appropriations from one account to any other account, the Secretary shall also transmit such notice to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives.

SEC. 1002. CLARIFICATION OF CORRECTIONAL FACILITIES COVERED BY CERTAIN PROVISIONS OF LAW.

(a) PAYMENT OF PENSION DURING CONFINEMENT IN PENAL INSTITUTIONS.—Section 1505(a) is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(b) ALLOWANCES FOR TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES.—Section 3108(g)(1) is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(c) EDUCATIONAL ASSISTANCE BENEFITS FOR POST-VIETNAM ERA VETERANS.—Section 3231(d)(1) is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(d) COMPUTATION OF EDUCATIONAL ASSISTANCE ALLOWANCES FOR VETERANS GENERALLY.—Section 3482(g)(1) is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(e) COMPUTATION OF EDUCATIONAL ASSISTANCE ALLOWANCE FOR SURVIVORS AND DEPENDENTS.—Section 3532(e) is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

(f) LIMITATION ON PAYMENT OF COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.—Section 5313 is amended by striking ''or local penal institution'' each place it appears and inserting ''local, or other penal institution or correctional facility''.

(g) LIMITATION ON PAYMENT OF CLOTHING ALLOWANCE.—Section 5313A is amended by striking ''or local penal institution'' and inserting ''local, or other penal institution or correctional facility''.

SEC. 1003. EXTENSION OF AUTHORITY FOR HEALTH CARE FOR PARTICIPATION IN DOD CHEMICAL AND BIOLOGICAL WARFARE TESTING.

Section 1710(e)(3)(D) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2007''.

SEC. 1004. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 38, UNITED STATES CODE.—

(1) CITATION CORRECTION.—Section 1718(c)(2) is amended by inserting ''of 1938'' after ''Act''.

(2) CITATION CORRECTION.—Section 1785(b)(1) is amended by striking ''Robert B.'' and inserting ''Robert T.''.

(3) PUNCTUATION CORRECTION.—Section 2002(1) is amended by inserting a closing parenthesis before the period at the end.

(4) PUNCTUATION CORRECTION.—Section 2011(a)(1)(C) is amended by inserting a period at the end.

(5) CROSS REFERENCE CORRECTION.—Section 2041(a)(3)(A)(i) is amended by striking ''under this chapter'' and inserting ''established under section 3722 of this title''.

(6) CITATION CORRECTION.—Section 8111(b)(1) is amended by striking ''into the strategic'' and all that follows through ''and Results Act of 1993'' and inserting ''into the strategic plan of each Department under section 306 of title 5 and the performance plan of each Department under section 1115 of title 31''.

(7) REPEAL OF OBSOLETE TEXT.—Section 8111 is further amended—

(A) in subsection (d)(2), by striking ''effective October 1, 2003,''; and

(B) in subsection (e)(2)—

(i) in the second sentence, by striking ''shall be implemented no later than October 1, 2003, and''; and

(ii) in the third sentence, by striking '', following implementation of the schedule,''.

(8) CITATION CORRECTION.—Section 8111A(a)(2)(B)(i) is amended by striking ''Robert B.'' and inserting ''Robert T.''.

(b) PUBLIC LAW 107–296.—Effective as of November 25, 2002, section 1704(d) of the Homeland Security Act of 2002 (Public Law 107–296; 116 Stat. 2315) is amended—

(1) by striking ''101(25)(d)'' and inserting ''101(25)(D)''; and

(2) by striking ''3011(a)(1)(A)(ii)(II)'' and inserting ''3011(a)(1)(A)(ii)(III)''.

SEC. 1005. CODIFICATION OF COST-OF-LIVING ADJUSTMENT PROVIDED IN PUBLIC LAW 109–361.

(a) VETERANS' DISABILITY COMPENSATION.—Section 1114 is amended—

(1) in subsection (a), by striking ''$112'' and inserting ''$115'';

(2) in subsection (b), by striking ''$218'' and inserting ''$225'';

(3) in subsection (c), by striking ''$337'' and inserting ''$348'';

(4) in subsection (d), by striking ''$485'' and inserting ''$501'';

(5) in subsection (e), by striking ''$690'' and inserting ''$712'';

(6) in subsection (f), by striking ''$873'' and inserting ''$901'';

(7) in subsection (g), by striking ''$1,099'' and inserting ''$1,135'';

(8) in subsection (h), by striking ''$1,277'' and inserting ''$1,319'';

(9) in subsection (i), by striking ''$1,436'' and inserting ''$1,483'';

(10) in subsection (j), by striking ''$2,393'' and inserting ''$2,471'';

(11) in subsection (k)—

(A) by striking ''$87'' both places it appears and inserting ''$89''; and

(B) by striking ''$2,977'' and ''$4,176'' and inserting ''$3,075'' and ''$4,313'', respectively;

(12) in subsection (l), by striking ''$2,977'' and inserting ''$3,075'';

(13) in subsection (m), by striking ''$3,284'' and inserting ''$3,392'';

(14) in subsection (n), by striking ''$3,737'' and inserting ''$3,860'';

(15) in subsections (o) and (p), by striking ''$4,176'' each place it appears and inserting ''$4,313'';

(16) in subsection (r)—

(A) in paragraph (1), by striking ''$1,792'' and inserting ''$1,851''; and

(B) in paragraph (2), by striking ''2,669'' and inserting ''$2,757''; and

(17) in subsection (s), by striking ''$2,678'' and inserting ''$2,766''.

(b) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Section 1115(1) is amended—

(1) in subparagraph (A), by striking ''$135'' and inserting ''$139'';

(2) in subparagraph (B), by striking ''$233'' and ''$68'' and inserting ''$240'' and ''$70'', respectively;

(3) in subparagraph (C), by striking ''$91'' and ''$68'' and inserting ''$94'' and ''$70'', respectively;

(4) in subparagraph (D), by striking ''$109'' and inserting ''$112'';

(5) in subparagraph (E), by striking ''$257'' and inserting ''$265''; and

(6) in subparagraph (F), by striking ''$215'' and inserting ''$222''.

(c) CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.—Section 1162 is amended by striking ''$641'' and inserting ''$662''.

(d) DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.—

(1) NEW LAW DIC.—Subsection (a) of section 1311 is amended—

(A) in paragraph (1), by striking ''$1,033'' and inserting ''$1,067''; and

(B) in paragraph (2), by striking ''$221'' and inserting ''$228''.

(2) OLD LAW DIC.—The table in paragraph (3) of such subsection is amended to read as follows:

Pay grade	Monthly rate	Pay grade	Monthly rate
E–1	$1,067	W–4	$1,276
E–2	$1,067	O–1	$1,128
E–3	$1,067	O–2	$1,165
E–4	$1,067	O–3	$1,246
E–5	$1,067	O–4	$1,319
E–6	$1,067	O–5	$1,452
E–7	$1,104	O–6	$1,637
E–8	$1,165	O–7	$1,768
E–9	$1,215[1]	O–8	$1,941
W–1	$1,128	O–9	$2,076
W–2	$1,172	O–10	$2,276[2]
W–3	$1,207		

[1] If the veteran served as Sergeant Major of the Army, Senior Enlisted Advisor of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be $1,312.

[2] If the veteran served as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 1302 of this title, the surviving spouse's rate shall be $2,443.

(3) ADDITIONAL DIC FOR CHILDREN OR DISABILITY.—Such section is further amended—

(A) in subsection (b), by striking ''$257'' and inserting ''$265'';

(B) in subsection (c), by striking ''$257'' and inserting ''$265''; and

(C) in subsection (d), by striking ''$122'' and inserting ''$126''.

(e) DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.—

(1) DIC WHEN NO SURVIVING SPOUSE.—Section 1313(a) is amended—

(A) in paragraph (1), by striking ''$438'' and inserting ''$452'';

(B) in paragraph (2), by striking ''$629'' and inserting ''$649'';

(C) in paragraph (3), by striking ''$819'' and inserting ''$846''; and

(D) in paragraph (4), by striking ''$819'' and ''$157'' and inserting ''$846'' and ''$162'', respectively.

(2) SUPPLEMENTAL DIC FOR CERTAIN CHILDREN.—Section 1314 is amended—

(A) in subsection (a), by striking ''$257'' and inserting ''$265'';

(B) in subsection (b), by striking ''$438'' and inserting ''$452''; and

(C) in subsection (c), by striking ''$218'' and inserting ''$225''.

SEC. 1006. COORDINATION OF PROVISIONS WITH VETERANS PROGRAMS EXTENSION ACT OF 2006.

(a) EARLIER ENACTMENT OF THIS ACT.—If this Act is enacted before the Veterans Programs Extension Act of 2006 is enacted into law, the Veterans Programs Extension Act of 2006, and the amendments made by that Act, shall not take effect.

(b) EARLIER ENACTMENT OF VETERANS PROGRAMS EXTENSION ACT OF 2006.—If this Act is enacted after the enactment of the Veterans Programs Extension Act of 2006, then as of the date of the enactment of this Act, the Veterans Programs Extension Act of 2006 and the amendments made by that Act shall be deemed for all purposes not to have taken effect and the Veterans Programs Extension Act of 2006 and the amendments made by that Act shall cease to be in effect.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana (Mr. BUYER) and the gentlewoman from Florida (Ms. CORRINE BROWN) each will control 20 minutes.

The Chair recognizes the gentleman from Indiana.

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

Mr. Speaker, under title I of the amended bill, veterans making claims would be able to hire an attorney or an agent after a notice of disagreement referred to as an NOD, with a VA benefits decision having been filed. In the spirit of compromise, we worked with our Senate counterparts to craft this provision in such a way as to provide veterans with the opportunity to retain representation while protecting them from unscrupulous attorneys, while at the same time with great hope, not adding to the burden on VA's already overwhelmed claims system.

Title II of the compromise language increases support of servicemembers returning from the war on terror by improving VA's outreach and increasing the number of clinicians treating post-traumatic stress disorder, referred to as PTSD, and improving their training.

The funds will also expand telehealth initiatives that are invaluable to rural veterans and expand the number of community-based outpatient clinics able to treat mental illnesses. The title further authorizes spending for collaboration and PTSD diagnosis and treatment between the VA and the Department of Defense. Families contending with the loss of a loved one will also benefit from bereavement counseling authorized under this bill.

Mr. Speaker, veterans undergoing blind rehabilitation treatment for Parkinson's disease and multiple sclerosis, and those trying to break the cycle of homelessness, will also see increased support under this legislation. The bill authorizes $2 billion for blind rehabilitation specialists and increases the number of facilities where these specialists will be located. It also authorizes the VA to designate six Parkinson's Disease Research, Education and Clinical Centers of Excellence and at least two multiple sclerosis centers of excellence.

The compromise legislation also strengthens VA's homeless grant and per diem programs. The provisions in title III would also make modifications to veterans education programs.

Mr. Speaker, I have been fortunate to meet some of these spouses of our severely wounded veterans, and I must say there is no one more deserving than these spouses who care for their wounded, America's heroes and their husbands on a daily basis.

Therefore, section 3 of the compromise contains a provision to authorize the VA to provide these education benefits under chapter 35 of title 38 of U.S.C. to these spouses' independent children of these severely injured servicemembers prior to the members' discharge, these servicemembers who in the opinion of the VA will most likely be discharged with permanent and total service-connected disabilities.

Rather than wait the 2- or 3-year time period, let us permit the spouses then to obtain their educational benefits so they can gain an education. When the husband or wife receives his or her discharge, they are then able to care for the family. Given the long convalescence many of these severely injured servicemembers experience while being on active duty, this provision, I think, makes a great deal of sense in how we support our families.

□ 1130

This is not a new benefit. The current law requires severely injured servicemembers to already be discharged for a condition qualifying for a chapter 35 benefit. We merely authorize the VA to pay these benefits sooner to those who would qualify following a member's discharge.

Mr. Speaker, under title III of the amended bill, it would also clarify the VA's pro rata refund policy for nonaccredited education institutions. We extend the authorization for work-study positions located at the VA cemeteries, State veterans homes and State approving agencies through June 30, 2007. We would require the VA to report on methods to improve and streamline the administrative processes and procedures of education programs in chapters 30 through 36 of title 38 of the United States Code and restore lost entitlement for certain chapter 35 education beneficiaries forced to discontinue a course of education due to being called to full-time National Guard duty.

Mr. Speaker, title IV, section 402, contains a provision that would extend for 1 year the VA Secretary's authority to provide the family of a veteran interred in a private cemetery with a government marker or any headstone. Congress had previously given the Secretary a 5-year authority effective for deaths that had occurred as of September 11, 2001. However, this authority expires on December 31 of this year.

Section 403 of the compromise agreement would allow tribal governments to participate in the VA's State Cemeteries Grants Program. This program dates back to 1978 and complements the department's National Cemetery System.

Title V of the compromise language improves the status of veteran and disabled veterans small businesses when competing for contracts at the Department of Veterans Affairs. There would be a reasonable expectation, Mr. Speaker, that all of the Federal Government's agencies in the Department of Veterans Affairs would be a leader in achieving the President's goal for annual procurement from at least 3 percent of the disabled veteran-owned businesses. Sadly, our most recent data from fiscal year 2005 indicates that the VA did barely over half of what the President directed and the public law required.

Mr. Speaker, the compromise agreement would also require the VA Secretary to establish annual contracting goals for small businesses owned and controlled by veterans and service-disabled veterans. The goal of the service-disabled veterans would not be less than 3 percent of these contracts. The veteran and disabled veteran-owned small businesses would be given priority in VA contracting as well as priority among other set-aside groups eligible for preferential treatment under the Small Business Act.

Title VI of this compromise bill contains provisions affecting the Department of Labor's Veterans Employment and Training Service. The compromise agreement would also clarify the part-time employment of DVOPS and LVERs, which is half-time employment, and require that DVOPS and LVERs hired after the date of enactment successfully complete training by the National Veterans Training Institute within 3 years of appointment.

Finally, title VI of the compromise would establish a 3-year demonstration program to identify not less than 10 military occupational specialties that would lead to State licensing and authorize the use of any unobligated funds for the project through fiscal year 2009.

Title VII provisions of the legislation strengthen support for homeless veterans, increasing authorization for housing, per diem payments and other specialized services. It also creates a VA Office of Rural Health and dramatically improves outreach for rural veterans.

State veterans homes will now be reimbursed by VA for the cost of care provided to veterans with 70 percent or higher service-connected conditions. Further, veterans in these homes with service-connected conditions rated at

least 50 percent would receive their medications free of charge. In order to increase access to long-term care, VA would conduct a pilot program that makes non-VA facilities, such as community hospitals, eligible for State veterans home per diem payments.

Mr. Speaker, title VIII of the compromise language authorizes $36.8 million for advanced planning of a collaboration project between the Ralph H. Johnson VA Medical Center in Charleston, S.C. and the adjacent Medical University of South Carolina, referred to as MUSC.

The project is likely to ensure that veterans in the low country of South Carolina receive the highest quality and state-of-the-art facilities. It would replace the aging infrastructure of the VA facilities and combine this with the MUSC facilities which are adjacent. Connecting these facilities, not just the sharing of clinicians, which is now the case, is the way to go.

There is very expensive and advanced medical equipment, lab and ancillary services. That is the goal of this collaboration. Both VA and the Medical University will remain committed to preserving VA's unique identity and commitment to veterans priorities. The enhanced collaboration envisioned in Charleston is innovative and will serve as a national model as its design and operation benefiting from the best minds in the public and private sectors will afford South Carolina veterans higher quality, more efficient care and truly state-of-the-art facilities.

This is a big deal, Mr. Speaker. It is a big deal because this idea is going to be leveraged also into Louisiana.

We are authorizing over $600 million for repair and replacement of flood and hurricane-damaged facilities in New Orleans and along the gulf coast of Mississippi.

The bill authorizes $98 million for the replacement of the VA Medical Center in Denver and directs the Secretary of Veterans Affairs to explore the viability of public-private partnerships as he moves forward in Denver.

Twenty-two other major construction projects in 15 States are authorized in this bill, which also approves continued leasing of eight medical facilities and requires the VA to explore options for construction of a new facility in San Juan, Puerto Rico.

Mr. Speaker, on May 3, 2006, an incident of a VA employee's stolen laptop computer potentially put at risk the personal data of 25.6 million veterans and 2.2 million Active Duty, Guard and Reservists. This was the largest information security breach to have occurred in government and it is the second largest such security breach in the Nation's history.

Title IX of the compromise bill would protect our veterans and servicemembers from the misuse of their sensitive personal information. The bill directs the VA to provide breach notification to individuals, reports to Congress, broad alerts, data breach analysis and credit monitoring services, and identify theft insurance.

Title IX, what we do is direct the Secretary to issue implementing regulations within 180 days of enactment of this bill.

Finally, Mr. Speaker, title X of the compromise language makes technical and clarifying amendments to title 38.

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

Ms. CORRINE BROWN of Florida. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Nevada (Ms. BERKLEY).

Ms. BERKLEY. Mr. Speaker, I want to particularly thank the gentlelady for yielding. We have a bit of a time crunch, and I appreciate her graciousness.

Mr. Speaker, I would like to thank Chairman BUYER, Ranking Member EVANS and acting Ranking Member FILNER for moving forward on this bill. This legislation will provide our veterans with a number of important benefits, and I am absolutely delighted to be able to be here and speak in favor of it.

I want to particularly mention a provision in this legislation that will permit Native American tribal organizations to apply for VA State cemetery grants. This will allow tribes such as the Paiutes in Nevada to build or expand cemeteries on their reservations so that Native American veterans can be laid to rest near their families in veterans cemeteries.

In addition, with this bill, veterans will have the choice as to whether to have attorney representation in the VA claims process. While some veterans may choose to hire a lawyer, veteran service organizations will continue to maintain their traditional role in the VA claims process.

I am pleased that this legislation includes a number of safeguards. For example, veterans will only be able to hire an attorney after they actually disagree with the VA decision. This provision is from similar legislation that Lane Evans and I introduced earlier. This legislation is about giving veterans a choice. Now our Nation's heroes will simply have the option of hiring an attorney if they choose to.

I am delighted that this bill includes four lease authorizations on leases that will soon expire in Las Vegas, and perhaps most important and most sought after is a $406 million authorization for a new VA medical center in Las Vegas on which we broke ground this past October. This complex will include a hospital, an outpatient clinic and a nursing home. My veterans desperately need this facility as Las Vegas has the fastest growing veterans population in the United States, but does not have a VA medical center or hospital or clinic.

This authorization is crucial, crucial, to veterans in Southern Nevada. I am pleased that we have been able to reach an agreement on these provisions during a time of war and when we are seeing new veterans returning home from Iraq and Afghanistan. We must provide our veterans with the benefits and care they deserve, they have earned, and that they are entitled to.

I fully support this legislation, and I urge its support.

Mr. BUYER. Mr. Speaker, will the gentlewoman yield?

Ms. BERKLEY. I yield to the gentleman from Indiana.

Mr. BUYER. Ms. BERKLEY, I want to thank you. I want to thank you for your tenacity, for your commitment to your veterans that you serve, not only in your district, but across the country. I have enjoyed working with you on your project in Las Vegas. I enjoyed my visits with you when I was out there.

One of the challenges which we face is the growth of population that you have in Las Vegas, which is like none other in the country. I know that Ms. BROWN believes that Orlando is growing the fastest, but Las Vegas, it is beyond comprehension how you are able to stay ahead of it.

So whatever we plan today, what I have learned about working with you, what we planned 2 years ago is already obsolete today. This is an ongoing issue that I want to work with the gentlelady with, and I compliment your effort and leadership.

Ms. BERKLEY. Mr. Speaker, reclaiming my time, while I don't want to turn Congress into a mutual admiration society, let me thank the chairman for helping make this compromise a reality. I know that he must have been working very late into the night last night. This is important stuff. We both know it. We all know it. I am very glad we were able to bring this to the floor. Thank you very much for your sensitivity to my veterans needs. I don't think Las Vegas will soon forget your visit to our fair city.

Mr. Speaker, once again, I thank Congresswoman BROWN.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also want to thank the gentlelady. Having visited her area, I understand the fast growth that she is experiencing with VA and her veterans. So I strongly support a new facility in her area, and will talk in a few minutes about the needs of the veterans in Central Florida for over 25 years.

Mr. Speaker, I rise in support of the Veterans Benefit Health Care and Information Technology Act of 2006. This bill, as its title suggests, authorizes new benefits and health care programs for veterans. The bill authorizes needed construction of VA medical facilities and leases for VA clinics across the Nation. The bill also addresses significant vulnerabilities in VA's information technology security.

I am proud that working with the gentleman from Indiana, Mr. BUYER, the chairman of our committee, and our colleagues in the Senate, Chairman

CRAIG and Ranking Member AKAKA, we have been able to draft a solid veterans bill before we recess.

Mental health: I have been a firm advocate that we must do more to help veterans with mental health concerns and their families. The legislation we consider today has many important mental health provisions which will expand VA capacities to address the mental health concerns of veterans.

One example, the bill authorizes the VA to have marriage and family therapists and the other mental health professionals. Today we are sending a clear signal that we want to help the families of veterans with posttraumatic stress disorder stay strong, stay resilient and stay together.

This bill requires the VA to ensure that each community-based outreach clinic has the capacity to provide mental health services. This bill requires the VA to increase the number of vet centers able to use telemedicine to provide counseling for veterans. This is especially important for veterans living in rural areas. This bill requires VA to increase the outreach service of vet centers.

Passing this legislation is an important first step, but we must be vigilant to be sure that VA implements the law as we intended them.

Long-term care: In just a few years, VA estimates that there will be 1.3 million veterans who will be 85 years old and older. Because of their age, these men and women will most likely need long-term nursing care or other assistance. This bill requires VA to develop and publish a comprehensive plan for the long-term care of veterans.

Since 1888, State veterans homes have played an important role to provide care for our Nation's disabled veterans. This bill enhances this important Federal and State partnership by ensuring that medication is provided at no cost to veterans with a 50 percent or more service-connected disability. This bill also increases veterans reimbursement for the cost of care for veterans with significant service-connected disabilities.

Rural care: We all have heard of the frustration and challenges rural veterans face in trying to access medical care from the VA. This legislation helps focus VA efforts on addressing the needs of veterans in rural areas. The bill establishes a VA Office of Rural Health Care and requires the director of the new office to develop a plan to improve rural veterans access to VA care.

Outreach to recent veterans. This bill also requires the VA to conduct an extensive outreach program to veterans who served in Iraq and Afghanistan and have returned home to rural communities.

□ 1145

This provision is proactive and presses VA to reach out to veterans and build on the strengths of our small towns and communities.

Construction. This omnibus measure also authorizes VA major facility construction projects and leases. It has been some time now since Congress acted to address the health care infrastructure of the Department of Veterans Affairs.

At this time, I want to mention the facility in Orlando, which has been in the pipeline and gone through the process for over 25 years, and that is one reason why I am extremely pleased that we are bringing this bill up today. The veterans in our area that have come from all over the country can no longer wait for a facility, and I am very pleased that the facility in Orlando and the facility not just in Orlando but in Florida and all over the country, including New Orleans whose facility was destroyed, and other places will get the authorization that it needs to move forward.

While I am proud that we are moving forward on important veterans legislation, I remain deeply frustrated and concerned that it still appears that we are still ending this congressional session leaving veterans without a funding bill. Even with a continuing resolution, we are undermining VA's health care system and shortchanging veterans. At the medical center level, a delay in the fiscal year 2007 funding translates into delays in hiring nurses and other hospital staff. It means staff work longer hours and are stretched thin. It means quality of care is put at risk. It means longer waiting lines for veterans.

This failure to pass a budget is a clear illustration of the need for mandatory or assured funding of VA health care, and I firmly support it. In the next Congress, we need to look seriously at alternate ways to assure adequate funding for veterans health care.

Needed action. This bill is a good bill, but even this hefty omnibus bill leaves some of our work incomplete.

I believe that we owe it to our newest veterans to modernize the GI bill, especially including meaningful benefits for the Guard and Reserve.

We must increase VA's capacity to meet the rehabilitation and long-term care needs of veterans with traumatic brain injuries.

We must continue to monitor and strengthen VA's capacity to help veterans with post-traumatic stress disorder and other mental health concerns.

As we work to address the emerging issues of veterans returning from Iraq and Afghanistan, we must also continue to press VA to meet the health care needs of veterans exposed to Agent Orange and veterans struggling with a range of Gulf War illnesses.

Today's bill permanently authorizes VA's homeless grant and per diem program, which I think is very important because I know that we have all looked in our area and seen the homelessness. We know that one-third of those homeless are veterans, and so this bill helps homeless grants and per diem programs. This is a good program. We must help it grow to address more than a fraction of the homeless veterans on the streets. This is really unacceptable.

We need to work together in the next Congress to acknowledge where there are problems in the VA system and fix them.

Finally, I want to thank all of the VA staff on both the Republican and Democratic side for their dedication and hard work, and I know they have worked into the night for the last two nights to serve our Nation's veterans. I personally appreciate the work that they have done, and I appreciate the work that the leadership has done. I think it is a good bill. It is a good start, and I urge my colleagues to support it.

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

Mr. BUYER. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina (Mr. BROWN), the subcommittee chairman on health.

Mr. BROWN of South Carolina. Mr. Speaker, I thank the gentleman for yielding me this time.

Let me begin by thanking our esteemed chairman Mr. BUYER for all his hard work this Congress. Under his leadership, this committee has fought to do what is right for veterans, and I am proud to serve on this committee and even more proud to call him my friend.

I also want to thank our ranking member, Mr. EVANS, and acting ranking member, Mr. FILNER, and my ranking colleague Mr. MICHAUD for all of their efforts. I have a great deal of respect for the bipartisan commitment to our Nation's veterans this committee holds and look forward to continuing our work together next year.

Likewise, Chairman CRAIG and Ranking Member AKAKA of our sister committee in the Senate have also made enormous contributions to the bill before the House today, and I appreciate their support for moving this compromise agreement before this Congress adjourns.

All of us have had the opportunity to spend time with some of the men and women who have been injured as a result of their service to this Nation. There are few more important ways we could demonstrate our appreciation for their sacrifice than to set in place authorizations that will help improve the quality and access to health care services these folks will require. I believe we have accomplished that in this bill.

The legislation we are now considering incorporates substantial measures contained in a number of House and Senate bills addressing veterans health care benefits. As the Health Subcommittee chairman, I am especially pleased that this bill supports new and innovative collaborative partnerships between VA and medical universities and Federal, State and local health entities and the private sector to improve the quality of care delivered to those who have faithfully

served this country. The chairman believes, as I do, that local health care economies can and should be leveraged whenever possible to enhance VA health care delivery and keep pace with 21st-century technology.

Collaboration is becoming increasingly essential in delivering health care across the Nation. So long as we remain true to the distinct identity of the VA, and so long as we ensure the continued quality associated with VA care, VA collaboration on joint ventures with its extensive medical university affiliations and the Department of Defense could be mutually advantageous for all organizations.

In the package before us today, we have a number of exciting possible collaboration projects, including one that is certainly dear to me, and that is the authorization of the advanced planning and design for what might someday be a joint hospital complex between the VA and the Medical University of South Carolina. Likewise, the bill also authorizes co-location of a new VA medical center with the Louisiana State University in New Orleans, a project that is incredibly important considering the devastation that was visited on the area by Hurricane Katrina.

As I have stated, I believe the collaborative projects are critically important in terms of fully leveraging available local resources, and I am hopeful that the diligent and bipartisan work of the committee in this area will continue in the new Congress.

In addition to the construction-related provisions of this bill, I would like to briefly mention a few of the important health measures this bill includes:

Improves VA's ability to respond to the mental health needs of our veterans, including increasing mental health care funding, expanding mental health services at all VA facilities and increasing the number of clinical care providers dedicated to the treatment of PTSD;

Establishes an Office of Rural Health and improves outreach programs to increase access to care for veterans in rural areas;

Requires the Secretary of the VA to establish a strategic plan for long-term care; and

Extends and improves programs for homeless veterans, including grants for community care providers and VA treatment and rehabilitation services for homeless veterans who are mentally ill.

Whether it is improved access to vet centers for newly returning veterans, the improved access to telehealth services, or the codification of the Parkinson's disease and MS centers, this bill is important. It is not only important because of the authorizations it contains but because it represents our commitment to those who have served. I am committed to doing what is right on their behalf, and I know my colleagues on the committee feel the same.

So I would urge the rest of my friends in this body to support this bill, and in doing so, send a strong signal to our servicemembers letting them know that we support them, not only when they are in harm's way but upon their return as well.

Again, I urge my colleagues to join me in supporting this legislation.

Mr. BUYER. Mr. Speaker, I yield 2¼ minutes to the gentleman from Arkansas (Mr. BOOZMAN), subcommittee chairman.

Mr. BOOZMAN. Mr. Speaker, I certainly want to congratulate Mr. BUYER and thank him and thank the staff on both sides, the chairman, Ranking Member EVANS, Acting Ranking Member FILNER, and again all of the staff for your hard work in getting this bill together. It is a very, very good bill.

The bill before the House makes improvements in nearly every major area of veterans programs. I am especially proud of the provisions that originally passed the House in H.R. 3082. That bill, and now S. 3421, contains significant changes to how the Department of Veterans Affairs and the Department of Labor's Veterans Employment and Training Service meet the small business and employment needs of America's veterans.

Mr. Speaker, the Federal Government has fallen woefully short in meeting the disabled veteran-owned small business contracting goals set forth in Public Law 106–50 and Presidential Executive Order 13360. Since the law and directive took effect, only one major Federal agency has met the 3 percent goal for disabled veteran-owned small businesses. This is certainly a very, very poor record. This bill provides the Department of Veterans Affairs with the tools and requisite authorities to not only meet the goal but to exceed the goal.

The bill also makes several important improvements in the delivery of employment services to veterans. As a result, State workforce agency employees funded by the Veterans Employment and Training Service will be better trained in their duties. The Secretary of Labor will have additional authority to hold States accountable for job placement results. The bill also makes it easier for servicemembers transitioning to civilian life by authorizing a pilot program to break down barriers to qualifying for State licenses based on military training, education, and experience.

Mr. Speaker, again, this is an excellent bill. I want to again thank you for all of the hard work on both sides for the effort that was done and very much support the passage of this bill.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY), my classmate.

Mrs. MALONEY. Mr. Speaker, I thank the gentlewoman for yielding and for her leadership on this extremely important issue and many others.

I rise in strong support of this bill. We need to support our veterans when they are in harm's way; and when they return home, we have to give them the support for their health care and for their lives that they deserve.

I am very pleased that the Veterans Administration is continuing to support the 23rd Street Veterans Hospital in Manhattan in my district, which is rated as one of the best veterans hospitals in this country, a center of excellence in six different categories.

Under this bill, that hospital and other veterans hospitals and outreach centers will have additional support for mental health. Regrettably, many of our veterans from Iraq and Afghanistan, and our veterans even from the Vietnam and the Gulf wars, are suffering from post-traumatic stress. Many of them have this challenge, and this bill addresses it and puts support there for our returning men and women.

I am extremely pleased that one of the first bills that I ever introduced in this Congress, H.R. 4537, the Veterans Housing Fairness Act, is part of this bill. A home is a home whether you live in a condominium or in a traditional house or a mobile home or a townhouse. Yet, currently, VA loans cannot be used to purchase cooperative residential units.

□ 1200

This bill corrects this and allows veterans, whether they live vertically in co-ops or horizontally in homes or in mobile homes, it allows them to use this loan to purchase their home. A home is a home for a veteran, no matter where they are. This will help many returning veterans and veterans that currently live in New York City. And I thank my colleagues for their support, particularly Senator SCHUMER in the Senate and of course Chairman BUYER and Ranking Member FILNER for their hard work on this. Let me tell you that it is so important, what we are doing today. This includes many important provisions, and I thank them.

As the cochair of the Parkinson's caucus, I am very pleased that the bill includes six Parkinson's Disease research education centers. Regrettably, many of our returning veterans are suffering from Parkinson's similar symptoms, and this will help us to research this, help our veterans and others suffering from Parkinson's.

It is a thoughtful bill, it is inclusive, and I am particularly pleased that it is one of the first bills that I introduced; a home is a home whether it is a co-op or a mobile home, and our veterans will be able to use their VA loans to purchase the appropriate housing for them in the areas that they live.

I thank all of my colleagues for their hard work on this. My colleague, CORRINE BROWN, we came to Congress together. I thank you very much. I thank as well SHELLEY BERKLEY.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I have no further requests

for time, and I yield back the balance of my time.

Mr. BUYER. Mr. Speaker, I would like to thank my colleagues from the committee from both sides of the aisle for their bipartisanship in the crafting and supporting of a substantive and forward-thinking bill. It enhances veterans health care and benefits both through stronger veterans programs and through fundamental organizational reforms and innovation.

I would also like to thank the chairman of the House Armed Services Committee and Ranking Member IKE SKELTON. Mr. SKELTON, if you please, extend to your staff, they worked through the night with us, because there are certain things in our bill that mentioned DOD and they were wonderful to work with. So please extend our appreciation for their work.

I would also like to thank the leadership of Chairman HENRY BROWN and Ranking Member MIKE MICHAUD for their good work on the Health Subcommittee; Chairman JEFF MILLER and Berkley on their leadership on benefits; Chairman JOHN BOOZMAN and his leadership, along with Ms. HERSETH on economic opportunity; Chairman Michael Bilirakis and Mr. STRICKLAND on ONI.

I would also like to extend an appreciation to Ranking Member LANE EVANS and that of the acting Ranking Member, Mr. FILNER. I also extend deep appreciation to Senator LARRY CRAIG and Ranking Member AKAKA of the Senate Veterans Affairs Committee whose vision and collaborative spirit do veterans justice.

Without the around-the-clock efforts by our dedicated staff both in the House and the Senate, I would not be standing here today, nor would our veterans and their families be the beneficiaries of a better VA system tomorrow.

I also want to thank Senator LINDSEY GRAHAM and former Senator Ernest Hollings and Dr. Ray Greenberg of MUSE, who recognized the value of the ''Charleston model'' that will now be hopefully leveraged across the country to bring state-of-the-art medicine to veterans.

I also want to thank Senator RICHARD BURR from North Carolina for his leadership and care to provide for America's homeless veterans.

GENERAL LEAVE

Mr. BUYER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and that all Members may have 5 legislative days to revise and extend their remarks and include extraneous matter on S. 3421.

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

There was no objection.

Mr. MILLER of Florida. Mr. Speaker, I seek recognition to express my support for the House amendment to S. 3421, the Veterans Benefits, Health Care, and Information Technology Act of 2006. This bill contains more than 60 provisions that will improve the lives and well-being of servicemembers, veterans, and other Department of Veterans Affairs (VA) beneficiaries. I would like to address a few of the provisions contained in the compromise agreement.

Section 101 of the House amendment would permit veterans and other claimants seeking benefits from VA to have the choice of hiring and paying an attorney to represent them before the agency once a notice of disagreement has been filed. Current law prohibits an attorney from receiving a fee for representing a claimant until the Board of Veterans' Appeals renders its first decision on the claim. Unfortunately, the claims process has become very complex and can be very overwhelming to some claimants. This provision would give veterans the option of hiring an attorney earlier in the process if they believe they need assistance with their claim. Unlike some who have opposed this policy change, I believe veterans are competent to make their own decision as to whether they want to hire an attorney to assist them with their claim. This section is similar to a bill I introduced earlier this year, H.R. 5549, the Veterans' Choice of Representation Act of 2006.

Section 401 of the House amendment would authorize the Secretary to furnish a memorial headstone or marker for an eligible dependent child whose remains are unavailable, or, if feasible, add a memorial inscription to an existing headstone or marker provided by VA. Currently, VA may provide a memorial headstone or marker for a veteran, spouse, or surviving spouse when remains are unavailable. However, if a spouse and child die at the same time and in the same manner and their remains are unavailable, a veteran cannot receive a memorial headstone honoring the child. The provision would correct this inconsistency and is identical to a provision what was passed by the House in July 2006.

Section 402 of the House amendment would extend, until December 31, 2007, the Secretary's authority to furnish a government marker to those families who request one for the marked grave of a veteran buried at a private cemetery and who died on or after September 11, 2001. Under current law the Secretary's authority expires on December 31, 2006. This provision was also passed by the House in July of this year.

Section 403 of the House amendment would authorize the Secretary to make grants to tribal organizations to assist them in establishing, expanding, or improving veterans' cemeteries on trust lands. Under current law, tribal organizations are not eligible for state cemetery grants. This provision was passed by the House in July 2006.

Section 404 of the House amendment would direct the Secretary of the Army to remove the remains of Russell Wayne Wagner from Arlington National Cemetery and establish procedures that the Secretary must follow in carrying out this directive. Mr. Wagner was a convicted murderer who died in prison but slipped through a crack in the law and was inurned at Arlington National Cemetery. Congress amended the law to tighten eligibility standards earlier this year and this provision would restore the sanctity of Arlington by removing his remains from this hallowed ground. I support this provision, which is similar to section 3 of H.R. 4352, a bill I introduced in November 2005.

I would like to mention one final provision that is of interest to me. Section 823 of the House amendment would require the VA, in consultation with the Secretaries of Defense and Air Force, to submit to the Committees on Veterans' Affairs and Armed Services of the Senate and House of Representatives a report on the options for the construction of a new medical facility in Okaloosa County, Florida. The report would be due 180 days after the date of enactment of this bill. This report is an important step forward in determining the best way to address the VA health care needs of veterans and servicemembers in and around Okaloosa County.

In closing, it has been an honor to serve with the dedicated members of the Veterans' Affairs Committee and to chair the Subcommittee on Disability Assistance and Memorial Affairs during the 109th Congress. I look forward to continuing to work with my colleagues on both sides of the aisle in the 110th Congress to continue to build on the good works we have done this Congress.

The bill before us today represents the culmination of thousands of hours of work and a great amount of energy expended by members and staff of the House and Senate Veterans' Affairs Committees and the provisions of this bill will benefit veterans and other VA beneficiaries.

I urge my colleagues to support the House amendment to S. 3421.

Mr. LANGEVIN. Mr. Speaker, today we are debating S. 3421, a bill that would authorize major Veterans Affairs medical facility projects and also overhaul VA information technology.

A goal of this bill is also to provide more resources for mental health services to veterans. It is one of our most important obligations to help those troops returning from combat to readjust to society, particularly those suffering from mental health issues, such as Post-Traumatic Stress Disorder (PTSD). Research has already demonstrated that military service in Iraq and Afghanistan, like service in past combat zones, is having an adverse effect on the mental health of our men and women in uniform.

We have certainly improved the mental health services offered to our troops. However, I am concerned about a recent Government Accountability Office report which found that not only did the VA not spend all of its money allocated for mental health services, but they also lacked proper oversight of how the funding was spent. Furthermore, there have been media reports that the mental health services in place for servicemembers returning from Iraq and Afghanistan have been overwhelmed and unable to accommodate those seeking help in a timely fashion. It has also been reported that the stigma surrounding the admission of having mental health issues still exists. Sadly, many servicemembers are afraid to admit to symptoms related to PTSD while still in the service, since it may jeopardize their military career.

Mr. Speaker, we cannot cut corners on this issue, and we certainly cannot ignore the veterans and servicemembers who will be left behind if they do not get the help they need. Our patriotic and reassuring words are not enough, especially when we are dealing with men and women with real mental health issues. We must ensure that our veterans and servicemembers are provided with the access to specialized mental health care they deserve. We need to legislate better oversight, both to ensure the funding is allocated appropriately, and also to make sure the programs

are working properly and addressing all concerns.

I am ready to deal with this difficult issue in the next Congress because we owe it to the brave men and women who have served our nation with courage and integrity. We need to show them the same.

Mr. BUYER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. BUYER) that the House suspend the rules and pass the Senate bill, S. 3421, as amended.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the Senate bill, as amended, was passed.

The title of the Senate bill was amended so as to read: ''An Act to amend title 38, United States Code, to repeal certain limitations on attorney representation of claimants for benefits under laws administered by the Secretary of Veterans Affairs, to expand eligibility for the Survivors' and Education Assistance Program, to otherwise improve veterans benefits, memorial affairs, and healthcare programs, to enhance information security programs of the Department of Veterans Affairs, and for other purposes.''.

A motion to reconsider was laid on the table.

IRAQ RECONSTRUCTION ACCOUNTABILITY ACT OF 2006

Mr. HUNTER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 4046) to extend oversight and accountability related to United States reconstruction funds and the efforts in Iraq by extending the termination date of the Office of the Special Inspector General for Iraq Reconstruction.

The Clerk read as follows:

S. 4046

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 ''Iraq Reconstruction Accountability Act of 2006''.

SEC. 2. MODIFICATION OF THE TERMINATION DATE FOR THE OFFICE OF THE SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION.

Section 3001(o) of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1238; 5 U.S.C. App., note to section 8G of Public Law 95–452), as amended by section 1054(b) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364), is amended to read as follows:

''(o) TERMINATION.—(1)(A) The Office of the Inspector General shall terminate 10 months after 80 percent of the funds appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund have been expended.

''(B) For purposes of calculating the termination of the Office of the Inspector General under this subsection, any United States funds appropriated or otherwise made available for fiscal year 2006 for the reconstruction of Iraq, irrespective of the designation of such funds, shall be deemed to be amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund.

''(2) The Special Inspector General for Iraq Reconstruction shall, prior to the termination of the Office of the Special Inspector General under paragraph (1), prepare a final forensic audit report on all funds deemed to be amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HUNTER) and the gentleman from Missouri (Mr. SKELTON) each will control 20 minutes.

The Chair recognizes the gentleman from California.

GENERAL LEAVE

Mr. HUNTER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the legislation under consideration.

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

There was no objection.

Mr. HUNTER, I yield myself such time as I may consume.

Mr. Speaker, this is an extension of oversight and accountability related to United States reconstruction funds and efforts in Iraq by extending the termination date of the Office of Special Inspector General for Iraq Reconstruction. Mr. Speaker, let me just say to my colleagues that to some degree this is what I categorize, in my humble experience as a Representative and a Member of this body, as one of those thin-air issues. This was an issue which was created out of thin air by a press corps which I guess was under a direction to come up with some issues immediately before the last election.

This goes to the expiration of the Inspector General for the reconstruction money being spent in Iraq. And the initial formulation was that after 80 percent of that reconstruction money had been spent, that the time for the Inspector General before he handed it off, handed off his duties back to the Department of Defense Inspector General who oversees such funds also, would extend 10 months after 80 percent of that money had been spent.

Now, as we were putting the defense bill together, and you had a story that came out of one of the Nation's newspapers, I think it was the New York Times, that said that somehow somebody had inserted a provision in this defense bill that they said, that at the last minute and in the dark of night, that would somehow cut off the Inspector General and his oversight responsibilities.

And let me just say, Mr. Speaker, that is not the case, and I have now learned why we have signature sheets on each provision of the defense bill as it is put together where you have a sign-off by the Democrats and Republicans on each and every provision.

In August, a month before we finished the defense bill, hardly the last minute, we inserted what I call a handoff provision, and it simply said, instead of saying 10 months after 80 percent is spent, and since in November we had spent already about 75 percent, we almost hit the threshold, we figured that that meant that 10 months after that was around October 31 of next year. So we put a date certain, that is, October 31, in the bill as the handoff date from the Inspector General, the Special Inspector General, to the Department of Defense IG. So we wanted to have a date certain.

At that time, and this was done in a very ministerial fashion, representatives from the Democrat side and the Republican side in the conference for the other body and for ourselves, four signatures, count them, four, were attendant to this particular provision. So it wasn't done in the dark of night and it wasn't done at the last minute; it was done in the total open after careful review by all parties, and it simply gave us a date certain for the time that we thought was about the time that would be 10 months after 80 percent of the funds were spent.

Now, after a flurry in the press, we got a Member from the other body who said, ''I knew nothing about this.'' We highly suggest that that Member read the bill as it was being put together. She said, ''My staff may have known but I didn't.'' Perhaps the staff of that particular Member and she should communicate so that she knows what they are signing. But this is a very ministerial thing. There was no motivation to try to extend or try to cut off the IG; it was simply assigning a date certain for the handoff from the Special IG to the DOD IG.

Now, you may ask, well, in that case, why are you supporting this? Well, I am supporting it for a couple reasons. One, I don't care if we extend the Inspector General, the Special Inspector General, although I will object if we end up keeping that team in place after all the money has been spent and there is nothing for them to do, although that may give rise to another New York Times story. But I think it is fine; if they want to have another date certain and if they want to include additional reconstruction money, which this provision does, that is additional 2006 money that goes to reconstruction, that is fine also. So Mr. Speaker, this is one of those thin-air issues that needs to be put to rest.

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

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

I rise in strong support of S. 4046, the Iraq Reconstruction Accountability Act, which was introduced in the Senate by Senator COLLINS and is the companion measure to my bill, the bill I introduced, H.R. 6341, which is pending here in the House.

I can honestly say that if we pass this bill today, and I believe we will, it will be a good day for the American taxpayer. This bill is vital to ensure

that the good work of the Special Inspector General for Iraq will continue as long as we remain in Iraq. It should not be a partisan issue, and I am glad to see this bill come to the floor today with bipartisan support.

In particular, I want to thank DUNCAN HUNTER, who has ably led the Armed Services Committee for the past 4 years, and who will serve as my ranking member in the next Congress. I look forward to working with him during the next Congress.

Mr. Speaker, during our conference with the Senate on the defense authorization bill this year, Chairman HUNTER agreed to expand the jurisdiction of the Special Inspector General for Reconstruction in Iraq to include reconstruction funds approved by Congress in 2006, at the same time the conference decided to change the date upon which the SIGIR would be terminated from a date dependent upon when the money was all spent to a date certain, October 1, 2007.

Although I disagree with that decision, it was done in an open and fair manner during the regular course of the conference discussions, and I want to recognize the fact that Chairman HUNTER always approached this issue in an upfront and honorable way.

Furthermore, although Chairman HUNTER continues to believe that the October 1 termination date is appropriate, he raises no objection to the consideration of the Skelton-Collins bill. For that, I wish to thank the gentleman.

The Special Inspector General for Iraq Reconstruction has been given a unique mandate by Congress, a mandate to review our rebuilding activities in Iraq. Billions of taxpayer dollars have been committed to this effort, often using abbreviated contracting procedures, and these activities are being carried out in an environment uniquely challenging not only for contractors but for the auditors attempting to oversee them.

The SIGIR has done a remarkable job in providing constructive and aggressive oversight of these activities, and that group estimates that its oversight and audit activities have resulted in savings as well as potential benefits of some $405 million. I am confident that those savings will only increase as a result of the bill we consider here today, Mr. Speaker.

I would point out that this bill passed the Senate with strong bipartisan support under unanimous consent, without any amendment, and my original bill here in the House just a few weeks ago has some 58 cosponsors, including a number of well-respected Republicans, including several senior leaders on defense issues.

□ 1215

In addition, incoming Defense Secretary Bob Gates testified to the Senate that he truly believes that the special inspector general for Iraq reconstruction should be extended, and the Iraq Study Group as well include the extension in its recommendations. We would be wise to heed the counsel of both Secretary-designee Gates as well as the Baker-Hamilton group.

Mr. Speaker, I ask my colleagues to support this bill. Vote for accountability; vote for good government. I can assure you it is the right thing to do.

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

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

I want to thank my great colleague from Missouri for his wonderful service to the Armed Services Committee and the people of this country. He will be ascending to the post of chairman in just a couple of weeks or so, and we look forward to working together with him. In fact, that may be a congratulatory phone call coming in right now, IKE. Let me just say, he has been a great colleague.

Mr. Speaker, we have a number of other colleagues who are leaving, and I know we have a very limited time and Members have been coming down in the limited amount of time we have and talking about their departing colleagues.

I just want to mention that Mr. WELDON is also leaving as serving this country well. Probably no one has been a greater champion of missile defense than Mr. WELDON. And Mr. HEFLEY, our great readiness chairman, is leaving also. As is Mr. GIBBONS. Also Mr. ROB SIMMONS of Connecticut, who did such a marvelous job of working undersea warfare; and Mr. RYUN who represents that great Fort Riley, Kansas district and whose heart is with our military folks so strongly, is also leaving. Other members are leaving also from the committee. I want to thank them for the great work that they have done for our country and also for this committee.

Also, I watched a Special Order being given the other night about a giant in this House of Representatives, HENRY HYDE, the great HENRY HYDE of Illinois who led this body in major debates in the Cold War, helping to bring down the Berlin Wall and win that war. In the struggle in Central America between the Soviet Empire and the United States which was resolved in favor of freedom, and in the arms control debates that erupted on a regular basis over the last 25 years or so, HENRY HYDE has been a giant in this body. I heard several Democrat Members giving great statements about HENRY HYDE. I just want to add my statements and appreciate for his wonderful leadership.

I want to say to my good colleague from Missouri, we have a very bipartisan committee, the Armed Services Committee, and I look forward to working with him to continue to do the most important thing that we are charged to do under our Constitution, and that is to protect this country. In doing that, we raise and equip the Army and Navy and Marine Corps and the Coast Guard. It has been a wonderful job being chairman of the committee, and I look forward to working as a partner with the gentleman from Missouri in continuing this work for our Nation.

Thank you, Mr. Speaker, for letting us get a little bit off subject. I am sure that the inspector general team will be relieved to know that they are not going to be terminated on October 31 of next year, but that they will have license to continue to work for an extended period of time beyond that. I thank the gentleman for his contribution.

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

Mr. SKELTON. Mr. Speaker, I yield 1½ minutes to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I thank Mr. SKELTON and Mr. Chairman.

Mr. Speaker, I rise in support of this legislation to continue the work of the special inspector general for Iraq reconstruction. Our Nation is committing substantial taxpayer funds to reconstruction in Iraq. The most recent report of the special inspector general states that over $18 billion has been obligated as of the end of September. Further funds have been appropriated to continue reconstruction and assistance to Iraqi security forces in the current fiscal year.

We know that the situation in Iraq is difficult and there is a vigorous national debate about how to best proceed. The security environment is extremely dangerous. Iraq's government institutions are not working well, and the economy is struggling. For as long as we continue to expend our resources there, it is important that we, including the Congress, Department of State, and Department of Defense, get the best oversight and accounting that we can of how these resources are being applied. This not only provides accountability for us; it also helps us demonstrate to Iraq's government ministries what we believe to be necessary practices of good government and accountability.

I am very encouraged that Dr. Bob Gates, the incoming Secretary of Defense, endorsed continuing the work of the special inspector general. And further, that recommendation No. 69 of the Iraq Study Group specifically calls for sustaining the special inspector general.

I urge my colleagues to vote for this bill to ensure that this important oversight and accountability function continues for as long as we are committing significant resources to Iraq's reconstruction.

There is no doubt that there is very significant problems of corruption and criminality in Iraq. It is regrettable that we have to say that, but I think this inspector general has done an outstanding job and we should overwhelmingly pass this bill and indicate our support for this legislation.

Mr. SKELTON. Mr. Speaker, the gentleman from California was kind enough to mention the fact that we look forward to next year, and I look forward to working with him as ranking member. And I appreciate his many, many courtesies to me during his tenure as chairman, and our friendship shall continue. Thank you for that.

We are going to be losing, as Chairman HUNTER mentioned, several people from our Committee on Armed Services. I wish to make special mention of Congressman LANE EVANS who has been a leader in veterans affairs, the ranking member of that committee, and we will miss him sorely. He has made a great contribution for a good number of years, and I wish to publicly thank Congressman EVANS for his efforts, undying efforts through the years.

CYNTHIA MCKINNEY will be leaving. CURT WELDON will be leaving; he spoke yesterday in the committee. JOEL HEFLEY, that marvelous gentleman from Colorado who has worked with me in particular on military construction efforts that have been so successful for the State of Missouri, and I should mention that his tireless efforts through the years in that arena were very, very good. Dr. JOE SCHWARZ will be leaving. There are others. Chairman HUNTER mentioned them by name. These folks that I mentioned made a great contribution, and I wish to acknowledge them at this time.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

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

Mr. HUNTER. Mr. Speaker, JOE SCHWARZ did a wonderful job on our committee, bringing a great intelligence background to the committee. It was wonderful value added to the many hearings and conferences and debates and considerations. We appreciate him as well. I thank the gentleman for bringing his name up.

Mr. HAYES. Mr. Speaker, will the gentleman yield?

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

Mr. HAYES. Mr. Speaker, let me add my thanks and congratulations to those that you have added, and to also add literally as we speak, General John Vines, the commanding general of the 18th Airborne Corps, a wonderful American, a patriot, a great warrior, a veteran of Iraq, and one of our most valued assets. The change of command ceremony and retirement is today, and I wanted to add his name to that list of distinguished folks.

Mr. REYES. Mr. Speaker, I rise today to express my strong support for the Iraq Reconstruction Accountability Act. While I am pleased that we will have the opportunity to vote on this matter, it is important to note that we are not expanding accountability but are in fact correcting a mistake.

Earlier this year, language was included in the National Defense Authorization Act to terminate funding and authority for the Office of the Special Investigator General for Iraq Reconstruction. This organization is critical to ensuring that taxpayers dollars are being used wisely, and the office has already uncovered millions of dollars lost to waste and fraud.

Besides protecting the integrity of the Iraq reconstruction program and providing accountability to the American taxpayers, the Office of the Investigator General, is also helping the Iraqi government fight a culture of corruption. Corruption is a scourge on the Iraqi society that threatens its stability. It not only drains needed funds from the fledgling government, but funds skimmed from government coffers may also finance criminal and insurgent operations.

I urge my colleagues to support this measure to maintain accountability for the American people and the Iraqi people.

Mr. ORTIZ. Mr. Speaker, this bill on the floor today represents the way we hope to proceed with our colleagues in the new Congress: bipartisan cooperation on matters important to the American people.

Democrats on the House Armed Services Committee moved quickly to ensure the lame duck Congress repealed some of the mistakes made in the just-passed Defense authorization bill.

Today we begin by reinstating the remarkably candid and useful office of the Special Inspector General for Iraq Reconstruction.

Democrats are talking to our colleagues and incoming leaders, and with the current leaders of Congress, attempting to take care of some of the most important things that have been ignored by Congress during this decade.

In the instance of trying to keep the Special Inspector General for Iraq Reconstruction, we wanted to act quickly in the lame duck, so that one tiny component of the transparency we actually already have does not go away.

In the coming Congress we will be holding hearings to get a better understanding of what is actually going on in the field.

Transparency and accountability will be the watchwords of the day.

In order for this Congress to get the confidence of the American people, we must be painfully honest about everything that is going on . . . and let the chips fall where they may.

The only thing worse than wasting the taxpayer's money, is hiding that fact.

I thank Mr. SKELTON for his leadership with Chairman HUNTER.

Mr. SHAYS. Mr. Speaker, I am grateful we are considering this legislation to extend the date for termination of the Office of the Special Inspector General for Iraq Reconstruction, SIGIR. This office provides a hugely important function as a watchdog for fraud, waste, and abuse of funds intended for Iraq reconstruction programs.

The American taxpayer deserves vigorous and continuous oversight of how funds are being spent in Iraq. It is also important to the Iraqi people, for whom the American Government provided a generous package of development and reconstruction funds that have not always been spent wisely.

I have made 15 trips to Iraq and have seen firsthand the essential work done by this office. Congress clearly made a mistake in passing the fiscal year 2007 Defense Authorization Act allowing the SIGIR office to close prematurely.

This legislation will correct that mistake and also wisely require SIGIR to prepare a final forensic audit on all funds appropriated to the Iraq Relief and Reconstruction Fund, IRRF.

As chairman of the Government Reform Subcommittee on National Security, Emerging Threats and International Relations, and working under the leadership of Committee Chairman TOM DAVIS, I have held several oversight hearings on contracting in Iraq.

We've investigated the failure to establish realistic requirements and to define contract terms and conditions, limited competition and insufficient agency oversight. Reports provided to us by SIGIR were invaluable.

We all recognize that the security situation in Iraq makes reconstruction especially difficult and dangerous. But the Government has a responsibility to the taxpayer to do all that it can to ensure that dollars are spent wisely and well.

We have a special responsibility to our soldiers and marines in Iraq. One of the most important reasons Congress appropriated money for Iraq reconstruction was to support our troops by showing the Iraqi people we wanted to help them build a new Iraq, and reduce the risk that an insurgency would develop and grow. We know the insurgency exists and sectarian violence has flared, but the importance of the projects funded through the IRFF has not diminished in the slightest.

Finally, I believe a strong watchdog office like SIGIR will help us to learn lessons about the realities of contracting in a post-conflict environment.

I am grateful my colleagues in the Senate, SUSAN COLLINS and JOSEPH LIEBERMAN, offered this legislation. I also thank Mr. SKELTON who offered this legislation in the House and recognized the need to continue SIGIR's mission.

Mr. CASTLE. Mr. Speaker, I rise in support of S. 4046, the "Iraq Reconstruction Accountability Act." As our brave men and women in Iraq risk their lives to stabilize the region and rebuild the nation's infrastructure, it is absolutely crucial that the Special Inspector General for Iraq Reconstruction remain in place to ensure proper oversight of this important funding.

To date, we have appropriated over $34 billion for reconstruction efforts in Iraq—ranging from projects such as roads and electric power, to training and equipping Iraqi security forces and providing school books and vaccinations for children. While there is no doubt that this funding is crucial to the reconstruction efforts, I have serious concerns about the adequacy of contract management practices at the Department of Defense and I have introduced legislation to begin reforming some of these wasteful programs.

The Inspector General for Iraq plays a critical role, performing audits and investigations that provide Congress with the tools to more closely examine charges of misconduct and ensure effective and efficient use of taxpayer funds. Spending missteps and management weaknesses damage this government's ability to provide our soldiers with the resources that keep us safe. This week, as we review the recommendations of the Iraq Study Group, I also urge my colleagues to pass this important legislation to ensure accountability in our military spending system.

Mr. SKELTON. Mr. Speaker, it appears that I have no further speakers, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HUNTER) that the House suspend the rules and pass the Senate bill, S. 4046.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

H. Res. 1101, by the yeas and nays;

H. Res. 1099, by the yeas and nays;

motion to suspend the rules on H. Res. 1088, by the yeas and nays.

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

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 5682, HENRY J. HYDE UNITED STATES-INDIA PEACEFUL ATOMIC ENERGY COOPERATION ACT OF 2006

The SPEAKER pro tempore. The pending business is the vote on adoption of House Resolution 1101, on which the yeas and nays are ordered.

The Clerk read the title of the resolution.

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

The vote was taken by electronic device, and there were—yeas 355, nays 55, not voting 22, as follows:

[Roll No. 529]

YEAS—355

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Berkley
Berman
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Castle
Chabot
Chandler
Chocola
Clay
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutknecht
Hall
Harris
Hart
Hastings (FL)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holden
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kaptur
Keller
Kelly
Kennedy (MN)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kuhl (NY)
LaHood
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Matheson
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore (KS)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Napolitano
Neal (MA)
Neugebauer
Northup
Nunes
Nussle
Oberstar
Ortiz
Osborne
Pallone
Pascrell
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Sires
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Souder
Spratt
Stearns
Sullivan
Tancredo
Tanner
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Upton
Van Hollen
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Watt
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—55

Baird
Baldwin
Becerra
Berry
Brady (PA)
Capps
Cleaver
Conyers
Costello
DeLauro
Dingell
Doggett
Farr
Grijalva
Gutierrez
Harman
Hinchey
Holt
Honda
Hooley
Kanjorski
Kennedy (RI)
Kucinich
Langevin
Larson (CT)
Lee
Lewis (GA)
Markey
Marshall
Matsui
McKinney
Miller, George
Moore (WI)
Nadler
Obey
Olver
Owens
Pastor
Payne
Rothman
Sanchez, Loretta
Schwartz (PA)
Slaughter
Solis
Stark
Stupak
Tauscher
Taylor (MS)
Udall (CO)
Udall (NM)
Velázquez
Waters
Waxman
Woolsey
Wu

NOT VOTING—22

Baker
Blumenauer
Burton (IN)
Case
Cubin
Davis, Jo Ann
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Hastings (WA)
Kolbe
Norwood
Otter
Oxley
Paul
Strickland
Sweeney
Taylor (NC)
Watson

□ 1257

Mr. DOGGETT changed his vote from ''yea'' to ''nay.''

Messrs. MARCHANT, MURPHY, WEINER, MILLER of North Carolina, BARROW and Ms. MILLENDER-MCDONALD changed their vote from ''nay'' to ''yea.''

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. NORWOOD. Mr. Speaker, on rollcall No. 529, Waiving all points of order against the conference report to accompany H.R. 5682 and against its consideration, had I been present, I would have voted "yes."

RELATING TO CONSIDERATION OF H.R. 6111, TAX RELIEF AND HEALTH CARE ACT OF 2006

The SPEAKER pro tempore. The pending business is the vote on adoption of House Resolution 1099, on which the yeas and nays are 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 247, nays 164, not voting 21, as follows:

[Roll No. 530]

YEAS—247

Abercrombie
Aderholt
Akin
Alexander
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Costa
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon

Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hinojosa
Hobson
Hoekstra
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Issa
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kuhl (NY)
LaHood
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Markey
Matheson
McCarthy
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNulty
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moore (KS)
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Northup
Nunes
Nussle
Ortiz
Osborne
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Salazar
Saxton
Schmidt
Schwarz (MI)
Sekula Gibbs
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Skelton
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Stupak
Sullivan
Tancredo
Tanner
Taylor (MS)
Terry
Thomas
Thornberry
Tiberi
Towns
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Young (AK)
Young (FL)

NAYS—164

Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bishop (NY)
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costello
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Emanuel
Engel
Eshoo
Etheridge
Farr
Filner
Fitzpatrick (PA)
Frank (MA)
Gerlach
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Israel
Jackson (IL)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Marshall
Matsui
McCollum (MN)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Price (NC)
Rahall
Rangel
Rehberg
Reichert
Rothman
Roybal-Allard
Ruppersberger
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Simpson
Sires
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Tauscher
Thompson (CA)
Thompson (MS)
Tiahrt
Tierney
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Westmoreland
Wexler
Woolsey
Wynn

NOT VOTING—21

Baker
Blumenauer
Burton (IN)
Cubin
Davis, Jo Ann
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Istook
Kolbe
Norwood
Otter
Oxley
Paul
Strickland
Sweeney
Taylor (NC)
Watson

□ 1312

Mr. Levin, Ms. VELÁZQUEZ and Mr. ISRAEL changed their vote from ''yea'' to ''nay.''

Mr. MARKEY and Mr. ROSS changed their vote from ''nay'' to ''yea.''

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. NORWOOD. Mr. Speaker, on rollcall No. 530, relating to consideration of the bill H.R. 6111 to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending, had I been present, I would have voted "yes."

CONGRATULATING MR. AND MRS. HENRY HYDE

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

Mr. KIRK. Mr. Speaker, I would like to announce to the House that HENRY HYDE has made a major decision in his life.

Mr. Speaker, I yield to the gentleman from Indiana.

Mr. PENCE. On behalf of an extraordinary career, but what we know will be an extraordinary future, I am pleased to announce HENRY HYDE's recent marriage on the day after Thanksgiving. We wish you all the best, our friend, for many, many years.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMMONS). Without objection, 5-minute voting will continue.

There was no objection.

EXPRESSING SUPPORT FOR LEBANON'S DEMOCRATIC INSTITUTIONS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 1088.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 1088, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 408, nays 0, not voting 24, as follows:

[Roll No. 531]

YEAS—408

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy

McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris Rodgers
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Neal (MA)
Neugebauer
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Stupak
Sullivan
Tancredo
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—24

Baker
Berman
Blumenauer
Burton (IN)
Cubin
Davis, Jo Ann
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Istook
Kolbe
Miller (MI)
Napolitano
Norwood
Otter
Oxley
Paul
Strickland
Sweeney
Taylor (NC)
Watson

□ 1324

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

The title of the resolution was amended so as to read: ''Expressing support for Lebanon's democratic institutions and condemning the recent terrorist assassination of Lebanese Parliamentarian and Industry Minister Pierre Amine Gemayel.''.

A motion to reconsider was laid on the table.

Stated for:

Mrs. MILLER of Michigan. Mr. Speaker, on rollcall No. 531, my vote was not recorded though I did attempt to vote by electronic device. I wish for the RECORD to reflect that I was present and attempted to vote "yea."

Mr. NORWOOD. Mr. Speaker, on rollcall No. 531, expressing support for Lebanon's democratic institutions and condemning the recent terrorist assassination of Lebanese parliamentarian and Industry Minister Pierre Amine Gemayel, had I been present, I would have voted "yes."

TAX RELIEF AND HEALTH CARE ACT OF 2006

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 1099, I call up from the Speaker's table the bill (H.R. 6111) to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending, with a Senate amendment thereto, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The text of the Senate amendment is as follows:

Senate amendment:

On page 3, line 17, strike ''on or''.

MOTION OFFERED BY MR. THOMAS

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 1099, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Motion offered by Mr. THOMAS:

Mr. THOMAS moves to concur in the Senate amendment with an amendment.

The text of the House amendment to the Senate amendment is as follows:

House amendment to Senate amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Relief and Health Care Act of 2006''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title, etc.

DIVISION A—EXTENSION AND EXPANSION OF CERTAIN TAX RELIEF PROVISIONS, AND OTHER TAX PROVISIONS

Sec. 100. Reference.

TITLE I—EXTENSION AND MODIFICATION OF CERTAIN PROVISIONS

Sec. 101. Deduction for qualified tuition and related expenses.
Sec. 102. Extension and modification of new markets tax credit.
Sec. 103. Election to deduct State and local general sales taxes.
Sec. 104. Extension and modification of research credit.
Sec. 105. Work opportunity tax credit and welfare-to-work credit.
Sec. 106. Election to include combat pay as earned income for purposes of earned income credit.
Sec. 107. Extension and modification of qualified zone academy bonds.
Sec. 108. Above-the-line deduction for certain expenses of elementary and secondary school teachers.
Sec. 109. Extension and expansion of expensing of brownfields remediation costs.
Sec. 110. Tax incentives for investment in the District of Columbia.
Sec. 111. Indian employment tax credit.
Sec. 112. Accelerated depreciation for business property on Indian reservations.
Sec. 113. Fifteen-year straight-line cost recovery for qualified leasehold improvements and qualified restaurant property.
Sec. 114. Cover over of tax on distilled spirits.
Sec. 115. Parity in application of certain limits to mental health benefits.
Sec. 116. Corporate donations of scientific property used for research and of computer technology and equipment.
Sec. 117. Availability of medical savings accounts.
Sec. 118. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 119. American Samoa economic development credit.
Sec. 120. Extension of bonus depreciation for certain qualified Gulf Opportunity Zone property.
Sec. 121. Authority for undercover operations.
Sec. 122. Disclosures of certain tax return information.
Sec. 123. Special rule for elections under expired provisions.

TITLE II—ENERGY TAX PROVISIONS

Sec. 201. Credit for electricity produced from certain renewable resources.
Sec. 202. Credit to holders of clean renewable energy bonds.
Sec. 203. Performance standards for sulfur dioxide removal in advanced coal-based generation technology units designed to use subbituminous coal.
Sec. 204. Deduction for energy efficient commercial buildings.
Sec. 205. Credit for new energy efficient homes.
Sec. 206. Credit for residential energy efficient property.
Sec. 207. Energy credit.
Sec. 208. Special rule for qualified methanol or ethanol fuel.
Sec. 209. Special depreciation allowance for cellulosic biomass ethanol plant property.
Sec. 210. Expenditures permitted from the Leaking Underground Storage Tank Trust Fund.
Sec. 211. Treatment of coke and coke gas.

TITLE III—HEALTH SAVINGS ACCOUNTS

Sec. 301. Short title.
Sec. 302. FSA and HRA terminations to fund HSAs.
Sec. 303. Repeal of annual deductible limitation on HSA contributions.
Sec. 304. Modification of cost-of-living adjustment.
Sec. 305. Contribution limitation not reduced for part-year coverage.
Sec. 306. Exception to requirement for employers to make comparable health savings account contributions.
Sec. 307. One-time distribution from individual retirement plans to fund HSAs.

TITLE IV—OTHER PROVISIONS

Sec. 401. Deduction allowable with respect to income attributable to domestic production activities in Puerto Rico.
Sec. 402. Credit for prior year minimum tax liability made refundable after period of years.
Sec. 403. Returns required in connection with certain options.
Sec. 404. Partial expensing for advanced mine safety equipment.

Sec. 405. Mine rescue team training tax credit.
Sec. 406. Whistleblower reforms.
Sec. 407. Frivolous tax submissions.
Sec. 408. Addition of meningococcal and human papillomavirus vaccines to list of taxable vaccines.
Sec. 409. Clarification of taxation of certain settlement funds made permanent.
Sec. 410. Modification of active business definition under section 355 made permanent.
Sec. 411. Revision of State veterans limit made permanent.
Sec. 412. Capital gains treatment for certain self-created musical works made permanent.
Sec. 413. Reduction in minimum vessel tonnage which qualifies for tonnage tax made permanent.
Sec. 414. Modification of special arbitrage rule for certain funds made permanent.
Sec. 415. Great Lakes domestic shipping to not disqualify vessel from tonnage tax.
Sec. 416. Use of qualified mortgage bonds to finance residences for veterans without regard to first-time homebuyer requirement.
Sec. 417. Exclusion of gain from sale of a principal residence by certain employees of the intelligence community.
Sec. 418. Sale of property by judicial officers.
Sec. 419. Premiums for mortgage insurance.
Sec. 420. Modification of refunds for kerosene used in aviation.
Sec. 421. Regional income tax agencies treated as States for purposes of confidentiality and disclosure requirements.
Sec. 422. Designation of wines by semi-generic names.
Sec. 423. Modification of railroad track maintenance credit.
Sec. 424. Modification of excise tax on unrelated business taxable income of charitable remainder trusts.
Sec. 425. Loans to qualified continuing care facilities made permanent.
Sec. 426. Technical corrections.

DIVISION B—MEDICARE AND OTHER HEALTH PROVISIONS

Sec. 1. Short title of division.

TITLE I—MEDICARE IMPROVED QUALITY AND PROVIDER PAYMENTS

Sec. 101. Physician payment and quality improvement.
Sec. 102. Extension of floor on Medicare work geographic adjustment.
Sec. 103. Update to the composite rate component of the basic case-mix adjusted prospective payment system for dialysis services.
Sec. 104. Extension of treatment of certain physician pathology services under Medicare.
Sec. 105. Extension of Medicare reasonable costs payments for certain clinical diagnostic laboratory tests furnished to hospital patients in certain rural areas.
Sec. 106. Hospital Medicare reports and clarifications.
Sec. 107. Payment for brachytherapy.
Sec. 108. Payment process under the competitive acquisition program (CAP).
Sec. 109. Quality reporting for hospital outpatient services and ambulatory surgical center services.
Sec. 110. Reporting of anemia quality indicators for Medicare part B cancer anti-anemia drugs.
Sec. 111. Clarification of hospice satellite designation.

TITLE II—MEDICARE BENEFICIARY PROTECTIONS

Sec. 201. Extension of exceptions process for Medicare therapy caps.
Sec. 202. Payment for administration of part D vaccines.
Sec. 203. OIG study of never events.
Sec. 204. Medicare medical home demonstration project.
Sec. 205. Medicare DRA technical corrections.
Sec. 206. Limited continuous open enrollment of original medicare fee-for-service enrollees into Medicare Advantage non-prescription drug plans.

TITLE III—MEDICARE PROGRAM INTEGRITY EFFORTS

Sec. 301. Offsetting adjustment in Medicare Advantage Stabilization Fund.
Sec. 302. Extension and expansion of recovery audit contractor program under the Medicare Integrity Program.
Sec. 303. Funding for the Health Care Fraud and Abuse Control Account.
Sec. 304. Implementation funding.

TITLE IV—MEDICAID AND OTHER HEALTH PROVISIONS

Sec. 401. Extension of Transitional Medical Assistance (TMA) and abstinence education program.
Sec. 402. Grants for research on vaccine against Valley Fever.
Sec. 403. Change in threshold for Medicaid indirect hold harmless provision of broad-based health care taxes.
Sec. 404. DSH allotments for fiscal year 2007 for Tennessee and Hawaii.
Sec. 405. Certain Medicaid DRA technical corrections.

DIVISION C—OTHER PROVISIONS

TITLE I—GULF OF MEXICO ENERGY SECURITY

Sec. 101. Short title.
Sec. 102. Definitions.
Sec. 103. Offshore oil and gas leasing in 181 Area and 181 south Area of Gulf of Mexico.
Sec. 104. Moratorium on oil and gas leasing in certain areas of Gulf of Mexico.
Sec. 105. Disposition of qualified outer Continental Shelf revenues from 181 Area, 181 south Area, and 2002–2007 planning areas of Gulf of Mexico.

TITLE II—SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

Sec. 200. Short title.

Subtitle A—Mining Control and Reclamation

Sec. 201. Abandoned Mine Reclamation Fund and purposes.
Sec. 202. Reclamation fee.
Sec. 203. Objectives of Fund.
Sec. 204. Reclamation of rural land.
Sec. 205. Liens.
Sec. 206. Certification.
Sec. 207. Remining incentives.
Sec. 208. Extension of limitation on application of prohibition on issuance of permit.
Sec. 209. Tribal regulation of surface coal mining and reclamation operations.

Subtitle B—Coal Industry Retiree Health Benefit Act

Sec. 211. Certain related persons and successors in interest relieved of liability if premiums prepaid.
Sec. 212. Transfers to funds; premium relief.
Sec. 213. Other provisions.

TITLE III—WHITE PINE COUNTY CONSERVATION, RECREATION, AND DEVELOPMENT

Sec. 301. Authorization of appropriations.
Sec. 302. Short title.
Sec. 303. Definitions.

Subtitle A—Land Disposal

Sec. 311. Conveyance of White Pine County, Nevada, land.
Sec. 312. Disposition of proceeds.

Subtitle B—Wilderness Areas

Sec. 321. Short title.
Sec. 322. Findings.
Sec. 323. Additions to National Wilderness Preservation System.
Sec. 324. Administration.
Sec. 325. Adjacent management.
Sec. 326. Military overflights.
Sec. 327. Native American cultural and religious uses.
Sec. 328. Release of wilderness study areas.
Sec. 329. Wildlife management.
Sec. 330. Wildfire, insect, and disease management.
Sec. 331. Climatological data collection.

Subtitle C—Transfers of Administrative Jurisdiction

Sec. 341. Transfer to the United States Fish and Wildlife Service.
Sec. 342. Transfer to the Bureau of Land Management.
Sec. 343. Transfer to the Forest Service.
Sec. 344. Availability of map and legal descriptions.

Subtitle D—Public Conveyances

Sec. 351. Conveyance to the State of Nevada.
Sec. 352. Conveyance to White Pine County, Nevada.

Subtitle E—Silver State Off-Highway Vehicle Trail

Sec. 355. Silver State off-highway vehicle trail.

Subtitle F—Transfer of Land to Be Held in Trust for the Ely Shoshone Tribe.

Sec. 361. Transfer of land to be held in trust for the Ely Shoshone Tribe.

Subtitle G—Eastern Nevada Landscape Restoration Project.

Sec. 371. Findings; purposes.
Sec. 372. Definitions.
Sec. 373. Restoration project.

Subtitle H—Amendments to the Southern Nevada Public Land Management Act of 1998

Sec. 381. Findings.
Sec. 382. Availability of special account.

Subtitle I—Amendments to the Lincoln County Conservation, Recreation, and Development Act of 2004

Sec. 391. Disposition of proceeds.

Subtitle J—All American Canal Projects

Sec. 395. All American Canal Lining Project.
Sec. 396. Regulated storage water facility.
Sec. 397. Application of law.

TITLE IV—OTHER PROVISIONS

Sec. 401. Tobacco personal use quantity exception to not apply to delivery sales.
Sec. 402. Ethanol Tariff Schedule.
Sec. 403. Withdrawal of certain Federal land and interests in certain Federal land from location, entry, and patent under the mining laws and disposition under the mineral and geothermal leasing laws.
Sec. 404. Continuing eligibility for certain students under District of Columbia School Choice Program.
Sec. 405. Study on Establishing Uniform National Database on Elder Abuse.

Sec. 406. Temporary duty reductions for certain cotton shirting fabric.
Sec. 407. Cotton Trust Fund.
Sec. 408. Tax court review of requests for equitable relief from joint and several liability.

DIVISION A—EXTENSION AND EXPANSION OF CERTAIN TAX RELIEF PROVISIONS, AND OTHER TAX PROVISIONS

SEC. 100. REFERENCE.

Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—EXTENSION AND MODIFICATION OF CERTAIN PROVISIONS

SEC. 101. DEDUCTION FOR QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Section 222(e) is amended by striking ''2005''and inserting ''2007''.

(b) CONFORMING AMENDMENTS.—Section 222(b)(2)(B) is amended—

(1) by striking ''a taxable year beginning in 2004 or 2005'' and inserting ''any taxable year beginning after 2003'', and

(2) by striking ''2004 AND 2005'' in the heading and inserting ''AFTER 2003''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 102. EXTENSION AND MODIFICATION OF NEW MARKETS TAX CREDIT.

(a) EXTENSION.—Section 45D(f)(1)(D) is amended by striking ''and 2007'' and inserting '', 2007, and 2008''.

(b) REGULATIONS REGARDING NON-METROPOLITAN COUNTIES.—Section 45D(i) is amended by striking ''and'' at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting '', and'', and by adding at the end the following new paragraph:

''(6) which ensure that non-metropolitan counties receive a proportional allocation of qualified equity investments.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 103. ELECTION TO DEDUCT STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Section 164(b)(5)(I) is amended by striking ''2006'' and inserting ''2008''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 104. EXTENSION AND MODIFICATION OF RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Section 41(h)(1)(B) is amended by striking ''2005'' and inserting ''2007''.

(2) CONFORMING AMENDMENT.—Section 45C(b)(1)(D) is amended by striking ''2005'' and inserting ''2007''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2005.

(b) INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) (relating to election of alternative incremental credit) is amended—

(A) by striking ''2.65 percent'' and inserting ''3 percent'',

(B) by striking ''3.2 percent'' and inserting ''4 percent'', and

(C) by striking ''3.75 percent'' and inserting ''5 percent''.

(2) EFFECTIVE DATE.—Except as provided in paragraph (3), the amendments made by this subsection shall apply to taxable years ending after December 31, 2006.

(3) TRANSITION RULE.—

(A) IN GENERAL.—In the case of a specified transitional taxable year for which an election under section 41(c)(4) of the Internal Revenue Code of 1986 applies, the credit determined under section 41(a)(1) of such Code shall be equal to the sum of—

(i) the applicable 2006 percentage multiplied by the amount determined under section 41(c)(4)(A) of such Code (as in effect for taxable years ending on December 31, 2006), plus

(ii) the applicable 2007 percentage multiplied by the amount determined under section 41(c)(4)(A) of such Code (as in effect for taxable years ending on January 1, 2007).

(B) DEFINITIONS.—For purposes of subparagraph (A)—

(i) SPECIFIED TRANSITIONAL TAXABLE YEAR.—The term ''specified transitional taxable year'' means any taxable year which ends after December 31, 2006, and which includes such date.

(ii) APPLICABLE 2006 PERCENTAGE.—The term ''applicable 2006 percentage'' means the number of days in the specified transitional taxable year before January 1, 2007, divided by the number of days in such taxable year.

(iii) APPLICABLE 2007 PERCENTAGE.—The term ''applicable 2007 percentage'' means the number of days in the specified transitional taxable year after December 31, 2006, divided by the number of days in such taxable year.

(c) ALTERNATIVE SIMPLIFIED CREDIT FOR QUALIFIED RESEARCH EXPENSES.—

(1) IN GENERAL.—Subsection (c) of section 41 (relating to base amount) is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively, and by inserting after paragraph (4) the following new paragraph:

''(5) ELECTION OF ALTERNATIVE SIMPLIFIED CREDIT.—

''(A) IN GENERAL.—At the election of the taxpayer, the credit determined under subsection (a)(1) shall be equal to 12 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.

''(B) SPECIAL RULE IN CASE OF NO QUALIFIED RESEARCH EXPENSES IN ANY OF 3 PRECEDING TAXABLE YEARS.—

''(i) TAXPAYERS TO WHICH SUBPARAGRAPH APPLIES.—The credit under this paragraph shall be determined under this subparagraph if the taxpayer has no qualified research expenses in any one of the 3 taxable years preceding the taxable year for which the credit is being determined.

''(ii) CREDIT RATE.—The credit determined under this subparagraph shall be equal to 6 percent of the qualified research expenses for the taxable year.

''(C) ELECTION.—An election under this paragraph shall apply to the taxable year for which made and all succeeding taxable years unless revoked with the consent of the Secretary. An election under this paragraph may not be made for any taxable year to which an election under paragraph (4) applies.''.

(2) TRANSITION RULE FOR DEEMED REVOCATION OF ELECTION OF ALTERNATIVE INCREMENTAL CREDIT.—In the case of an election under section 41(c)(4) of the Internal Revenue Code of 1986 which applies to the taxable year which includes January 1, 2007, such election shall be treated as revoked with the consent of the Secretary of the Treasury if the taxpayer makes an election under section 41(c)(5) of such Code (as added by this subsection) for such year.

(3) EFFECTIVE DATE.—Except as provided in paragraph (4), the amendments made by this subsection shall apply to taxable years ending after December 31, 2006.

(4) TRANSITION RULE FOR NONCALENDAR TAXABLE YEARS.—

(A) IN GENERAL.—In the case of a specified transitional taxable year for which an election under section 41(c)(5) of the Internal Revenue Code of 1986 (as added by this subsection) applies, the credit determined under section 41(a)(1) of such Code shall be equal to the sum of—

(i) the applicable 2006 percentage multiplied by the amount determined under section 41(a)(1) of such Code (as in effect for taxable years ending on December 31, 2006), plus

(ii) the applicable 2007 percentage multiplied by the amount determined under section 41(c)(5) of such Code (as in effect for taxable years ending on January 1, 2007).

(B) DEFINITIONS AND SPECIAL RULES.—For purposes of subparagraph (A)—

(i) DEFINITIONS.—Terms used in this paragraph which are also used in subsection (b)(3) shall have the respective meanings given such terms in such subsection.

(ii) DUAL ELECTIONS PERMITTED.—Elections under paragraphs (4) and (5) of section 41(c) of such Code may both apply for the specified transitional taxable year.

(iii) DEFERRAL OF DEEMED ELECTION REVOCATION.—Any election under section 41(c)(4) of the Internal Revenue Code of 1986 treated as revoked under paragraph (2) shall be treated as revoked for the taxable year after the specified transitional taxable year.

SEC. 105. WORK OPPORTUNITY TAX CREDIT AND WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Sections 51(c)(4)(B) and 51A(f) are each amended by striking ''2005'' and inserting ''2007''.

(b) ELIGIBILITY OF EX-FELONS DETERMINED WITHOUT REGARD TO FAMILY INCOME.—Paragraph (4) of section 51(d) is amended by adding ''and'' at the end of subparagraph (A), by striking '', and'' at the end of subparagraph (B) and inserting a period, and by striking all that follows subparagraph (B).

(c) INCREASE IN MAXIMUM AGE FOR ELIGIBILITY OF FOOD STAMP RECIPIENTS.—Clause (i) of section 51(d)(8)(A) is amended by striking ''25'' and inserting ''40''.

(d) EXTENSION OF PAPERWORK FILING DEADLINE.—Section 51(d)(12)(A)(ii)(II) is amended by striking ''21st day'' and inserting ''28th day''.

(e) CONSOLIDATION OF WORK OPPORTUNITY CREDIT WITH WELFARE-TO-WORK CREDIT.—

(1) IN GENERAL.—Paragraph (1) of section 51(d) is amended by striking ''or'' at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting '', or'', and by adding at the end the following new subparagraph:

''(I) a long-term family assistance recipient.''.

(2) LONG-TERM FAMILY ASSISTANCE RECIPIENT.—Subsection (d) of section 51 is amended by redesignating paragraphs (10) through (12) as paragraphs (11) through (13), respectively, and by inserting after paragraph (9) the following new paragraph:

''(10) LONG-TERM FAMILY ASSISTANCE RECIPIENT.—The term 'long-term family assistance recipient' means any individual who is certified by the designated local agency—

''(A) as being a member of a family receiving assistance under a IV–A program (as defined in paragraph (2)(B)) for at least the 18-month period ending on the hiring date,

''(B)(i) as being a member of a family receiving such assistance for 18 months beginning after August 5, 1997, and

''(ii) as having a hiring date which is not more than 2 years after the end of the earliest such 18-month period, or

''(C)(i) as being a member of a family which ceased to be eligible for such assistance by reason of any limitation imposed by

Federal or State law on the maximum period such assistance is payable to a family, and

''(ii) as having a hiring date which is not more than 2 years after the date of such cessation.''.

(3) INCREASED CREDIT FOR EMPLOYMENT OF LONG-TERM FAMILY ASSISTANCE RECIPIENTS.—Section 51 is amended by inserting after subsection (d) the following new subsection:

''(e) CREDIT FOR SECOND-YEAR WAGES FOR EMPLOYMENT OF LONG-TERM FAMILY ASSISTANCE RECIPIENTS.—

''(1) IN GENERAL.—With respect to the employment of a long-term family assistance recipient—

''(A) the amount of the work opportunity credit determined under this section for the taxable year shall include 50 percent of the qualified second-year wages for such year, and

''(B) in lieu of applying subsection (b)(3), the amount of the qualified first-year wages, and the amount of qualified second-year wages, which may be taken into account with respect to such a recipient shall not exceed $10,000 per year.

''(2) QUALIFIED SECOND-YEAR WAGES.—For purposes of this subsection, the term 'qualified second-year wages' means qualified wages—

''(A) which are paid to a long-term family assistance recipient, and

''(B) which are attributable to service rendered during the 1-year period beginning on the day after the last day of the 1-year period with respect to such recipient determined under subsection (b)(2).

''(3) SPECIAL RULES FOR AGRICULTURAL AND RAILWAY LABOR.—If such recipient is an employee to whom subparagraph (A) or (B) of subsection (h)(1) applies, rules similar to the rules of such subparagraphs shall apply except that—

''(A) such subparagraph (A) shall be applied by substituting '$10,000' for '$6,000', and

''(B) such subparagraph (B) shall be applied by substituting '$833.33' for '$500'.''.

(4) REPEAL OF SEPARATE WELFARE-TO-WORK CREDIT.—

(A) IN GENERAL.—Section 51A is hereby repealed.

(B) CLERICAL AMENDMENT.—The table of sections for subpart F of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 51A.

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to individuals who begin work for the employer after December 31, 2005.

(2) CONSOLIDATION.—The amendments made by subsections (b), (c), (d), and (e) shall apply to individuals who begin work for the employer after December 31, 2006.

SEC. 106. ELECTION TO INCLUDE COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME CREDIT.

(a) IN GENERAL.—Section 32(c)(2)(B)(vi)(II) is amended by striking ''2007'' and inserting ''2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 107. EXTENSION AND MODIFICATION OF QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) is amended by striking ''and 2005'' and inserting ''2005, 2006, and 2007''.

(b) SPECIAL RULES RELATING TO EXPENDITURES, ARBITRAGE, AND REPORTING.—

(1) IN GENERAL.—Section 1397E is amended—

(A) in subsection (d)(1), by striking ''and'' at the end of subparagraph (C)(iii), by striking the period at the end of subparagraph (D) and inserting '', and'', and by adding at the end the following new subparagraph:

''(E) the issue meets the requirements of subsections (f), (g), and (h).'', and

(B) by redesignating subsections (f), (g), (h), and (i) as subsection (i), (j), (k), and (l), respectively, and by inserting after subsection (e) the following new subsections:

''(f) SPECIAL RULES RELATING TO EXPENDITURES.—

''(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the issuer reasonably expects—

''(A) at least 95 percent of the proceeds from the sale of the issue are to be spent for 1 or more qualified purposes with respect to qualified zone academies within the 5-year period beginning on the date of issuance of the qualified zone academy bond,

''(B) a binding commitment with a third party to spend at least 10 percent of the proceeds from the sale of the issue will be incurred within the 6-month period beginning on the date of issuance of the qualified zone academy bond, and

''(C) such purposes will be completed with due diligence and the proceeds from the sale of the issue will be spent with due diligence.

''(2) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the period described in paragraph (1)(A), the Secretary may extend such period if the issuer establishes that the failure to satisfy the 5-year requirement is due to reasonable cause and the related purposes will continue to proceed with due diligence.

''(3) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 5 YEARS.—To the extent that less than 95 percent of the proceeds of such issue are expended by the close of the 5-year period beginning on the date of issuance (or if an extension has been obtained under paragraph (2), by the close of the extended period), the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

''(g) SPECIAL RULES RELATING TO ARBITRAGE.—An issue shall be treated as meeting the requirements of this subsection if the issuer satisfies the arbitrage requirements of section 148 with respect to proceeds of the issue.

''(h) REPORTING.—Issuers of qualified academy zone bonds shall submit reports similar to the reports required under section 149(e).''.

(2) CONFORMING AMENDMENTS.—Sections 54(l)(3)(B) and 1400N(l)(7)(B)(ii) are each amended by striking ''section 1397E(i)'' and inserting ''section 1397E(l)''.

(c) EFFECTIVE DATES.—

(1) EXTENSION.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 2005.

(2) SPECIAL RULES.—The amendments made by subsection (b) shall apply to obligations issued after the date of the enactment of this Act pursuant to allocations of the national zone academy bond limitation for calendar years after 2005.

SEC. 108. ABOVE-THE-LINE DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) is amended by striking ''or 2005'' and inserting ''2005, 2006, or 2007''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 109. EXTENSION AND EXPANSION OF EXPENSING OF BROWNFIELDS REMEDIATION COSTS.

(a) EXTENSION.—Subsection (h) of section 198 is amended by striking ''2005'' and inserting ''2007''.

(b) EXPANSION.—Section 198(d)(1) (defining hazardous substance) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) any petroleum product (as defined in section 4612(a)(3)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures paid or incurred after December 31, 2005.

SEC. 110. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) DESIGNATION OF ZONE.—

(1) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''2005'' both places it appears and inserting ''2007''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods beginning after December 31, 2005.

(b) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—

(1) IN GENERAL.—Subsection (b) of section 1400A is amended by striking ''2005'' and inserting ''2007''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to bonds issued after December 31, 2005.

(c) ZERO PERCENT CAPITAL GAINS RATE.—

(1) IN GENERAL.—Subsection (b) of section 1400B is amended by striking ''2006'' each place it appears and inserting ''2008''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1400B(e)(2) is amended—

(i) by striking ''2010'' and inserting ''2012'', and

(ii) by striking ''2010'' in the heading thereof and inserting ''2012''.

(B) Section 1400B(g)(2) is amended by striking ''2010'' and inserting ''2012''.

(C) Section 1400F(d) is amended by striking ''2010'' and inserting ''2012''.

(3) EFFECTIVE DATES.—

(A) EXTENSION.—The amendments made by paragraph (1) shall apply to acquisitions after December 31, 2005.

(B) CONFORMING AMENDMENTS.—The amendments made by paragraph (2) shall take effect on the date of the enactment of this Act.

(d) FIRST-TIME HOMEBUYER CREDIT.—

(1) IN GENERAL.—Subsection (i) of section 1400C is amended by striking ''2006'' and inserting ''2008''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property purchased after December 31, 2005.

SEC. 111. INDIAN EMPLOYMENT TAX CREDIT.

(a) IN GENERAL.—Section 45A(f) is amended by striking ''2005'' and inserting ''2007''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 112. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATIONS.

(a) IN GENERAL.—Section 168(j)(8) is amended by striking ''2005'' and inserting ''2007''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2005.

SEC. 113. FIFTEEN-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT PROPERTY.

(a) IN GENERAL.—Clauses (iv) and (v) of section 168(e)(3)(E) are each amended by striking ''2006'' and inserting ''2008''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to property placed in service after December 31, 2005.

SEC. 114. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Section 7652(f)(1) is amended by striking ''2006'' and inserting ''2008''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2005.

SEC. 115. PARITY IN APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.—Section 9812(f)(3) is amended by striking ''2006'' and inserting ''2007''.

(b) AMENDMENT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 712(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a(f)) is amended by striking ''2006'' and inserting ''2007''.

(c) AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT.—Section 2705(f) of the Public Health Service Act (42 U.S.C. 300gg–5(f)) is amended by striking ''2006''and inserting ''2007''.

SEC. 116. CORPORATE DONATIONS OF SCIENTIFIC PROPERTY USED FOR RESEARCH AND OF COMPUTER TECHNOLOGY AND EQUIPMENT.

(a) EXTENSION OF COMPUTER TECHNOLOGY AND EQUIPMENT DONATION.—

(1) IN GENERAL.—Section 170(e)(6)(G) is amended by striking ''2005'' and inserting ''2007''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to contributions made in taxable years beginning after December 31, 2005.

(b) EXPANSION OF CHARITABLE CONTRIBUTION ALLOWED FOR SCIENTIFIC PROPERTY USED FOR RESEARCH AND FOR COMPUTER TECHNOLOGY AND EQUIPMENT USED FOR EDUCATIONAL PURPOSES.—

(1) SCIENTIFIC PROPERTY USED FOR RESEARCH.—

(A) IN GENERAL.—Clause (ii) of section 170(e)(4)(B) (defining qualified research contributions) is amended by inserting ''or assembled'' after ''constructed''.

(B) CONFORMING AMENDMENT.—Clause (iii) of section 170(e)(4)(B) is amended by inserting ''or assembly'' after ''construction''.

(2) COMPUTER TECHNOLOGY AND EQUIPMENT FOR EDUCATIONAL PURPOSES.—

(A) IN GENERAL.—Clause (ii) of section 170(e)(6)(B) is amended by inserting ''or assembled'' after ''constructed'' and ''or assembling'' after ''construction''.

(B) CONFORMING AMENDMENT.—Subparagraph (D) of section 170(e)(6) is amended by inserting ''or assembled'' after ''constructed'' and ''or assembly'' after ''construction''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2005.

SEC. 117. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) are each amended by striking ''2005'' each place it appears in the text and headings and inserting ''2007''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended—

(A) in the text by striking ''or 2004'' each place it appears and inserting ''2004, 2005, or 2006'', and

(B) in the heading by striking ''OR 2004'' and inserting ''2004, 2005, OR 2006'' .

(2) Subparagraph (A) of section 220(j)(4) is amended by striking ''and 2004'' and inserting ''2004, 2005, and 2006''.

(c) TIME FOR FILING REPORTS, ETC.—

(1) The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2005, or August 1, 2006, as the case may be, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

(2) The determination and publication required by section 220(j)(5) of such Code with respect to calendar year 2005 or calendar year 2006, as the case may be, shall be treated as timely if made before the close of the 120-day period beginning on the date of the enactment of this Act. If the determination under the preceding sentence is that 2005 or 2006 is a cut-off year under section 220(i) of such Code, the cut-off date under such section 220(i) shall be the last day of such 120-day period.

SEC. 118. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Section 613A(c)(6)(H) is amended by striking ''2006'' and inserting ''2008''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 119. AMERICAN SAMOA ECONOMIC DEVELOPMENT CREDIT.

(a) IN GENERAL.—For purposes of section 30A of the Internal Revenue Code of 1986, a domestic corporation shall be treated as a qualified domestic corporation to which such section applies if such corporation—

(1) is an existing credit claimant with respect to American Samoa, and

(2) elected the application of section 936 of the Internal Revenue Code of 1986 for its last taxable year beginning before January 1, 2006.

(b) SPECIAL RULES FOR APPLICATION OF SECTION.—The following rules shall apply in applying section 30A of the Internal Revenue Code of 1986 for purposes of this section:

(1) AMOUNT OF CREDIT.—Notwithstanding section 30A(a)(1) of such Code, the amount of the credit determined under section 30A(a)(1) of such Code for any taxable year shall be the amount determined under section 30A(d) of such Code, except that section 30A(d) shall be applied without regard to paragraph (3) thereof.

(2) SEPARATE APPLICATION.—In applying section 30A(a)(3) of such Code in the case of a corporation treated as a qualified domestic corporation by reason of this section, section 30A of such Code (and so much of section 936 of such Code as relates to such section 30A) shall be applied separately with respect to American Samoa.

(3) FOREIGN TAX CREDIT ALLOWED.—Notwithstanding section 30A(e) of such Code, the provisions of section 936(c) of such Code shall not apply with respect to the credit allowed by reason of this section.

(c) DEFINITIONS.—For purposes of this section, any term which is used in this section which is also used in section 30A or 936 of such Code shall have the same meaning given such term by such section 30A or 936.

(d) APPLICATION OF SECTION.—Notwithstanding section 30A(h) or section 936(j) of such Code, this section (and so much of section 30A and section 936 of such Code as relates to this section) shall apply to the first two taxable years of a corporation to which subsection (a) applies which begin after December 31, 2005, and before January 1, 2008.

SEC. 120. EXTENSION OF BONUS DEPRECIATION FOR CERTAIN QUALIFIED GULF OPPORTUNITY ZONE PROPERTY.

(a) IN GENERAL.—Subsection (d) of section 1400N is amended by adding at the end the following new paragraph:

''(6) EXTENSION FOR CERTAIN PROPERTY.—

''(A) IN GENERAL.—In the case of any specified Gulf Opportunity Zone extension property, paragraph (2)(A) shall be applied without regard to clause (v) thereof.

''(B) SPECIFIED GULF OPPORTUNITY ZONE EXTENSION PROPERTY.—For purposes of this paragraph, the term 'specified Gulf Opportunity Zone extension property' means property—

''(i) substantially all of the use of which is in one or more specified portions of the GO Zone, and

''(ii) which is—

''(I) nonresidential real property or residential rental property which is placed in service by the taxpayer on or before December 31, 2010, or

''(II) in the case of a taxpayer who places a building described in subclause (I) in service on or before December 31, 2010, property described in section 168(k)(2)(A)(i) if substantially all of the use of such property is in such building and such property is placed in service by the taxpayer not later than 90 days after such building is placed in service.

''(C) SPECIFIED PORTIONS OF THE GO ZONE.—For purposes of this paragraph, the term 'specified portions of the GO Zone' means those portions of the GO Zone which are in any county or parish which is identified by the Secretary as being a county or parish in which hurricanes occurring during 2005 damaged (in the aggregate) more than 60 percent of the housing units in such county or parish which were occupied (determined according to the 2000 Census).

''(D) ONLY PRE-JANUARY 1, 2010, BASIS OF REAL PROPERTY ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified Gulf Opportunity Zone property solely by reason of subparagraph (B)(ii)(I), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2010.''.

(b) EXTENSION NOT APPLICABLE TO INCREASED SECTION 179 EXPENSING.—Paragraph (2) of section 1400N(e) is amended by inserting ''without regard to subsection (d)(6)'' after ''subsection (d)(2)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 101 of the Gulf Opportunity Zone Act of 2005.

SEC. 121. AUTHORITY FOR UNDERCOVER OPERATIONS.

Paragraph (6) of section 7608(c) (relating to application of section) is amended by striking ''2007'' both places it appears and inserting ''2008''.

SEC. 122. DISCLOSURES OF CERTAIN TAX RETURN INFORMATION.

(a) DISCLOSURES TO FACILITATE COMBINED EMPLOYMENT TAX REPORTING.—

(1) IN GENERAL.—Subparagraph (B) of section 6103(d)(5) (relating to termination) is amended by striking ''2006'' and inserting ''2007''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to disclosures after December 31, 2006.

(b) DISCLOSURES RELATING TO TERRORIST ACTIVITIES.—

(1) IN GENERAL.—Clause (iv) of section 6103(i)(3)(C) and subparagraph (E) of section 6103(i)(7) are each amended by striking ''2006'' and inserting ''2007''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply to disclosures after December 31, 2006.

(c) DISCLOSURES RELATING TO STUDENT LOANS.—

(1) IN GENERAL.—Subparagraph (D) of section 6103(l)(13) (relating to termination) is amended by striking ''2006'' and inserting ''2007''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to requests made after December 31, 2006.

SEC. 123. SPECIAL RULE FOR ELECTIONS UNDER EXPIRED PROVISIONS.

(a) RESEARCH CREDIT ELECTIONS.—In the case of any taxable year ending after December 31, 2005, and before the date of the enactment of this Act, any election under section 41(c)(4) or section 280C(c)(3)(C) of the Internal Revenue Code of 1986 shall be treated as

having been timely made for such taxable year if such election is made not later than the later of April 15, 2007, or such time as the Secretary of the Treasury, or his designee, may specify. Such election shall be made in the manner prescribed by such Secretary or designee.

(b) OTHER ELECTIONS.—Except as otherwise provided by such Secretary or designee, a rule similar to the rule of subsection (a) shall apply with respect to elections under any other expired provision of the Internal Revenue Code of 1986 the applicability of which is extended by reason of the amendments made by this title.

TITLE II—ENERGY TAX PROVISIONS

SEC. 201. CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

Subsection (d) of section 45 is amended by striking ''January 1, 2008'' each place it appears and inserting ''January 1, 2009''.

SEC. 202. CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS.

(a) IN GENERAL.—Section 54 is amended—

(1) by striking ''$800,000,000'' in subsection (f)(1) and inserting ''$1,200,000,000'',

(2) by striking ''$500,000,000'' in subsection (f)(2) and inserting ''$750,000,000'', and

(3) by striking ''December 31, 2007'' in subsection (m) and inserting ''December 31, 2008''.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by paragraphs (1) and (3) of subsection (a) shall apply to bonds issued after December 31, 2006.

(2) ALLOCATIONS.—The amendment made by subsection (a)(2) shall apply to allocations or reallocations after December 31, 2006.

SEC. 203. PERFORMANCE STANDARDS FOR SULFUR DIOXIDE REMOVAL IN ADVANCED COAL-BASED GENERATION TECHNOLOGY UNITS DESIGNED TO USE SUBBITUMINOUS COAL.

(a) IN GENERAL.—Paragraph (1) of section 48A(f) (relating to advanced coal-based generation technology) is amended by adding at the end the following new flush sentence:

''For purposes of the performance requirement specified for the removal of SO_2 in the table contained in subparagraph (B), the SO_2 removal design level in the case of a unit designed for the use of feedstock substantially all of which is subbituminous coal shall be 99 percent SO_2 removal or the achievement of an emission level of 0.04 pounds or less of SO_2 per million Btu, determined on a 30-day average.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take apply with respect to applications for certification under section 48A(d)(2) of the Internal Revenue Code of 1986 submitted after October 2, 2006.

SEC. 204. DEDUCTION FOR ENERGY EFFICIENT COMMERCIAL BUILDINGS.

Subsection (h) of section 179D is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

SEC. 205. CREDIT FOR NEW ENERGY EFFICIENT HOMES.

Subsection (g) of section 45L is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

SEC. 206. CREDIT FOR RESIDENTIAL ENERGY EFFICIENT PROPERTY.

(a) EXTENSION.—Subsection (g) of section 25D is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) CLARIFICATION OF TERM.—

(1) Subsections (a)(1), (b)(1)(A), and (e)(4)(A)(i) of section 25D are each amended by striking ''qualified photovoltaic property expenditures'' and inserting ''qualified solar electric property expenditures''.

(2) Section 25D(d)(2) is amended—

(A) by striking ''qualified photovoltaic property expenditure'' and inserting ''qualified solar electric property expenditure'', and

(B) in the heading by striking ''QUALIFIED PHOTOVOLTAIC PROPERTY EXPENDITURE'' and inserting ''QUALIFIED SOLAR ELECTRIC PROPERTY EXPENDITURE''.

SEC. 207. ENERGY CREDIT.

Section 48 is amended—

(1) by striking ''January 1, 2008'' both places it appears and inserting ''January 1, 2009'', and

(2) by striking ''December 31, 2007'' both places it appears and inserting ''December 31, 2008''.

SEC. 208. SPECIAL RULE FOR QUALIFIED METHANOL OR ETHANOL FUEL.

(a) EXTENSION.—Subparagraph (D) of section 4041(b)(2) is amended by striking ''October 1, 2007'' and inserting ''January 1, 2009''.

(b) APPLICABLE BLENDER RATE.—Section 4041(b)(2)(C)(ii) is amended by striking ''2007'' and inserting ''2008''.

(c) CLERICAL AMENDMENT.—The heading for section 4041(b)(2)(B) is amended to read as follows: ''QUALIFIED METHANOL AND ETHANOL FUEL PRODUCED FROM COAL''.

SEC. 209. SPECIAL DEPRECIATION ALLOWANCE FOR CELLULOSIC BIOMASS ETHANOL PLANT PROPERTY.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following:

''(l) SPECIAL ALLOWANCE FOR CELLULOSIC BIOMASS ETHANOL PLANT PROPERTY.—

''(1) ADDITIONAL ALLOWANCE.—In the case of any qualified cellulosic biomass ethanol plant property—

''(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 50 percent of the adjusted basis of such property, and

''(B) the adjusted basis of such property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

''(2) QUALIFIED CELLULOSIC BIOMASS ETHANOL PLANT PROPERTY.—The term 'qualified cellulosic biomass ethanol plant property' means property of a character subject to the allowance for depreciation—

''(A) which is used in the United States solely to produce cellulosic biomass ethanol,

''(B) the original use of which commences with the taxpayer after the date of the enactment of this subsection,

''(C) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after the date of the enactment of this subsection, but only if no written binding contract for the acquisition was in effect on or before the date of the enactment of this subsection, and

''(D) which is placed in service by the taxpayer before January 1, 2013.

''(3) CELLULOSIC BIOMASS ETHANOL.—For purposes of this subsection, the term 'cellulosic biomass ethanol' means ethanol produced by enzymatic hydrolysis of any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis.

''(4) EXCEPTIONS.—

''(A) ALTERNATIVE DEPRECIATION PROPERTY.—Such term shall not include any property described in section 168(k)(2)(D)(i).

''(B) TAX-EXEMPT BOND-FINANCED PROPERTY.—Such term shall not include any property any portion of which is financed with the proceeds of any obligation the interest on which is exempt from tax under section 103.

''(C) ELECTION OUT.—If a taxpayer makes an election under this subparagraph with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

''(5) SPECIAL RULES.—For purposes of this subsection, rules similar to the rules of subparagraph (E) of section 168(k)(2) shall apply, except that such subparagraph shall be applied—

''(A) by substituting 'the date of the enactment of subsection (l)' for 'September 10, 2001' each place it appears therein,

''(B) by substituting 'January 1, 2013' for 'January 1, 2005' in clause (i) thereof, and

''(C) by substituting 'qualified cellulosic biomass ethanol plant property' for 'qualified property' in clause (iv) thereof.

''(6) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(G) shall apply.

''(7) RECAPTURE.—For purposes of this subsection, rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified cellulosic biomass ethanol plant property which ceases to be qualified cellulosic biomass ethanol plant property.

''(8) DENIAL OF DOUBLE BENEFIT.—Paragraph (1) shall not apply to any qualified cellulosic biomass ethanol plant property with respect to which an election has been made under section 179C (relating to election to expense certain refineries).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after the date of the enactment of this Act in taxable years ending after such date.

SEC. 210. EXPENDITURES PERMITTED FROM THE LEAKING UNDERGROUND STORAGE TANK TRUST FUND.

(a) IN GENERAL.—Subsection (c) of section 9508 is amended—

(1) by striking ''section 9003(h)'' and inserting ''sections 9003(h), 9003(i), 9003(j), 9004(f), 9005(c), 9010, 9011, 9012, and 9013'', and

(2) by striking ''Superfund Amendments and Reauthorization Act of 1986'' and inserting ''Public Law 109–168''.

(b) CONFORMING AMENDMENTS.—Section 9014(2) of the Solid Waste Disposal Act is amended by striking ''Fund, notwithstanding section 9508(c)(1) of the Internal Revenue Code of 1986'' and inserting ''Fund''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 211. TREATMENT OF COKE AND COKE GAS.

(a) NONAPPLICATION OF PHASEOUT.—Section 45K(g)(2) is amended by adding at the end the following new subparagraph:

''(D) NONAPPLICATION OF PHASEOUT.—Subsection (b)(1) shall not apply.''.

(b) CLARIFICATION OF QUALIFYING FACILITY.—Section 45K(g)(1) is amended by inserting ''(other than from petroleum based products)'' after ''coke or coke gas''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 1321 of the Energy Policy Act of 2005.

TITLE III—HEALTH SAVINGS ACCOUNTS

SEC. 301. SHORT TITLE.

This title may be cited as the ''Health Opportunity Patient Empowerment Act of 2006''.

SEC. 302. FSA AND HRA TERMINATIONS TO FUND HSAS.

(a) IN GENERAL.—Section 106 (relating to contributions by employer to accident and health plans) is amended by adding at the end the following new subsection:

''(e) FSA AND HRA TERMINATIONS TO FUND HSAS.—

''(1) IN GENERAL.—A plan shall not fail to be treated as a health flexible spending arrangement or health reimbursement arrangement under this section or section 105

merely because such plan provides for a qualified HSA distribution.

''(2) QUALIFIED HSA DISTRIBUTION.—The term 'qualified HSA distribution' means a distribution from a health flexible spending arrangement or health reimbursement arrangement to the extent that such distribution—

''(A) does not exceed the lesser of the balance in such arrangement on September 21, 2006, or as of the date of such distribution, and

''(B) is contributed by the employer directly to the health savings account of the employee before January 1, 2012.

Such term shall not include more than 1 distribution with respect to any arrangement.

''(3) ADDITIONAL TAX FOR FAILURE TO MAINTAIN HIGH DEDUCTIBLE HEALTH PLAN COVERAGE.—

''(A) IN GENERAL.—If, at any time during the testing period, the employee is not an eligible individual, then the amount of the qualified HSA distribution—

''(i) shall be includible in the gross income of the employee for the taxable year in which occurs the first month in the testing period for which such employee is not an eligible individual, and

''(ii) the tax imposed by this chapter for such taxable year on the employee shall be increased by 10 percent of the amount which is so includible.

''(B) EXCEPTION FOR DISABILITY OR DEATH.—Clauses (i) and (ii) of subparagraph (A) shall not apply if the employee ceases to be an eligible individual by reason of the death of the employee or the employee becoming disabled (within the meaning of section 72(m)(7)).

''(4) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

''(A) TESTING PERIOD.—The term 'testing period' means the period beginning with the month in which the qualified HSA distribution is contributed to the health savings account and ending on the last day of the 12th month following such month.

''(B) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' has the meaning given such term by section 223(c)(1).

''(C) TREATMENT AS ROLLOVER CONTRIBUTION.—A qualified HSA distribution shall be treated as a rollover contribution described in section 223(f)(5).

''(5) TAX TREATMENT RELATING TO DISTRIBUTIONS.—For purposes of this title—

''(A) IN GENERAL.—A qualified HSA distribution shall be treated as a payment described in subsection (d).

''(B) COMPARABILITY EXCISE TAX.—

''(i) IN GENERAL.—Except as provided in clause (ii), section 4980G shall not apply to qualified HSA distributions.

''(ii) FAILURE TO OFFER TO ALL EMPLOYEES.—In the case of a qualified HSA distribution to any employee, the failure to offer such distribution to any eligible individual covered under a high deductible health plan of the employer shall (notwithstanding section 4980G(d)) be treated for purposes of section 4980G as a failure to meet the requirements of section 4980G(b).''.

(b) CERTAIN FSA COVERAGE DISREGARDED COVERAGE.—Subparagraph (B) of section 223(c)(1) (relating to certain coverage disregarded) is amended by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting '', and'', and by inserting after clause (ii) the following new clause:

''(iii) for taxable years beginning after December 31, 2006, coverage under a health flexible spending arrangement during any period immediately following the end of a plan year of such arrangement during which unused benefits or contributions remaining at the end of such plan year may be paid or reimbursed to plan participants for qualified benefit expenses incurred during such period if—

''(I) the balance in such arrangement at the end of such plan year is zero, or

''(II) the individual is making a qualified HSA distribution (as defined in section 106(e)) in an amount equal to the remaining balance in such arrangement as of the end of such plan year, in accordance with rules prescribed by the Secretary.''.

(c) APPLICATION OF SECTION.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to distributions on or after the date of the enactment of this Act.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall take effect on the date of the enactment of this Act.

SEC. 303. REPEAL OF ANNUAL DEDUCTIBLE LIMITATION ON HSA CONTRIBUTIONS.

(a) IN GENERAL.—Paragraph (2) of section 223(b) (relating to monthly limitation) is amended—

(1) in subparagraph (A) by striking ''the lesser of—'' and all that follows and inserting ''$2,250.'', and

(2) in subparagraph (B) by striking ''the lesser of—'' and all that follows and inserting ''$4,500.''.

(b) CONFORMING AMENDMENT.—Section 223(d)(1)(A)(ii)(I) is amended by striking ''subsection (b)(2)(B)(ii)'' and inserting ''subsection (b)(2)(B)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 304. MODIFICATION OF COST-OF-LIVING ADJUSTMENT.

Paragraph (1) of section 223(g) (relating to cost-of-living adjustment) is amended by adding at the end the following new flush sentence:

''In the case of adjustments made for any taxable year beginning after 2007, section 1(f)(4) shall be applied for purposes of this paragraph by substituting 'March 31' for 'August 31', and the Secretary shall publish the adjusted amounts under subsections (b)(2) and (c)(2)(A) for taxable years beginning in any calendar year no later than June 1 of the preceding calendar year.''.

SEC. 305. CONTRIBUTION LIMITATION NOT REDUCED FOR PART-YEAR COVERAGE.

(a) INCREASE IN LIMIT FOR INDIVIDUALS BECOMING ELIGIBLE INDIVIDUALS AFTER BEGINNING OF THE YEAR.—Subsection (b) of section 223 (relating to limitations) is amended by adding at the end the following new paragraph:

''(8) INCREASE IN LIMIT FOR INDIVIDUALS BECOMING ELIGIBLE INDIVIDUALS AFTER THE BEGINNING OF THE YEAR.—

''(A) IN GENERAL.—For purposes of computing the limitation under paragraph (1) for any taxable year, an individual who is an eligible individual during the last month of such taxable year shall be treated—

''(i) as having been an eligible individual during each of the months in such taxable year, and

''(ii) as having been enrolled, during each of the months such individual is treated as an eligible individual solely by reason of clause (i), in the same high deductible health plan in which the individual was enrolled for the last month of such taxable year.

''(B) FAILURE TO MAINTAIN HIGH DEDUCTIBLE HEALTH PLAN COVERAGE.—

''(i) IN GENERAL.—If, at any time during the testing period, the individual is not an eligible individual, then—

''(I) gross income of the individual for the taxable year in which occurs the first month in the testing period for which such individual is not an eligible individual is increased by the aggregate amount of all contributions to the health savings account of the individual which could not have been made but for subparagraph (A), and

''(II) the tax imposed by this chapter for any taxable year on the individual shall be increased by 10 percent of the amount of such increase.

''(ii) EXCEPTION FOR DISABILITY OR DEATH.—Subclauses (I) and (II) of clause (i) shall not apply if the individual ceased to be an eligible individual by reason of the death of the individual or the individual becoming disabled (within the meaning of section 72(m)(7)).

''(iii) TESTING PERIOD.—The term 'testing period' means the period beginning with the last month of the taxable year referred to in subparagraph (A) and ending on the last day of the 12th month following such month.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 306. EXCEPTION TO REQUIREMENT FOR EMPLOYERS TO MAKE COMPARABLE HEALTH SAVINGS ACCOUNT CONTRIBUTIONS.

(a) IN GENERAL.—Section 4980G (relating to failure of employer to make comparable health savings account contributions) is amended by adding at the end the following new subsection:

''(d) EXCEPTION.—For purposes of applying section 4980E to a contribution to a health savings account of an employee who is not a highly compensated employee (as defined in section 414(q)), highly compensated employees shall not be treated as comparable participating employees.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 307. ONE-TIME DISTRIBUTION FROM INDIVIDUAL RETIREMENT PLANS TO FUND HSAS.

(a) IN GENERAL.—Subsection (d) of section 408 (relating to taxability of beneficiary of employees' trust) is amended by adding at the end the following new paragraph:

''(9) DISTRIBUTION FOR HEALTH SAVINGS ACCOUNT FUNDING.—

''(A) IN GENERAL.—In the case of an individual who is an eligible individual (as defined in section 223(c)) and who elects the application of this paragraph for a taxable year, gross income of the individual for the taxable year does not include a qualified HSA funding distribution to the extent such distribution is otherwise includible in gross income.

''(B) QUALIFIED HSA FUNDING DISTRIBUTION.—For purposes of this paragraph, the term 'qualified HSA funding distribution' means a distribution from an individual retirement plan (other than a plan described in subsection (k) or (p)) of the employee to the extent that such distribution is contributed to the health savings account of the individual in a direct trustee-to-trustee transfer.

''(C) LIMITATIONS.—

''(i) MAXIMUM DOLLAR LIMITATION.—The amount excluded from gross income by subparagraph (A) shall not exceed the excess of—

''(I) the annual limitation under section 223(b) computed on the basis of the type of coverage under the high deductible health plan covering the individual at the time of the qualified HSA funding distribution, over

''(II) in the case of a distribution described in clause (ii)(II), the amount of the earlier qualified HSA funding distribution.

''(ii) ONE-TIME TRANSFER.—

''(I) IN GENERAL.—Except as provided in subclause (II), an individual may make an election under subparagraph (A) only for one qualified HSA funding distribution during the lifetime of the individual. Such an election, once made, shall be irrevocable.

''(II) CONVERSION FROM SELF-ONLY TO FAMILY COVERAGE.—If a qualified HSA funding

distribution is made during a month in a taxable year during which an individual has self-only coverage under a high deductible health plan as of the first day of the month, the individual may elect to make an additional qualified HSA funding distribution during a subsequent month in such taxable year during which the individual has family coverage under a high deductible health plan as of the first day of the subsequent month.

''(D) FAILURE TO MAINTAIN HIGH DEDUCTIBLE HEALTH PLAN COVERAGE.—

''(i) IN GENERAL.—If, at any time during the testing period, the individual is not an eligible individual, then the aggregate amount of all contributions to the health savings account of the individual made under subparagraph (A)—

''(I) shall be includible in the gross income of the individual for the taxable year in which occurs the first month in the testing period for which such individual is not an eligible individual, and

''(II) the tax imposed by this chapter for any taxable year on the individual shall be increased by 10 percent of the amount which is so includible.

''(ii) EXCEPTION FOR DISABILITY OR DEATH.—Subclauses (I) and (II) of clause (i) shall not apply if the individual ceased to be an eligible individual by reason of the death of the individual or the individual becoming disabled (within the meaning of section 72(m)(7)).

''(iii) TESTING PERIOD.—The term 'testing period' means the period beginning with the month in which the qualified HSA funding distribution is contributed to a health savings account and ending on the last day of the 12th month following such month.

''(E) APPLICATION OF SECTION 72.—Notwithstanding section 72, in determining the extent to which an amount is treated as otherwise includible in gross income for purposes of subparagraph (A), the aggregate amount distributed from an individual retirement plan shall be treated as includible in gross income to the extent that such amount does not exceed the aggregate amount which would have been so includible if all amounts from all individual retirement plans were distributed. Proper adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.''.

(b) COORDINATION WITH LIMITATION ON CONTRIBUTIONS TO HSAS.—Section 223(b)(4) (relating to coordination with other contributions) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by inserting after subparagraph (B) the following new subparagraph:

''(C) the aggregate amount contributed to health savings accounts of such individual for such taxable year under section 408(d)(9) (and such amount shall not be allowed as a deduction under subsection (a)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

TITLE IV—OTHER PROVISIONS

SEC. 401. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) IN GENERAL.—Subsection (d) of section 199 (relating to definitions and special rules) is amended by redesignating paragraph (8) as paragraph (9) and by inserting after paragraph (7) the following new paragraph:

''(8) TREATMENT OF ACTIVITIES IN PUERTO RICO.—

''(A) IN GENERAL.—In the case of any taxpayer with gross receipts for any taxable year from sources within the Commonwealth of Puerto Rico, if all of such receipts are taxable under section 1 or 11 for such taxable year, then for purposes of determining the domestic production gross receipts of such taxpayer for such taxable year under subsection (c)(4), the term 'United States' shall include the Commonwealth of Puerto Rico.

''(B) SPECIAL RULE FOR APPLYING WAGE LIMITATION.—In the case of any taxpayer described in subparagraph (A), for purposes of applying the limitation under subsection (b) for any taxable year, the determination of W–2 wages of such taxpayer shall be made without regard to any exclusion under section 3401(a)(8) for remuneration paid for services performed in Puerto Rico.

''(C) TERMINATION.—This paragraph shall apply only with respect to the first 2 taxable years of the taxpayer beginning after December 31, 2005, and before January 1, 2008.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 402. CREDIT FOR PRIOR YEAR MINIMUM TAX LIABILITY MADE REFUNDABLE AFTER PERIOD OF YEARS.

(a) IN GENERAL.—Section 53 (relating to credit for prior year minimum tax liability) is amended by adding at the end the following new subsection:

''(e) SPECIAL RULE FOR INDIVIDUALS WITH LONG-TERM UNUSED CREDITS.—

''(1) IN GENERAL.—If an individual has a long-term unused minimum tax credit for any taxable year beginning before January 1, 2013, the amount determined under subsection (c) for such taxable year shall not be less than the AMT refundable credit amount for such taxable year.

''(2) AMT REFUNDABLE CREDIT AMOUNT.—For purposes of paragraph (1)—

''(A) IN GENERAL.—The term 'AMT refundable credit amount' means, with respect to any taxable year, the amount equal to the greater of—

''(i) the lesser of—

''(I) $5,000, or

''(II) the amount of long-term unused minimum tax credit for such taxable year, or

''(ii) 20 percent of the amount of such credit.

''(B) PHASEOUT OF AMT REFUNDABLE CREDIT AMOUNT.—

''(i) IN GENERAL.—In the case of an individual whose adjusted gross income for any taxable year exceeds the threshold amount (within the meaning of section 151(d)(3)(C)), the AMT refundable credit amount determined under subparagraph (A) for such taxable year shall be reduced by the applicable percentage (within the meaning of section 151(d)(3)(B)).

''(ii) ADJUSTED GROSS INCOME.—For purposes of clause (i), adjusted gross income shall be determined without regard to sections 911, 931, and 933.

''(3) LONG-TERM UNUSED MINIMUM TAX CREDIT.—

''(A) IN GENERAL.—For purposes of this subsection, the term 'long-term unused minimum tax credit' means, with respect to any taxable year, the portion of the minimum tax credit determined under subsection (b) attributable to the adjusted net minimum tax for taxable years before the 3rd taxable year immediately preceding such taxable year.

''(B) FIRST-IN, FIRST-OUT ORDERING RULE.—For purposes of subparagraph (A), credits shall be treated as allowed under subsection (a) on a first-in, first-out basis.

''(4) CREDIT REFUNDABLE.—For purposes of this title (other than this section), the credit allowed by reason of this subsection shall be treated as if it were allowed under subpart C.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 6211(b)(4)(A) is amended by striking ''and 34'' and inserting ''34, and 53(e)''.

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting ''or 53(e)'' after ''section 35''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 403. RETURNS REQUIRED IN CONNECTION WITH CERTAIN OPTIONS.

(a) IN GENERAL.—So much of section 6039(a) as follows paragraph (2) is amended to read as follows:

''shall, for such calendar year, make a return at such time and in such manner, and setting forth such information, as the Secretary may by regulations prescribe.''.

(b) STATEMENTS TO PERSONS WITH RESPECT TO WHOM INFORMATION IS FURNISHED.—Section 6039 is amended by redesignating subsections (b) and (c) as subsection (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

''(b) STATEMENTS TO BE FURNISHED TO PERSONS WITH RESPECT TO WHOM INFORMATION IS REPORTED.—Every corporation making a return under subsection (a) shall furnish to each person whose name is set forth in such return a written statement setting forth such information as the Secretary may by regulations prescribe. The written statement required under the preceding sentence shall be furnished to such person on or before January 31 of the year following the calendar year for which the return under subsection (a) was made.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 6724(d)(1)(B) is amended by striking ''or'' at the end of clause (xvii), by striking ''and'' at the end of clause (xviii) and inserting ''or'', and by adding at the end the following new clause:

''(xix) section 6039(a) (relating to returns required with respect to certain options), and''.

(2) Section 6724(d)(2)(B) is amended by striking ''section 6039(a)'' and inserting ''section 6039(b)''.

(3) The heading of section 6039 and the item relating to such section in the table of sections of subpart A of part III of subchapter A of chapter 61 of such Code are each amended by striking ''Information'' and inserting ''Returns''.

(4) The heading of subsection (a) of section 6039 is amended by striking ''FURNISHING OF INFORMATION'' and inserting ''REQUIREMENT OF REPORTING''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after the date of the enactment of this Act.

SEC. 404. PARTIAL EXPENSING FOR ADVANCED MINE SAFETY EQUIPMENT.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 is amended by inserting after section 179D the following new section:

''SEC. 179E. ELECTION TO EXPENSE ADVANCED MINE SAFETY EQUIPMENT.

''(a) TREATMENT AS EXPENSES.—A taxpayer may elect to treat 50 percent of the cost of any qualified advanced mine safety equipment property as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a deduction for the taxable year in which the qualified advanced mine safety equipment property is placed in service.

''(b) ELECTION.—

''(1) IN GENERAL.—An election under this section for any taxable year shall be made on the taxpayer's return of the tax imposed by this chapter for the taxable year. Such election shall specify the advanced mine safety equipment property to which the election applies and shall be made in such manner as the Secretary may by regulations prescribe.

''(2) ELECTION IRREVOCABLE.—Any election made under this section may not be revoked except with the consent of the Secretary.

''(c) QUALIFIED ADVANCED MINE SAFETY EQUIPMENT PROPERTY.—For purposes of this section, the term 'qualified advanced mine safety equipment property' means any advanced mine safety equipment property for use in any underground mine located in the United States—

''(1) the original use of which commences with the taxpayer, and

''(2) which is placed in service by the taxpayer after the date of the enactment of this section.

''(d) ADVANCED MINE SAFETY EQUIPMENT PROPERTY.—For purposes of this section, the term 'advanced mine safety equipment property' means any of the following:

''(1) Emergency communication technology or device which is used to allow a miner to maintain constant communication with an individual who is not in the mine.

''(2) Electronic identification and location device which allows an individual who is not in the mine to track at all times the movements and location of miners working in or at the mine.

''(3) Emergency oxygen-generating, self-rescue device which provides oxygen for at least 90 minutes.

''(4) Pre-positioned supplies of oxygen which (in combination with self-rescue devices) can be used to provide each miner on a shift, in the event of an accident or other event which traps the miner in the mine or otherwise necessitates the use of such a self-rescue device, the ability to survive for at least 48 hours.

''(5) Comprehensive atmospheric monitoring system which monitors the levels of carbon monoxide, methane, and oxygen that are present in all areas of the mine and which can detect smoke in the case of a fire in a mine.

''(e) COORDINATION WITH SECTION 179.—No expenditures shall be taken into account under subsection (a) with respect to the portion of the cost of any property specified in an election under section 179.

''(f) REPORTING.—No deduction shall be allowed under subsection (a) to any taxpayer for any taxable year unless such taxpayer files with the Secretary a report containing such information with respect to the operation of the mines of the taxpayer as the Secretary shall require.

''(g) TERMINATION.—This section shall not apply to property placed in service after December 31, 2008.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 263(a)(1) is amended by striking ''or'' at the end of subparagraph (J), by striking the period at the end of subparagraph (K) and inserting '', or'', and by inserting after subparagraph (K) the following new subparagraph:

''(L) expenditures for which a deduction is allowed under section 179E.''.

(2) Section 312(k)(3)(B) is amended by striking ''or 179D'' each place it appears in the heading and text thereof and inserting ''179D, or 179E''.

(3) Paragraphs (2)(C) and (3)(C) of section 1245(a) are each amended by inserting ''179E,'' after ''179D,''.

(4) The table of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 179D the following new item:

''Sec. 179E. Election to expense advanced mine safety equipment.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to costs paid or incurred after the date of the enactment of this Act.

SEC. 405. MINE RESCUE TEAM TRAINING TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

''SEC. 45N. MINE RESCUE TEAM TRAINING CREDIT.

''(a) AMOUNT OF CREDIT.—For purposes of section 38, the mine rescue team training credit determined under this section with respect to each qualified mine rescue team employee of an eligible employer for any taxable year is an amount equal to the lesser of—

''(1) 20 percent of the amount paid or incurred by the taxpayer during the taxable year with respect to the training program costs of such qualified mine rescue team employee (including wages of such employee while attending such program), or

''(2) $10,000.

''(b) QUALIFIED MINE RESCUE TEAM EMPLOYEE.—For purposes of this section, the term 'qualified mine rescue team employee' means with respect to any taxable year any full-time employee of the taxpayer who is—

''(1) a miner eligible for more than 6 months of such taxable year to serve as a mine rescue team member as a result of completing, at a minimum, an initial 20-hour course of instruction as prescribed by the Mine Safety and Health Administration's Office of Educational Policy and Development, or

''(2) a miner eligible for more than 6 months of such taxable year to serve as a mine rescue team member by virtue of receiving at least 40 hours of refresher training in such instruction.

''(c) ELIGIBLE EMPLOYER.—For purposes of this section, the term 'eligible employer' means any taxpayer which employs individuals as miners in underground mines in the United States.

''(d) WAGES.—For purposes of this section, the term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

''(e) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 2008.''.

(b) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) is amended by striking ''and'' at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting '', plus'', and by adding at the end the following new paragraph:

''(31) the mine rescue team training credit determined under section 45N(a).''.

(c) NO DOUBLE BENEFIT.—Section 280C is amended by adding at the end the following new subsection:

''(e) MINE RESCUE TEAM TRAINING CREDIT.—No deduction shall be allowed for that portion of the expenses otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for the taxable year under section 45N(a).''.

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45N. Mine rescue team training credit.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 406. WHISTLEBLOWER REFORMS.

(a) AWARDS TO WHISTLEBLOWERS.—

(1) IN GENERAL.—Section 7623 (relating to expenses of detection of underpayments and fraud, etc.) is amended—

(A) by striking ''The Secretary'' and inserting ''(a) IN GENERAL.—The Secretary'',

(B) by striking ''and'' at the end of paragraph (1) and inserting ''or'',

(C) by striking ''(other than interest)'', and

(D) by adding at the end the following new subsection:

''(b) AWARDS TO WHISTLEBLOWERS.—

''(1) IN GENERAL.—If the Secretary proceeds with any administrative or judicial action described in subsection (a) based on information brought to the Secretary's attention by an individual, such individual shall, subject to paragraph (2), receive as an award at least 15 percent but not more than 30 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action. The determination of the amount of such award by the Whistleblower Office shall depend upon the extent to which the individual substantially contributed to such action.

''(2) AWARD IN CASE OF LESS SUBSTANTIAL CONTRIBUTION.—

''(A) IN GENERAL.—In the event the action described in paragraph (1) is one which the Whistleblower Office determines to be based principally on disclosures of specific allegations (other than information provided by the individual described in paragraph (1)) resulting from a judicial or administrative hearing, from a governmental report, hearing, audit, or investigation, or from the news media, the Whistleblower Office may award such sums as it considers appropriate, but in no case more than 10 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action, taking into account the significance of the individual's information and the role of such individual and any legal representative of such individual in contributing to such action.

''(B) NONAPPLICATION OF PARAGRAPH WHERE INDIVIDUAL IS ORIGINAL SOURCE OF INFORMATION.—Subparagraph (A) shall not apply if the information resulting in the initiation of the action described in paragraph (1) was originally provided by the individual described in paragraph (1).

''(3) REDUCTION IN OR DENIAL OF AWARD.—If the Whistleblower Office determines that the claim for an award under paragraph (1) or (2) is brought by an individual who planned and initiated the actions that led to the underpayment of tax or actions described in subsection (a)(2), then the Whistleblower Office may appropriately reduce such award. If such individual is convicted of criminal conduct arising from the role described in the preceding sentence, the Whistleblower Office shall deny any award.

''(4) APPEAL OF AWARD DETERMINATION.—Any determination regarding an award under paragraph (1), (2), or (3) may, within 30 days of such determination, be appealed to the Tax Court (and the Tax Court shall have jurisdiction with respect to such matter).

''(5) APPLICATION OF THIS SUBSECTION.—This subsection shall apply with respect to any action—

''(A) against any taxpayer, but in the case of any individual, only if such individual's gross income exceeds $200,000 for any taxable year subject to such action, and

''(B) if the tax, penalties, interest, additions to tax, and additional amounts in dispute exceed $2,000,000.

''(6) ADDITIONAL RULES.—

''(A) NO CONTRACT NECESSARY.—No contract with the Internal Revenue Service is necessary for any individual to receive an award under this subsection.

''(B) REPRESENTATION.—Any individual described in paragraph (1) or (2) may be represented by counsel.

''(C) SUBMISSION OF INFORMATION.—No award may be made under this subsection

based on information submitted to the Secretary unless such information is submitted under penalty of perjury.''.

(2) ASSIGNMENT TO SPECIAL TRIAL JUDGES.—

(A) IN GENERAL.—Section 7443A(b) (relating to proceedings which may be assigned to special trial judges) is amended by striking ''and'' at the end of paragraph (5), by redesignating paragraph (6) as paragraph (7), and by inserting after paragraph (5) the following new paragraph:

''(6) any proceeding under section 7623(b)(4), and''.

(B) CONFORMING AMENDMENT.—Section 7443A(c) is amended by striking ''or (5)'' and inserting ''(5), or (6)''.

(3) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMIZES.—Subsection (a) of section 62 (relating to general rule defining adjusted gross income) is amended by inserting after paragraph (20) the following new paragraph:

''(21) ATTORNEYS FEES RELATING TO AWARDS TO WHISTLEBLOWERS.—Any deduction allowable under this chapter for attorney fees and court costs paid by, or on behalf of, the taxpayer in connection with any award under section 7623(b) (relating to awards to whistleblowers). The preceding sentence shall not apply to any deduction in excess of the amount includible in the taxpayer's gross income for the taxable year on account of such award.''.

(b) WHISTLEBLOWER OFFICE.—

(1) IN GENERAL.—Not later than the date which is 12 months after the date of the enactment of this Act, the Secretary of the Treasury shall issue guidance for the operation of a whistleblower program to be administered in the Internal Revenue Service by an office to be known as the ''Whistleblower Office'' which—

(A) shall at all times operate at the direction of the Commissioner of Internal Revenue and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner of Internal Revenue,

(B) shall analyze information received from any individual described in section 7623(b) of the Internal Revenue Code of 1986 and either investigate the matter itself or assign it to the appropriate Internal Revenue Service office, and

(C) in its sole discretion, may ask for additional assistance from such individual or any legal representative of such individual.

(2) REQUEST FOR ASSISTANCE.—The guidance issued under paragraph (1) shall specify that any assistance requested under paragraph (1)(C) shall be under the direction and control of the Whistleblower Office or the office assigned to investigate the matter under paragraph (1)(A). No individual or legal representative whose assistance is so requested may by reason of such request represent himself or herself as an employee of the Federal Government.

(c) REPORT BY SECRETARY.—The Secretary of the Treasury shall each year conduct a study and report to Congress on the use of section 7623 of the Internal Revenue Code of 1986, including—

(1) an analysis of the use of such section during the preceding year and the results of such use, and

(2) any legislative or administrative recommendations regarding the provisions of such section and its application.

(d) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to information provided on or after the date of the enactment of this Act.

SEC. 407. FRIVOLOUS TAX SUBMISSIONS.

(a) CIVIL PENALTIES.—Section 6702 is amended to read as follows:

''SEC. 6702. FRIVOLOUS TAX SUBMISSIONS.

''(a) CIVIL PENALTY FOR FRIVOLOUS TAX RETURNS.—A person shall pay a penalty of $5,000 if—

''(1) such person files what purports to be a return of a tax imposed by this title but which—

''(A) does not contain information on which the substantial correctness of the self-assessment may be judged, or

''(B) contains information that on its face indicates that the self-assessment is substantially incorrect, and

''(2) the conduct referred to in paragraph (1)—

''(A) is based on a position which the Secretary has identified as frivolous under subsection (c), or

''(B) reflects a desire to delay or impede the administration of Federal tax laws.

''(b) CIVIL PENALTY FOR SPECIFIED FRIVOLOUS SUBMISSIONS.—

''(1) IMPOSITION OF PENALTY.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

''(2) SPECIFIED FRIVOLOUS SUBMISSION.—For purposes of this section—

''(A) SPECIFIED FRIVOLOUS SUBMISSION.—The term 'specified frivolous submission' means a specified submission if any portion of such submission—

''(i) is based on a position which the Secretary has identified as frivolous under subsection (c), or

''(ii) reflects a desire to delay or impede the administration of Federal tax laws.

''(B) SPECIFIED SUBMISSION.—The term 'specified submission' means—

''(i) a request for a hearing under—

''(I) section 6320 (relating to notice and opportunity for hearing upon filing of notice of lien), or

''(II) section 6330 (relating to notice and opportunity for hearing before levy), and

''(ii) an application under—

''(I) section 6159 (relating to agreements for payment of tax liability in installments),

''(II) section 7122 (relating to compromises), or

''(III) section 7811 (relating to taxpayer assistance orders).

''(3) OPPORTUNITY TO WITHDRAW SUBMISSION.—If the Secretary provides a person with notice that a submission is a specified frivolous submission and such person withdraws such submission within 30 days after such notice, the penalty imposed under paragraph (1) shall not apply with respect to such submission.

''(c) LISTING OF FRIVOLOUS POSITIONS.—The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6662(d)(2)(B)(ii)(II).

''(d) REDUCTION OF PENALTY.—The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

''(e) PENALTIES IN ADDITION TO OTHER PENALTIES.—The penalties imposed by this section shall be in addition to any other penalty provided by law.''.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.—

(1) FRIVOLOUS REQUESTS DISREGARDED.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

''(g) FRIVOLOUS REQUESTS FOR HEARING, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6320 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.''.

(2) PRECLUSION FROM RAISING FRIVOLOUS ISSUES AT HEARING.—Section 6330(c)(4) is amended—

(A) by striking ''(A)'' and inserting ''(A)(i)'';

(B) by striking ''(B)'' and inserting ''(ii)'';

(C) by striking the period at the end of the first sentence and inserting ''; or''; and

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following:

''(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).''.

(3) STATEMENT OF GROUNDS.—Section 6330(b)(1) is amended by striking ''under subsection (a)(3)(B)'' and inserting ''in writing under subsection (a)(3)(B) and states the grounds for the requested hearing''.

(c) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS UPON FILING OF NOTICE OF LIEN.—Section 6320 is amended—

(1) in subsection (b)(1), by striking ''under subsection (a)(3)(B)'' and inserting ''in writing under subsection (a)(3)(B) and states the grounds for the requested hearing'', and

(2) in subsection (c), by striking ''and (e)'' and inserting ''(e), and (g)''.

(d) TREATMENT OF FRIVOLOUS APPLICATIONS FOR OFFERS-IN-COMPROMISE AND INSTALLMENT AGREEMENTS.—Section 7122 is amended by adding at the end the following new subsection:

''(f) FRIVOLOUS SUBMISSIONS, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.''.

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

''Sec. 6702. Frivolous tax submissions.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to submissions made and issues raised after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 408. ADDITION OF MENINGOCOCCAL AND HUMAN PAPILLOMAVIRUS VACCINES TO LIST OF TAXABLE VACCINES.

(a) MENINGOCOCCAL VACCINE.—Section 4132(a)(1) (defining taxable vaccine) is amended by adding at the end the following new subparagraph:

''(O) Any meningococcal vaccine.''.

(b) HUMAN PAPILLOMAVIRUS VACCINE.—Section 4132(a)(1), as amended by subsection (a), is amended by adding at the end the following new subparagraph:

''(P) Any vaccine against the human papillomavirus.''.

(c) EFFECTIVE DATE.—

(1) SALES, ETC.—The amendments made by this section shall apply to sales and uses on or after the first day of the first month which begins more than 4 weeks after the date of the enactment of this Act.

(2) DELIVERIES.—For purposes of paragraph (1) and section 4131 of the Internal Revenue Code of 1986, in the case of sales on or before the effective date described in such paragraph for which delivery is made after such date, the delivery date shall be considered the sale date.

SEC. 409. CLARIFICATION OF TAXATION OF CERTAIN SETTLEMENT FUNDS MADE PERMANENT.

(a) IN GENERAL.—Subsection (g) of section 468B is amended by striking paragraph (3).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 201 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 410. MODIFICATION OF ACTIVE BUSINESS DEFINITION UNDER SECTION 355 MADE PERMANENT.

(a) IN GENERAL.—Subparagraphs (A) and (D) of section 355(b)(3) are each amended by striking ''and on or before December 31, 2010''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 202 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 411. REVISION OF STATE VETERANS LIMIT MADE PERMANENT.

(a) IN GENERAL.—Subparagraph (B) of section 143(l)(3) is amended by striking clause (iv).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 203 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 412. CAPITAL GAINS TREATMENT FOR CERTAIN SELF-CREATED MUSICAL WORKS MADE PERMANENT.

(a) IN GENERAL.—Paragraph (3) of section 1221(b) is amended by striking ''before January 1, 2011,''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 204 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 413. REDUCTION IN MINIMUM VESSEL TONNAGE WHICH QUALIFIES FOR TONNAGE TAX MADE PERMANENT.

(a) IN GENERAL.—Paragraph (4) of section 1355(a) is amended by striking ''10,000 (6,000, in the case of taxable years beginning after December 31, 2005, and ending before January 1, 2011)'' and inserting ''6,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 205 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 414. MODIFICATION OF SPECIAL ARBITRAGE RULE FOR CERTAIN FUNDS MADE PERMANENT.

(a) IN GENERAL.—Section 206 of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking ''and before August 31, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 206 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 415. GREAT LAKES DOMESTIC SHIPPING TO NOT DISQUALIFY VESSEL FROM TONNAGE TAX.

(a) IN GENERAL.—Section 1355 (relating to definitions and special rules) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) GREAT LAKES DOMESTIC SHIPPING TO NOT DISQUALIFY VESSEL.—

''(1) IN GENERAL.—If the electing corporation elects (at such time and in such manner as the Secretary may require) to apply this subsection for any taxable year to any qualifying vessel which is used in qualified zone domestic trade during the taxable year—

''(A) solely for purposes of subsection (a)(4), such use shall be treated as use in United States foreign trade (and not as use in United States domestic trade), and

''(B) subsection (f) shall not apply with respect to such vessel for such taxable year.

''(2) EFFECT OF TEMPORARILY OPERATING VESSEL IN UNITED STATES DOMESTIC TRADE.—In the case of a qualifying vessel to which this subsection applies—

''(A) IN GENERAL.—An electing corporation shall be treated as using such vessel in qualified zone domestic trade during any period of temporary use in the United States domestic trade (other than qualified zone domestic trade) if the electing corporation gives timely notice to the Secretary stating—

''(i) that it temporarily operates or has operated in the United States domestic trade (other than qualified zone domestic trade) a qualifying vessel which had been used in the United States foreign trade or qualified zone domestic trade, and

''(ii) its intention to resume operation of the vessel in the United States foreign trade or qualified zone domestic trade.

''(B) NOTICE.—Notice shall be deemed timely if given not later than the due date (including extensions) for the corporation's tax return for the taxable year in which the temporary cessation begins.

''(C) PERIOD DISREGARD IN EFFECT.—The period of temporary use under subparagraph (A) continues until the earlier of the date of which—

''(i) the electing corporation abandons its intention to resume operations of the vessel in the United States foreign trade or qualified zone domestic trade, or

''(ii) the electing corporation resumes operation of the vessel in the United States foreign trade or qualified zone domestic trade.

''(D) NO DISREGARD IF DOMESTIC TRADE USE EXCEEDS 30 DAYS.—Subparagraph (A) shall not apply to any qualifying vessel which is operated in the United States domestic trade (other than qualified zone domestic trade) for more than 30 days during the taxable year.

''(3) ALLOCATION OF INCOME AND DEDUCTIONS TO QUALIFYING SHIPPING ACTIVITIES.—In the case of a qualifying vessel to which this subsection applies, the Secretary shall prescribe rules for the proper allocation of income, expenses, losses, and deductions between the qualified shipping activities and the other activities of such vessel.

''(4) QUALIFIED ZONE DOMESTIC TRADE.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified zone domestic trade' means the transportation of goods or passengers between places in the qualified zone if such transportation is in the United States domestic trade.

''(B) QUALIFIED ZONE.—The term 'qualified zone' means the Great Lakes Waterway and the St. Lawrence Seaway.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 416. USE OF QUALIFIED MORTGAGE BONDS TO FINANCE RESIDENCES FOR VETERANS WITHOUT REGARD TO FIRST-TIME HOMEBUYER REQUIREMENT.

(a) IN GENERAL.—Section 143(d)(2) (relating to exceptions to 3-year requirement) is amended by striking ''and'' at the end of subparagraph (B), by adding ''and'' at the end of subparagraph (C), and by inserting after subparagraph (C) the following new subparagraph:

''(D) in the case of bonds issued after the date of the enactment of this subparagraph and before January 1, 2008, financing of any residence for a veteran (as defined in section 101 of title 38, United States Code), if such veteran has not previously qualified for and received such financing by reason of this subparagraph,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 417. EXCLUSION OF GAIN FROM SALE OF A PRINCIPAL RESIDENCE BY CERTAIN EMPLOYEES OF THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—Subparagraph (A) of section 121(d)(9) (relating to exclusion of gain from sale of principal residence) is amended by striking ''duty'' and all that follows and inserting ''duty—

''(i) as a member of the uniformed services,

''(ii) as a member of the Foreign Service of the United States, or

''(iii) as an employee of the intelligence community.''.

(b) EMPLOYEE OF INTELLIGENCE COMMUNITY DEFINED.—Subparagraph (C) of section 121(d)(9) is amended by redesignating clause (iv) as clause (v) and by inserting after clause (iii) the following new clause:

''(iv) EMPLOYEE OF INTELLIGENCE COMMUNITY.—The term 'employee of the intelligence community' means an employee (as defined by section 2105 of title 5, United States Code) of—

''(I) the Office of the Director of National Intelligence,

''(II) the Central Intelligence Agency,

''(III) the National Security Agency,

''(IV) the Defense Intelligence Agency,

''(V) the National Geospatial-Intelligence Agency,

''(VI) the National Reconnaissance Office,

''(VII) any other office within the Department of Defense for the collection of specialized national intelligence through reconnaissance programs,

''(VIII) any of the intelligence elements of the Army, the Navy, the Air Force, the Marine Corps, the Federal Bureau of Investigation, the Department of Treasury, the Department of Energy, and the Coast Guard,

''(IX) the Bureau of Intelligence and Research of the Department of State, or

''(X) any of the elements of the Department of Homeland Security concerned with the analyses of foreign intelligence information.''.

(c) SPECIAL RULE.—Subparagraph (C) of section 121(d)(9), as amended by subsection (b), is amended by adding at the end the following new clause:

''(vi) SPECIAL RULE RELATING TO INTELLIGENCE COMMUNITY.—An employee of the intelligence community shall not be treated as serving on qualified extended duty unless such duty is at a duty station located outside the United States.''.

(d) CONFORMING AMENDMENT.—The heading for section 121(d)(9) is amended to read as follows: ''UNIFORMED SERVICES, FOREIGN SERVICE, AND INTELLIGENCE COMMUNITY''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after the date of the enactment of this Act and before January 1, 2011.

SEC. 418. SALE OF PROPERTY BY JUDICIAL OFFICERS.

(a) IN GENERAL.—Section 1043(b) (relating to the sale of property to comply with conflict-of-interest requirements) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by inserting '', or a judicial officer,'' after ''an officer or employee of the executive branch''; and

(B) in subparagraph (B), by inserting ''judicial canon,'' after ''any statute, regulation, rule,'';

(2) in paragraph (2)—

(A) in subparagraph (A), by inserting ''judicial canon,'' after ''any Federal conflict of interest statute, regulation, rule,''; and

(B) in subparagraph (B), by inserting after ''the Director of the Office of Government Ethics,'' the following: ''in the case of executive branch officers or employees, or by the Judicial Conference of the United States (or its designee), in the case of judicial officers,''; and

(3) in paragraph (5)(B), by inserting ''judicial canon,'' after ''any statute, regulation, rule,''.

(b) JUDICIAL OFFICER DEFINED.—Section 1043(b) is amended by adding at the end the following new paragraph:

''(6) JUDICIAL OFFICER.—The term 'judicial officer' means the Chief Justice of the United States, the Associate Justices of the Supreme Court, and the judges of the United States courts of appeals, United States district courts, including the district courts in Guam, the Northern Mariana Islands, and the Virgin Islands, Court of Appeals for the Federal Circuit, Court of International Trade, Tax Court, Court of Federal Claims, Court of Appeals for Veterans Claims, United States Court of Appeals for the Armed Forces, and any court created by Act of Congress, the judges of which are entitled to hold office during good behavior.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after the date of enactment of this Act.

SEC. 419. PREMIUMS FOR MORTGAGE INSURANCE.

(a) IN GENERAL.—Section 163(h)(3) (relating to qualified residence interest) is amended by adding at the end the following new subparagraph:

''(E) MORTGAGE INSURANCE PREMIUMS TREATED AS INTEREST.—

''(i) IN GENERAL.—Premiums paid or accrued for qualified mortgage insurance by a taxpayer during the taxable year in connection with acquisition indebtedness with respect to a qualified residence of the taxpayer shall be treated for purposes of this section as interest which is qualified residence interest.

''(ii) PHASEOUT.—The amount otherwise treated as interest under clause (i) shall be reduced (but not below zero) by 10 percent of such amount for each $1,000 ($500 in the case of a married individual filing a separate return) (or fraction thereof) that the taxpayer's adjusted gross income for the taxable year exceeds $100,000 ($50,000 in the case of a married individual filing a separate return).

''(iii) LIMITATION.—Clause (i) shall not apply with respect to any mortgage insurance contracts issued before January 1, 2007.

''(iv) TERMINATION.—Clause (i) shall not apply to amounts—

''(I) paid or accrued after December 31, 2007, or

''(II) properly allocable to any period after such date.''.

(b) DEFINITION AND SPECIAL RULES.—Section 163(h)(4) (relating to other definitions and special rules) is amended by adding at the end the following new subparagraphs:

''(E) QUALIFIED MORTGAGE INSURANCE.—The term 'qualified mortgage insurance' means—

''(i) mortgage insurance provided by the Veterans Administration, the Federal Housing Administration, or the Rural Housing Administration, and

''(ii) private mortgage insurance (as defined by section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901), as in effect on the date of the enactment of this subparagraph).

''(F) SPECIAL RULES FOR PREPAID QUALIFIED MORTGAGE INSURANCE.—Any amount paid by the taxpayer for qualified mortgage insurance that is properly allocable to any mortgage the payment of which extends to periods that are after the close of the taxable year in which such amount is paid shall be chargeable to capital account and shall be treated as paid in such periods to which so allocated. No deduction shall be allowed for the unamortized balance of such account if such mortgage is satisfied before the end of its term. The preceding sentences shall not apply to amounts paid for qualified mortgage insurance provided by the Veterans Administration or the Rural Housing Administration.''.

(c) INFORMATION RETURNS RELATING TO MORTGAGE INSURANCE.—Section 6050H (relating to returns relating to mortgage interest received in trade or business from individuals) is amended by adding at the end the following new subsection:

''(h) RETURNS RELATING TO MORTGAGE INSURANCE PREMIUMS.—

''(1) IN GENERAL.—The Secretary may prescribe, by regulations, that any person who, in the course of a trade or business, receives from any individual premiums for mortgage insurance aggregating $600 or more for any calendar year, shall make a return with respect to each such individual. Such return shall be in such form, shall be made at such time, and shall contain such information as the Secretary may prescribe.

''(2) STATEMENT TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under paragraph (1) shall furnish to each individual with respect to whom a return is made a written statement showing such information as the Secretary may prescribe. Such written statement shall be furnished on or before January 31 of the year following the calendar year for which the return under paragraph (1) was required to be made.

''(3) SPECIAL RULES.—For purposes of this subsection—

''(A) rules similar to the rules of subsection (c) shall apply, and

''(B) the term 'mortgage insurance' means—

''(i) mortgage insurance provided by the Veterans Administration, the Federal Housing Administration, or the Rural Housing Administration, and

''(ii) private mortgage insurance (as defined by section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901), as in effect on the date of the enactment of this subsection).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or accrued after December 31, 2006.

SEC. 420. MODIFICATION OF REFUNDS FOR KEROSENE USED IN AVIATION.

(a) IN GENERAL.—Paragraph (4) of section 6427(l) (relating to nontaxable uses of diesel fuel and kerosene) is amended to read as follows:

''(4) REFUNDS FOR KEROSENE USED IN AVIATION.—

''(A) KEROSENE USED IN COMMERCIAL AVIATION.—In the case of kerosene used in commercial aviation (as defined in section 4083(b)) (other than supplies for vessels or aircraft within the meaning of section 4221(d)(3)), paragraph (1) shall not apply to so much of the tax imposed by section 4041 or 4081, as the case may be, as is attributable to—

''(i) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

''(ii) so much of the rate of tax specified in section 4041(c) or 4081(a)(2)(A)(iii), as the case may be, as does not exceed 4.3 cents per gallon.

''(B) KEROSENE USED IN NONCOMMERCIAL AVIATION.—In the case of kerosene used in aviation that is not commercial aviation (as so defined) (other than any use which is exempt from the tax imposed by section 4041(c) other than by reason of a prior imposition of tax), paragraph (1) shall not apply to—

''(i) any tax imposed by subsection (c) or (d)(2) of section 4041, and

''(ii) so much of the tax imposed by section 4081 as is attributable to—

''(I) the Leaking Underground Storage Tank Trust Fund financing rate imposed by such section, and

''(II) so much of the rate of tax specified in section 4081(a)(2)(A)(iii) as does not exceed the rate specified in section 4081(a)(2)(C)(ii).

''(C) PAYMENTS TO ULTIMATE, REGISTERED VENDOR.—

''(i) IN GENERAL.—With respect to any kerosene used in aviation (other than kerosene described in clause (ii) or kerosene to which paragraph (5) applies), if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

''(I) is registered under section 4101, and

''(II) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).

''(ii) PAYMENTS FOR KEROSENE USED IN NONCOMMERCIAL AVIATION.—The amount which would be paid under paragraph (1) with respect to any kerosene to which subparagraph (B) applies shall be paid only to the ultimate vendor of such kerosene. A payment shall be made to such vendor if such vendor—

''(I) is registered under section 4101, and

''(II) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 6427(l) is amended by striking paragraph (5) and by redesignating paragraph (6) as paragraph (5).

(2) Section 4082(d)(2)(B) is amended by striking ''section 6427(l)(6)(B)'' and inserting ''section 6427(l)(5)(B)''.

(3) Section 6427(i)(4)(A) is amended—

(A) by striking ''paragraph (4)(B), (5), or (6)'' each place it appears and inserting ''paragraph (4)(C) or (5)'', and

(B) by striking ''(l)(5), and (l)(6)'' and inserting ''(l)(4)(C)(ii), and (l)(5)''.

(4) Section 6427(l)(1) is amended by striking ''paragraph (4)(B)'' and inserting ''paragraph (4)(C)(i)''.

(5) Section 9502(d) is amended—

(A) in paragraph (2), by striking ''and (l)(5)'', and

(B) in paragraph (3), by striking ''or (5)''.

(6) Section 9503(c)(7) is amended—

(A) by amending subparagraphs (A) and (B) to read as follows:

''(A) 4.3 cents per gallon of kerosene subject to section 6427(l)(4)(A) with respect to which a payment has been made by the Secretary under section 6427(l), and

''(B) 21.8 cents per gallon of kerosene subject to section 6427(l)(4)(B) with respect to which a payment has been made by the Secretary under section 6427(l).'', and

(B) in the matter following subparagraph (B), by striking ''or (5)''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to kerosene sold after September 30, 2005.

(2) SPECIAL RULE FOR PENDING CLAIMS.—In the case of kerosene sold for use in aviation (other than kerosene to which section 6427(l)(4)(C)(ii) of the Internal Revenue Code of 1986 (as added by subsection (a)) applies or kerosene to which section 6427(l)(5) of such Code (as redesignated by subsection (b)) applies) after September 30, 2005, and before the date of the enactment of this Act, the ultimate purchaser shall be treated as having waived the right to payment under section 6427(l)(1) of such Code and as having assigned such right to the ultimate vendor if such ultimate vendor has met the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1) of such Code.

(d) SPECIAL RULE FOR KEROSENE USED IN AVIATION ON A FARM FOR FARMING PURPOSES.—

(1) REFUNDS FOR PURCHASES AFTER DECEMBER 31, 2004, AND BEFORE OCTOBER 1, 2005.—

The Secretary of the Treasury shall pay to the ultimate purchaser of any kerosene which is used in aviation on a farm for farming purposes and which was purchased after December 31, 2004, and before October 1, 2005, an amount equal to the aggregate amount of tax imposed on such fuel under section 4041 or 4081 of the Internal Revenue Code of 1986, as the case may be, reduced by any payment to the ultimate vendor under section 6427(l)(5)(C) of such Code (as in effect on the day before the date of the enactment of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: a Legacy for Users).

(2) USE ON A FARM FOR FARMING PURPOSES.—For purposes of paragraph (1), kerosene shall be treated as used on a farm for farming purposes if such kerosene is used for farming purposes (within the meaning of section 6420(c)(3) of the Internal Revenue Code of 1986) in carrying on a trade or business on a farm situated in the United States. For purposes of the preceding sentence, rules similar to the rules of section 6420(c)(4) of such Code shall apply.

(3) TIME FOR FILING CLAIMS.—No claim shall be allowed under paragraph (1) unless the ultimate purchaser files such claim before the date that is 3 months after the date of the enactment of this Act.

(4) NO DOUBLE BENEFIT.—No amount shall be paid under paragraph (1) or section 6427(l) of the Internal Revenue Code of 1986 with respect to any kerosene described in paragraph (1) to the extent that such amount is in excess of the tax imposed on such kerosene under section 4041 or 4081 of such Code, as the case may be.

(5) APPLICABLE LAWS.—For purposes of this subsection, rules similar to the rules of section 6427(j) of the Internal Revenue Code of 1986 shall apply.

SEC. 421. REGIONAL INCOME TAX AGENCIES TREATED AS STATES FOR PURPOSES OF CONFIDENTIALITY AND DISCLOSURE REQUIREMENTS.

(a) IN GENERAL.—Paragraph (5) of section 6103(b) is amended to read as follows:

''(5) STATE.—

''(A) IN GENERAL.—The term 'State' means—

''(i) any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Canal Zone, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands,

''(ii) for purposes of subsections (a)(2), (b)(4), (d)(1), (h)(4), and (p), any municipality—

''(I) with a population in excess of 250,000 (as determined under the most recent decennial United States census data available),

''(II) which imposes a tax on income or wages, and

''(III) with which the Secretary (in his sole discretion) has entered into an agreement regarding disclosure, and

''(iii) for purposes of subsections (a)(2), (b)(4), (d)(1), (h)(4), and (p), any governmental entity—

''(I) which is formed and operated by a qualified group of municipalities, and

''(II) with which the Secretary (in his sole discretion) has entered into an agreement regarding disclosure.

''(B) REGIONAL INCOME TAX AGENCIES.—For purposes of subparagraph (A)(iii)—

''(i) QUALIFIED GROUP OF MUNICIPALITIES.—The term 'qualified group of municipalities' means, with respect to any governmental entity, 2 or more municipalities—

''(I) each of which imposes a tax on income or wages,

''(II) each of which, under the authority of a State statute, administers the laws relating to the imposition of such taxes through such entity, and

''(III) which collectively have a population in excess of 250,000 (as determined under the most recent decennial United States census data available).

''(ii) REFERENCES TO STATE LAW, ETC.—For purposes of applying subparagraph (A)(iii) to the subsections referred to in such subparagraph, any reference in such subsections to State law, proceedings, or tax returns shall be treated as references to the law, proceedings, or tax returns, as the case may be, of the municipalities which form and operate the governmental entity referred to in such subparagraph.

''(iii) DISCLOSURE TO CONTRACTORS AND OTHER AGENTS.—Notwithstanding any other provision of this section, no return or return information shall be disclosed to any contractor or other agent of a governmental entity referred to in subparagraph (A)(iii) unless such entity, to the satisfaction of the Secretary—

''(I) has requirements in effect which require each such contractor or other agent which would have access to returns or return information to provide safeguards (within the meaning of subsection (p)(4)) to protect the confidentiality of such returns or return information,

''(II) agrees to conduct an on-site review every 3 years (or a mid-point review in the case of contracts or agreements of less than 3 years in duration) of each contractor or other agent to determine compliance with such requirements,

''(III) submits the findings of the most recent review conducted under subclause (II) to the Secretary as part of the report required by subsection (p)(4)(E), and

''(IV) certifies to the Secretary for the most recent annual period that such contractor or other agent is in compliance with all such requirements.

The certification required by subclause (IV) shall include the name and address of each contractor and other agent, a description of the contract or agreement with such contractor or other agent, and the duration of such contract or agreement. The requirements of this clause shall not apply to disclosures pursuant to subsection (n) for purposes of Federal tax administration and a rule similar to the rule of subsection (p)(8)(B) shall apply for purposes of this clause.''.

(b) SPECIAL RULES FOR DISCLOSURE.—Subsection (d) of section 6103 is amended by adding at the end the following new paragraph:

''(6) LIMITATION ON DISCLOSURE REGARDING REGIONAL INCOME TAX AGENCIES TREATED AS STATES.—For purposes of paragraph (1), inspection by or disclosure to an entity described in subsection (b)(5)(A)(iii) shall be for the purpose of, and only to the extent necessary in, the administration of the laws of the member municipalities in such entity relating to the imposition of a tax on income or wages. Such entity may not redisclose any return or return information received pursuant to paragraph (1) to any such member municipality.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after December 31, 2006.

SEC. 422. DESIGNATION OF WINES BY SEMI-GENERIC NAMES.

(a) IN GENERAL.—Subsection (c) of section 5388 (relating to use of semi-generic designations) is amended by adding at the end the following new paragraph:

''(3) SPECIAL RULE FOR USE OF CERTAIN SEMI-GENERIC DESIGNATIONS.—

''(A) IN GENERAL.—In the case of any wine to which this paragraph applies—

''(i) paragraph (1) shall not apply,

''(ii) in the case of wine of the European Community, designations referred to in subparagraph (C)(i) may be used for such wine only if the requirement of subparagraph (B)(ii) is met, and

''(iii) in the case any other wine bearing a brand name, or brand name and fanciful name, semi-generic designations may be used for such wine only if the requirements of clauses (i), (ii), and (iii) of subparagraph (B) are met.

''(B) REQUIREMENTS.—

''(i) The requirement of this clause is met if there appears in direct conjunction with the semi-generic designation an appropriate appellation of origin disclosing the origin of the wine.

''(ii) The requirement of this clause is met if the wine conforms to the standard of identity, if any, for such wine contained in the regulations under this section or, if there is no such standard, to the trade understanding of such class or type.

''(iii) The requirement of this clause is met if the person, or its successor in interest, using the semi-generic designation held a Certificate of Label Approval or Certificate of Exemption from Label Approval issued by the Secretary for a wine label bearing such brand name, or brand name and fanciful name, before March 10, 2006, on which such semi-generic designation appeared.

''(C) WINES TO WHICH PARAGRAPH APPLIES.—

''(i) IN GENERAL.—Except as provided in clause (ii), this paragraph shall apply to any grape wine which is designated as Burgundy, Claret, Chablis, Champagne, Chianti, Malaga, Marsala, Madeira, Moselle, Port, Retsina, Rhine Wine or Hock, Sauterne, Haut Sauterne, Sherry, or Tokay.

''(ii) EXCEPTION.—This paragraph shall not apply to wine which—

''(I) contains less than 7 percent or more than 24 percent alcohol by volume,

''(II) is intended for sale outside the United States, or

''(III) does not bear a brand name.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to wine imported or bottled in the United States on or after the date of enactment of this Act.

SEC. 423. MODIFICATION OF RAILROAD TRACK MAINTENANCE CREDIT.

(a) IN GENERAL.—Section 45G(d) (defining qualified railroad track maintenance expenditures) is amended—

(1) by inserting ''gross'' after ''means'', and

(2) by inserting ''(determined without regard to any consideration for such expenditures given by the Class II or Class III railroad which made the assignment of such track)'' after ''Class II or Class III railroad''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendment made by section 245(a) of the American Jobs Creation Act of 2004.

SEC. 424. MODIFICATION OF EXCISE TAX ON UNRELATED BUSINESS TAXABLE INCOME OF CHARITABLE REMAINDER TRUSTS.

(a) IN GENERAL.—Subsection (c) of section 664 (relating to exemption from income taxes) is amended to read as follows:

''(c) TAXATION OF TRUSTS.—

''(1) INCOME TAX.—A charitable remainder annuity trust and a charitable remainder unitrust shall, for any taxable year, not be subject to any tax imposed by this subtitle.

''(2) EXCISE TAX.—

''(A) IN GENERAL.—In the case of a charitable remainder annuity trust or a charitable remainder unitrust which has unrelated business taxable income (within the meaning of section 512, determined as if part III of subchapter F applied to such trust) for a taxable year, there is hereby imposed on such trust or unitrust an excise tax equal to the amount of such unrelated business taxable income.

''(B) CERTAIN RULES TO APPLY.—The tax imposed by subparagraph (A) shall be treated

as imposed by chapter 42 for purposes of this title other than subchapter E of chapter 42.

''(C) TAX COURT PROCEEDINGS.—For purposes of this paragraph, the references in section 6212(c)(1) to section 4940 shall be deemed to include references to this paragraph.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 425. LOANS TO QUALIFIED CONTINUING CARE FACILITIES MADE PERMANENT.

(a) IN GENERAL.—Subsection (h) of section 7872 (relating to exception for loans to qualified continuing care facilities) is amended by striking paragraph (4).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 209 of the Tax Increase Prevention and Reconciliation Act of 2005.

SEC. 426. TECHNICAL CORRECTIONS.

(a) TECHNICAL CORRECTION RELATING TO LOOK-THROUGH TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER THE FOREIGN PERSONAL HOLDING COMPANY RULES.—

(1) IN GENERAL.—

(A) The first sentence of section 954(c)(6)(A) is amended by striking ''which is not subpart F income'' and inserting ''which is neither subpart F income nor income treated as effectively connected with the conduct of a trade or business in the United States''.

(B) Section 954(c)(6)(A) is amended by striking the last sentence and inserting the following: ''The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this paragraph, including such regulations as may be necessary or appropriate to prevent the abuse of the purposes of this paragraph.''

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in section 103(b) of the Tax Increase Prevention and Reconciliation Act of 2005.

(b) TECHNICAL CORRECTION REGARDING AUTHORITY TO EXERCISE REASONABLE CAUSE AND GOOD FAITH EXCEPTION.—

(1) IN GENERAL.—Section 903(d)(2)(B)(iii) of the American Jobs Creation Act of 2004, as amended by section 303(a) of the Gulf Opportunity Zone Act of 2005, is amended by inserting ''or the Secretary's delegate'' after ''the Secretary of the Treasury''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which it relates.

DIVISION B—MEDICARE AND OTHER HEALTH PROVISIONS

SEC. 1. SHORT TITLE OF DIVISION.

This division may be cited as the ''Medicare Improvements and Extension Act of 2006''.

TITLE I—MEDICARE IMPROVED QUALITY AND PROVIDER PAYMENTS

SEC. 101. PHYSICIAN PAYMENT AND QUALITY IMPROVEMENT.

(a) ONE-YEAR INCREASE IN MEDICARE PHYSICIAN FEE SCHEDULE CONVERSION FACTOR.—Section 1848(d) of the Social Security Act (42 U.S.C. 1395w-4(d)) is amended by adding at the end the following new paragraph:

''(7) CONVERSION FACTOR FOR 2007.—

''(A) IN GENERAL.—The conversion factor that would otherwise be applicable under this subsection for 2007 shall be the amount of such conversion factor divided by the product of—

''(i) 1 plus the Secretary's estimate of the percentage increase in the MEI (as defined in section 1842(i)(3)) for 2007 (divided by 100); and

''(ii) 1 plus the Secretary's estimate of the update adjustment factor under paragraph (4)(B) for 2007.

''(B) NO EFFECT ON COMPUTATION OF CONVERSION FACTOR FOR 2008.—The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2008 as if subparagraph (A) had never applied.''.

(b) QUALITY REPORTING SYSTEM.—Section 1848 of the Social Security Act (42 U.S.C. 1395w-4) is amended by adding at the end the following new subsection:

''(k) QUALITY REPORTING SYSTEM.—

''(1) IN GENERAL.—The Secretary shall implement a system for the reporting by eligible professionals of data on quality measures specified under paragraph (2). Such data shall be submitted in a form and manner specified by the Secretary (by program instruction or otherwise), which may include submission of such data on claims under this part.

''(2) USE OF CONSENSUS-BASED QUALITY MEASURES.—

''(A) FOR 2007.—

''(i) IN GENERAL.—For purposes of applying this subsection for the reporting of data on quality measures for covered professional services furnished during the period beginning July 1, 2007, and ending December 31, 2007, the quality measures specified under this paragraph are the measures identified as 2007 physician quality measures under the Physician Voluntary Reporting Program as published on the public website of the Centers for Medicare & Medicaid Services as of the date of the enactment of this subsection, except as may be changed by the Secretary based on the results of a consensus-based process in January of 2007, if such change is published on such website by not later than April 1, 2007.

''(ii) SUBSEQUENT REFINEMENTS IN APPLICATION PERMITTED.—The Secretary may, from time to time (but not later than July 1, 2007), publish on such website (without notice or opportunity for public comment) modifications or refinements (such as code additions, corrections, or revisions) for the application of quality measures previously published under clause (i), but may not, under this clause, change the quality measures under the reporting system.

''(iii) IMPLEMENTATION.—Notwithstanding any other provision of law, the Secretary may implement by program instruction or otherwise this subsection for 2007.

''(B) FOR 2008.—

''(i) IN GENERAL.—For purposes of reporting data on quality measures for covered professional services furnished during 2008, the quality measures specified under this paragraph for covered professional services shall be measures that have been adopted or endorsed by a consensus organization (such as the National Quality Forum or AQA), that include measures that have been submitted by a physician specialty, and that the Secretary identifies as having used a consensus-based process for developing such measures. Such measures shall include structural measures, such as the use of electronic health records and electronic prescribing technology.

''(ii) PROPOSED SET OF MEASURES.—Not later than August 15, 2007, the Secretary shall publish in the Federal Register a proposed set of quality measures that the Secretary determines are described in clause (i) and would be appropriate for eligible professionals to use to submit data to the Secretary in 2008. The Secretary shall provide for a period of public comment on such set of measures.

''(iii) FINAL SET OF MEASURES.—Not later than November 15, 2007, the Secretary shall publish in the Federal Register a final set of quality measures that the Secretary determines are described in clause (i) and would be appropriate for eligible professionals to use to submit data to the Secretary in 2008.

''(3) COVERED PROFESSIONAL SERVICES AND ELIGIBLE PROFESSIONALS DEFINED.—For purposes of this subsection:

''(A) COVERED PROFESSIONAL SERVICES.—The term 'covered professional services' means services for which payment is made under, or is based on, the fee schedule established under this section and which are furnished by an eligible professional.

''(B) ELIGIBLE PROFESSIONAL.—The term 'eligible professional' means any of the following:

''(i) A physician.

''(ii) A practitioner described in section 1842(b)(18)(C).

''(iii) A physical or occupational therapist or a qualified speech-language pathologist.

''(4) USE OF REGISTRY-BASED REPORTING.—As part of the publication of proposed and final quality measures for 2008 under clauses (ii) and (iii) of paragraph (2)(B), the Secretary shall address a mechanism whereby an eligible professional may provide data on quality measures through an appropriate medical registry (such as the Society of Thoracic Surgeons National Database), as identified by the Secretary.

''(5) IDENTIFICATION UNITS.—For purposes of applying this subsection, the Secretary may identify eligible professionals through billing units, which may include the use of the Provider Identification Number, the unique physician identification number (described in section 1833(q)(1)), the taxpayer identification number, or the National Provider Identifier. For purposes of applying this subsection for 2007, the Secretary shall use the taxpayer identification number as the billing unit.

''(6) EDUCATION AND OUTREACH.—The Secretary shall provide for education and outreach to eligible professionals on the operation of this subsection.

''(7) LIMITATIONS ON REVIEW.—There shall be no administrative or judicial review under section 1869, section 1878, or otherwise, of the development and implementation of the reporting system under paragraph (1), including identification of quality measures under paragraph (2) and the application of paragraphs (4) and (5).

''(8) IMPLEMENTATION.—The Secretary shall carry out this subsection acting through the Administrator of the Centers for Medicare & Medicaid Services.''.

(c) TRANSITIONAL BONUS INCENTIVE PAYMENTS FOR QUALITY REPORTING IN 2007.—

(1) IN GENERAL.—With respect to covered professional services furnished during a reporting period (as defined in paragraph (6)(C)) by an eligible professional, if—

(A) there are any quality measures that have been established under the physician reporting system that are applicable to any such services furnished by such professional for such period, and

(B) the eligible professional satisfactorily submits (as determined under paragraph (2)) to the Secretary data on such quality measures in accordance with such reporting system for such reporting period,

in addition to the amount otherwise paid under part B of title XVIII of the Social Security Act, subject to paragraph (3), there also shall be paid to the eligible professional (or to an employer or facility in the cases described in clause (A) of section 1842(b)(6) of the Social Security Act (42 U.S.C. 1395u(b)(6))) from the Federal Supplementary Medical Insurance Trust Fund established under section 1841 of such Act (42 U.S.C. 1395t) an amount equal to 1.5 percent of the Secretary's estimate (based on claims submitted not later than two months after the

end of the reporting period) of the allowed charges under such part for all such covered professional services furnished during the reporting period.

(2) SATISFACTORY REPORTING DESCRIBED.—For purposes of paragraph (1), an eligible professional shall be treated as satisfactorily submitting data on quality measures for covered professional services for a reporting period if quality measures have been reported as follows:

(A) THREE OR FEWER QUALITY MEASURES APPLICABLE.—If there are no more than 3 quality measures that are provided under the physician reporting system and that are applicable to such services of such professional furnished during the period, each such quality measure has been reported under such system in at least 80 percent of the cases in which such measure is reportable under the system.

(B) FOUR OR MORE QUALITY MEASURES APPLICABLE.—If there are 4 or more quality measures that are provided under the physician reporting system and that are applicable to such services of such professional furnished during the period, at least 3 such quality measures have been reported under such system in at least 80 percent of the cases in which the respective measure is reportable under the system.

(3) PAYMENT LIMITATION.—

(A) IN GENERAL.—In no case shall the total payment made under this subsection to an eligible professional (or to an employer or facility in the cases described in clause (A) of section 1842(b)(6) of the Social Security Act) exceed the product of—

(i) the total number of quality measures for which data are submitted under the physician reporting system for covered professional services of such professional that are furnished during the reporting period; and

(ii) 300 percent of the average per measure payment amount specified in subparagraph (B).

(B) AVERAGE PER MEASURE PAYMENT AMOUNT SPECIFIED.—The average per measure payment amount specified in this subparagraph is an amount, estimated by the Secretary (based on claims submitted not later than two months after the end of the reporting period), equal to—

(i) the total of the amount of allowed charges under part B of title XVIII of the Social Security Act for all covered professional services furnished during the reporting period on claims for which quality measures are reported under the physician reporting system; divided by

(ii) the total number of quality measures for which data are reported under such system for covered professional services furnished during the reporting period.

(4) FORM OF PAYMENT.—The payment under this subsection shall be in the form of a single consolidated payment.

(5) APPLICATION.—

(A) PHYSICIAN REPORTING SYSTEM RULES.—Paragraphs (5), (6), and (8) of section 1848(k) of the Social Security Act, as added by subsection (b), shall apply for purposes of this subsection in the same manner as they apply for purposes of such section.

(B) COORDINATION WITH OTHER BONUS PAYMENTS.—The provisions of this subsection shall not be taken into account in applying subsections (m) and (u) of section 1833 of the Social Security Act (42 U.S.C. 1395l) and any payment under such subsections shall not be taken into account in computing allowable charges under this subsection.

(C) IMPLEMENTATION.—Notwithstanding any other provision of law, the Secretary may implement by program instruction or otherwise this subsection.

(D) VALIDATION.—

(i) IN GENERAL.—Subject to the succeeding provisions of this subparagraph, for purposes of determining whether a measure is applicable to the covered professional services of an eligible professional under paragraph (2), the Secretary shall presume that if an eligible professional submits data for a measure, such measure is applicable to such professional.

(ii) METHOD.— The Secretary shall validate (by sampling or other means as the Secretary determines to be appropriate) whether measures applicable to covered professional services of an eligible professional have been reported.

(iii) DENIAL OF PAYMENT AUTHORITY.—If the Secretary determines that an eligible professional has not reported measures applicable to covered professional services of such professional, the Secretary shall not pay the bonus incentive payment.

(E) LIMITATIONS ON REVIEW.—

(i) IN GENERAL.—There shall be no administrative or judicial review under section 1869 or 1878 of the Social Security Act or otherwise of—

(I) the determination of measures applicable to services furnished by eligible professionals under this subsection;

(II) the determination of satisfactory reporting under paragraph (2);

(III) the determination of the payment limitation under paragraph (3); and

(IV) the determination of the bonus incentive payment under this subsection.

(ii) TREATMENT OF DETERMINATIONS.—A determination under this subsection shall not be treated as a determination for purposes of section 1869 of the Social Security Act.

(6) DEFINITIONS.—For purposes of this subsection:

(A) ELIGIBLE PROFESSIONAL; COVERED PROFESSIONAL SERVICES.—The terms ''eligible professional'' and ''covered professional services'' have the meanings given such terms in section 1848(k)(3) of the Social Security Act, as added by subsection (b).

(B) PHYSICIAN REPORTING SYSTEM.—The term ''physician reporting system'' means the system established under section 1848(k) of the Social Security Act, as added by subsection (b).

(C) REPORTING PERIOD.—The term ''reporting period'' means the period beginning on July 1, 2007, and ending on December 31, 2007.

(D) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(d) PHYSICIAN ASSISTANCE AND QUALITY INITIATIVE FUND.—Section 1848 of the Social Security Act, as amended by subsection (b), is further amended by adding at the end the following new subsection:

''(l) PHYSICIAN ASSISTANCE AND QUALITY INITIATIVE FUND.—

''(1) ESTABLISHMENT.—The Secretary shall establish under this subsection a Physician Assistance and Quality Initiative Fund (in this subsection referred to as the 'Fund') which shall be available to the Secretary for physician payment and quality improvement initiatives, which may include application of an adjustment to the update of the conversion factor under subsection (d).

''(2) FUNDING.—

''(A) AMOUNT AVAILABLE.—There shall be available to the Fund for expenditures an amount equal to $1,350,000,000.

''(B) TIMELY OBLIGATION OF ALL AVAILABLE FUNDS FOR SERVICES FURNISHED DURING 2008.—The Secretary shall provide for expenditures from the Fund in a manner designed to provide (to the maximum extent feasible) for the obligation of the entire amount specified in subparagraph (A) for payment with respect to physicians' services furnished during 2008.

''(C) PAYMENT FROM TRUST FUND.—The amount specified in subparagraph (A) shall be available to the Fund, as expenditures are made from the Fund, from the Federal Supplementary Medical Insurance Trust Fund under section 1841.

''(D) FUNDING LIMITATION.—Amounts in the Fund shall be available in advance of appropriations in accordance with subparagraph (B) but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under subparagraph (A). The Secretary may obligate funds from the Fund only if the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services and the appropriate budget officer certify) that there are available in the Fund sufficient amounts to cover all such obligations incurred consistent with the previous sentence.

''(E) CONSTRUCTION.—In the case that expenditures from the Fund are applied to, or otherwise affect, a conversion factor under subsection (d) for a year, the conversion factor under such subsection shall be computed for a subsequent year as if such application or effect had never occurred.''.

(e) IMPLEMENTATION.—For purposes of implementing the provisions of, and amendments made by, this section, the Secretary of Health and Human Services shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund established under section 1841 of the Social Security Act (42 U.S.C. 1395t), of $60,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for the period of fiscal years 2007, 2008, and 2009.

SEC. 102. EXTENSION OF FLOOR ON MEDICARE WORK GEOGRAPHIC ADJUSTMENT.

Section 1848(e)(1)(E) of the Social Security Act (42 U.S.C. 1395w–4(e)(1)(E)) is amended by striking ''before January 1, 2007'' and inserting ''before January 1, 2008''.

SEC. 103. UPDATE TO THE COMPOSITE RATE COMPONENT OF THE BASIC CASE-MIX ADJUSTED PROSPECTIVE PAYMENT SYSTEM FOR DIALYSIS SERVICES.

(a) IN GENERAL.—Section 1881(b)(12)(G) of the Social Security Act (42 U.S.C. 1395rr(b)(12)(G)) is amended to read as follows:

''(G) The Secretary shall increase the amount of the composite rate component of the basic case-mix adjusted system under subparagraph (B) for dialysis services—

''(i) furnished on or after January 1, 2006, and before April 1, 2007, by 1.6 percent above the amount of such composite rate component for such services furnished on December 31, 2005; and

''(ii) furnished on or after April 1, 2007, by 1.6 percent above the amount of such composite rate component for such services furnished on March 31, 2007.''.

(b) GAO REPORT ON HOME DIALYSIS PAYMENT.—Not later than January 1, 2009, the Comptroller General of the United States shall submit to Congress a report on the costs for home hemodialysis treatment and patient training for both home hemodialysis and peritoneal dialysis. Such report shall also include recommendations for a payment methodology for payment under section 1881 of the Social Security Act (42 U.S.C. 1395rr) that measures, and is based on, the costs of providing such services and takes into account the case mix of patients.

SEC. 104. EXTENSION OF TREATMENT OF CERTAIN PHYSICIAN PATHOLOGY SERVICES UNDER MEDICARE.

Section 542(c) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554), as amended by section 732 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173), is

amended by striking ''and 2006'' and inserting '', 2006, and 2007''.

SEC. 105. EXTENSION OF MEDICARE REASONABLE COSTS PAYMENTS FOR CERTAIN CLINICAL DIAGNOSTIC LABORATORY TESTS FURNISHED TO HOSPITAL PATIENTS IN CERTAIN RURAL AREAS.

Effective as if included in the enactment of section 416 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (42 U.S.C. 1395l–4), subsection (b) of such section is amended by striking ''2-year period'' and inserting ''3-year period''.

SEC. 106. HOSPITAL MEDICARE REPORTS AND CLARIFICATIONS.

(a) CORRECTION OF MID-YEAR RECLASSIFICATION EXPIRATION.—Notwithstanding any other provision of law, in the case of a subsection (d) hospital (as defined for purposes of section 1886 of the Social Security Act (42 U.S.C. 1395ww)) with respect to which a reclassification of its wage index for purposes of such section would (but for this subsection) expire on March 31, 2007, such reclassification of such hospital shall be extended through September 30, 2007. The previous sentence shall not be effected in a budget-neutral manner.

(b) REVISION OF THE MEDICARE WAGE INDEX CLASSIFICATION SYSTEM.—

(1) MEDPAC REPORT.—

(A) IN GENERAL.—The Medicare Payment Advisory Commission shall submit to Congress, by not later than June 30, 2007, a report on its study of the wage index classification system applied under Medicare prospective payment systems, including under section 1886(d)(3)(E) of the Social Security Act (42 U.S.C. 1395ww(d)(3)(E)). Such report shall include any alternatives the Commission recommends to the method to compute the wage index under such section.

(B) FUNDING.—Out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Medicare Payment Advisory Commission, $2,000,000 for fiscal year 2007 to carry out this paragraph.

(2) PROPOSAL TO REVISE THE HOSPITAL WAGE INDEX CLASSIFICATION SYSTEM.— The Secretary of Health and Human Services, taking into account the recommendations described in the report under paragraph (1), shall include in the proposed rule published under section 1886(e)(5)(A) of the Social Security Act (42 U.S.C. 1395ww(e)(5)(A)) for fiscal year 2009 one or more proposals to revise the wage index adjustment applied under section 1886(d)(3)(E) of such Act (42 U.S.C. 1395ww(d)(3)(E)) for purposes of the Medicare prospective payment system for inpatient hospital services. Such proposal (or proposals) shall consider each of the following:

(A) Problems associated with the definition of labor markets for purposes of such wage index adjustment.

(B) The modification or elimination of geographic reclassifications and other adjustments.

(C) The use of Bureau of Labor Statistics data, or other data or methodologies, to calculate relative wages for each geographic area involved.

(D) Minimizing variations in wage index adjustments between and within Metropolitan Statistical Areas and Statewide rural areas.

(E) The feasibility of applying all components of the proposal to other settings, including home health agencies and skilled nursing facilities.

(F) Methods to minimize the volatility of wage index adjustments, while maintaining the principle of budget neutrality in applying such adjustments.

(G) The effect that the implementation of the proposal would have on health care providers and on each region of the country.

(H) Methods for implementing the proposal, including methods to phase-in such implementation.

(I) Issues relating to occupational mix, such as staffing practices and any evidence on the effect on quality of care and patient safety and any recommendations for alternative calculations.

(c) ELIMINATION OF UNNECESSARY REPORT.— Section 1886 of the Social Security Act (42 U.S.C. 1395ww) is amended—

(1) in subsection (d)(4)(C), by striking clause (iv); and

(2) in subsection (e), by striking paragraph (3).

SEC. 107. PAYMENT FOR BRACHYTHERAPY.

(a) EXTENSION OF PAYMENT RULE.—Section 1833(t)(16)(C) of the Social Security Act (42 U.S.C. 1395l(t)(16)(C)) is amended by striking ''January 1, 2007'' and inserting ''January 1, 2008''.

(b) ESTABLISHMENT OF SEPARATE PAYMENT GROUPS.—

(1) IN GENERAL.—Section 1833(t)(2)(H) of such Act (42 U.S.C. 1395l(t)(2)(H)) is amended by inserting ''and for stranded and non-stranded devices furnished on or after July 1, 2007'' before the period at the end.

(2) IMPLEMENTATION.—The Secretary of Health and Human Services may implement the amendment made by paragraph (1) by program instruction or otherwise.

SEC. 108. PAYMENT PROCESS UNDER THE COMPETITIVE ACQUISITION PROGRAM (CAP).

(a) IN GENERAL.—Section 1847B(a)(3) of the Social Security Act (42 U.S.C. 1395w-3b(a)(3)) is amended—

(1) in subparagraph (A)(iii), by striking ''and biologicals'' and all that follows and inserting ''and biologicals shall be made only to such contractor upon receipt of a claim for a drug or biological supplied by the contractor for administration to a beneficiary.''; and

(2) by adding at the end the following new subparagraph:

''(D) POST-PAYMENT REVIEW PROCESS.—The Secretary shall establish (by program instruction or otherwise) a post-payment review process (which may include the use of statistical sampling) to assure that payment is made for a drug or biological under this section only if the drug or biological has been administered to a beneficiary. The Secretary shall recoup, offset, or collect any overpayments determined by the Secretary under such process.''.

(b) CONSTRUCTION.—Nothing in this section shall be construed as—

(1) requiring the conduct of any additional competition under subsection (b)(1) of section 1847B of the Social Security Act (42 U.S.C. 1395w–3b); or

(2) requiring any additional process for elections by physicians under subsection (a)(1)(A)(ii) of such section or additional selection by a selecting physician of a contractor under subsection (a)(5) of such section.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payment for drugs and biologicals supplied under section 1847B of the Social Security Act (42 U.S.C. 1395w–3b)—

(1) on or after April 1, 2007; and

(2) on or after July 1, 2006, and before April 1, 2007, for claims that are unpaid as of April 1, 2007.

SEC. 109. QUALITY REPORTING FOR HOSPITAL OUTPATIENT SERVICES AND AMBULATORY SURGICAL CENTER SERVICES.

(a) OUTPATIENT HOSPITAL SERVICES.—

(1) IN GENERAL.—Section 1833(t) of the Social Security Act (42 U.S.C. 1395l(t)) is amended—

(A) in paragraph (3)(C)(iv), by inserting ''subject to paragraph (17),'' after ''For purposes of this subparagraph,''; and

(B) by adding at the end the following new paragraph:

''(17) QUALITY REPORTING.—

''(A) REDUCTION IN UPDATE FOR FAILURE TO REPORT.—

''(i) IN GENERAL.—For purposes of paragraph (3)(C)(iv) for 2009 and each subsequent year, in the case of a subsection (d) hospital (as defined in section 1886(d)(1)(B)) that does not submit, to the Secretary in accordance with this paragraph, data required to be submitted on measures selected under this paragraph with respect to such a year, the OPD fee schedule increase factor under paragraph (3)(C)(iv) for such year shall be reduced by 2.0 percentage points.

''(ii) NON-CUMULATIVE APPLICATION.—A reduction under this subparagraph shall apply only with respect to the year involved and the Secretary shall not take into account such reduction in computing the OPD fee schedule increase factor for a subsequent year.

''(B) FORM AND MANNER OF SUBMISSION.— Each subsection (d) hospital shall submit data on measures selected under this paragraph to the Secretary in a form and manner, and at a time, specified by the Secretary for purposes of this paragraph.

''(C) DEVELOPMENT OF OUTPATIENT MEASURES.—

''(i) IN GENERAL.—The Secretary shall develop measures that the Secretary determines to be appropriate for the measurement of the quality of care (including medication errors) furnished by hospitals in outpatient settings and that reflect consensus among affected parties and, to the extent feasible and practicable, shall include measures set forth by one or more national consensus building entities.

''(ii) CONSTRUCTION.—Nothing in this paragraph shall be construed as preventing the Secretary from selecting measures that are the same as (or a subset of) the measures for which data are required to be submitted under section 1886(b)(3)(B)(viii).

''(D) REPLACEMENT OF MEASURES.—For purposes of this paragraph, the Secretary may replace any measures or indicators in appropriate cases, such as where all hospitals are effectively in compliance or the measures or indicators have been subsequently shown not to represent the best clinical practice.

''(E) AVAILABILITY OF DATA.—The Secretary shall establish procedures for making data submitted under this paragraph available to the public. Such procedures shall ensure that a hospital has the opportunity to review the data that are to be made public with respect to the hospital prior to such data being made public. The Secretary shall report quality measures of process, structure, outcome, patients' perspectives on care, efficiency, and costs of care that relate to services furnished in outpatient settings in hospitals on the Internet website of the Centers for Medicare & Medicaid Services.''.

(2) CONFORMING AMENDMENT.—Section 1886(b)(3)(B)(viii)(III) of such Act (42 U.S.C. 1395ww(b)(3)(B)(viii)(III)) is amended by inserting ''(including medication errors)'' after ''quality of care''.

(b) APPLICATION TO AMBULATORY SURGICAL CENTERS.—Section 1833(i) of such Act (42 U.S.C. 1935l(i)) is amended—

(1) in paragraph (2)(D), by redesignating clause (iv) as clause (v) and by inserting after clause (iii) the following new clause:

''(iv) The Secretary may implement such system in a manner so as to provide for a reduction in any annual update for failure to report on quality measures in accordance with paragraph (7).''; and

(2) by adding at the end the following new paragraph:

''(7)(A) For purposes of paragraph (2)(D)(iv), the Secretary may provide, in the case of an ambulatory surgical center that does not submit, to the Secretary in accordance with this paragraph, data required to be submitted on measures selected under this paragraph with respect to a year, any annual increase provided under the system established under paragraph (2)(D) for such year shall be reduced by 2.0 percentage points. A reduction under this subparagraph shall apply only with respect to the year involved and the Secretary shall not take into account such reduction in computing any annual increase factor for a subsequent year.

''(B) Except as the Secretary may otherwise provide, the provisions of subparagraphs (B), (C), (D), and (E) of paragraph (17) of section 1833(t) shall apply with respect to services of ambulatory surgical centers under this paragraph in a similar manner to the manner in which they apply under such paragraph and, for purposes of this subparagraph, any reference to a hospital, outpatient setting, or outpatient hospital services is deemed a reference to an ambulatory surgical center, the setting of such a center, or services of such a center, respectively.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payment for services furnished on or after January 1, 2009.

SEC. 110. REPORTING OF ANEMIA QUALITY INDICATORS FOR MEDICARE PART B CANCER ANTI-ANEMIA DRUGS.

(a) IN GENERAL.—Section 1842 of the Social Security Act (42 U.S.C. 1395u) is amended by adding at the end the following new subsection:

''(u) Each request for payment, or bill submitted, for a drug furnished to an individual for the treatment of anemia in connection with the treatment of cancer shall include (in a form and manner specified by the Secretary) information on the hemoglobin or hematocrit levels for the individual.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to drugs furnished on or after January 1, 2008. The Secretary of Health and Human Services shall address the implementation of such amendment in the rulemaking process under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for payment for physicians' services for 2008, consistent with the previous sentence.

SEC. 111. CLARIFICATION OF HOSPICE SATELLITE DESIGNATION.

Notwithstanding any other provision of law, for purposes of calculating the hospice aggregate payment cap for 2004, 2005, and 2006 for a hospice program under section 1814(i)(2)(A) of the Social Security Act (42 U.S.C. 1395f(i)(2)(A)) for hospice care provided on or after November 1, 2003, and before December 27, 2005, Medicare provider number 29–1511 is deemed to be a multiple location of Medicare provider number 29–1500.

TITLE II—MEDICARE BENEFICIARY PROTECTIONS

SEC. 201. EXTENSION OF EXCEPTIONS PROCESS FOR MEDICARE THERAPY CAPS.

Section 1833(g)(5) of the Social Security Act (42 U.S.C. 1395l(g)(5)) is amended by striking ''2006'' and inserting ''the period beginning on January 1, 2006, and ending on December 31, 2007,''.

SEC. 202. PAYMENT FOR ADMINISTRATION OF PART D VACCINES.

(a) TRANSITION FOR 2007.—Notwithstanding any other provision of law, in the case of a vaccine that is a covered part D drug under section 1860D–2(e) of the Social Security Act (42 U.S.C. 1395w–102(e)) and that is administered during 2007, the administration of such vaccine shall be paid under part B of title XVIII of such Act as if it were the administration of a vaccine described in section 1861(s)(10)(B) of such Act (42 U.S.C. 1395w(s)(10)(B)).

(b) ADMINISTRATION INCLUDED IN COVERAGE OF COVERED PART D DRUGS BEGINNING IN 2008.—Section 1860D–2(e)(1) of the Social Security Act (42 U.S.C. 1395w–102(e)(1)) is amended, in the matter following subparagraph (B), by inserting ''(and, for vaccines administered on or after January 1, 2008, its administration)'' after ''Public Health Service Act''.

SEC. 203. OIG STUDY OF NEVER EVENTS.

(a) STUDY.—

(1) IN GENERAL.—The Inspector General in the Department of Health and Human Services shall conduct a study on—

(A) incidences of never events for Medicare beneficiaries, including types of such events and payments by any party for such events;

(B) the extent to which the Medicare program paid, denied payment, or recouped payment for services furnished in connection with such events and the extent to which beneficiaries paid for such services; and

(C) the administrative processes of the Centers for Medicare & Medicaid Services to detect such events and to deny or recoup payments for services furnished in connection with such an event.

(2) CONDUCT OF STUDY.—In conducting the study under paragraph (1), the Inspector General—

(A) shall audit a representative sample of claims and medical records of Medicare beneficiaries to identify never events and any payment (or recoupment) for services furnished in connection with such events;

(B) may request access to such claims and records from any Medicare contractor; and

(C) shall not release individually identifiable information or facility-specific information.

(b) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Inspector General shall submit a report to Congress on the study conducted under this section. Such report shall include recommendations for such legislation and administrative action, such as a noncoverage policy or denial of payments, as the Inspector General determines appropriate, including—

(1) recommendations on processes to identify never events and to deny or recoup payments for services furnished in connection with such events; and

(2) a recommendation on a potential process (or processes) for public disclosure of never events which—

(A) will ensure protection of patient privacy; and

(B) will permit the use of the disclosed information for a root cause analysis to inform the public and the medical community about safety issues involved.

(c) FUNDING.—Out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Inspector General of the Department of Health and Human Services $3,000,000 to carry out this section, to be available until January 1, 2010.

(d) NEVER EVENTS DEFINED.—For purposes of this section, the term ''never event'' means an event that is listed and endorsed as a serious reportable event by the National Quality Forum as of November 16, 2006.

SEC. 204. MEDICARE MEDICAL HOME DEMONSTRATION PROJECT.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall establish under title XVIII of the Social Security Act a medical home demonstration project (in this section referred to as the ''project'') to redesign the health care delivery system to provide targeted, accessible, continuous and coordinated, family-centered care to high-need populations and under which—

(1) care management fees are paid to persons performing services as personal physicians; and

(2) incentive payments are paid to physicians participating in practices that provide services as a medical home under subsection (d).

For purposes of this subsection, the term ''high-need population'' means individuals with multiple chronic illnesses that require regular medical monitoring, advising, or treatment.

(b) DETAILS.—

(1) DURATION; SCOPE.—The project shall operate during a period of three years and shall include urban, rural, and underserved areas in a total of no more than 8 States.

(2) ENCOURAGING PARTICIPATION OF SMALL PHYSICIAN PRACTICES.—The project shall be designed to include the participation of physicians in practices with fewer than three full-time equivalent physicians, as well as physicians in larger practices particularly in rural and underserved areas.

(c) PERSONAL PHYSICIAN DEFINED.—

(1) IN GENERAL.—For purposes of this section, the term ''personal physician'' means a physician (as defined in section 1861(r)(1) of the Social Security Act (42 U.S.C. 1395x(r)(1)) who—

(A) meets the requirements described in paragraph (2); and

(B) performs the services described in paragraph (3).

Nothing in this paragraph shall be construed as preventing such a physician from being a specialist or subspecialist for an individual requiring ongoing care for a specific chronic condition or multiple chronic conditions (such as severe asthma, complex diabetes, cardiovascular disease, rheumatologic disorder) or for an individual with a prolonged illness.

(2) REQUIREMENTS.—The requirements described in this paragraph for a personal physician are as follows:

(A) The physician is a board certified physician who provides first contact and continuous care for individuals under the physician's care.

(B) The physician has the staff and resources to manage the comprehensive and coordinated health care of each such individual.

(3) SERVICES PERFORMED.—A personal physician shall perform or provide for the performance of at least the following services:

(A) Advocates for and provides ongoing support, oversight, and guidance to implement a plan of care that provides an integrated, coherent, cross-discipline plan for ongoing medical care developed in partnership with patients and including all other physicians furnishing care to the patient involved and other appropriate medical personnel or agencies (such as home health agencies).

(B) Uses evidence-based medicine and clinical decision support tools to guide decision-making at the point-of-care based on patient-specific factors.

(C) Uses health information technology, that may include remote monitoring and patient registries, to monitor and track the health status of patients and to provide patients with enhanced and convenient access to health care services.

(D) Encourages patients to engage in the management of their own health through education and support systems.

(d) MEDICAL HOME DEFINED.—For purposes of this section, the term ''medical home'' means a physician practice that—

(1) is in charge of targeting beneficiaries for participation in the project; and

(2) is responsible for—

(A) providing safe and secure technology to promote patient access to personal health information;

(B) developing a health assessment tool for the individuals targeted; and

(C) providing training programs for personnel involved in the coordination of care.

(e) PAYMENT MECHANISMS.—

(1) PERSONAL PHYSICIAN CARE MANAGEMENT FEE.—Under the project, the Secretary shall provide for payment under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) of a care management fee to personal physicians providing care management under the project. Under such section and using the relative value scale update committee (RUC) process under such section, the Secretary shall develop a care management fee code for such payments and a value for such code.

(2) MEDICAL HOME SHARING IN SAVINGS.—The Secretary shall provide for payment under the project of a medical home based on the payment methodology applied to physician group practices under section 1866A of the Social Security Act (42 U.S.C. 1395cc–1). Under such methodology, 80 percent of the reductions in expenditures under title XVIII of the Social Security Act resulting from participation of individuals that are attributable to the medical home (as reduced by the total care managements fees paid to the medical home under the project) shall be paid to the medical home. The amount of such reductions in expenditures shall be determined by using assumptions with respect to reductions in the occurrence of health complications, hospitalization rates, medical errors, and adverse drug reactions.

(3) SOURCE.—Payments paid under the project shall be made from the Federal Supplementary Medical Insurance Trust Fund under section 1841 of the Social Security Act (42 U.S.C. 1395t).

(f) EVALUATIONS AND REPORTS.—

(1) ANNUAL INTERIM EVALUATIONS AND REPORTS.—For each year of the project, the Secretary shall provide for an evaluation of the project and shall submit to Congress, by a date specified by the Secretary, a report on the project and on the evaluation of the project for each such year.

(2) FINAL EVALUATION AND REPORT.—The Secretary shall provide for an evaluation of the project and shall submit to Congress, not later than one year after completion of the project, a report on the project and on the evaluation of the project.

SEC. 205. MEDICARE DRA TECHNICAL CORRECTIONS.

(a) PACE CLARIFICATION.—Paragraph (7) of section 5302(c) of the Deficit Reduction Act of 2005 (42 U.S.C. 1395eee note) is amended to read as follows:

''(7) APPROPRIATION.—

''(A) IN GENERAL.—Out of funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary $10,000,000 to carry out this subsection for the period of fiscal years 2006 through 2010.

''(B) AVAILABILITY.—Funds appropriated under subparagraph (A) shall remain available for obligation through fiscal year 2010.''.

(b) MISCELLANEOUS TECHNICAL CORRECTIONS.—

(1) CORRECTION OF MARGIN (SECTION 5001).—Section 1886(b)(3)(B) of the Social Security Act (42 U.S.C. 1395ww(b)(3)(B)), as amended by section 5001(a) of the Deficit Reduction Act of 2005 (Public Law 109–171), is amended by moving clause (viii) (including subclauses (I) through (VII) of such clause) 6 ems to the left.

(2) REFERENCE CORRECTION (SECTION 5114).—Section 5114(a)(2) of the Deficit Reduction Act of 2005 (Public Law 109–171), in the matter preceding subparagraph (A), is amended by striking ''1842(b)(6)(F) of such Act (42 U.S.C. 1395u(b)(6)(F))'' and inserting ''1842(b)(6) of such Act (42 U.S.C. 1395u(b)(6))''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Deficit Reduction Act of 2005 (Public Law 109–171).

SEC. 206. LIMITED CONTINUOUS OPEN ENROLLMENT OF ORIGINAL MEDICARE FEE-FOR-SERVICE ENROLLEES INTO MEDICARE ADVANTAGE NON-PRESCRIPTION DRUG PLANS.

(a) IN GENERAL.—Section 1851(e)(2) of the Social Security Act (42 U.S.C. 1395w–21(e)(2)) is amended by adding at the end the following new subparagraph:

''(E) LIMITED CONTINUOUS OPEN ENROLLMENT OF ORIGINAL FEE-FOR-SERVICE ENROLLEES IN MEDICARE ADVANTAGE NON-PRESCRIPTION DRUG PLANS.—

''(i) IN GENERAL.—On any date during 2007 or 2008 on which a Medicare Advantage eligible individual is an unenrolled fee-for-service individual (as defined in clause (ii)), the individual may elect under subsection (a)(1) to enroll in a Medicare Advantage plan that is not an MA–PD plan.

''(ii) UNENROLLED FEE-FOR-SERVICE INDIVIDUAL DEFINED.—In this subparagraph, the term 'unenrolled fee-for-service individual' means, with respect to a date, a Medicare Advantage eligible individual who—

''(I) is receiving benefits under this title through enrollment in the original medicare fee-for-service program under parts A and B;

''(II) is not enrolled in an MA plan on such date; and

''(III) as of such date is not otherwise eligible to elect to enroll in an MA plan.

''(iii) LIMITATION OF ONE CHANGE DURING YEAR.—An individual may exercise the right under clause (i) only once during the year.

''(iv) NO EFFECT ON COVERAGE UNDER A PRESCRIPTION DRUG PLAN.—Nothing in this subparagraph shall be construed as permitting an individual exercising the right under clause (i)—

''(I) who is enrolled in a prescription drug plan under part D, to disenroll from such plan or to enroll in a different prescription drug plan; or

''(II) who is not enrolled in a prescription drug plan, to enroll in such a plan.''.

(b) CONFORMING AMENDMENT.—Section 1860D–1(b)(1)(B)(iii) of the Social Security Act (42 U.S.C. 1395w–101(b)(1)(B)(iii)) is amended by striking ''subparagraphs (B) and (C)'' and inserting ''subparagraphs (B), (C), and (E)''.

TITLE III—MEDICARE PROGRAM INTEGRITY EFFORTS

SEC. 301. OFFSETTING ADJUSTMENT IN MEDICARE ADVANTAGE STABILIZATION FUND.

Section 1858(e)(2)(A)(i) of the Social Security Act (42 U.S.C. 1395w–27a(e)(2)(A)(i)) is amended by striking ''2007,'' and ''$10,000,000,000'' and inserting ''2012,'' and ''$3,500,000,000'', respectively.

SEC. 302. EXTENSION AND EXPANSION OF RECOVERY AUDIT CONTRACTOR PROGRAM UNDER THE MEDICARE INTEGRITY PROGRAM.

(a) IN GENERAL.—Section 1893 of the Social Security Act (42 U.S.C. 1395ddd) is amended by adding at the end the following new subsection:

''(h) USE OF RECOVERY AUDIT CONTRACTORS.—

''(1) IN GENERAL.—Under the Program, the Secretary shall enter into contracts with recovery audit contractors in accordance with this subsection for the purpose of identifying underpayments and overpayments and recouping overpayments under this title with respect to all services for which payment is made under part A or B. Under the contracts—

''(A) payment shall be made to such a contractor only from amounts recovered;

''(B) from such amounts recovered, payment—

''(i) shall be made on a contingent basis for collecting overpayments; and

''(ii) may be made in such amounts as the Secretary may specify for identifying underpayments; and

''(C) the Secretary shall retain a portion of the amounts recovered which shall be available to the program management account of the Centers for Medicare & Medicaid Services for purposes of activities conducted under the recovery audit program under this subsection.

''(2) DISPOSITION OF REMAINING RECOVERIES.—The amounts recovered under such contracts that are not paid to the contractor under paragraph (1) or retained by the Secretary under paragraph (1)(C) shall be applied to reduce expenditures under parts A and B.

''(3) NATIONWIDE COVERAGE.—The Secretary shall enter into contracts under paragraph (1) in a manner so as to provide for activities in all States under such a contract by not later than January 1, 2010.

''(4) AUDIT AND RECOVERY PERIODS.—Each such contract shall provide that audit and recovery activities may be conducted during a fiscal year with respect to payments made under part A or B—

''(A) during such fiscal year; and

''(B) retrospectively (for a period of not more than 4 fiscal years prior to such fiscal year).

''(5) WAIVER.—The Secretary shall waive such provisions of this title as may be necessary to provide for payment of recovery audit contractors under this subsection in accordance with paragraph (1).

''(6) QUALIFICATIONS OF CONTRACTORS.—

''(A) IN GENERAL.—The Secretary may not enter into a contract under paragraph (1) with a recovery audit contractor unless the contractor has staff that has the appropriate clinical knowledge of, and experience with, the payment rules and regulations under this title or the contractor has, or will contract with, another entity that has such knowledgeable and experienced staff.

''(B) INELIGIBILITY OF CERTAIN CONTRACTORS.—The Secretary may not enter into a contract under paragraph (1) with a recovery audit contractor to the extent the contractor is a fiscal intermediary under section 1816, a carrier under section 1842, or a medicare administrative contractor under section 1874A.

''(C) PREFERENCE FOR ENTITIES WITH DEMONSTRATED PROFICIENCY.—In awarding contracts to recovery audit contractors under paragraph (1), the Secretary shall give preference to those risk entities that the Secretary determines have demonstrated more than 3 years direct management experience and a proficiency for cost control or recovery audits with private insurers, health care providers, health plans, under the Medicaid program under title XIX, or under this title.

''(7) CONSTRUCTION RELATING TO CONDUCT OF INVESTIGATION OF FRAUD.—A recovery of an overpayment to a individual or entity by a recovery audit contractor under this subsection shall not be construed to prohibit the Secretary or the Attorney General from investigating and prosecuting, if appropriate, allegations of fraud or abuse arising from such overpayment.

''(8) ANNUAL REPORT.—The Secretary shall annually submit to Congress a report on the use of recovery audit contractors under this subsection. Each such report shall include information on the performance of such contractors in identifying underpayments and overpayments and recouping overpayments, including an evaluation of the comparative

performance of such contractors and savings to the program under this title.''.

(b) ACCESS TO COORDINATION OF BENEFITS CONTRACTOR DATABASE.—The Secretary of Health and Human Services shall provide for access by recovery audit contractors conducting audit and recovery activities under section 1893(h) of the Social Security Act, as added by subsection (a), to the database of the Coordination of Benefits Contractor of the Centers for Medicare & Medicaid Services with respect to the audit and recovery periods described in paragraph (4) of such section 1893(h).

(c) CONFORMING AMENDMENTS TO CURRENT DEMONSTRATION PROJECT.—Section 306 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2256) is amended—

(1) in subsection (b)(2), by striking ''last for not longer than 3 years'' and inserting ''continue until contracts are entered into under section 1893(h) of the Social Security Act''; and

(2) by striking subsection (f).

SEC. 303. FUNDING FOR THE HEALTH CARE FRAUD AND ABUSE CONTROL ACCOUNT.

(a) DEPARTMENTS OF HEALTH AND HUMAN SERVICES AND JUSTICE.—

(1) IN GENERAL.—Section 1817(k)(3)(A)(i) of the Social Security Act (42 U.S.C. 1395i(k)(3)(A)(i)) is amended—

(A) in the matter preceding subclause (I), by inserting ''until expended'' after ''without further appropriation'';

(B) in subclause (II), by striking ''and'' at the end;

(C) in subclause (III)—

(i) by striking ''for each fiscal year after fiscal year 2003'' and inserting ''for each of fiscal years 2004, 2005, and 2006''; and

(ii) by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following new subclauses:

''(IV) for each of fiscal years 2007, 2008, 2009, and 2010, the limit under this clause for the preceding fiscal year, increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year; and

''(V) for each fiscal year after fiscal year 2010, the limit under this clause for fiscal year 2010.''.

(2) OFFICE OF THE INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Section 1817(k)(3)(A)(ii) of such Act (42 U.S.C. 1395i(k)(3)(A)(ii)) is amended—

(A) in subclause (VI), by striking ''and'' at the end;

(B) in subclause (VII)—

(i) by striking ''for each fiscal year after fiscal year 2002'' and inserting ''for each of fiscal years 2003, 2004, 2005, and 2006''; and

(ii) by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following new subclauses:

''(VIII) for fiscal year 2007, not less than $160,000,000, increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year;

''(IX) for each of fiscal years 2008, 2009, and 2010, not less than the amount required under this clause for the preceding fiscal year, increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year; and

''(X) for each fiscal year after fiscal year 2010, not less than the amount required under this clause for fiscal year 2010.''.

(b) FEDERAL BUREAU OF INVESTIGATION.—Section 1817(k)(3)(B) of the Social Security Act (42 U.S.C. 1395i(k)(3)(B)) is amended—

(1) in the matter preceding clause (i), by inserting ''until expended'' after ''without further appropriation'';

(2) in clause (vi), by striking ''and'' at the end;

(3) in clause (vii)—

(A) by striking ''for each fiscal year after fiscal year 2002'' and inserting ''for each of fiscal years 2003, 2004, 2005, and 2006''; and

(B) by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following new clauses:

''(viii) for each of fiscal years 2007, 2008, 2009, and 2010, the amount to be appropriated under this subparagraph for the preceding fiscal year, increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year; and

''(ix) for each fiscal year after fiscal year 2010, the amount to be appropriated under this subparagraph for fiscal year 2010.''.

SEC. 304. IMPLEMENTATION FUNDING.

For purposes of implementing the provisions of, and amendments made by, this title and titles I and II of this division, other than section 203, the Secretary of Health and Human Services shall provide for the transfer, in appropriate part from the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) and the Federal Supplementary Medical Insurance Trust Fund established under section 1841 of such Act (42 U.S.C. 1395t), of $45,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for the period of fiscal years 2007 and 2008.

TITLE IV—MEDICAID AND OTHER HEALTH PROVISIONS

SEC. 401. EXTENSION OF TRANSITIONAL MEDICAL ASSISTANCE (TMA) AND ABSTINENCE EDUCATION PROGRAM.

Activities authorized by sections 510 and 1925 of the Social Security Act shall continue through June 30, 2007, in the manner authorized for fiscal year 2006, notwithstanding section 1902(e)(1)(A) of such Act, and out of any money in the Treasury of the United States not otherwise appropriated, there are hereby appropriated such sums as may be necessary for such purpose. Grants and payments may be made pursuant to this authority through the third quarter of fiscal year 2007 at the level provided for such activities through the third quarter of fiscal year 2006.

SEC. 402. GRANTS FOR RESEARCH ON VACCINE AGAINST VALLEY FEVER.

(a) IN GENERAL.—In supporting research on the development of vaccines against human diseases, the Secretary of Health and Human Services shall make grants for the purpose of conducting research toward the development of a vaccine against coccidioidomycosis (commonly known as Valley Fever).

(b) SUNSET.—No grant may be made under subsection (a) on or after October 1, 2012. The preceding sentence does not have any legal effect on payments under grants for which amounts appropriated under subsection (c) were obligated prior to such date.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsection (a), there are authorized to be appropriated $40,000,000 for the period of fiscal years 2007 through 2012.

SEC. 403. CHANGE IN THRESHOLD FOR MEDICAID INDIRECT HOLD HARMLESS PROVISION OF BROAD-BASED HEALTH CARE TAXES.

Section 1903(w)(4)(C) of the Social Security Act (42 U.S.C. 1396b(w)(4)(C)) is amended—

(1) by inserting ''(i)'' after ''(C)''; and

(2) by adding at the end the following:

''(ii) For purposes of clause (i), a determination of the existence of an indirect guarantee shall be made under paragraph (3)(i) of section 433.68(f) of title 42, Code of Federal Regulations, as in effect on November 1, 2006, except that for portions of fiscal years beginning on or after January 1, 2008, and before October 1, 2011, '5.5 percent' shall be substituted for '6 percent' each place it appears.''.

SEC. 404. DSH ALLOTMENTS FOR FISCAL YEAR 2007 FOR TENNESSEE AND HAWAII.

Section 1923(f)(6) of the Social Security Act (42 U.S.C. 1396r–4(f)(6)) is amended to read as follows:

''(6) ALLOTMENT ADJUSTMENTS FOR FISCAL YEAR 2007.—

''(A) TENNESSEE.—

''(i) IN GENERAL.—Only with respect to fiscal year 2007, the DSH allotment for Tennessee for such fiscal year, notwithstanding the table set forth in paragraph (2) or the terms of the TennCare Demonstration Project in effect for the State, shall be the greater of—

''(I) the amount that the Secretary determines is equal to the Federal medical assistance percentage component attributable to disproportionate share hospital payment adjustments for the demonstration year ending in 2006 that is reflected in the budget neutrality provision of the TennCare Demonstration Project; and

''(II) $280,000,000.

''(ii) LIMITATION ON AMOUNT OF PAYMENT ADJUSTMENTS ELIGIBLE FOR FEDERAL FINANCIAL PARTICIPATION.—Payment under section 1903(a) shall not be made to Tennessee with respect to the aggregate amount of any payment adjustments made under this section for hospitals in the State for fiscal year 2007 that is in excess of 30 percent of the DSH allotment for the State for such fiscal year determined pursuant to clause (i).

''(iii) STATE PLAN AMENDMENT.—The Secretary shall permit Tennessee to submit an amendment to its State plan under this title that describes the methodology to be used by the State to identify and make payments to disproportionate share hospitals, including children's hospitals and institutions for mental diseases or other mental health facilities. The Secretary may not approve such plan amendment unless the methodology described in the amendment is consistent with the requirements under this section for making payment adjustments to disproportionate share hospitals. For purposes of demonstrating budget neutrality under the TennCare Demonstration Project, payment adjustments made pursuant to a State plan amendment approved in accordance with this subparagraph shall be considered expenditures under such project.

''(iv) OFFSET OF FEDERAL SHARE OF PAYMENT ADJUSTMENTS FOR FISCAL YEAR 2007 AGAINST ESSENTIAL ACCESS HOSPITAL SUPPLEMENTAL POOL PAYMENTS UNDER THE TENNCARE DEMONSTRATION PROJECT.—

''(I) The total amount of Essential Access Hospital supplemental pool payments that may be made under the TennCare Demonstration Project for fiscal year 2007 shall be reduced on a dollar for dollar basis by the amount of any payments made under section 1903(a) to Tennessee with respect to payment adjustments made under this section for hospitals in the State for such fiscal year.

''(II) The sum of the total amount of payments made under section 1903(a) to Tennessee with respect to payment adjustments made under this section for hospitals in the State for fiscal year 2007 and the total amount of Essential Access Hospital supplemental pool payments made under the TennCare Demonstration Project for such fiscal year shall not exceed the State's DSH allotment for such fiscal year established under clause (i).

''(B) HAWAII.—

''(i) IN GENERAL.—Only with respect to fiscal year 2007, the DSH allotment for Hawaii for such fiscal year, notwithstanding the table set forth in paragraph (2), shall be $10,000,000.

''(ii) STATE PLAN AMENDMENT.—The Secretary shall permit Hawaii to submit an amendment to its State plan under this title that describes the methodology to be used by the State to identify and make payments to disproportionate share hospitals, including children's hospitals and institutions for mental diseases or other mental health facilities. The Secretary may not approve such plan amendment unless the methodology described in the amendment is consistent with the requirements under this section for making payment adjustments to disproportionate share hospitals.''.

SEC. 405. CERTAIN MEDICAID DRA TECHNICAL CORRECTIONS.

(a) TECHNICAL CORRECTIONS RELATING TO STATE OPTION FOR ALTERNATIVE PREMIUMS AND COST SHARING (SECTIONS 6041 THROUGH 6043).—

(1) CLARIFICATION OF CONTINUED APPLICATION OF REGULAR COST SHARING RULES FOR INDIVIDUALS WITH FAMILY INCOME NOT EXCEEDING 100 PERCENT OF THE POVERTY LINE.—Section 1916A of the Social Security Act, as inserted by section 6041(a) of the Deficit Reduction Act of 2005 and amended by sections 6042 and 6043 of such Act, is amended—

(A) in subsection (a)(1)—

(i) by inserting ''but subject to paragraph (2),'' after ''1902(a)(10)(B),''; and

(ii) by inserting ''and non-emergency services furnished in a hospital emergency department for which cost sharing may be imposed under subsection (e)'' after ''(c)'';

(B) by redesignating paragraph (2) of subsection (a) as paragraph (3);

(C) in subsection (a), by inserting after paragraph (1) the following:

''(2) EXEMPTION FOR INDIVIDUALS WITH FAMILY INCOME NOT EXCEEDING 100 PERCENT OF THE POVERTY LINE.—

''(A) IN GENERAL.—Paragraph (1) and subsection (d) shall not apply, and sections 1916 and 1902(a)(10)(B) shall continue to apply, in the case of an individual whose family income does not exceed 100 percent of the poverty line applicable to a family of the size involved.

''(B) LIMIT ON AGGREGATE COST SHARING.—To the extent cost sharing under subsection (c) and (e) or under section 1916 is imposed against individuals described in subparagraph (A), the limitation under subsection (b)(1)(B)(ii) on the total aggregate amount of cost sharing shall apply to such cost sharing for all individuals in a family described in subparagraph (A) in the same manner as such limitations apply to cost sharing and families described in subsection (b)(1)(B)(ii).'';

(D) in subsections (c)(2)(C) and (e)(2)(C), by inserting ''under subsection (a)(2)(B) or'' after ''cap on cost sharing applied''; and

(E) in subsection (e)(2)(A), by inserting ''who is not described in subparagraph (B)'' after ''subsection (b)(1)''.

(2) CLARIFICATION OF TREATMENT OF NON-PREFERRED DRUG AND NON-EMERGENCY COST-SHARING.—Such section is further amended—

(A) in subsections (b)(1) and (b)(2), by striking '', subject to subsections (c)(2) and (e)(2)(A)'';

(B) in subsection (c)(1), in the matter preceding subparagraph (A), by striking ''least (or less) costly effective'' and inserting ''most (or more) cost effective'';

(C) in subsection (c)(1)(B), by striking ''otherwise be imposed under'' and inserting ''be imposed under subsection (a) due to the application of'';

(D) in subsection (c)(2)(B), by striking ''otherwise not subject to cost sharing due to the application of subsection (b)(3)(B)'' and inserting ''not subject to cost sharing under subsection (a) due to the application of paragraph (1)(B)'';

(E) in subsection (e)(2)(A)—

(i) by amending the heading to read as follows: ''INDIVIDUALS WITH FAMILY INCOME BETWEEN 100 AND 150 PERCENT OF THE POVERTY LINE.—''; and

(ii) by striking ''under subsection (b)(1)'' and inserting ''under subsection (b)(1)(B)(ii)'';

(F) in subsection (e)(2)(B), by striking ''who is otherwise not subject to cost sharing under subsection (b)(3)'' and inserting ''described in subsection (a)(2)(A) or who is not subject to cost sharing under subsection (b)(3)(B) with respect to non-emergency services described in paragraph (1)'' and

(G) in subsection (e)(2)(C), by inserting ''or section 1916'' after ''subsection (a)''.

(3) CLARIFICATION OF COST SHARING RULES APPLICABLE TO DISABLED CHILDREN PROVIDED MEDICAL ASSISTANCE UNDER THE ELIGIBILITY CATEGORY ADDED BY THE FAMILY OPPORTUNITY ACT.—Such section is further amended—

(A) in subsection (a)(1), in the second sentence, by striking ''section 1916(g)'' and inserting ''subsection (g) or (i) of section 1916''; and

(B) in subsection (b)(3)—

(i) in subparagraph (A), by adding at the end the following:

''(vi) Disabled children who are receiving medical assistance by virtue of the application of sections 1902(a)(10)(A)(ii)(XIX) and 1902(cc).''; and

(ii) in subparagraph (B), by adding at the end the following:

''(ix) Services furnished to disabled children who are receiving medical assistance by virtue of the application of sections 1902(a)(10)(A)(ii)(XIX) and 1902(cc).''.

(4) CORRECTION OF IV–B REFERENCES.—Such section is further amended in subsection (b)(3)—

(A) in subparagraph (A)(i), by striking ''aid or assistance is made available under part B of title IV to children in foster care'' and inserting ''child welfare services are made available under part B of title IV on the basis of being a child in foster care''; and

(B) in subparagraph (B)(i), by striking ''aid or assistance is made available under part B of title IV to children in foster care'' and inserting ''child welfare services are made available under part B of title IV on the basis of being a child in foster care or''.

(5) NON-EMERGENCY SERVICES.—Section 1916A(e)(4)(A) of the Social Security Act, as added by section 6043(a) of the Deficit Reduction Act of 2005, is amended by striking ''the physician determines''.

(6) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the amendments made by sections 6041(a) of the Deficit Reduction Act of 2005, except that insofar as such amendments are to, or relate to, subsection (c) or (e) of section 1916A of the Social Security Act, such amendments shall take effect as if included in the amendments made by section 6042 or 6043, respectively, of the Deficit Reduction Act of 2005.

(b) CLARIFYING TREATMENT OF CERTAIN ANNUITIES (SECTION 6012).—

(1) IN GENERAL.—Section 1917(c)(1)(F)(i) of the Social Security Act (42 U.S.C. 1396p(c)(1)(F)(i)), as added by section 6012(b) of the Deficit Reduction Act of 2005, is amended by striking ''annuitant'' and inserting ''institutionalized individual''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective as if included in the enactment of section 6012 of the Deficit Reduction Act of 2005.

(c) ADDITIONAL MISCELLANEOUS TECHNICAL CORRECTIONS.—

(1) DOCUMENTATION (SECTION 6036).—

(A) IN GENERAL.—Effective as if included in the amendment made by section 6036(a)(2) of the Deficit Reduction Act of 2005, section 1903(x) of the Social Security Act (42 U.S.C. 1396b(x)), as inserted by such section 6036(a)(2), is amended—

(i) in paragraph (1), by striking ''(i)(23)'' and inserting ''(i)(22)'';

(ii) in paragraph (2)—

(I) in the matter preceding subparagraph (A), by striking ''alien'' and inserting ''individual declaring to be a citizen or national of the United States'';

(II) by striking subparagraph (B) and inserting the following:

''(B) and is receiving—

''(i) disability insurance benefits under section 223 or monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)); or

''(ii) supplemental security income benefits under title XVI;'';

(III) in subparagraph (C)—

(aa) by striking ''other''; and

(bb) by striking ''had'' and inserting ''has'';

(IV) by redesignating subparagraph (C) as subparagraph (D); and

(V) by inserting after subparagraph (B) the following new subparagraph:

''(C) and with respect to whom—

''(i) child welfare services are made available under part B of title IV on the basis of being a child in foster care; or

''(ii) adoption or foster care assistance is made available under part E of title IV; or''; and

(iii) in paragraph (3)(C)(iii), by striking ''I–97'' and inserting ''I–197''.

(B) ASSURANCE OF STATE FOSTER CARE AGENCY VERIFICATION OF CITIZENSHIP OR LEGAL STATUS.—

(i) STATE PLAN AMENDMENT.—Section 471(a) of the Social Security Act (42 U.S.C. 671(a)) is amended—

(I) in paragraph (25), by striking ''and'' at the end;

(II) in paragraph (26)(C), by striking the period at the end and inserting ''; and''; and

(III) by adding at the end the following:

''(27) provides that, with respect to any child in foster care under the responsibility of the State under this part or part B and without regard to whether foster care maintenance payments are made under section 472 on behalf of the child, the State has in effect procedures for verifying the citizenship or immigration status of the child.''.

(ii) INCLUSION IN REVIEWS OF CHILD AND FAMILY SERVICES PROGRAMS.—Section 1123A(b)(2) of the Social Security Act (42 U.S.C. 1320a-2a(b)(2)) is amended by inserting ''(which shall include determining whether the State program is in conformity with the requirement of section 471(a)(27))'' after ''review''.

(iii) EFFECTIVE DATE.—The amendments made by this subparagraph shall take effect on the date that is 6 months after the date of the enactment of this Act.

(2) MISCELLANEOUS TECHNICAL CORRECTIONS.—

(A) Effective as if included in the enactment of the Deficit Reduction Act of 2005 (Public Law 109–171), the following sections of such Act are amended as follows:

(i) Section 5114(a)(2) is amended by striking ''section 1842(b)(6)(F) of such Act (42 U.S.C. 1395u(b)(6)(F))'' and inserting ''section 1842(b)(6) of such Act (42 U.S.C. 1395u(b)(6))''.

(ii) Section 6003(b)(2) is amended, by striking ''subsection (k)'' and inserting ''subsection (k)(1)''.

(iii) Sections 6031(b), 6032(b), and 6035(c) are each amended by striking ''section 6035(e)'' and inserting ''section 6034(e)''.

(iv) Section 6034(b) is amended by striking ''section 6033(a)'' and inserting ''section 6032(a)''.

(v) Section 6036 is amended—

(I) in subsection (b), by striking ''section 1903(z)'' and inserting ''section 1903(x)''; and

(II) in subsection (c), by striking ''(i)(23)'' and inserting ''(i)(22)''.

(B) Effective as if included in the amendment made by section 6015(a)(1) of the Deficit Reduction Act of 2005, section 1919(c)(5)(A)(i)(II) of the Social Security Act (42 U.S.C. 1396r(c)(5)(A)(i)(II)) is amended by striking ''clause (v)'' and inserting ''subparagraph (B)(v)''.

DIVISION C—OTHER PROVISIONS

TITLE I—GULF OF MEXICO ENERGY SECURITY

SEC. 101. SHORT TITLE.

This title may be cited as the ''Gulf of Mexico Energy Security Act of 2006''.

SEC. 102. DEFINITIONS.

In this title:

(1) 181 AREA.—The term ''181 Area'' means the area identified in map 15, page 58, of the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002, dated August 1996, of the Minerals Management Service, available in the Office of the Director of the Minerals Management Service, excluding the area offered in OCS Lease Sale 181, held on December 5, 2001.

(2) 181 SOUTH AREA.—The term ''181 South Area'' means any area—

(A) located—

(i) south of the 181 Area;

(ii) west of the Military Mission Line; and

(iii) in the Central Planning Area;

(B) excluded from the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 1997–2002, dated August 1996, of the Minerals Management Service; and

(C) included in the areas considered for oil and gas leasing, as identified in map 8, page 37 of the document entitled ''Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012'', dated February 2006.

(3) BONUS OR ROYALTY CREDIT.—The term ''bonus or royalty credit'' means a legal instrument or other written documentation, or an entry in an account managed by the Secretary, that may be used in lieu of any other monetary payment for—

(A) a bonus bid for a lease on the outer Continental Shelf; or

(B) a royalty due on oil or gas production from any lease located on the outer Continental Shelf.

(4) CENTRAL PLANNING AREA.—The term ''Central Planning Area'' means the Central Gulf of Mexico Planning Area of the outer Continental Shelf, as designated in the document entitled ''Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012'', dated February 2006.

(5) EASTERN PLANNING AREA.—The term ''Eastern Planning Area'' means the Eastern Gulf of Mexico Planning Area of the outer Continental Shelf, as designated in the document entitled ''Draft Proposed Program Outer Continental Shelf Oil and Gas Leasing Program 2007–2012'', dated February 2006.

(6) 2002–2007 PLANNING AREA.—The term ''2002–2007 planning area'' means any area—

(A) located in—

(i) the Eastern Planning Area, as designated in the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program 2002–2007, dated April 2002, of the Minerals Management Service;

(ii) the Central Planning Area, as designated in the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program 2002–2007, dated April 2002, of the Minerals Management Service; or

(iii) the Western Planning Area, as designated in the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program 2002–2007, dated April 2002, of the Minerals Management Service; and

(B) not located in—

(i) an area in which no funds may be expended to conduct offshore preleasing, leasing, and related activities under sections 104 through 106 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 521) (as in effect on August 2, 2005);

(ii) an area withdrawn from leasing under the ''Memorandum on Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition'', from 34 Weekly Comp. Pres. Doc. 1111, dated June 12, 1998; or

(iii) the 181 Area or 181 South Area.

(7) GULF PRODUCING STATE.—The term ''Gulf producing State'' means each of the States of Alabama, Louisiana, Mississippi, and Texas.

(8) MILITARY MISSION LINE.—The term ''Military Mission Line'' means the north-south line at 86°41′ W. longitude.

(9) QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—

(A) IN GENERAL.—The term ''qualified outer Continental Shelf revenues'' means—

(i) in the case of each of fiscal years 2007 through 2016, all rentals, royalties, bonus bids, and other sums due and payable to the United States from leases entered into on or after the date of enactment of this Act for—

(I) areas in the 181 Area located in the Eastern Planning Area; and

(II) the 181 South Area; and

(ii) in the case of fiscal year 2017 and each fiscal year thereafter, all rentals, royalties, bonus bids, and other sums due and payable to the United States received on or after October 1, 2016, from leases entered into on or after the date of enactment of this Act for—

(I) the 181 Area;

(II) the 181 South Area; and

(III) the 2002–2007 planning area.

(B) EXCLUSIONS.—The term ''qualified outer Continental Shelf revenues'' does not include—

(i) revenues from the forfeiture of a bond or other surety securing obligations other than royalties, civil penalties, or royalties taken by the Secretary in-kind and not sold; or

(ii) revenues generated from leases subject to section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)).

(10) COASTAL POLITICAL SUBDIVISION.—The term ''coastal political subdivision'' means a political subdivision of a Gulf producing State any part of which political subdivision is—

(A) within the coastal zone (as defined in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453)) of the Gulf producing State as of the date of enactment of this Act; and

(B) not more than 200 nautical miles from the geographic center of any leased tract.

(11) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 103. OFFSHORE OIL AND GAS LEASING IN 181 AREA AND 181 SOUTH AREA OF GULF OF MEXICO.

(a) 181 AREA LEASE SALE.—Except as provided in section 104, the Secretary shall offer the 181 Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable, but not later than 1 year, after the date of enactment of this Act.

(b) 181 SOUTH AREA LEASE SALE.—The Secretary shall offer the 181 South Area for oil and gas leasing pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) as soon as practicable after the date of enactment of this Act.

(c) LEASING PROGRAM.—The 181 Area and 181 South Area shall be offered for lease under this section notwithstanding the omission of the 181 Area or the 181 South Area from any outer Continental Shelf leasing program under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344).

(d) CONFORMING AMENDMENT.—Section 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (Public Law 109–54; 119 Stat. 522) is amended by inserting ''(other than the 181 South Area (as defined in section 102 of the Gulf of Mexico Energy Security Act of 2006))'' after ''lands located outside Sale 181''.

SEC. 104. MORATORIUM ON OIL AND GAS LEASING IN CERTAIN AREAS OF GULF OF MEXICO.

(a) IN GENERAL.—Effective during the period beginning on the date of enactment of this Act and ending on June 30, 2022, the Secretary shall not offer for leasing, preleasing, or any related activity—

(1) any area east of the Military Mission Line in the Gulf of Mexico;

(2) any area in the Eastern Planning Area that is within 125 miles of the coastline of the State of Florida; or

(3) any area in the Central Planning Area that is—

(A) within—

(i) the 181 Area; and

(ii) 100 miles of the coastline of the State of Florida; or

(B)(i) outside the 181 Area;

(ii) east of the western edge of the Pensacola Official Protraction Diagram (UTM X coordinate 1,393,920 (NAD 27 feet)); and

(iii) within 100 miles of the coastline of the State of Florida.

(b) MILITARY MISSION LINE.—Notwithstanding subsection (a), the United States reserves the right to designate by and through the Secretary of Defense, with the approval of the President, national defense areas on the outer Continental Shelf pursuant to section 12(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1341(d)).

(c) EXCHANGE OF CERTAIN LEASES.—

(1) IN GENERAL.—The Secretary shall permit any person that, as of the date of enactment of this Act, has entered into an oil or gas lease with the Secretary in any area described in paragraph (2) or (3) of subsection (a) to exchange the lease for a bonus or royalty credit that may only be used in the Gulf of Mexico.

(2) VALUATION OF EXISTING LEASE.—The amount of the bonus or royalty credit for a lease to be exchanged shall be equal to—

(A) the amount of the bonus bid; and

(B) any rental paid for the lease as of the date the lessee notifies the Secretary of the decision to exchange the lease.

(3) REVENUE DISTRIBUTION.—No bonus or royalty credit may be used under this subsection in lieu of any payment due under, or to acquire any interest in, a lease subject to the revenue distribution provisions of section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)).

(4) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations that shall provide a process for—

(A) notification to the Secretary of a decision to exchange an eligible lease;

(B) issuance of bonus or royalty credits in exchange for relinquishment of the existing lease;

(C) transfer of the bonus or royalty credit to any other person; and

(D) determining the proper allocation of bonus or royalty credits to each lease interest owner.

SEC. 105. DISPOSITION OF QUALIFIED OUTER CONTINENTAL SHELF REVENUES FROM 181 AREA, 181 SOUTH AREA, AND 2002–2007 PLANNING AREAS OF GULF OF MEXICO.

(a) IN GENERAL.—Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) and subject to the other provisions of this section, for each applicable fiscal year, the Secretary of the Treasury shall deposit—

(1) 50 percent of qualified outer Continental Shelf revenues in the general fund of the Treasury; and

(2) 50 percent of qualified outer Continental Shelf revenues in a special account in the Treasury from which the Secretary shall disburse—

(A) 75 percent to Gulf producing States in accordance with subsection (b); and

(B) 25 percent to provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–8), which shall be considered income to the Land and Water Conservation Fund for purposes of section 2 of that Act (16 U.S.C. 4601–5).

(b) ALLOCATION AMONG GULF PRODUCING STATES AND COASTAL POLITICAL SUBDIVISIONS.—

(1) ALLOCATION AMONG GULF PRODUCING STATES FOR FISCAL YEARS 2007 THROUGH 2016.—

(A) IN GENERAL.—Subject to subparagraph (B), effective for each of fiscal years 2007 through 2016, the amount made available under subsection (a)(2)(A) shall be allocated to each Gulf producing State in amounts (based on a formula established by the Secretary by regulation) that are inversely proportional to the respective distances between the point on the coastline of each Gulf producing State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract.

(B) MINIMUM ALLOCATION.—The amount allocated to a Gulf producing State each fiscal year under subparagraph (A) shall be at least 10 percent of the amounts available under subsection (a)(2)(A).

(2) ALLOCATION AMONG GULF PRODUCING STATES FOR FISCAL YEAR 2017 AND THEREAFTER.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), effective for fiscal year 2017 and each fiscal year thereafter—

(i) the amount made available under subsection (a)(2)(A) from any lease entered into within the 181 Area or the 181 South Area shall be allocated to each Gulf producing State in amounts (based on a formula established by the Secretary by regulation) that are inversely proportional to the respective distances between the point on the coastline of each Gulf pro
Producing State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract; and

(ii) the amount made available under subsection (a)(2)(A) from any lease entered into within the 2002–2007 planning area shall be allocated to each Gulf producing State in amounts that are inversely proportional to the respective distances between the point on the coastline of each Gulf producing State that is closest to the geographic center of each historical lease site and the geographic center of the historical lease site, as determined by the Secretary.

(B) MINIMUM ALLOCATION.—The amount allocated to a Gulf producing State each fiscal year under subparagraph (A) shall be at least 10 percent of the amounts available under subsection (a)(2)(A).

(C) HISTORICAL LEASE SITES.—

(i) IN GENERAL.—Subject to clause (ii), for purposes of subparagraph (A)(ii), the historical lease sites in the 2002–2007 planning area shall include all leases entered into by the Secretary for an area in the Gulf of Mexico during the period beginning on October 1, 1982 (or an earlier date if practicable, as determined by the Secretary), and ending on December 31, 2015.

(ii) ADJUSTMENT.—Effective January 1, 2022, and every 5 years thereafter, the ending date described in clause (i) shall be extended for an additional 5 calendar years.

(3) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—

(A) IN GENERAL.—The Secretary shall pay 20 percent of the allocable share of each Gulf producing State, as determined under paragraphs (1) and (2), to the coastal political subdivisions of the Gulf producing State.

(B) ALLOCATION.—The amount paid by the Secretary to coastal political subdivisions shall be allocated to each coastal political subdivision in accordance with subparagraphs (B), (C), and (E) of section 31(b)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a(b)(4)).

(c) TIMING.—The amounts required to be deposited under paragraph (2) of subsection (a) for the applicable fiscal year shall be made available in accordance with that paragraph during the fiscal year immediately following the applicable fiscal year.

(d) AUTHORIZED USES.—

(1) IN GENERAL.—Subject to paragraph (2), each Gulf producing State and coastal political subdivision shall use all amounts received under subsection (b) in accordance with all applicable Federal and State laws, only for 1 or more of the following purposes:

(A) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses.

(B) Mitigation of damage to fish, wildlife, or natural resources.

(C) Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan.

(D) Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects.

(E) Planning assistance and the administrative costs of complying with this section.

(2) LIMITATION.—Not more than 3 percent of amounts received by a Gulf producing State or coastal political subdivision under subsection (b) may be used for the purposes described in paragraph (1)(E).

(e) ADMINISTRATION.—Amounts made available under subsection (a)(2) shall—

(1) be made available, without further appropriation, in accordance with this section;

(2) remain available until expended; and

(3) be in addition to any amounts appropriated under—

(A) the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.);

(B) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–4 et seq.); or

(C) any other provision of law.

(f) LIMITATIONS ON AMOUNT OF DISTRIBUTED QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—

(1) IN GENERAL.—Subject to paragraph (2), the total amount of qualified outer Continental Shelf revenues made available under subsection (a)(2) shall not exceed $500,000,000 for each of fiscal years 2016 through 2055.

(2) EXPENDITURES.—For the purpose of paragraph (1), for each of fiscal years 2016 through 2055, expenditures under subsection (a)(2) shall be net of receipts from that fiscal year from any area in the 181 Area in the Eastern Planning Area and the 181 South Area.

(3) PRO RATA REDUCTIONS.—If paragraph (1) limits the amount of qualified outer Continental Shelf revenue that would be paid under subparagraphs (A) and (B) of subsection (a)(2)—

(A) the Secretary shall reduce the amount of qualified outer Continental Shelf revenue provided to each recipient on a pro rata basis; and

(B) any remainder of the qualified outer Continental Shelf revenues shall revert to the general fund of the Treasury.

TITLE II—SURFACE MINING CONTROL AND RECLAMATION ACT AMENDMENTS OF 2006

SEC. 200. SHORT TITLE.

This title may be cited as the ''Surface Mining Control and Reclamation Act Amendments of 2006''.

Subtitle A—Mining Control and Reclamation

SEC. 201. ABANDONED MINE RECLAMATION FUND AND PURPOSES.

(a) IN GENERAL.—Section 401 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231) is amended—

(1) in subsection (c)—

(A) by striking paragraphs (2) and (6); and

(B) by redesignating paragraphs (3), (4), and (5) and paragraphs (7) through (13) as paragraphs (2) through (11), respectively;

(2) by striking subsection (d) and inserting the following:

''(d) AVAILABILITY OF MONEYS; NO FISCAL YEAR LIMITATION.—

''(1) IN GENERAL.—Moneys from the fund for expenditures under subparagraphs (A) through (D) of section 402(g)(3) shall be available only when appropriated for those subparagraphs.

''(2) NO FISCAL YEAR LIMITATION.—Appropriations described in paragraph (1) shall be made without fiscal year limitation.

''(3) OTHER PURPOSES.—Moneys from the fund shall be available for all other purposes of this title without prior appropriation as provided in subsection (f).'';

(3) in subsection (e)—

(A) in the second sentence, by striking ''the needs of such fund'' and inserting ''achieving the purposes of the transfers under section 402(h)''; and

(B) in the third sentence, by inserting before the period the following: ''for the purpose of the transfers under section 402(h)''; and

(4) by adding at the end the following:

''(f) GENERAL LIMITATION ON OBLIGATION AUTHORITY.—

''(1) IN GENERAL.—From amounts deposited into the fund under subsection (b), the Secretary shall distribute during each fiscal year beginning after September 30, 2007, an amount determined under paragraph (2).

''(2) AMOUNTS.—

''(A) FOR FISCAL YEARS 2008 THROUGH 2022.—For each of fiscal years 2008 through 2022, the amount distributed by the Secretary under this subsection shall be equal to—

''(i) the amounts deposited into the fund under paragraphs (1), (2), and (4) of subsection (b) for the preceding fiscal year that were allocated under paragraphs (1) and (5) of section 402(g); plus

''(ii) the amount needed for the adjustment under section 402(g)(8) for the current fiscal year.

''(B) FISCAL YEARS 2023 AND THEREAFTER.—For fiscal year 2023 and each fiscal year thereafter, to the extent that funds are available, the Secretary shall distribute an amount equal to the amount distributed under subparagraph (A) during fiscal year 2022.

''(3) DISTRIBUTION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), for each fiscal year, of the amount to be distributed to States and Indian tribes pursuant to paragraph (2), the Secretary shall distribute—

''(i) the amounts allocated under paragraph (1) of section 402(g), the amounts allocated under paragraph (5) of section 402(g), and any amount reallocated under section 411(h)(3) in accordance with section 411(h)(2), for grants to States and Indian tribes under section 402(g)(5); and

''(ii) the amounts allocated under section 402(g)(8).

''(B) EXCLUSION.—Beginning on October 1, 2007, certified States shall be ineligible to receive amounts under section 402(g)(1).

''(4) AVAILABILITY.—Amounts in the fund available to the Secretary for obligation under this subsection shall be available until expended.

''(5) ADDITION.—

''(A) IN GENERAL.—Subject to subparagraph (B), the amount distributed under this subsection for each fiscal year shall be in addition to the amount appropriated from the fund during the fiscal year.

''(B) EXCEPTIONS.—Notwithstanding paragraph (3), the amount distributed under this subsection for the first 4 fiscal years beginning on and after October 1, 2007, shall be equal to the following percentage of the amount otherwise required to be distributed:

''(i) 50 percent in fiscal year 2008.

''(ii) 50 percent in fiscal year 2009.

''(iii) 75 percent in fiscal year 2010.

''(iv) 75 percent in fiscal year 2011.''.

(b) CONFORMING AMENDMENT.—Section 712(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1302(b)) is amended by striking ''section 401(c)(11)'' and inserting ''section 401(c)(9)''.

SEC. 202. RECLAMATION FEE.

(a) AMOUNTS.—

(1) FISCAL YEARS 2008–2012.—Effective October 1, 2007, section 402(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(a)) is amended—

(A) by striking ''35'' and inserting ''31.5'';

(B) by striking ''15'' and inserting ''13.5''; and

(C) by striking ''10 cents'' and inserting ''9 cents''.

(2) FISCAL YEARS 2013–2021.—Effective October 1, 2012, section 402(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(a)) (as amended by paragraph (1)) is amended—

(A) by striking ''31.5'' and inserting ''28'';

(B) by striking ''13.5'' and inserting ''12''; and

(C) by striking ''9 cents'' and inserting ''8 cents''.

(b) DURATION.—Effective September 30, 2007, section 402(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(b)) (as amended by section 7007 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109–234; 120 Stat. 484)) is amended by striking ''September 30, 2007'' and all that follows through the end of the sentence and inserting ''September 30, 2021.''.

(c) ALLOCATION OF FUNDS.—Section 402(g) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(g)) is amended—

(1) in paragraph (1)(D)—

(A) by inserting ''(except for grants awarded during fiscal years 2008, 2009, and 2010 to the extent not expended within 5 years)'' after ''this paragraph''; and

(B) by striking ''in any area under paragraph (2), (3), (4), or (5)'' and inserting ''under paragraph (5)'';

(2) by striking paragraph (2) and inserting:

''(2) In making the grants referred to in paragraph (1)(C) and the grants referred to in paragraph (5), the Secretary shall ensure strict compliance by the States and Indian tribes with the priorities described in section 403(a) until a certification is made under section 411(a).'';

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking ''paragraphs (2) and'' and inserting ''paragraph'';

(B) in subparagraph (A), by striking ''401(c)(11)'' and inserting ''401(c)(9)''; and

(C) by adding at the end the following:

''(E) For the purpose of paragraph (8).'';

(4) in paragraph (5)—

(A) by inserting ''(A)'' after ''(5)'';

(B) in the first sentence, by striking ''40'' and inserting ''60'';

(C) in the last sentence, by striking ''Funds allocated or expended by the Secretary under paragraphs (2), (3), or (4)'' and inserting ''Funds made available under paragraph (3) or (4)''; and

(D) by adding at the end the following:

''(B) Any amount that is reallocated and available under section 411(h)(3) shall be in addition to amounts that are allocated under subparagraph (A).''; and

(5) by striking paragraphs (6) through (8) and inserting the following:

''(6)(A) Any State with an approved abandoned mine reclamation program pursuant to section 405 may receive and retain, without regard to the 3-year limitation referred to in paragraph (1)(D), up to 30 percent of the total of the grants made annually to the State under paragraphs (1) and (5) if those amounts are deposited into an acid mine drainage abatement and treatment fund established under State law, from which amounts (together with all interest earned on the amounts) are expended by the State for the abatement of the causes and the treatment of the effects of acid mine drainage in a comprehensive manner within qualified hydrologic units affected by coal mining practices.

''(B) In this paragraph, the term 'qualified hydrologic unit' means a hydrologic unit—

''(i) in which the water quality has been significantly affected by acid mine drainage from coal mining practices in a manner that adversely impacts biological resources; and

''(ii) that contains land and water that are—

''(I) eligible pursuant to section 404 and include any of the priorities described in section 403(a); and

''(II) the subject of expenditures by the State from the forfeiture of bonds required under section 509 or from other States sources to abate and treat acid mine drainage.

''(7) In complying with the priorities described in section 403(a), any State or Indian tribe may use amounts available in grants made annually to the State or tribe under paragraphs (1) and (5) for the reclamation of eligible land and water described in section 403(a)(3) before the completion of reclamation projects under paragraphs (1) and (2) of section 403(a) only if the expenditure of funds for the reclamation is done in conjunction with the expenditure before, on, or after the date of enactment of the Surface Mining Control and Reclamation Act Amendments of 2006 of funds for reclamation projects under paragraphs (1) and (2) of section 403(a).

''(8)(A) In making funds available under this title, the Secretary shall ensure that the grant awards total not less than $3,000,000 annually to each State and each Indian tribe having an approved abandoned mine reclamation program pursuant to section 405 and eligible land and water pursuant to section 404, so long as an allocation of funds to the State or tribe is necessary to achieve the priorities stated in paragraphs (1) and (2) of section 403(a).

''(B) Notwithstanding any other provision of law, this paragraph applies to the States of Tennessee and Missouri.''.

(d) TRANSFERS OF INTEREST EARNED BY ABANDONED MINE RECLAMATION FUND.—Section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232) is amended by striking subsection (h) and inserting the following:

''(h) TRANSFERS OF INTEREST EARNED BY FUND.—

''(1) IN GENERAL.—

''(A) TRANSFERS TO COMBINED BENEFIT FUND.—As soon as practicable after the beginning of fiscal year 2007 and each fiscal year thereafter, and before making any allocation with respect to the fiscal year under subsection (g), the Secretary shall use an amount not to exceed the amount of interest that the Secretary estimates will be earned and paid to the fund during the fiscal year to transfer to the Combined Benefit Fund such amounts as are estimated by the trustees of such fund to offset the amount of any deficit in net assets in the Combined Benefit Fund as of October 1, 2006, and to make the transfer described in paragraph (2)(A).

''(B) TRANSFERS TO 1992 AND 1993 PLANS.—As soon as practicable after the beginning of fiscal year 2008 and each fiscal year thereafter, and before making any allocation with respect to the fiscal year under subsection (g), the Secretary shall use an amount not to exceed the amount of interest that the Secretary estimates will be earned and paid to the fund during the fiscal year (reduced by the amount used under subparagraph (A)) to make the transfers described in paragraphs (2)(B) and (2)(C).

''(2) TRANSFERS DESCRIBED.—The transfers referred to in paragraph (1) are the following:

''(A) UNITED MINE WORKERS OF AMERICA COMBINED BENEFIT FUND.—A transfer to the United Mine Workers of America Combined Benefit Fund equal to the amount that the trustees of the Combined Benefit Fund estimate will be expended from the fund for the fiscal year in which the transfer is made, reduced by—

''(i) the amount the trustees of the Combined Benefit Fund estimate the Combined Benefit Fund will receive during the fiscal year in—

''(I) required premiums; and

''(II) payments paid by Federal agencies in connection with benefits provided by the Combined Benefit Fund; and

''(ii) the amount the trustees of the Combined Benefit Fund estimate will be expended during the fiscal year to provide health benefits to beneficiaries who are unassigned beneficiaries solely as a result of the application of section 9706(h)(1) of the Internal Revenue Code of 1986, but only to the extent that such amount does not exceed the amounts described in subsection (i)(1)(A) that the Secretary estimates will be available to pay such estimated expenditures.

''(B) UNITED MINE WORKERS OF AMERICA 1992 BENEFIT PLAN.—A transfer to the United Mine Workers of America 1992 Benefit Plan, in an amount equal to the difference between—

''(i) the amount that the trustees of the 1992 UMWA Benefit Plan estimate will be expended from the 1992 UMWA Benefit Plan during the next calendar year to provide the benefits required by the 1992 UMWA Benefit Plan on the date of enactment of this subparagraph; minus

''(ii) the amount that the trustees of the 1992 UMWA Benefit Plan estimate the 1992 UMWA Benefit Plan will receive during the next calendar year in—

''(I) required monthly per beneficiary premiums, including the amount of any security provided to the 1992 UMWA Benefit Plan that is available for use in the provision of benefits; and

''(II) payments paid by Federal agencies in connection with benefits provided by the 1992 UMWA benefit plan.

''(C) MULTIEMPLOYER HEALTH BENEFIT PLAN.—A transfer to the Multiemployer Health Benefit Plan established after July 20, 1992, by the parties that are the settlors of the 1992 UMWA Benefit Plan referred to in subparagraph (B) (referred to in this subparagraph and subparagraph (D) as 'the Plan'), in an amount equal to the excess (if any) of—

''(i) the amount that the trustees of the Plan estimate will be expended from the Plan during the next calendar year, to provide benefits no greater than those provided by the Plan as of December 31, 2006; over

''(ii) the amount that the trustees estimated the Plan will receive during the next calendar year in payments paid by Federal agencies in connection with benefits provided by the Plan.

Such excess shall be calculated by taking into account only those beneficiaries actually enrolled in the Plan as of December 31, 2006, who are eligible to receive benefits under the Plan on the first day of the calendar year for which the transfer is made.

''(D) INDIVIDUALS CONSIDERED ENROLLED.—For purposes of subparagraph (C), any individual who was eligible to receive benefits from the Plan as of the date of enactment of this subsection, even though benefits were being provided to the individual pursuant to a settlement agreement approved by order of a bankruptcy court entered on or before September 30, 2004, will be considered to be actually enrolled in the Plan and shall receive benefits from the Plan beginning on December 31, 2006.

''(3) ADJUSTMENT.—If, for any fiscal year, the amount of a transfer under subparagraph (A), (B), or (C) of paragraph (2) is more or less than the amount required to be transferred under that subparagraph, the Secretary shall appropriately adjust the amount transferred under that subparagraph for the next fiscal year.

''(4) ADDITIONAL AMOUNTS.—

''(A) PREVIOUSLY CREDITED INTEREST.—Notwithstanding any other provision of law, any interest credited to the fund that has not previously been transferred to the Combined Benefit Fund referred to in paragraph (2)(A) under this section—

''(i) shall be held in reserve by the Secretary until such time as necessary to make the payments under subparagraphs (A) and (B) of subsection (i)(1), as described in clause (ii); and

''(ii) in the event that the amounts described in subsection (i)(1) are insufficient to make the maximum payments described in subparagraphs (A) and (B) of subsection (i)(1), shall be used by the Secretary to supplement the payments so that the maximum amount permitted under those paragraphs is paid.

''(B) PREVIOUSLY ALLOCATED AMOUNTS.—All amounts allocated under subsection (g)(2) before the date of enactment of this subparagraph for the program described in section 406, but not appropriated before that date, shall be available to the Secretary to make the transfers described in paragraph (2).

''(C) ADEQUACY OF PREVIOUSLY CREDITED INTEREST.—The Secretary shall—

''(i) consult with the trustees of the plans described in paragraph (2) at reasonable intervals; and

''(ii) notify Congress if a determination is made that the amounts held in reserve under subparagraph (A) are insufficient to meet future requirements under subparagraph (A)(ii).

''(D) ADDITIONAL RESERVE AMOUNTS.—In addition to amounts held in reserve under subparagraph (A), there is authorized to be appropriated such sums as may be necessary for transfer to the fund to carry out the purposes of subparagraph (A)(ii).

''(E) INAPPLICABILITY OF CAP.—The limitation described in subsection (i)(3)(A) shall not apply to payments made from the reserve fund under this paragraph.

''(5) LIMITATIONS.—

''(A) AVAILABILITY OF FUNDS FOR NEXT FISCAL YEAR.—The Secretary may make transfers under subparagraphs (B) and (C) of paragraph (2) for a calendar year only if the Secretary determines, using actuarial projections provided by the trustees of the Combined Benefit Fund referred to in paragraph (2)(A), that amounts will be available under paragraph (1), after the transfer, for the next fiscal year for making the transfer under paragraph (2)(A).

''(B) RATE OF CONTRIBUTIONS OF OBLIGORS.—

''(i) IN GENERAL.—

''(I) RATE.—A transfer under paragraph (2)(C) shall not be made for a calendar year unless the persons that are obligated to contribute to the plan referred to in paragraph (2)(C) on the date of the transfer are obligated to make the contributions at rates that are no less than those in effect on the date which is 30 days before the date of enactment of this subsection.

''(II) APPLICATION.—The contributions described in subclause (I) shall be applied first to the provision of benefits to those plan beneficiaries who are not described in paragraph (2)(C)(ii).

''(ii) INITIAL CONTRIBUTIONS.—

''(I) IN GENERAL.—From the date of enactment of the Surface Mining Control and Reclamation Act Amendments of 2006 through December 31, 2010, the persons that, on the date of enactment of that Act, are obligated to contribute to the plan referred to in paragraph (2)(C) shall be obligated, collectively, to make contributions equal to the amount described in paragraph (2)(C), less the amount actually transferred due to the operation of subparagraph (C).

''(II) FIRST CALENDAR YEAR.—Calendar year 2006 is the first calendar year for which contributions are required under this clause.

''(III) AMOUNT OF CONTRIBUTION FOR 2006.—Except as provided in subclause (IV), the amount described in paragraph (2)(C) for calendar year 2006 shall be calculated as if paragraph (2)(C) had been in effect during 2005.

''(IV) LIMITATION.—The contributions required under this clause for calendar year 2006 shall not exceed the amount necessary for solvency of the plan described in paragraph (2)(C), measured as of December 31, 2006 and taking into account all assets held by the plan as of that date.

''(iii) DIVISION.—The collective annual contribution obligation required under clause (ii) shall be divided among the persons subject to the obligation, and applied uniformly, based on the hours worked for which contributions referred to in clause (i) would be owed.

''(C) PHASE-IN OF TRANSFERS.—For each of calendar years 2008 through 2010, the transfers required under subparagraphs (B) and (C) of paragraph (2) shall equal the following amounts:

''(i) For calendar year 2008, the Secretary shall make transfers equal to 25 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

''(ii) For calendar year 2009, the Secretary shall make transfers equal to 50 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

''(iii) For calendar year 2010, the Secretary shall make transfers equal to 75 percent of the amounts that would otherwise be required under subparagraphs (B) and (C) of paragraph (2).

''(i) FUNDING.—

''(1) IN GENERAL.—Subject to paragraph (3), out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the plans described in subsection (h)(2) such sums as are necessary to pay the following amounts:

''(A) To the Combined Fund (as defined in section 9701(a)(5) of the Internal Revenue Code of 1986 and referred to in this paragraph as the 'Combined Fund'), the amount that the trustees of the Combined Fund estimate will be expended from premium accounts maintained by the Combined Fund for the fiscal year to provide benefits for beneficiaries who are unassigned beneficiaries solely as a result of the application of section 9706(h)(1) of the Internal Revenue Code of 1986, subject to the following limitations:

''(i) For fiscal year 2008, the amount paid under this subparagraph shall equal—

''(I) the amount described in subparagraph (A); minus

''(II) the amounts required under section 9706(h)(3)(A) of the Internal Revenue Code of 1986.

''(ii) For fiscal year 2009, the amount paid under this subparagraph shall equal—

''(I) the amount described in subparagraph (A); minus

''(II) the amounts required under section 9706(h)(3)(B) of the Internal Revenue Code of 1986.

''(iii) For fiscal year 2010, the amount paid under this subparagraph shall equal—

''(I) the amount described in subparagraph (A); minus

''(II) the amounts required under section 9706(h)(3)(C) of the Internal Revenue Code of 1986.

''(B) On certification by the trustees of any plan described in subsection (h)(2) that the amount available for transfer by the Secretary pursuant to this section (determined after application of any limitation under subsection (h)(5)) is less than the amount required to be transferred, to the plan the amount necessary to meet the requirement of subsection (h)(2).

''(C) To the Combined Fund, $9,000,000 on October 1, 2007, $9,000,000 on October 1, 2008, and $9,000,000 on October 1, 2009 (which amounts shall not be exceeded) to provide a refund of any premium (as described in section 9704(a) of the Internal Revenue Code of 1986) paid on or before September 7, 2000, to the Combined Fund, plus interest on the premium calculated at the rate of 7.5 percent per year, on a proportional basis and to be paid not later than 60 days after the date on which each payment is received by the Combined Fund, to those signatory operators (to the extent that the Combined Fund has not previously returned the premium amounts to the operators), or any related persons to the operators (as defined in section 9701(c) of the Internal Revenue Code of 1986), or their heirs, successors, or assigns who have been denied the refunds as the result of final judgments or settlements if—

''(i) prior to the date of enactment of this paragraph, the signatory operator (or any related person to the operator)—

''(I) had all of its beneficiary assignments made under section 9706 of the Internal Revenue Code of 1986 voided by the Commissioner of the Social Security Administration; and

''(II) was subject to a final judgment or final settlement of litigation adverse to a claim by the operator that the assignment of beneficiaries under section 9706 of the Internal Revenue Code of 1986 was unconstitutional as applied to the operator; and

''(ii) on or before September 7, 2000, the signatory operator (or any related person to the

operator) had paid to the Combined Fund any premium amount that had not been refunded.

''(2) PAYMENTS TO STATES AND INDIAN TRIBES.—Subject to paragraph (3), out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of the Interior for distribution to States and Indian tribes such sums as are necessary to pay amounts described in paragraphs (1)(A) and (2)(A) of section 411(h).

''(3) LIMITATIONS.—

''(A) CAP.—The total amount transferred under this subsection for any fiscal year shall not exceed $490,000,000.

''(B) INSUFFICIENT AMOUNTS.—In a case in which the amount required to be transferred without regard to this paragraph exceeds the maximum annual limitation in subparagraph (A), the Secretary shall adjust the transfers of funds so that—

''(i) each transfer for the fiscal year is a percentage of the amount described;

''(ii) the amount is determined without regard to subsection (h)(5)(A); and

''(iii) the percentage transferred is the same for all transfers made under this subsection for the fiscal year.

''(4) AVAILABILITY OF FUNDS.—Funds shall be transferred under paragraph (1) and (2) beginning in fiscal year 2008 and each fiscal year thereafter, and shall remain available until expended.''.

SEC. 203. OBJECTIVES OF FUND.

Section 403 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1233) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''(1) the protection'' and inserting the following:

''(1)(A) the protection;'';

(ii) in subparagraph (A) (as designated by clause (i)), by striking ''general welfare,''; and

(iii) by adding at the end the following:

''(B) the restoration of land and water resources and the environment that—

''(i) have been degraded by the adverse effects of coal mining practices; and

''(ii) are adjacent to a site that has been or will be remediated under subparagraph (A);'';

(B) in paragraph (2)—

(i) by striking ''(2) the protection'' and inserting the following:

''(2)(A) the protection'';

(ii) in subparagraph (A) (as designated by clause (i), by striking ''health, safety, and general welfare'' and inserting ''health and safety''; and

(iii) by adding at the end the following:

''(B) the restoration of land and water resources and the environment that—

''(i) have been degraded by the adverse effects of coal mining practices; and

''(ii) are adjacent to a site that has been or will be remediated under subparagraph (A); and'';

(C) in paragraph (3), by striking the semicolon at the end and inserting a period; and

(D) by striking paragraphs (4) and (5);

(2) in subsection (b)—

(A) by striking the subsection heading and inserting ''WATER SUPPLY RESTORATION.—''; and

(B) in paragraph (1), by striking ''up to 30 percent of the''; and

(3) in the second sentence of subsection (c), by inserting '', subject to the approval of the Secretary,'' after ''amendments''.

SEC. 204. RECLAMATION OF RURAL LAND.

(a) ADMINISTRATION.—Section 406(h) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236(h)) is amended by striking ''Soil Conservation Service'' and inserting ''Natural Resources Conservation Service''.

(b) AUTHORIZATION OF APPROPRIATIONS FOR CARRYING OUT RURAL LAND RECLAMATION.—Section 406 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1236) is amended by adding at the end the following:

''(i) There are authorized to be appropriated to the Secretary of Agriculture, from amounts in the Treasury other than amounts in the fund, such sums as may be necessary to carry out this section.''.

SEC. 205. LIENS.

Section 408(a) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1238) is amended in the last sentence by striking ''who owned the surface prior to May 2, 1977, and''.

SEC. 206. CERTIFICATION.

Section 411 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1240a) is amended—

(1) in subsection (a)—

(A) by inserting ''(1)'' before the first sentence; and

(B) by adding at the end the following:

''(2)(A) The Secretary may, on the initiative of the Secretary, make the certification referred to in paragraph (1) on behalf of any State or Indian tribe referred to in paragraph (1) if on the basis of the inventory referred to in section 403(c) all reclamation projects relating to the priorities described in section 403(a) for eligible land and water pursuant to section 404 in the State or tribe have been completed.

''(B) The Secretary shall only make the certification after notice in the Federal Register and opportunity for public comment.''; and

(2) by adding at the end the following:

''(h) PAYMENTS TO STATES AND INDIAN TRIBES.—

''(1) IN GENERAL.—

''(A) PAYMENTS.—

''(i) IN GENERAL.—Notwithstanding section 401(f)(3)(B), from funds referred to in section 402(i)(2), the Secretary shall make payments to States or Indian tribes for the amount due for the aggregate unappropriated amount allocated to the State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1).

''(ii) CONVERSION AS EQUIVALENT PAYMENTS.—Amounts allocated under subparagraphs (A) or (B) of section 402(g)(1) shall be reallocated to the allocation established in section 402(g)(5) in amounts equivalent to payments made to States or Indian tribes under this paragraph.

''(B) AMOUNT DUE.—In this paragraph, the term 'amount due' means the unappropriated amount allocated to a State or Indian tribe before October 1, 2007, under subparagraph (A) or (B) of section 402(g)(1).

''(C) SCHEDULE.—Payments under subparagraph (A) shall be made in 7 equal annual installments, beginning with fiscal year 2008.

''(D) USE OF FUNDS.—

''(i) CERTIFIED STATES AND INDIAN TRIBES.—A State or Indian tribe that makes a certification under subsection (a) in which the Secretary concurs shall use any amounts provided under this paragraph for the purposes established by the State legislature or tribal council of the Indian tribe, with priority given for addressing the impacts of mineral development.

''(ii) UNCERTIFIED STATES AND INDIAN TRIBES.—A State or Indian tribe that has not made a certification under subsection (a) in which the Secretary has concurred shall use any amounts provided under this paragraph for the purposes described in section 403.

''(2) SUBSEQUENT STATE AND INDIAN TRIBE SHARE FOR CERTIFIED STATES AND INDIAN TRIBES.—

''(A) IN GENERAL.—Notwithstanding section 401(f)(3)(B), from funds referred to in section 402(i)(2), the Secretary shall pay to each certified State or Indian tribe an amount equal to the sum of the aggregate unappropriated amount allocated on or after October 1, 2007, to the certified State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1).

''(B) CERTIFIED STATE OR INDIAN TRIBE DEFINED.—In this paragraph the term 'certified State or Indian tribe' means a State or Indian tribe for which a certification is made under subsection (a) in which the Secretary concurs.

''(3) MANNER OF PAYMENT.—

''(A) IN GENERAL.—Subject to subparagraph (B), payments to States or Indian tribes under this subsection shall be made without regard to any limitation in section 401(d) and concurrently with payments to States under that section.

''(B) INITIAL PAYMENTS.—The first 3 payments made to any State or Indian tribe shall be reduced to 25 percent, 50 percent, and 75 percent, respectively, of the amounts otherwise required under paragraph (2)(A).

''(C) INSTALLMENTS.—Amounts withheld from the first 3 annual installments as provided under subparagraph (B) shall be paid in 2 equal annual installments beginning with fiscal year 2018.

''(4) REALLOCATION.—

''(A) IN GENERAL.—The amount allocated to any State or Indian tribe under subparagraph (A) or (B) of section 402(g)(1) that is paid to the State or Indian tribe as a result of a payment under paragraph (1) or (2) shall be reallocated and available for grants under section 402(g)(5).

''(B) ALLOCATION.—The grants shall be allocated based on the amount of coal historically produced before August 3, 1977, in the same manner as under section 402(g)(5).''.

SEC. 207. REMINING INCENTIVES.

Title IV of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231 et seq.) is amended by adding at the following:

''SEC. 415. REMINING INCENTIVES.

''(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary may, after opportunity for public comment, promulgate regulations that describe conditions under which amounts in the fund may be used to provide incentives to promote remining of eligible land under section 404 in a manner that leverages the use of amounts from the fund to achieve more reclamation with respect to the eligible land than would be achieved without the incentives.

''(b) REQUIREMENTS.—Any regulations promulgated under subsection (a) shall specify that the incentives shall apply only if the Secretary determines, with the concurrence of the State regulatory authority referred to in title V, that, without the incentives, the eligible land would not be likely to be remined and reclaimed.

''(c) INCENTIVES.—

''(1) IN GENERAL.—Incentives that may be considered for inclusion in the regulations promulgated under subsection (a) include, but are not limited to—

''(A) a rebate or waiver of the reclamation fees required under section 402(a); and

''(B) the use of amounts in the fund to provide financial assurance for remining operations in lieu of all or a portion of the performance bonds required under section 509.

''(2) LIMITATIONS.—

''(A) USE.—A rebate or waiver under paragraph (1)(A) shall be used only for operations that—

''(i) remove or reprocess abandoned coal mine waste; or

''(ii) conduct remining activities that meet the priorities specified in paragraph (1) or (2) of section 403(a).

''(B) AMOUNT.—The amount of a rebate or waiver provided as an incentive under paragraph (1)(A) to remine or reclaim eligible

land shall not exceed the estimated cost of reclaiming the eligible land under this section.''.

SEC. 208. EXTENSION OF LIMITATION ON APPLICATION OF PROHIBITION ON ISSUANCE OF PERMIT.

Section 510(e) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1260(e)) is amended by striking the last sentence.

SEC. 209. TRIBAL REGULATION OF SURFACE COAL MINING AND RECLAMATION OPERATIONS.

(a) IN GENERAL.—Section 710 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300) is amended by adding at the end the following:

''(j) TRIBAL REGULATORY AUTHORITY.—

''(1) TRIBAL REGULATORY PROGRAMS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, an Indian tribe may apply for, and obtain the approval of, a tribal program under section 503 regulating in whole or in part surface coal mining and reclamation operations on reservation land under the jurisdiction of the Indian tribe using the procedures of section 504(e).

''(B) REFERENCES TO STATE.—For purposes of this subsection and the implementation and administration of a tribal program under title V, any reference to a 'State' in this Act shall be considered to be a reference to a 'tribe'.

''(2) CONFLICTS OF INTEREST.—

''(A) IN GENERAL.—The fact that an individual is a member of an Indian tribe does not in itself constitute a violation of section 201(f).

''(B) EMPLOYEES OF TRIBAL REGULATORY AUTHORITY.—Any employee of a tribal regulatory authority shall not be eligible for a per capita distribution of any proceeds from coal mining operations conducted on Indian reservation lands under this Act.

''(3) SOVEREIGN IMMUNITY.—To receive primary regulatory authority under section 504(e), an Indian tribe shall waive sovereign immunity for purposes of section 520 and paragraph (4).

''(4) JUDICIAL REVIEW.—

''(A) CIVIL ACTIONS.—

''(i) IN GENERAL.—After exhausting all tribal remedies with respect to a civil action arising under a tribal program approved under section 504(e), an interested party may file a petition for judicial review of the civil action in the United States circuit court for the circuit in which the surface coal mining operation named in the petition is located.

''(ii) SCOPE OF REVIEW.—

''(I) QUESTIONS OF LAW.—The United States circuit court shall review de novo any questions of law under clause (i).

''(II) FINDINGS OF FACT.—The United States circuit court shall review findings of fact under clause (i) using a clearly erroneous standard.

''(B) CRIMINAL ACTIONS.—Any criminal action brought under section 518 with respect to surface coal mining or reclamation operations on Indian reservation lands shall be brought in—

''(i) the United States District Court for the District of Columbia; or

''(ii) the United States district court in which the criminal activity is alleged to have occurred.

''(5) GRANTS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), grants for developing, administering, and enforcing tribal programs approved in accordance with section 504(e) shall be provided to an Indian tribe in accordance with section 705.

''(B) EXCEPTION.—Notwithstanding subparagraph (A), the Federal share of the costs of developing, administering, and enforcing an approved tribal program shall be 100 percent.

''(6) REPORT.—Not later than 18 months after the date on which a tribal program is approved under subsection (e) of section 504, the Secretary shall submit to the appropriate committees of Congress a report, developed in cooperation with the applicable Indian tribe, on the tribal program that includes a recommendation of the Secretary on whether primary regulatory authority under that subsection should be expanded to include additional Indian lands.''.

(b) CONFORMING AMENDMENT.—Section 710(i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1300(i)) is amended in the first sentence by striking '', except'' and all that follows through ''section 503''.

Subtitle B—Coal Industry Retiree Health Benefit Act

SEC. 211. CERTAIN RELATED PERSONS AND SUCCESSORS IN INTEREST RELIEVED OF LIABILITY IF PREMIUMS PREPAID.

(a) COMBINED BENEFIT FUND.—Section 9704 of the Internal Revenue Code of 1986 (relating to liability of assigned operators) is amended by adding at the end the following new subsection:

''(j) PREPAYMENT OF PREMIUM LIABILITY.—

''(1) IN GENERAL.—If—

''(A) a payment meeting the requirements of paragraph (3) is made to the Combined Fund by or on behalf of—

''(i) any assigned operator to which this subsection applies, or

''(ii) any related person to any assigned operator described in clause (i), and

''(B) the common parent of the controlled group of corporations described in paragraph (2)(B) is jointly and severally liable for any premium under this section which (but for this subsection) would be required to be paid by the assigned operator or related person,

then such common parent (and no other person) shall be liable for such premium.

''(2) ASSIGNED OPERATORS TO WHICH SUBSECTION APPLIES.—

''(A) IN GENERAL.—This subsection shall apply to any assigned operator if—

''(i) the assigned operator (or a related person to the assigned operator)—

''(I) made contributions to the 1950 UMWA Benefit Plan and the 1974 UMWA Benefit Plan for employment during the period covered by the 1988 agreement; and

''(II) is not a 1988 agreement operator,

''(ii) the assigned operator (and all related persons to the assigned operator) are not actively engaged in the production of coal as of July 1, 2005, and

''(iii) the assigned operator was, as of July 20, 1992, a member of a controlled group of corporations described in subparagraph (B).

''(B) CONTROLLED GROUP OF CORPORATIONS.—A controlled group of corporations is described in this subparagraph if the common parent of such group is a corporation the shares of which are publicly traded on a United States exchange.

''(C) COORDINATION WITH REPEAL OF ASSIGNMENTS.—A person shall not fail to be treated as an assigned operator to which this subsection applies solely because the person ceases to be an assigned operator by reason of section 9706(h)(1) if the person otherwise meets the requirements of this subsection and is liable for the payment of premiums under section 9706(h)(3).

''(D) CONTROLLED GROUP.—For purposes of this subsection, the term 'controlled group of corporations' has the meaning given such term by section 52(a).

''(3) REQUIREMENTS.—A payment meets the requirements of this paragraph if—

''(A) the amount of the payment is not less than the present value of the total premium liability under this chapter with respect to the Combined Fund of the assigned operators or related persons described in paragraph (1) or their assignees, as determined by the operator's or related person's enrolled actuary (as defined in section 7701(a)(35)) using actuarial methods and assumptions each of which is reasonable and which are reasonable in the aggregate, as determined by such enrolled actuary;

''(B) such enrolled actuary files with the Secretary of Labor a signed actuarial report containing—

''(i) the date of the actuarial valuation applicable to the report; and

''(ii) a statement by the enrolled actuary signing the report that, to the best of the actuary's knowledge, the report is complete and accurate and that in the actuary's opinion the actuarial assumptions used are in the aggregate reasonably related to the experience of the operator and to reasonable expectations; and

''(C) 90 calendar days have elapsed after the report required by subparagraph (B) is filed with the Secretary of Labor, and the Secretary of Labor has not notified the assigned operator in writing that the requirements of this paragraph have not been satisfied.

''(4) USE OF PREPAYMENT.—The Combined Fund shall—

''(A) establish and maintain an account for each assigned operator or related person by, or on whose behalf, a payment described in paragraph (3) was made,

''(B) credit such account with such payment (and any earnings thereon), and

''(C) use all amounts in such account exclusively to pay premiums that would (but for this subsection) be required to be paid by the assigned operator.

Upon termination of the obligations for the premium liability of any assigned operator or related person for which such account is maintained, all funds remaining in such account (and earnings thereon) shall be refunded to such person as may be designated by the common parent described in paragraph (1)(B).''.

(b) INDIVIDUAL EMPLOYER PLANS.—Section 9711(c) of the Internal Revenue Code of 1986 (relating to joint and several liability) is amended to read as follows:

''(c) JOINT AND SEVERAL LIABILITY OF RELATED PERSONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), each related person of a last signatory operator to which subsection (a) or (b) applies shall be jointly and severally liable with the last signatory operator for the provision of health care coverage described in subsection (a) or (b).

''(2) LIABILITY LIMITED IF SECURITY PROVIDED.—If—

''(A) security meeting the requirements of paragraph (3) is provided by or on behalf of—

''(i) any last signatory operator which is an assigned operator described in section 9704(j)(2), or

''(ii) any related person to any last signatory operator described in clause (i), and

''(B) the common parent of the controlled group of corporations described in section 9704(j)(2)(B) is jointly and severally liable for the provision of health care under this section which, but for this paragraph, would be required to be provided by the last signatory operator or related person,

then, as of the date the security is provided, such common parent (and no other person) shall be liable for the provision of health care under this section which the last signatory operator or related person would otherwise be required to provide. Security may be provided under this paragraph without regard to whether a payment was made under section 9704(j).

''(3) SECURITY.—Security meets the requirements of this paragraph if—

''(A) the security—

''(i) is in the form of a bond, letter of credit, or cash escrow,

''(ii) is provided to the trustees of the 1992 UMWA Benefit Plan solely for the purpose of paying premiums for beneficiaries who would be described in section 9712(b)(2)(B) if the requirements of this section were not met by the last signatory operator, and

''(iii) is in an amount equal to 1 year of liability of the last signatory operator under this section, determined by using the average cost of such operator's liability during the prior 3 calendar years;

''(B) the security is in addition to any other security required under any other provision of this title; and

''(C) the security remains in place for 5 years.

''(4) REFUNDS OF SECURITY.—The remaining amount of any security provided under this subsection (and earnings thereon) shall be refunded to the last signatory operator as of the earlier of—

''(A) the termination of the obligations of the last signatory operator under this section, or

''(B) the end of the 5-year period described in paragraph (4)(C).''.

(c) 1992 UMWA BENEFIT PLAN.—Section 9712(d)(4) of the Internal Revenue Code of 1986 (relating to joint and several liability) is amended by adding at the end the following new sentence: ''The provisions of section 9711(c)(2) shall apply to any last signatory operator described in such section (without regard to whether security is provided under such section, a payment is made under section 9704(j), or both) and if security meeting the requirements of section 9711(c)(3) is provided, the common parent described in section 9711(c)(2)(B) shall be exclusively responsible for any liability for premiums under this section which, but for this sentence, would be required to be paid by the last signatory operator or any related person.''.

(d) SUCCESSOR IN INTEREST.—Section 9701(c) of the Internal Revenue Code of 1986 (relating to terms relating to operators) is amended by adding at the end the following new paragraph:

''(8) SUCCESSOR IN INTEREST.—

''(A) SAFE HARBOR.—The term 'successor in interest' shall not include any person who—

''(i) is an unrelated person to an eligible seller described in subparagraph (C); and

''(ii) purchases for fair market value assets, or all of the stock, of a related person to such seller, in a bona fide, arm's-length sale.

''(B) UNRELATED PERSON.—The term 'unrelated person' means a purchaser who does not bear a relationship to the eligible seller described in section 267(b).

''(C) ELIGIBLE SELLER.—For purposes of this paragraph, the term 'eligible seller' means an assigned operator described in section 9704(j)(2) or a related person to such assigned operator.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, except that the amendment made by subsection (d) shall apply to transactions after the date of the enactment of this Act.

SEC. 212. TRANSFERS TO FUNDS; PREMIUM RELIEF.

(a) COMBINED FUND.—

(1) FEDERAL TRANSFERS.—Section 9705(b) of the Internal Revenue Code of 1986 (relating to transfers from Abandoned Mine Reclamation Fund) is amended—

(A) in paragraph (1), by striking ''section 402(h)'' and inserting ''subsections (h) and (i) of section 402'';

(B) by striking paragraph (2) and inserting the following new paragraph:

''(2) USE OF FUNDS.—Any amount transferred under paragraph (1) for any fiscal year shall be used to pay benefits and administrative costs of beneficiaries of the Combined Fund or for such other purposes as are specifically provided in the Acts described in paragraph (1).''; and

(C) by striking ''FROM ABANDONED MINE RECLAMATION FUND'' in the heading thereof.

(2) MODIFICATIONS OF PREMIUMS TO REFLECT FEDERAL TRANSFERS.—

(A) ELIMINATION OF UNASSIGNED BENEFICIARIES PREMIUM.—Section 9704(d) of such Code (establishing unassigned beneficiaries premium) is amended to read as follows:

''(d) UNASSIGNED BENEFICIARIES PREMIUM.—

''(1) PLAN YEARS ENDING ON OR BEFORE SEPTEMBER 30, 2006.—For plan years ending on or before September 30, 2006, the unassigned beneficiaries premium for any assigned operator shall be equal to the applicable percentage of the product of the per beneficiary premium for the plan year multiplied by the number of eligible beneficiaries who are not assigned under section 9706 to any person for such plan year.

''(2) PLAN YEARS BEGINNING ON OR AFTER OCTOBER 1, 2006.—

''(A) IN GENERAL.—For plan years beginning on or after October 1, 2006, subject to subparagraph (B), there shall be no unassigned beneficiaries premium, and benefit costs with respect to eligible beneficiaries who are not assigned under section 9706 to any person for any such plan year shall be paid from amounts transferred under section 9705(b).

''(B) INADEQUATE TRANSFERS.—If, for any plan year beginning on or after October 1, 2006, the amounts transferred under section 9705(b) are less than the amounts required to be transferred to the Combined Fund under subsection (h)(2)(A) or (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232)), then the unassigned beneficiaries premium for any assigned operator shall be equal to the operator's applicable percentage of the amount required to be so transferred which was not so transferred.''.

(B) PREMIUM ACCOUNTS.—

(i) CREDITING OF ACCOUNTS.—Section 9704(e)(1) of such Code (relating to premium accounts; adjustments) is amended by inserting ''and amounts transferred under section 9705(b)'' after ''premiums received''.

(ii) SURPLUSES ATTRIBUTABLE TO PUBLIC FUNDING.—Section 9704(e)(3)(A) of such Code is amended by adding at the end the following new sentence: ''Amounts credited to an account from amounts transferred under section 9705(b) shall not be taken into account in determining whether there is a surplus in the account for purposes of this paragraph.''

(C) APPLICABLE PERCENTAGE.—Section 9704(f)(2) of such Code (relating to annual adjustments) is amended by adding at the end the following new subparagraph:

''(C) In the case of plan years beginning on or after October 1, 2007, the total number of assigned eligible beneficiaries shall be reduced by the eligible beneficiaries whose assignments have been revoked under section 9706(h).''.

(3) ASSIGNMENTS AND REASSIGNMENT.—Section 9706 of the Internal Revenue Code of 1986 (relating to assignment of eligible beneficiaries) is amended by adding at the end the following:

''(h) ASSIGNMENTS AS OF OCTOBER 1, 2007.—

''(1) IN GENERAL.—Subject to the premium obligation set forth in paragraph (3), the Commissioner of Social Security shall—

''(A) revoke all assignments to persons other than 1988 agreement operators for purposes of assessing premiums for plan years beginning on and after October 1, 2007; and

''(B) make no further assignments to persons other than 1988 agreement operators, except that no individual who becomes an unassigned beneficiary by reason of subparagraph (A) may be assigned to a 1988 agreement operator.

''(2) REASSIGNMENT UPON PURCHASE.—This subsection shall not be construed to prohibit the reassignment under subsection (b)(2) of an eligible beneficiary.

''(3) LIABILITY OF PERSONS DURING THREE FISCAL YEARS BEGINNING ON AND AFTER OCTOBER 1, 2007.—In the case of each of the fiscal years beginning on October 1, 2007, 2008, and 2009, each person other than a 1988 agreement operator shall pay to the Combined Fund the following percentage of the amount of annual premiums that such person would otherwise be required to pay under section 9704(a), determined on the basis of assignments in effect without regard to the revocation of assignments under paragraph (1)(A):

''(A) For the fiscal year beginning on October 1, 2007, 55 percent.

''(B) For the fiscal year beginning on October 1, 2008, 40 percent.

''(C) For the fiscal year beginning on October 1, 2009, 15 percent.''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to plan years of the Combined Fund beginning after September 30, 2006.

(b) 1992 UMWA BENEFIT AND OTHER PLANS.—

(1) TRANSFERS TO PLANS.—Section 9712(a) of the Internal Revenue Code of 1986 (relating to the establishment and coverage of the 1992 UMWA Benefit Plan) is amended by adding at the end the following:

''(3) TRANSFERS UNDER OTHER FEDERAL STATUTES.—

''(A) IN GENERAL.—The 1992 UMWA Benefit Plan shall include any amount transferred to the plan under subsections (h) and (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232).

''(B) USE OF FUNDS.—Any amount transferred under subparagraph (A) for any fiscal year shall be used to provide the health benefits described in subsection (c) with respect to any beneficiary for whom no monthly per beneficiary premium is paid pursuant to paragraph (1)(A) or (3) of subsection (d).

''(4) SPECIAL RULE FOR 1993 PLAN.—

''(A) IN GENERAL.—The plan described in section 402(h)(2)(C) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(2)(C)) shall include any amount transferred to the plan under subsections (h) and (i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232).

''(B) USE OF FUNDS.—Any amount transferred under subparagraph (A) for any fiscal year shall be used to provide the health benefits described in section 402(h)(2)(C)(i) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(2)(C)(i)) to individuals described in section 402(h)(2)(C) of such Act (30 U.S.C. 1232(h)(2)(C)).''.

(2) PREMIUM ADJUSTMENTS.—

(A) IN GENERAL.—Section 9712(d)(1) of such Code (relating to guarantee of benefits) is amended to read as follows:

''(1) IN GENERAL.—All 1988 last signatory operators shall be responsible for financing the benefits described in subsection (c) by meeting the following requirements in accordance with the contribution requirements established in the 1992 UMWA Benefit Plan:

''(A) The payment of a monthly per beneficiary premium by each 1988 last signatory operator for each eligible beneficiary of such operator who is described in subsection (b)(2) and who is receiving benefits under the 1992 UMWA benefit plan.

''(B) The provision of a security (in the form of a bond, letter of credit, or cash escrow) in an amount equal to a portion of the projected future cost to the 1992 UMWA Benefit Plan of providing health benefits for eligible and potentially eligible beneficiaries attributable to the 1988 last signatory operator.

''(C) If the amounts transferred under subsection (a)(3) are less than the amounts required to be transferred to the 1992 UMWA Benefit Plan under subsections (h) and (i) of section 402 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232), the payment of an additional backstop premium by each 1988 last signatory operator which is equal to such operator's share of the amounts required to be so transferred but which were not so transferred, determined on the basis of the number of eligible and potentially eligible beneficiaries attributable to the operator.''.

(B) CONFORMING AMENDMENTS.—Section 9712(d) of such Code is amended—

(i) in paragraph (2)(B), by striking ''prefunding'' and inserting ''backstop'', and

(ii) in paragraph (3), by striking ''paragraph (1)(B)'' and inserting ''paragraph (1)(A)''.

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to fiscal years beginning on or after October 1, 2010.

SEC. 213. OTHER PROVISIONS.

(a) BOARD OF TRUSTEES.—Section 9702(b) of the Internal Revenue Code of 1986 (relating to board of trustees of the Combined Fund) is amended to read as follows:

''(b) BOARD OF TRUSTEES.—

''(1) IN GENERAL.—For purposes of subsection (a), the board of trustees for the Combined Fund shall be appointed as follows:

''(A) 2 individuals who represent employers in the coal mining industry shall be designated by the BCOA;

''(B) 2 individuals designated by the United Mine Workers of America; and

''(C) 3 individuals selected by the individuals appointed under subparagraphs (A) and (B).

''(2) SUCCESSOR TRUSTEES.—Any successor trustee shall be appointed in the same manner as the trustee being succeeded. The plan establishing the Combined Fund shall provide for the removal of trustees.

''(3) SPECIAL RULE.—If the BCOA ceases to exist, any trustee or successor under paragraph (1)(A) shall be designated by the 3 employers who were members of the BCOA on the enactment date and who have been assigned the greatest number of eligible beneficiaries under section 9706.''.

(b) ENFORCEMENT OF OBLIGATIONS.—

(1) FAILURE TO PAY PREMIUMS.—Section 9707(a) of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) FAILURES TO PAY.—

''(1) PREMIUMS FOR ELIGIBLE BENEFICIARIES.—There is hereby imposed a penalty on the failure of any assigned operator to pay any premium required to be paid under section 9704 with respect to any eligible beneficiary.

''(2) CONTRIBUTIONS REQUIRED UNDER THE MINING LAWS.—There is hereby imposed a penalty on the failure of any person to make a contribution required under section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 to a plan referred to in section 402(h)(2)(C) of such Act. For purposes of applying this section, each such required monthly contribution for the hours worked of any individual shall be treated as if it were a premium required to be paid under section 9704 with respect to an eligible beneficiary.''.

(2) CIVIL ENFORCEMENT.—Section 9721 of such Code is amended to read as follows:

''SEC. 9721. CIVIL ENFORCEMENT.

''The provisions of section 4301 of the Employee Retirement Income Security Act of 1974 shall apply, in the same manner as any claim arising out of an obligation to pay withdrawal liability under subtitle E of title IV of such Act, to any claim—

''(1) arising out of an obligation to pay any amount required to be paid by this chapter; or

''(2) arising out of an obligation to pay any amount required by section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(h)(5)(B)(ii)).''.

TITLE III—WHITE PINE COUNTY CONSERVATION, RECREATION, AND DEVELOPMENT

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this title.

SEC. 302. SHORT TITLE.

This title may be cited as the ''White Pine County Conservation, Recreation, and Development Act of 2006''.

SEC. 303. DEFINITIONS.

In this title:

(1) COUNTY.—The term ''County'' means White Pine County, Nevada.

(2) SECRETARY.—The term ''Secretary'' means—

(A) with respect to land in the National Forest System, the Secretary of Agriculture; and

(B) with respect to other Federal land, the Secretary of the Interior.

(3) STATE.—The term ''State'' means the State of Nevada.

Subtitle A—Land Disposal

SEC. 311. CONVEYANCE OF WHITE PINE COUNTY, NEVADA, LAND.

(a) IN GENERAL.—Notwithstanding sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713), the Secretary, in cooperation with the County, in accordance with that Act, this subtitle, and other applicable law and subject to valid existing rights, shall, at such time as the parcels of Federal land become available for disposal, conduct sales of the parcels of Federal land described in subsection (b) to qualified bidders.

(b) DESCRIPTION OF LAND.—The parcels of Federal land referred to in subsection (a) consist of not more than 45,000 acres of Bureau of Land Management land in the County that—

(1) is not segregated or withdrawn on or after the date of enactment of this Act, unless the land is withdrawn in accordance with subsection (h); and

(2) is identified for disposal by the Bureau of Land Management through—

(A) the Ely Resource Management Plan; or

(B) a subsequent amendment to the management plan that is undertaken with full public involvement.

(c) AVAILABILITY.—The map and any legal descriptions of the Federal land conveyed under this section shall be on file and available for public inspection in—

(1) the Office of the Director of the Bureau of Land Management;

(2) the Office of the Nevada State Director of the Bureau of Land Management; and

(3) the Ely Field Office of the Bureau of Land Management.

(d) JOINT SELECTION REQUIRED.—The Secretary and the County shall jointly select which parcels of Federal land described in subsection (b) to offer for sale under subsection (a).

(e) COMPLIANCE WITH LOCAL PLANNING AND ZONING LAWS.—Before a sale of Federal land under subsection (a), the County shall submit to the Secretary a certification that qualified bidders have agreed to comply with—

(1) County and city zoning ordinances; and

(2) any master plan for the area approved by the County.

(f) METHOD OF SALE; CONSIDERATION.—The sale of Federal land under subsection (a) shall be—

(1) consistent with subsections (d) and (f) of section 203 of the Federal Land Management Policy Act of 1976 (43 U.S.C. 1713);

(2) unless otherwise determined by the Secretary, through a competitive bidding process; and

(3) for not less than fair market value.

(g) RECREATION AND PUBLIC PURPOSES ACT CONVEYANCES.—

(1) IN GENERAL.—Not later than 30 days before land is offered for sale under subsection (a), the State or County may elect to obtain any of the land for local public purposes in accordance with the Act of June 14, 1926 (commonly known as the ''Recreation and Public Purposes Act'') (43 U.S.C. 869 et seq.).

(2) RETENTION.—Pursuant to an election made under paragraph (1), the Secretary shall retain the elected land for conveyance to the State or County in accordance with the Act of June 14, 1926 (commonly known as the ''Recreation and Public Purposes Act'') (43 U.S.C. 869 et seq.).

(h) WITHDRAWAL.—

(1) IN GENERAL.—Subject to valid existing rights and except as provided in paragraph (2), the Federal land described in subsection (b) is withdrawn from—

(A) all forms of entry and appropriation under the public land laws and mining laws;

(B) location and patent under the mining laws; and

(C) operation of the mineral laws, geothermal leasing laws, and mineral material laws.

(2) EXCEPTION.—Paragraph (1)(A) shall not apply to sales made consistent with this section or an election by the County or the State to obtain the land described in subsection (b) for public purposes under the Act of June 14, 1926 (commonly known as the ''Recreation and Public Purposes Act'')(43 U.S.C. 869 et seq.).

(i) DEADLINE FOR SALE.—

(1) IN GENERAL.—Except as provided in paragraph (2), not later than 1 year after the date of the signing of the record of decision authorizing the implementation of the Ely Resource Management Plan and annually thereafter until the Federal land described in subsection (b) is disposed of or the County requests a postponement under paragraph (2), the Secretary shall offer for sale the Federal land described in subsection (b).

(2) POSTPONEMENT; EXCLUSION FROM SALE.—

(A) REQUEST BY COUNTY FOR POSTPONEMENT OR EXCLUSION.—At the request of the County, the Secretary shall postpone or exclude from the sale all or a portion of the land described in subsection (b).

(B) INDEFINITE POSTPONEMENT.—Unless specifically requested by the County, a postponement under subparagraph (A) shall not be indefinite.

SEC. 312. DISPOSITION OF PROCEEDS.

Of the proceeds from the sale of Federal land described in section __11(b)—

(1) 5 percent shall be paid directly to the State for use in the general education program of the State;

(2) 10 percent shall be paid to the County for use for fire protection, law enforcement, education, public safety, housing, social services, transportation, and planning; and

(3) the remainder shall be deposited in a special account in the Treasury of the United States, to be known as the ''White Pine County Special Account'' (referred to in this subtitle as the ''special account''), and

shall be available without further appropriation to the Secretary until expended for—

(A) the reimbursement of costs incurred by the Nevada State office and the Ely Field Office of the Bureau of Land Management for preparing for the sale of Federal land described in section __11(b), including the costs of surveys and appraisals and compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321) and sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713);

(B) the inventory, evaluation, protection, and management of unique archaeological resources (as defined in section 3 of the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470bb)) of the County;

(C) the reimbursement of costs incurred by the Department of the Interior for preparing and carrying out the transfers of land to be held in trust by the United States under section __61;

(D) conducting a study of routes for the Silver State Off-Highway Vehicle Trail as required by section __55(a);

(E) developing and implementing the Silver State Off-Highway Vehicle Trail management plan described in section __55(c);

(F) wilderness protection and processing wilderness designations, including the costs of appropriate fencing, signage, public education, and enforcement for the wilderness areas designated;

(G) if the Secretary determines necessary, developing and implementing conservation plans for endangered or at risk species in the County; and

(H) carrying out a study to assess non-motorized recreation opportunities on Federal land in the County.

Subtitle B—Wilderness Areas

SEC. 321. SHORT TITLE.

This subtitle may be cited as the ''Pam White Wilderness Act of 2006''.

SEC. 322. FINDINGS.

Congress finds that—

(1) public land in the County contains unique and spectacular natural resources, including—

(A) priceless habitat for numerous species of plants and wildlife; and

(B) thousands of acres of land that remain in a natural state; and

(2) continued preservation of those areas would benefit the County and all of the United States by—

(A) ensuring the conservation of ecologically diverse habitat;

(B) protecting prehistoric cultural resources;

(C) conserving primitive recreational resources; and

(D) protecting air and water quality.

SEC. 323. ADDITIONS TO NATIONAL WILDERNESS PRESERVATION SYSTEM.

(a) ADDITIONS.—The following land in the State is designated as wilderness and as components of the National Wilderness Preservation System:

(1) MT. MORIAH WILDERNESS ADDITION.—Certain Federal land managed by the Forest Service and the Bureau of Land Management, comprising approximately 11,261 acres, as generally depicted on the map entitled ''Eastern White Pine County'' and dated November 29, 2006, is incorporated in, and shall be managed as part of, the Mt. Moriah Wilderness, as designated by section 2(13) of the Nevada Wilderness Protection Act of 1989 (16 U.S.C. 1132 note; Public Law 101–195).

(2) MOUNT GRAFTON WILDERNESS.—Certain Federal land managed by the Bureau of Land Management, comprising approximately 78,754 acres, as generally depicted on the map entitled ''Southern White Pine County'' and dated November 29, 2006, which shall be known as the ''Mount Grafton Wilderness''.

(3) SOUTH EGAN RANGE WILDERNESS.—Certain Federal land managed by the Bureau of Land Management, comprising approximately 67,214 acres, as generally depicted on the map entitled ''Southern White Pine County'' and dated November 29, 2006, which shall be known as the ''South Egan Range Wilderness''.

(4) HIGHLAND RIDGE WILDERNESS.—Certain Federal land managed by the Bureau of Land Management and the Forest Service, comprising approximately 68,627 acres, as generally depicted on the map entitled ''Southern White Pine County'' and dated November 29, 2006, which shall be known as the ''Highland Ridge Wilderness''.

(5) GOVERNMENT PEAK WILDERNESS.—Certain Federal land managed by the Bureau of Land Management, comprising approximately 6,313 acres, as generally depicted on the map entitled ''Eastern White Pine County'' and dated November 29, 2006, which shall be known as the ''Government Peak Wilderness''.

(6) CURRANT MOUNTAIN WILDERNESS ADDITION.—Certain Federal land managed by the Forest Service, comprising approximately 10,697 acres, as generally depicted on the map entitled ''Western White Pine County'' and dated November 29, 2006, is incorporated in, and shall be managed as part of, the ''Currant Mountain Wilderness'', as designated by section 2(4) of the Nevada Wilderness Protection Act of 1989 (16 U.S.C. 1132 note; Public Law 101–195).

(7) RED MOUNTAIN WILDERNESS.—Certain Federal land managed by the Forest Service, comprising approximately 20,490 acres, as generally depicted on the map entitled ''Western White Pine County'' and dated November 29, 2006, which shall be known as the ''Red Mountain Wilderness''.

(8) BALD MOUNTAIN WILDERNESS.—Certain Federal land managed by the Bureau of Land Management and the Forest Service, comprising approximately 22,366 acres, as generally depicted on the map entitled ''Western White Pine County'' and dated November 29, 2006, which shall be known as the ''Bald Mountain Wilderness''.

(9) WHITE PINE RANGE WILDERNESS.—Certain Federal land managed by the Forest Service, comprising approximately 40,013 acres, as generally depicted on the map entitled ''Western White Pine County'' and dated November 29, 2006, which shall be known as the ''White Pine Range Wilderness''.

(10) SHELLBACK WILDERNESS.—Certain Federal land managed by the Forest Service, comprising approximately 36,143 acres, as generally depicted on the map entitled ''Western White Pine County'' and dated November 29, 2006, which shall be known as the ''Shellback Wilderness''.

(11) HIGH SCHELLS WILDERNESS.—Certain Federal land managed by the Forest Service, comprising approximately 121,497 acres, as generally depicted on the map entitled ''Eastern White Pine County'' and dated November 29, 2006, which shall be known as the ''High Schells Wilderness''.

(12) BECKY PEAK WILDERNESS.—Certain Federal land managed by the Bureau of Land Management, comprising approximately 18,119 acres, as generally depicted on the map entitled ''Northern White Pine County'' and dated November 29, 2006, which shall be known as the ''Becky Peak Wilderness''.

(13) GOSHUTE CANYON WILDERNESS.—Certain Federal land managed by the Bureau of Land Management, comprising approximately 42,544 acres, as generally depicted on the map entitled ''Northern White Pine County'' and dated November 29, 2006, which shall be known as the ''Goshute Canyon Wilderness''.

(14) BRISTLECONE WILDERNESS.—Certain Federal land managed by the Bureau of Land Management, comprising approximately 14,095 acres, as generally depicted on the map entitled ''Eastern White Pine County'' and dated November 29, 2006, which shall be known as the ''Bristlecone Wilderness''.

(b) BOUNDARY.—The boundary of any portion of a wilderness area designated by subsection (a) that is bordered by a road shall be at least 100 feet from the edge of the road to allow public access.

(c) MAP AND LEGAL DESCRIPTION.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall file a map and legal description of each wilderness area designated by subsection (a) with the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives.

(2) EFFECT.—Each map and legal description shall have the same force and effect as if included in this section, except that the Secretary may correct clerical and typographical errors in the map or legal description.

(3) AVAILABILITY.—Each map and legal description shall be on file and available for public inspection in the appropriate offices of—

(A) the Bureau of Land Management;

(B) the Forest Service; and

(C) the National Park Service.

(d) WITHDRAWAL.—Subject to valid existing rights, the wilderness areas designated by subsection (a) are withdrawn from—

(1) all forms of entry, appropriation, and disposal under the public land laws;

(2) location, entry, and patent under the mining laws; and

(3) operation of the mineral leasing and geothermal leasing laws.

(e) MT. MORIAH WILDERNESS BOUNDARY ADJUSTMENT.—The boundary of the Mt. Moriah Wilderness established under section 2(13) of the Nevada Wilderness Protection Act of 1989 (16 U.S.C. 1132 note; Public Law 101–195) is adjusted to include only the land identified as the ''Mount Moriah Wilderness Area'' and ''Mount Moriah Additions'' on the map entitled ''Eastern White Pine County'' and dated November 29, 2006.

SEC. 324. ADMINISTRATION.

(a) MANAGEMENT.—Subject to valid existing rights, each area designated as wilderness by this subtitle shall be administered by the Secretary in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.), except that—

(1) any reference in that Act to the effective date shall be considered to be a reference to the date of enactment of this Act; and

(2) any reference in that Act to the Secretary of Agriculture shall be considered to be a reference to the Secretary of Agriculture or the Secretary of the Interior, as appropriate.

(b) LIVESTOCK.—Within the wilderness areas designated under this subtitle that are administered by the Bureau of Land Management and the Forest Service, the grazing of livestock in areas in which grazing is established as of the date of enactment of this Act shall be allowed to continue—

(1) subject to such reasonable regulations, policies, and practices that the Secretary considers necessary; and

(2) consistent with section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)), including the guidelines set forth in Appendix A of House Report 101–405.

(c) INCORPORATION OF ACQUIRED LAND AND INTERESTS.—Any land or interest in land within the boundaries of an area designated as wilderness by this subtitle that is acquired by the United States after the date of enactment of this Act shall be added to and administered as part of the wilderness area within which the acquired land or interest is located.

(d) WATER RIGHTS.—

(1) FINDINGS.—Congress finds that—

(A) the land designated as wilderness by this subtitle is located—

(i) in the semiarid region of the Great Basin; and

(ii) at the headwaters of the streams and rivers on land with respect to which there are few if any—

(I) actual or proposed water resource facilities located upstream; and

(II) opportunities for diversion, storage, or other uses of water occurring outside the land that would adversely affect the wilderness values of the land;

(B) the land designated as wilderness by this subtitle is generally not suitable for use or development of new water resource facilities; and

(C) because of the unique nature of the land designated as wilderness by this subtitle, it is possible to provide for proper management and protection of the wilderness and other values of land in ways different from those used in other laws.

(2) PURPOSE.—The purpose of this section is to protect the wilderness values of the land designated as wilderness by this subtitle by means other than a federally reserved water right.

(3) STATUTORY CONSTRUCTION.—Nothing in this subtitle—

(A) shall constitute or be construed to constitute either an express or implied reservation by the United States of any water or water rights with respect to a wilderness designated by this subtitle;

(B) shall affect any water rights in the State (including any water rights held by the United States) in existence on the date of enactment of this Act;

(C) shall be construed as establishing a precedent with regard to any future wilderness designations;

(D) shall affect the interpretation of, or any designation made pursuant to, any other Act; or

(E) shall be construed as limiting, altering, modifying, or amending any interstate compact or equitable apportionment decree that apportions water among and between the State and other States.

(4) NEVADA WATER LAW.—The Secretary shall follow the procedural and substantive requirements of State law in order to obtain and hold any water rights not in existence on the date of enactment of this Act with respect to the wilderness areas designated by this subtitle.

(5) NEW PROJECTS.—

(A) DEFINITION OF WATER RESOURCE FACILITY.—In this paragraph, the term ''water resource facility''—

(i) means irrigation and pumping facilities, reservoirs, water conservation works, aqueducts, canals, ditches, pipelines, wells, hydropower projects, transmission and other ancillary facilities, and other water diversion, storage, and carriage structures; and

(ii) does not include wildlife guzzlers.

(B) RESTRICTION ON NEW WATER RESOURCE FACILITIES.—Except as otherwise provided in this title, on or after the date of enactment of this Act, neither the President nor any other officer, employee, or agent of the United States shall fund, assist, authorize, or issue a license or permit for the development of any new water resource facility within a wilderness area that is wholly or partially within the County.

SEC. 325. ADJACENT MANAGEMENT.

(a) IN GENERAL.—Congress does not intend for the designation of wilderness in the State by this subtitle to lead to the creation of protective perimeters or buffer zones around any such wilderness area.

(b) NONWILDERNESS ACTIVITIES.—The fact that nonwilderness activities or uses can be seen or heard from areas within a wilderness designated under this subtitle shall not preclude the conduct of those activities or uses outside the boundary of the wilderness area.

SEC. 326. MILITARY OVERFLIGHTS.

Nothing in this subtitle restricts or precludes—

(1) low-level overflights of military aircraft over the areas designated as wilderness by this subtitle, including military overflights that can be seen or heard within the wilderness areas;

(2) flight testing and evaluation; or

(3) the designation or creation of new units of special use airspace, or the establishment of military flight training routes, over the wilderness areas.

SEC. 327. NATIVE AMERICAN CULTURAL AND RELIGIOUS USES.

Nothing in this subtitle shall be construed to diminish—

(1) the rights of any Indian tribe; or

(2) tribal rights regarding access to Federal land for tribal activities, including spiritual, cultural, and traditional food-gathering activities.

SEC. 328. RELEASE OF WILDERNESS STUDY AREAS.

(a) FINDING.—Congress finds that, for the purposes of section 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782), the Bureau of Land Management land has been adequately studied for wilderness designation in any portion of the wilderness study areas or instant study areas—

(1) not designated as wilderness by section __23(a), excluding the portion of the Goshute Canyon Wilderness Study Area located outside of the County; and

(2) depicted as released on the maps entitled—

(A) ''Eastern White Pine County'' and dated November 29, 2006;

(B) ''Northern White Pine County'' and dated November 29, 2006;

(C) ''Southern White Pine County'' and dated November 29, 2006; and

(D) ''Western White Pine County'' and dated November 29, 2006.

(b) RELEASE.—

(1) IN GENERAL.—Any public land described in subsection (a) that is not designated as wilderness by this subtitle—

(A) is no longer subject to section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782(c));

(B) shall be managed in accordance with—

(i) land management plans adopted under section 202 of that Act (43 U.S.C. 1712); and

(ii) cooperative conservation agreements in existence on the date of enactment of this Act; and

(C) shall be subject to the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(2) EXCEPTION.—The requirements described in paragraph (1) shall not apply to the portion of the Goshute Canyon Wilderness Study Area located outside of the County.

SEC. 329. WILDLIFE MANAGEMENT.

(a) IN GENERAL.—In accordance with section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this subtitle affects the jurisdiction of the State with respect to fish and wildlife management, including the regulation of hunting, fishing, and trapping, in the wilderness areas designated by this subtitle.

(b) MANAGEMENT ACTIVITIES.—In furtherance of the purposes and principles of the Wilderness Act (16 U.S.C. 1131 et seq.), the Secretary may conduct such management activities as are necessary to maintain or restore fish and wildlife populations and habitats in the wilderness areas designated by this subtitle if those activities are conducted—

(1) consistent with relevant wilderness management plans; and

(2) in accordance with—

(A) the Wilderness Act (16 U.S.C. 1131 et seq.); and

(B) appropriate policies such as those set forth in Appendix B of House Report 101–405, including the occasional and temporary use of motorized vehicles if the use, as determined by the Secretary, would promote healthy, viable, and more naturally distributed wildlife populations that would enhance wilderness values and accomplish those tasks with the minimal impact necessary to reasonably accomplish those tasks.

(c) EXISTING ACTIVITIES.—Consistent with section 4(d)(1) of the Wilderness Act (16 U.S.C. 1133(d)(1)) and in accordance with appropriate policies such as those set forth in Appendix B of House Report 101–405, the State may continue to use aircraft, including helicopters, to survey, capture, transplant, monitor, and provide water for wildlife populations, including bighorn sheep, and feral stock, feral horses, and feral burros.

(d) WILDLIFE WATER DEVELOPMENT PROJECTS.—Subject to subsection (f), the Secretary shall authorize structures and facilities, including existing structures and facilities, for wildlife water development projects, including guzzlers, in the wilderness areas designated by this subtitle if—

(1) the structures and facilities will, as determined by the Secretary, enhance wilderness values by promoting healthy, viable, and more naturally distributed wildlife populations; and

(2) the visual impacts of the structures and facilities on the wilderness areas can reasonably be minimized.

(e) HUNTING, FISHING, AND TRAPPING.—

(1) IN GENERAL.—The Secretary may designate by regulation areas in which, and establish periods during which, for reasons of public safety, administration, or compliance with applicable laws, no hunting, fishing, or trapping will be permitted in the wilderness areas designated by this subtitle.

(2) CONSULTATION.—Except in emergencies, the Secretary shall consult with the appropriate State agency before promulgating regulations under paragraph (1).

(f) COOPERATIVE AGREEMENT.—

(1) IN GENERAL.—The State (including a designee of the State) may conduct wildlife management activities in the wilderness areas designated by this subtitle—

(A) in accordance with the terms and conditions specified in the cooperative agreement between the Secretary and the State, entitled ''Memorandum of Understanding between the Bureau of Land Management and the Nevada Department of Wildlife Supplement No. 9,'' and signed November and December 2003, including any amendments to the cooperative agreement agreed to by the Secretary and the State; and

(B) subject to all applicable laws and regulations.

(2) REFERENCES.—

(A) CLARK COUNTY.—For purposes of this subsection, any references to Clark County in the cooperative agreement described in paragraph (1)(A) shall be considered to be references to White Pine County, Nevada.

(B) BUREAU OF LAND MANAGEMENT.—For purposes of this subsection, any references to the Bureau of Land Management in the cooperative agreement described in paragraph (1)(A) shall also be considered to be references to the Forest Service.

SEC. 330. WILDFIRE, INSECT, AND DISEASE MANAGEMENT.

Consistent with section 4(d)(1) of the Wilderness Act (16 U.S.C. 1133(d)(1)), the Secretary may take such measures as may be necessary in the control of fire, insects, and

diseases, including coordination with a State or local agency, as the Secretary deems appropriate.

SEC. 331. CLIMATOLOGICAL DATA COLLECTION.

If the Secretary determines that hydrologic, meteorologic, or climatological collection devices are appropriate to further the scientific, educational, and conservation purposes of the wilderness areas designated by this subtitle, nothing in this subtitle precludes the installation and maintenance of the collection devices within the wilderness areas.

Subtitle C—Transfers of Administrative Jurisdiction

SEC. 341. TRANSFER TO THE UNITED STATES FISH AND WILDLIFE SERVICE.

(a) IN GENERAL.—Administrative jurisdiction over the land described in subsection (b) is transferred from the Bureau of Land Management to the United States Fish and Wildlife Service for inclusion in the Ruby Lake National Wildlife Refuge.

(b) DESCRIPTION OF LAND.—The parcel of land referred to in subsection (a) is approximately 645 acres of land administered by the Bureau of Land Management and identified on the map entitled ''Ruby Lake Land Transfer'' and dated July 10, 2006, as ''Lands to be transferred to the Fish and Wildlife Service''.

SEC. 342. TRANSFER TO THE BUREAU OF LAND MANAGEMENT.

(a) IN GENERAL.—Subject to subsection (c), administrative jurisdiction over the parcels of land described in subsection (b) is transferred from the Forest Service to the Bureau of Land Management.

(b) DESCRIPTION OF LAND.—The parcels of land referred to in subsection (a) are—

(1) the land administered by the Forest Service and identified on the map entitled ''Southern White Pine County'' and dated November 29, 2006, as ''Withdrawal Area'';

(2) the land administered by the Forest Service and identified on the map entitled ''Southern White Pine County'' and dated November 29, 2006, as ''Highland Ridge Wilderness''; and

(3) all other Federal land administered by the Forest Service that is located adjacent to the Highland Ridge Wilderness.

(c) CONTINUATION OF COOPERATIVE AGREEMENTS.—Any existing Forest Service cooperative agreement or permit in effect on the date of enactment of this Act relating to a parcel of land to which administrative jurisdiction is transferred by subsection (a) shall be continued by the Bureau of Land Management unless there is reasonable cause to terminate the agreement or permit, as determined by the Secretary.

(d) WITHDRAWAL.—Subject to valid existing rights, all Federal land within the Withdrawal Area is withdrawn from all forms of—

(1) entry, appropriation, or disposal under the public land laws;

(2) location, entry, and patent under the mining laws; and

(3) operation of the mineral laws, geothermal leasing laws, and mineral materials laws.

(e) MOTORIZED AND MECHANICAL VEHICLES.—Use of motorized and mechanical vehicles in the withdrawal area designated by this subtitle shall be permitted only on roads and trails designated for their use, unless the use of those vehicles is needed—

(1) for administrative purposes; or

(2) to respond to an emergency.

SEC. 343. TRANSFER TO THE FOREST SERVICE.

(a) IN GENERAL.—Subject to subsection (c), administrative jurisdiction over the parcels of land described in subsection (b) is transferred from the Bureau of Land Management to the Forest Service.

(b) DESCRIPTION OF LAND.—The parcels of land referred to in subsection (a) are the approximately 5,799 acres of land administered by the Bureau of Land Management and identified on the map entitled ''Western White Pine County'', dated November 29, 2006, as the BLM Public Land Transfer to the US Forest Service.

(c) CONTINUATION OF COOPERATIVE AGREEMENTS.—Any existing Bureau of Land Management cooperative agreement or permit in effect on the date of enactment of this Act relating to a parcel of land to which administrative jurisdiction is transferred by subsection (a) shall be continued by the Forest Service unless there is reasonable cause to terminate the agreement or permit, as determined by the Secretary.

SEC. 344. AVAILABILITY OF MAP AND LEGAL DESCRIPTIONS.

The maps of the land transferred by this subtitle shall be on file and available for public inspection in the appropriate offices of—

(1) the Bureau of Land Management;

(2) the Forest Service;

(3) the National Park Service; and

(4) the United States Fish and Wildlife Service.

Subtitle D—Public Conveyances

SEC. 351. CONVEYANCE TO THE STATE OF NEVADA.

(a) CONVEYANCE.—Notwithstanding section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712), the Secretary shall convey to the State, subject to valid existing rights, for no consideration, all right, title, and interest of the United States in and to the parcels of land described in subsection (b) if the State and the County enter into a written agreement supporting the conveyance.

(b) DESCRIPTION OF LAND.—The parcels of land referred to in subsection (a) are—

(1) the approximately 6,281 acres of Bureau of Land Management land identified as ''Steptoe Valley Wildlife Management Area Expansion Proposal'' on the map entitled ''Ely, Nevada Area'' and dated November 29, 2006;

(2) the approximately 658 acres of Bureau of Land Management land identified as ''Ward Charcoal Ovens Expansion'' on the map entitled ''Ely, Nevada Area'' and dated November 29, 2006; and

(3) the approximately 2,960 acres of Forest Service identified as ''Cave Lake State Park Expansion'' on the map entitled ''Ely, Nevada Area'' and dated November 29, 2006.

(c) COSTS.—Any costs relating to a conveyance under subsection (a), including costs for surveys and other administrative costs, shall be paid by the State.

(d) USE OF LAND.—

(1) IN GENERAL.—Any parcel of land conveyed to the State under subsection (a) shall be used only for—

(A) the conservation of wildlife or natural resources; or

(B) a public park.

(2) FACILITIES.—Any facility on a parcel of land conveyed under subsection (a) shall be constructed and managed in a manner consistent with the uses described in paragraph (1).

(e) REVERSION.—If a parcel of land conveyed under subsection (a) is used in a manner that is inconsistent with the uses described in subsection (d), the parcel of land shall, at the discretion of the Secretary, revert to the United States.

SEC. 352. CONVEYANCE TO WHITE PINE COUNTY, NEVADA.

(a) IN GENERAL.—Notwithstanding section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712), the Secretary shall convey to the County, without consideration, all right, title, and interest of the United States in and to the parcels of land described in subsection (b).

(b) DESCRIPTION OF LAND.—The parcels of land referred to in subsection (a) are—

(1) the approximately 1,551 acres of land identified on the map entitled ''Ely, Nevada Area'', dated November 29, 2006, as the Airport Expansion; and

(2) the approximately 202 acres of land identified on the map entitled ''Ely, Nevada Area'', dated November 29, 2006, as the Industrial Park Expansion.

(c) AUTHORIZED USES.—

(1) AIRPORT EXPANSION.—The parcel of land described in subsection (b)(1) shall be used by the County to expand the Ely Airport.

(2) INDUSTRIAL PARK EXPANSION.—The parcel of land described in subsection (b)(2) shall be used by the County to expand the White Pine County Industrial Park.

(3) USE OF CERTAIN LAND FOR NONRESIDENTIAL DEVELOPMENT.—

(A) IN GENERAL.—After conveyance to the County of the land described in subsection (b), the County may sell, lease, or otherwise convey any portion of the land conveyed for purposes of nonresidential development relating to the authorized uses described in paragraphs (1) and (2).

(B) METHOD OF SALE.—The sale, lease, or conveyance of land under subparagraph (A) shall be—

(i) through a competitive bidding process; and

(ii) for not less than fair market value.

(C) DISPOSITION OF PROCEEDS.—The gross proceeds from the sale, lease, or conveyance of land under subparagraph (A) shall be distributed in accordance with section __12.

(d) REVERSION.—If a parcel of land conveyed under subsection (a) is used in a manner that is inconsistent with the use described for the parcel in paragraph (1), (2), or (3) of subsection (c), the parcel of land shall, at the discretion of the Secretary, revert to the United States.

Subtitle E—Silver State Off-Highway Vehicle Trail

SEC. 355. SILVER STATE OFF-HIGHWAY VEHICLE TRAIL.

(a) STUDY.—

(1) IN GENERAL.—Not later than 3 years after the date of enactment of this Act, the Secretary shall complete a study of routes (with emphasis on roads and trails in existence on the date of enactment of this Act) in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for the Silver State Off-Highway Vehicle Trail (referred to in this section as the ''Trail'').

(2) PREFERRED ROUTE.—Based on the study conducted under paragraph (1), the Secretary, in consultation with the State, the County, and any interested persons, shall identify the preferred route for the Trail.

(b) DESIGNATION OF TRAIL.—

(1) IN GENERAL.—Subject to paragraph (2), not later than 90 days after the date on which the study is completed under subsection (a), the Secretary shall designate the Trail.

(2) LIMITATIONS.—The Secretary shall designate the Trail only if the Secretary—

(A) determines that the route of the Trail would not have significant negative impacts on wildlife, natural or cultural resources, or traditional uses; and

(B) ensures that the Trail designation—

(i) is an effort to extend the Silver State Off-Highway Vehicle Trail designated under section 401(b) of the Lincoln County Conservation, Recreation, and Development Act of 2004 (16 U.S.C. 1244 note; Public Law 108–424); and

(ii) is limited to—

(I) 1 route that generally runs in a north-south direction; and

(II) 1 potential spur running west.

(c) MANAGEMENT.—

(1) IN GENERAL.—The Secretary shall manage the Trail in a manner that—

(A) is consistent with any motorized and mechanized uses of the Trail that are authorized on the date of enactment of this Act under applicable Federal and State laws (including regulations);

(B) ensures the safety of the individuals who use the Trail; and

(C) does not damage sensitive wildlife habitat, natural, or cultural resources.

(2) MANAGEMENT PLAN.—

(A) IN GENERAL.—Not later than 2 years after the date of designation of the Trail, the Secretary, in consultation with the State, the County, and any other interested persons, shall complete a management plan for the Trail.

(B) COMPONENTS.—The management plan shall—

(i) describe the appropriate uses and management of the Trail;

(ii) authorize the use of motorized and mechanized vehicles on the Trail; and

(iii) describe actions carried out to periodically evaluate and manage the appropriate levels of use and location of the Trail to minimize environmental impacts and prevent damage to cultural resources from the use of the Trail.

(3) MONITORING AND EVALUATION.—

(A) ANNUAL ASSESSMENT.—The Secretary shall annually assess—

(i) the effects of the use of off-highway vehicles on the Trail to minimize environmental impacts and prevent damage to cultural resources from the use of the Trail; and

(ii) in consultation with the Nevada Department of Wildlife, the effects of the Trail on wildlife and wildlife habitat to minimize environmental impacts from the use of the Trail.

(B) CLOSURE.—The Secretary, in consultation with the State and the County and subject to subparagraph (C), may temporarily close or permanently reroute a portion of the Trail if the Secretary determines that—

(i) the Trail is having an adverse impact on—

(I) wildlife habitats;

(II) natural resources;

(III) cultural resources; or

(IV) traditional uses;

(ii) the Trail threatens public safety;

(iii) closure of the Trail is necessary to repair damage to the Trail; or

(iv) closure of the Trail is necessary to repair resource damage.

(C) REROUTING.—Any portion of the Trail that is temporarily closed may be permanently rerouted along existing roads and trails on public land open to motorized use if the Secretary determines that rerouting the portion of the Trail would not significantly increase or decrease the length of the Trail.

(D) NOTICE.—The Secretary shall provide information to the public with respect to any routes on the Trail that are closed under subparagraph (B), including through the provision of appropriate signage along the Trail.

(4) NOTICE OF OPEN ROUTES.—The Secretary shall ensure that visitors to the Trail have access to adequate notice relating to the routes on the Trail that are open through—

(A) the provision of appropriate signage along the Trail; and

(B) the distribution of maps, safety education materials, and any other information that the Secretary determines to be appropriate.

(d) NO EFFECT ON NON-FEDERAL LAND AND INTERESTS IN LAND.—Nothing in this section affects the ownership or management of, or other rights relating to, non-Federal land or interests in non-Federal land.

Subtitle F—Transfer of Land to Be Held in Trust for the Ely Shoshone Tribe.

SEC. 361. TRANSFER OF LAND TO BE HELD IN TRUST FOR THE ELY SHOSHONE TRIBE.

(a) IN GENERAL.—Subject to valid existing rights, all right, title, and interest of the United States in and to the land described in subsection (b)—

(1) shall be held in trust by the United States for the benefit of the Ely Shoshone Tribe (referred to in this section as the ''Tribe''); and

(2) shall be part of the reservation of the Tribe.

(b) DESCRIPTION OF LAND.—The land referred to in subsection (a) consists of parcels 1, 2, 3, and 4, totaling the approximately 3,526 acres of land that are identified on—

(1) the Ely, Nevada Area map dated November 29, 2006; and

(2) the Eastern White Pine County map dated November 29, 2006, as the ''Ely Shoshone Expansion''.

(c) SURVEY.—Not later than 180 days after the date of enactment of this Act, the Bureau of Land Management shall complete a survey of the boundary lines to establish the boundaries of the trust land.

(d) CONDITIONS.—

(1) GAMING.—Land taken into trust under subsection (a) shall not be—

(A) considered to have been taken into trust for gaming (as that term is used in the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.)); and

(B) used for gaming.

(2) TRUST LAND FOR CEREMONIAL USE.—With respect to the use of the land identified on the map as ''Ely Shoshone Expansion'' and marked as ''3'', the Tribe—

(A) shall limit the use of the surface of the land to traditional and customary uses and stewardship conservation for the benefit of the Tribe; and

(B) shall not permit any permanent residential or recreational development on, or commercial use of, the surface of the land, including commercial development or gaming.

(3) THINNING; LANDSCAPE RESTORATION.—With respect to land taken into trust under subsection (a), the Forest Service and the Bureau of Land Management may, in consultation and coordination with the Tribe, carry out any thinning and other landscape restoration work on the trust land that is beneficial to the Tribe and the Forest Service or the Bureau of Land Management.

Subtitle G—Eastern Nevada Landscape Restoration Project.

SEC. 371. FINDINGS; PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there is an increasing threat of wildfire in the Great Basin;

(2) those wildfires—

(A) endanger homes and communities;

(B) damage or destroy watersheds and soils; and

(C) pose a serious threat to the habitat of threatened and endangered species;

(3) forest land and rangeland in the Great Basin are degraded as a direct consequence of land management practices (including practices to control and prevent wildfires) that disrupt the occurrence of frequent low-intensity fires that have periodically removed flammable undergrowth; and

(4) additional scientific information is needed in the Great Basin for—

(A) the design, implementation, and adaptation of landscape-scale restoration treatments; and

(B) the improvement of wildfire management technology and practices.

(b) PURPOSES.—The purposes of this subtitle are to—

(1) support the Great Basin Restoration Initiative through the implementation of the Eastern Nevada Landscape Restoration Project; and

(2) ensure resilient and healthy ecosystems in the Great Basin by restoring native plant communities and natural mosaics on the landscape that function within the parameters of natural fire regimes.

SEC. 372. DEFINITIONS.

In this subtitle:

(1) INITIATIVE.—The term ''Initiative'' means the Great Basin Restoration Initiative.

(2) PROJECT.—The term ''Project'' means the Eastern Nevada Landscape Restoration Project authorized under section __73(a).

(3) SECRETARIES.—The term ''Secretaries'' means the Secretary of Agriculture and the Secretary of the Interior.

(4) STATE.—The term ''State'' means the State of Nevada.

SEC. 373. RESTORATION PROJECT.

(a) IN GENERAL.—In accordance with all applicable Federal laws, the Secretaries shall carry out the Eastern Nevada Landscape Restoration Project to—

(1) implement the Initiative; and

(2) restore native rangelands and native woodland (including riparian and aspen communities) in White Pine and Lincoln Counties in the State.

(b) GRANTS; COOPERATIVE AGREEMENT.—In carrying out the Project—

(1) the Secretaries may make grants to the Eastern Nevada Landscape Coalition, the Great Basin Institute, and other entities for the study and restoration of rangeland and other land in the Great Basin—

(A) to assist in—

(i) reducing hazardous fuels; and

(ii) restoring native rangeland and woodland; and

(B) for other related purposes; and

(2) notwithstanding sections 6301 through 6308, of title 31, United States Code, the Director of the Bureau of Land Management and the Chief of the Forest Service may enter into an agreement with the Eastern Nevada Landscape Coalition, the Great Basin Institute, and other entities to provide for the conduct of scientific analyses, hazardous fuels and mechanical treatments, and related work.

(c) RESEARCH FACILITY.—The Secretaries may conduct a feasibility study on the potential establishment of an interagency science center, including a research facility and experimental rangeland in the eastern portion of the State.

(d) FUNDING.—Section 4(e)(3)(A) of the Southern Nevada Public Land Management Act of 1998 (Public Law 105–263; 112 Stat. 2346; 116 Stat. 2007; 118 Stat. 2414) is amended—

(1) by redesignating clause (viii) as clause (ix); and

(2) by inserting after clause (vii) the following:

''(viii) to carry out the Eastern Nevada Landscape Restoration Project in White Pine County, Nevada and Lincoln County, Nevada; and''.

Subtitle H—Amendments to the Southern Nevada Public Land Management Act of 1998

SEC. 381. FINDINGS.

Section 2(a)(3) of the Southern Nevada Public Land Management Act of 1998 (Public Law 105–263; 112 Stat. 2343) is amended by inserting ''the Sloan Canyon National Conservation Area,'' before ''and the Spring Mountains''.

SEC. 382. AVAILABILITY OF SPECIAL ACCOUNT.

Section 4(e) of the Southern Nevada Public Land Management Act of 1998 (Public Law 105–263; 112 Stat. 2346; 116 Stat. 2007; 117 Stat. 1317; 118 Stat. 2414) is amended—

(1) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking ''may be expended'' and inserting ''shall be expended'';

(ii) in clause (ii)—

(I) by inserting '', the Great Basin National Park,'' after ''the Red Rock Canyon National Conservation Area'';

(II) by inserting ''and the Forest Service'' after ''the Bureau of Land Management''; and

(III) by striking ''Clark and Lincoln Counties'' and inserting ''Clark, Lincoln, and White Pine Counties'';

(iii) in clause (iii), by inserting ''and implementation'' before ''of a multispecies habitat'';

(iv) in clause (iv), by striking ''Clark and Lincoln Counties,'' and inserting ''Clark, Lincoln, and White Pine Counties and Washoe County (subject to paragraph (4)),'';

(v) in clause (v), by striking ''Clark and Lincoln Counties'' and inserting ''Clark, Lincoln, and White Pine Counties'';

(vi) in clause (vii)—

(I) by striking ''for development'' and inserting ''development''; and

(II) by striking ''and'' at the end;

(vii) by redesignating clauses (viii) and (ix) (as amended by section __73(d)) as clauses (x) and (xi), respectively; and

(viii) by inserting after clause (vii) the following:

''(viii) reimbursement of any costs incurred by the Bureau of Land Management to clear debris from and protect land that is—

''(I) located in the disposal boundary described in subsection (a); and

''(II) reserved for affordable housing;

''(ix) development and implementation of comprehensive, cost-effective, multijurisdictional hazardous fuels reduction and wildfire prevention plans (including sustainable biomass and biofuels energy development and production activities) for the Lake Tahoe Basin (to be developed in conjunction with the Tahoe Regional Planning Agency), the Carson Range in Douglas and Washoe Counties and Carson City in the State, and the Spring Mountains in the State, that are—

''(I) subject to approval by the Secretary; and

''(II) not more than 10 years in duration;''; and

(B) by inserting after subparagraph (C) the following:

''(D) TRANSFER REQUIREMENT.—Subject to such terms and conditions as the Secretary may prescribe, and notwithstanding any other provision of law—

''(i) for amounts that have been authorized for expenditure under subparagraph (A)(iv) but not transferred as of the date of enactment of this subparagraph, the Secretary shall, not later than 60 days after a request for funds from the applicable unit of local government or regional governmental entity, transfer to the applicable unit of local government or regional governmental entity the amount authorized for the expenditure; and

''(ii) for expenditures authorized under subparagraph (A)(iv) that are approved by the Secretary, the Secretary shall, not later than 60 days after a request for funds from the applicable unit of local government or regional governmental entity, transfer to the applicable unit of local government or regional governmental entity the amount approved for expenditure.''; and

(2) by adding at the end the following:

''(4) LIMITATION FOR WASHOE COUNTY.—Until December 31, 2011, Washoe County shall be eligible to nominate for expenditure amounts to acquire land (not to exceed 250 acres) and develop 1 regional park and natural area.''.

Subtitle I—Amendments to the Lincoln County Conservation, Recreation, and Development Act of 2004

SEC. 391. DISPOSITION OF PROCEEDS.

Section 103(b)(2) of the Lincoln County Conservation, Recreation, and Development Act of 2004 (Public Law 108–424; 118 Stat. 2405) is amended by inserting ''education, planning,'' after ''social services,''.

Subtitle J—All American Canal Projects

SEC. 395. ALL AMERICAN CANAL LINING PROJECT.

(a) DUTIES OF THE SECRETARY.—Notwithstanding any other provision of law, upon the date of enactment of this Act, the Secretary shall, without delay, carry out the All American Canal Lining Project identified—

(1) as the preferred alternative in the record of decision for that project, dated July 29, 1994; and

(2) in the allocation agreement allocating water from the All American Canal Lining Project, entered into as of October 10, 2003.

(b) DUTIES OF COMMISSIONER OF RECLAMATION.—

(1) IN GENERAL.—Subject to paragraph (2), if a State conducts a review or study of the implications of the All American Canal Lining Project as carried out under subsection (a), upon request from the Governor of the State, the Commissioner of Reclamation shall cooperate with the State, to the extent practicable, in carrying out the review or study.

(2) RESTRICTION OF DELAY.—A review or study conducted by a State under paragraph (1) shall not delay the carrying out by the Secretary of the All American Canal Lining Project.

SEC. 396. REGULATED STORAGE WATER FACILITY.

(a) CONSTRUCTION, OPERATION, AND MAINTENANCE OF FACILITY.—Notwithstanding any other provision of law, upon the date of enactment of this Act, the Secretary shall, without delay, pursuant to the Act of January 1, 1927 (44 Stat. 1010, chapter 47) (commonly known as the ''River and Harbor Act of 1927''), as amended, design and provide for the construction, operation, and maintenance of a regulated water storage facility (including all incidental works that are reasonably necessary to operate the storage facility) to provide additional storage capacity to reduce nonstorable flows on the Colorado River below Parker Dam.

(b) LOCATION OF FACILITY.—The storage facility (including all incidental works) described in subsection (a) shall be located at or near the All American Canal.

SEC. 397. APPLICATION OF LAW.

The Treaty between the United States of America and Mexico relating to the utilization of waters of the Colorado and Tijuana Rivers and of the Rio Grande, and supplementary protocol signed November 14, 1944, signed at Washington February 3, 1944 (59 Stat. 1219) is the exclusive authority for identifying, considering, analyzing, or addressing impacts occurring outside the boundary of the United States of works constructed, acquired, or used within the territorial limits of the United States.

TITLE IV—OTHER PROVISIONS

SEC. 401. TOBACCO PERSONAL USE QUANTITY EXCEPTION TO NOT APPLY TO DELIVERY SALES.

(a) DEFINITIONS.—Section 801 of the Tariff Act of 1930 (19 U.S.C. 1681) is amended by adding at the end the following:

''(3) DELIVERY SALE.—The term 'delivery sale' means any sale of cigarettes or a smokeless tobacco product to a consumer if—

''(A) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mail, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

''(B) the cigarettes or smokeless tobacco product is delivered by use of a common carrier, private delivery service, or the mail, or the seller is not in the physical presence of the buyer when the buyer obtains personal possession of the delivered cigarettes or smokeless tobacco product.''.

(b) INAPPLICABILITY OF EXEMPTIONS FROM REQUIREMENTS FOR ENTRY OF CERTAIN CIGARETTES AND SMOKELESS TOBACCO PRODUCTS.—Section 802(b)(1) of the Tariff Act of 1930 (19 U.S.C. 1681a(b)(1)) is amended by adding at the end the following new sentence: ''The preceding sentence shall not apply to any cigarettes or smokeless tobacco products sold in connection with a delivery sale.''.

(c) STATE ACCESS TO CUSTOMS CERTIFICATIONS.—Section 802 of the Tariff Act of 1930 (19 U.S.C. 1681a) is amended by adding at the end the following new subsection:

''(d) STATE ACCESS TO CUSTOMS CERTIFICATIONS.—A State, through its Attorney General, shall be entitled to obtain copies of any certification required under subsection (c) directly—

''(1) upon request to the agency of the United States responsible for collecting such certification; or

''(2) upon request to the importer, manufacturer, or authorized official of such importer or manufacturer.''.

(d) ENFORCEMENT PROVISIONS.—Section 803(b) of the Tariff Act of 1930 (19 U.S.C. 1681b(b)) is amended—

(1) in the first sentence, by inserting before the period at the end the following: '', or to any State in which such tobacco product, cigarette papers, or tube is found''; and

(2) in the second sentence, by inserting '', or to any State,'' after ''the United States''.

(e) INCLUSION OF SMOKELESS TOBACCO.—

(1) Sections 802 and 803(a) of the Tariff Act of 1930 (19 U.S.C. 1681a and 1681b(a)) (other than the last sentence of section 802(b)(1), as added by subsection (b) of this section) are further amended by inserting ''or smokeless tobacco products'' after ''cigarettes'' each place it appears.

(2) Section 802 of such Act is further amended—

(A) in subsection (a)—

(i) in paragraph (1), by inserting ''or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4403), as the case may be'' after ''section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)'';

(ii) in paragraph (2), by inserting ''or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), as the case may be,'' after ''section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)''; and

(iii) in paragraph (3), by inserting ''or section 3(d) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(d)), as the case may be'' after ''section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))'';

(B) in subsection (b)—

(i) in the heading of paragraph (1), by inserting ''OR SMOKELESS TOBACCO PRODUCTS'' after ''CIGARETTES''; and

(ii) in the heading of paragraphs (2) and (3), by inserting ''OR SMOKELESS TOBACCO PRODUCTS'' after ''CIGARETTES''; and

(C) in subsection (c)—

(i) in the heading, by inserting ''OR SMOKELESS TOBACCO PRODUCT'' after ''CIGARETTE'';

(ii) in paragraph (1), by inserting ''or section 4 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C.

4403), as the case may be'' after ''section 7 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1335a)'';

(iii) in paragraph (2)(A), by inserting ''or section 3 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402), as the case may be,'' after ''section 4 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333)''; and

(iv) in paragraph (2)(B), by inserting ''or section 3(d) of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4402(d)), as the case may be'' after ''section 4(c) of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1333(c))''.

(3) Section 803(b) of such Act, as amended by subsection (d)(1) of this section, is further amended by inserting '', or any smokeless tobacco product,'' after ''or tube'' the first place it appears.

(4)(A) The heading of title VIII of such Act is amended by inserting ''**AND SMOKELESS TOBACCO PRODUCTS**'' after ''**CIGARETTES**''.

(B) The heading of section 802 of such Act is amended by inserting ''AND SMOKELESS TOBACCO PRODUCTS'' after ''CIGARETTES''.

(f) APPLICATION OF CIVIL PENALTIES TO RELANDINGS OF TOBACCO PRODUCTS SOLD IN A DELIVERY SALE.—

(1) IN GENERAL.—Section 5761 of the Internal Revenue Code of 1986 (relating to civil penalties) is amended by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and inserting after subsection (c) the following new subsection:

''(d) PERSONAL USE QUANTITIES.—

''(1) IN GENERAL.—No quantity of tobacco products other than the quantity referred to in paragraph (2) may be relanded or received as a personal use quantity.

''(2) EXCEPTION FOR PERSONAL USE QUANTITY.—Subsection (c) and section 5754 shall not apply to any person who relands or receives tobacco products in the quantity allowed entry free of tax and duty under chapter 98 of the Harmonized Tariff Schedule of the United States, and such person may voluntarily relinquish to the Secretary at the time of entry any excess of such quantity without incurring the penalty under subsection (c).

''(3) SPECIAL RULE FOR DELIVERY SALES.—

''(A) IN GENERAL.—Paragraph (2) shall not apply to any tobacco product sold in connection with a delivery sale.

''(B) DELIVERY SALE.—For purposes of subparagraph (A), the term 'delivery sale' means any sale of a tobacco product to a consumer if—

''(i) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mail, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made, or

''(ii) the tobacco product is delivered by use of a common carrier, private delivery service, or the mail, or the seller is not in the physical presence of the buyer when the buyer obtains personal possession of the tobacco product.''.

(2) CONFORMING AMENDMENTS.—

(A) Subsection (c) of section 5761 of such Code is amended by striking the last two sentences.

(B) Paragraph (1) of section 5754(c) of such Code is amended by striking ''section 5761(c)'' and inserting ''section 5761(d)''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 402. ETHANOL TARIFF SCHEDULE.

Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States are each amended in the effective period column by striking ''10/1/2007'' each place it appears and inserting ''1/1/2009''.

SEC. 403. WITHDRAWAL OF CERTAIN FEDERAL LAND AND INTERESTS IN CERTAIN FEDERAL LAND FROM LOCATION, ENTRY, AND PATENT UNDER THE MINING LAWS AND DISPOSITION UNDER THE MINERAL AND GEOTHERMAL LEASING LAWS.

(a) DEFINITIONS.—In this section:

(1) BUREAU OF LAND MANAGEMENT LAND.—The term ''Bureau of Land Management land'' means the Bureau of Land Management land and any federally-owned minerals located south of the Blackfeet Indian Reservation and east of the Lewis and Clark National Forest to the eastern edge of R. 8 W., beginning in T. 29 N. down to and including T. 19 N. and all of T. 18 N., R. 7 W.

(2) ELIGIBLE FEDERAL LAND.—The term ''eligible Federal land'' means the Bureau of Land Management land and the Forest Service land, as generally depicted on the map.

(3) FOREST SERVICE LAND.—The term ''Forest Service land'' means—

(A) the Forest Service land and any federally-owned minerals located in the Rocky Mountain Division of the Lewis and Clark National Forest, including the approximately 356,111 acres of land made unavailable for leasing by the August 28, 1997, Record of Decision for the Lewis and Clark National Forest Oil and Gas Leasing Environmental Impact Statement and that is located from T. 31 N. to T. 16 N. and R. 13 W. to R. 7 W.; and

(B) the Forest Service land and any federally-owned minerals located within the Badger Two Medicine area of the Flathead National Forest, including—

(i) the land located in T. 29 N. from the western edge of R. 16 W. to the eastern edge of R. 13 W.; and

(ii) the land located in T. 28 N., Rs. 13 and 14 W.

(4) MAP.—The term ''map'' means the map entitled ''Rocky Mountain Front Mineral Withdrawal Area'' and dated December 31, 2006.

(b) WITHDRAWAL.—

(1) IN GENERAL.—Subject to valid existing rights, the eligible Federal land (including any interest in the eligible Federal land) is withdrawn from—

(A) all forms of location, entry, and patent under the mining laws; and

(B) disposition under all laws relating to mineral and geothermal leasing.

(2) AVAILABILITY OF MAP.—The map shall be on file and available for inspection in the Office of the Chief of the Forest Service.

(c) TAX INCENTIVE FOR SALE OF EXISTING MINERAL AND GEOTHERMAL RIGHTS TO TAX-EXEMPT ENTITIES.—

(1) EXCLUSION.—For purposes of the Internal Revenue Code of 1986, gross income shall not include 25 percent of the qualifying gain from a conservation sale of a qualifying mineral or geothermal interest.

(2) QUALIFYING GAIN.—For purposes of this subsection, the term ''qualifying gain'' means any gain which would be recognized as long-term capital gain under such Code.

(3) CONSERVATION SALE.—For purposes of this subsection, the term ''conservation sale'' means a sale which meets the following requirements:

(A) TRANSFEREE IS AN ELIGIBLE ENTITY.—The transferee of the qualifying mineral or geothermal interest is an eligible entity.

(B) QUALIFYING LETTER OF INTENT REQUIRED.—At the time of the sale, such transferee provides the taxpayer with a qualifying letter of intent.

(C) NONAPPLICATION TO CERTAIN SALES.—The sale is not made pursuant to an order of condemnation or eminent domain.

(4) QUALIFYING MINERAL OR GEOTHERMAL INTEREST.—For purposes of this subsection—

(A) IN GENERAL.—The term ''qualifying mineral or geothermal interest'' means an interest in any mineral or geothermal deposit located on eligible Federal land which constitutes a taxpayer's entire interest in such deposit.

(B) ENTIRE INTEREST.—For purposes of subparagraph (A)—

(i) an interest in any mineral or geothermal deposit is not a taxpayer's entire interest if such interest in such mineral or geothermal deposit was divided in order to avoid the requirements of such subparagraph or section 170(f)(3)(A) of such Code, and

(ii) a taxpayer's entire interest in such deposit does not fail to satisfy such subparagraph solely because the taxpayer has retained an interest in other deposits, even if the other deposits are contiguous with such certain deposit and were acquired by the taxpayer along with such certain deposit in a single conveyance.

(5) OTHER DEFINITIONS.—For purposes of this subsection—

(A) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(i) a governmental unit referred to in section 170(c)(1) of such Code, or an agency or department thereof operated primarily for 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of such Code, or

(ii) an entity which is—

(I) described in section 170(b)(1)(A)(vi) or section 170(h)(3)(B) of such Code, and

(II) organized and at all times operated primarily for 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of such Code.

(B) QUALIFYING LETTER OF INTENT.—The term ''qualifying letter of intent'' means a written letter of intent which includes the following statement: ''The transferee's intent is that this acquisition will serve 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986, that the transferee's use of the deposits so acquired will be consistent with section 170(h)(5) of such Code, and that the use of the deposits will continue to be consistent with such section, even if ownership or possession of such deposits is subsequently transferred to another person.''.

(6) TAX ON SUBSEQUENT TRANSFERS.—

(A) IN GENERAL.—A tax is hereby imposed on any subsequent transfer by an eligible entity of ownership or possession, whether by sale, exchange, or lease, of an interest acquired directly or indirectly in—

(i) a conservation sale described in paragraph (1), or

(ii) a transfer described in clause (i), (ii), or (iii) of subparagraph (D).

(B) AMOUNT OF TAX.—The amount of tax imposed by subparagraph (A) on any transfer shall be equal to the sum of—

(i) 20 percent of the fair market value (determined at the time of the transfer) of the interest the ownership or possession of which is transferred, plus

(ii) the product of—

(I) the highest rate of tax specified in section 11 of such Code, times

(II) any gain or income realized by the transferor as a result of the transfer.

(C) LIABILITY.—The tax imposed by subparagraph (A) shall be paid by the transferor.

(D) RELIEF FROM LIABILITY.—The person (otherwise liable for any tax imposed by subparagraph (A)) shall be relieved of liability for the tax imposed by subparagraph (A) with respect to any transfer if—

(i) the transferee is an eligible entity which provides such person, at the time of transfer, a qualifying letter of intent,

(ii) in any case where the transferee is not an eligible entity, it is established to the satisfaction of the Secretary of the Treasury, that the transfer of ownership or possession, as the case may be, will be consistent with section 170(h)(5) of such Code, and the transferee provides such person, at the time of transfer, a qualifying letter of intent, or

(iii) tax has previously been paid under this paragraph as a result of a prior transfer of ownership or possession of the same interest.

(E) ADMINISTRATIVE PROVISIONS.—For purposes of subtitle F of such Code, the taxes imposed by this paragraph shall be treated as excise taxes with respect to which the deficiency procedures of such subtitle apply.

(7) REPORTING.—The Secretary of the Treasury may require such reporting as may be necessary or appropriate to further the purpose under this subsection that any conservation use be in perpetuity.

(d) EFFECTIVE DATES.—

(1) MORATORIUM.—Subsection (b) shall take effect on the date of the enactment of this Act.

(2) TAX INCENTIVE.—Subsection (c) shall apply to sales occurring on or after the date of the enactment of this Act.

SEC. 404. CONTINUING ELIGIBILITY FOR CERTAIN STUDENTS UNDER DISTRICT OF COLUMBIA SCHOOL CHOICE PROGRAM.

(a) IN GENERAL.—Section 307(a)(4) of the DC School Choice Incentive Act of 2003 (sec. 38—1851.06(a)(4), D.C. Official Code) is amended by striking ''200 percent'' and inserting the following: ''200 percent (or, in the case of an eligible student whose first year of participation in the program is an academic year ending in June 2005 or June 2006 and whose second or succeeding year is an academic year ending on or before June 2009, 300 percent)''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the DC School Choice Incentive Act of 2003.

SEC. 405. STUDY ON ESTABLISHING UNIFORM NATIONAL DATABASE ON ELDER ABUSE.

(a) STUDY.—

(1) IN GENERAL.—The Secretary of Health and Human Services, in consultation with the Attorney General, shall conduct a study on establishing a uniform national database on elder abuse.

(2) ISSUES STUDIED.—The study conducted under paragraph (1) may consider the following:

(A) Current methodologies used for collecting data on elder abuse, including a determination of the shortcomings, strengths, and commonalities of existing data collection efforts and reporting forms, and how a uniform national database would capitalize on such efforts.

(B) The process by which uniform national standards for reporting on elder abuse could be implemented, including the identification and involvement of necessary stakeholders, financial resources needed, timelines, and the treatment of existing standards with respect to elder abuse.

(C) Potential conflicts in Federal, State, and local laws, and enforcement and jurisdictional issues that could occur as a result of the creation of a uniform national database on elder abuse.

(D) The scope, purpose, and variability of existing definitions used by Federal, State, and local agencies with respect to elder abuse.

(3) DURATION.—The study conducted under paragraph (1) shall be conducted for a period not to exceed 2 years.

(b) REPORT.—Not later than 180 days after the completion of the study conducted under subsection (a)(1), the Secretary of Health and Human Services shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives containing the findings of the study, together with recommendations on how to implement a uniform national database on elder abuse.

(c) AUTHORIZATION.—There are authorized to be appropriated to carry out this section, $500,000 for each of fiscal years 2007 and 2008.

SEC. 406. TEMPORARY DUTY REDUCTIONS FOR CERTAIN COTTON SHIRTING FABRIC.

(a) CERTAIN COTTON SHIRTING FABRICS.—

(1) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new headings:

131	9902.52.08	Woven fabrics of cotton, of a type described in subheading 5208.21, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
	9902.52.09	Woven fabrics of cotton, of a type described in subheading 5208.22, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
	9902.52.10	Woven fabrics of cotton, of a type described in subheading 5208.29, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
	9902.52.11	Woven fabrics of cotton, of a type described in subheading 5208.31, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
	9902.52.12	Woven fabrics of cotton, of a type described in subheading 5208.32, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
	9902.52.13	Woven fabrics of cotton, of a type described in subheading 5208.39, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
	9902.52.14	Woven fabrics of cotton, of a type described in subheading 5208.41, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
	9902.52.15	Woven fabrics of cotton, of a type described in subheading 5208.42, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
	9902.52.16	Woven fabrics of cotton, of a type described in subheading 5208.49, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...

9902.52.17	Woven fabrics of cotton, of a type described in subheading 5208.51, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.18	Woven fabrics of cotton, of a type described in subheading 5208.52, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.19	Woven fabrics of cotton, of a type described in subheading 5208.59, of average yarn number exceeding 135 metric, other than fabrics provided for in headings 9902.52.20 through 9902.52.31, certified by the importer to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Notes 18 and 19 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.20	Woven fabrics of cotton of a type described in subheading 5208.21, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.21	Woven fabrics of cotton of a type described in subheading 5208.22, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.22	Woven fabrics of cotton of a type described in subheading 5208.29, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.23	Woven fabrics of cotton of a type described in subheading 5208.31, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.24	Woven fabrics of cotton of a type described in subheading 5208.32, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.25	Woven fabrics of cotton of a type described in subheading 5208.39, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.26	Woven fabrics of cotton of a type described in subheading 5208.41, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.27	Woven fabrics of cotton of a type described in subheading 5208.42, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.28	Woven fabrics of cotton of a type described in subheading 5208.49, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.29	Woven fabrics of cotton of a type described in subheading 5208.51, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.30	Woven fabrics of cotton of a type described in subheading 5208.52, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	...
9902.52.31	Woven fabrics of cotton of a type described in subheading 5208.59, of average yarn number exceeding 135 metric, certified by the importer to be wholly of pima cotton grown in the United States and to be suitable for use in men's and boys' shirts, the foregoing imported by or for the benefit of a manufacturer of men's and boys' shirts under the terms of U.S. Note 18 of this subchapter.	Free	No change	No change	On or before 12/31/2009	''.

(2) DEFINITIONS AND LIMITATION ON QUANTITY OF IMPORTS.—The U.S. Notes to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States are amended by adding at the end the following:

''18. For purposes of headings 9902.52.08 through 9902.52.31, the term 'manufacturer' means a person or entity that cuts and sews men's and boys' shirts in the United States.

''19. The aggregate quantity of fabrics entered under headings 9902.52.08 through 9902.52.19 from January 1 to December 31 of each year, inclusive, by or on behalf of each manufacturer of men's and boys' shirts shall be limited to 85 percent of the total square meter equivalents of all imported woven fabrics of cotton containing 85 percent or more

by weight of cotton used by such manufacturer in cutting and sewing men's and boys' cotton shirts in the United States and purchased by such manufacturer during calendar year 2000.''.

(b) DETERMINATION OF TARIFF-RATE QUOTAS.—

(1) AUTHORITY TO ISSUE LICENSES AND LICENSE USE.—In order to implement the limitation on the quantity of cotton woven fabrics that may be entered under headings 9902.52.08 through 9902.52.19 of the Harmonized Tariff Schedule of the United States, as required by U.S. Note 19 to subchapter II of chapter 99 of such Schedule, the Secretary of Commerce shall issue licenses to eligible manufacturers under such headings 9902.52.08 through 9902.52.19, specifying the restrictions under each such license on the quantity of cotton woven fabrics that may be entered each year by or on behalf of the manufacturer. A licensee may assign the authority (in whole or in part) under the license to import fabric under headings 9902.52.08 through 9902.52.19 of such Schedule.

(2) LICENSES UNDER U.S. NOTE 19.—For purposes of U.S. Note 19 to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States, the Secretary of Commerce shall issue a license to a manufacturer within 60 days after the manufacturer files with the Secretary of Commerce an application containing a notarized affidavit from an officer of the manufacturer that the manufacturer is eligible to receive a license and stating the quantity of imported woven fabrics of cotton containing 85 percent or more by weight of cotton purchased during calendar year 2000 for use in the cutting and sewing men's and boys' shirts in the United States.

(3) AFFIDAVITS.—For purposes of an affidavit described in this subsection, the date of purchase shall be—

(A) the invoice date if the manufacturer is not the importer of record; and

(B) the date of entry if the manufacturer is the importer of record.

SEC. 407. COTTON TRUST FUND.

(a) ESTABLISHMENT OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the ''Pima Cotton Trust Fund'' (in this section referred to as the ''Trust Fund''), consisting of such amounts as may be transferred to the Trust Fund under subsection (b).

(b) TRANSFER OF AMOUNTS.—

(1) IN GENERAL.—Beginning October 1, 2006, the Secretary of the Treasury shall transfer to the Trust Fund, from the general fund of the Treasury, amounts determined by the Secretary of the Treasury to be equivalent to the amounts received in the general fund that are attributable to duties received since January 1, 1994, on articles under subheadings 5208.21.60, 5208.22.80, 5208.29.80, 5208.31.80, 5208.32.50, 5208.39.80, 5208.41.80, 5208.42.50, 5208.49.80, 5208.51.80, 5208.52.50, and 5208.59.80 of the Harmonized Tariff Schedule of the United States, subject to the limitation in paragraph (2).

(2) LIMITATION.—The Secretary may not transfer more than $16,000,000 to the Trust Fund in any fiscal year, and may not transfer any amount beginning on or after October 1, 2008.

(c) DISTRIBUTION OF FUNDS.—From amounts in the Trust Fund, the Commissioner of the Bureau of Customs and Border Protection shall make the following payments annually beginning in fiscal year 2007:

(1) 25 percent of the amounts in the Trust Fund shall be paid annually to a nationally recognized association established for the promotion of pima cotton grown in the United States for the use in textile and apparel goods.

(2) 25 percent of the amounts in the Trust Fund shall be paid annually to yarn spinners of pima cotton grown in the United States, and shall be allocated to each spinner in an amount that bears the same ratio as—

(A) the spinner's production of ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number) from pima cotton grown in the United States in single and plied form during the period January 1, 1998 through December 31, 2003 (as evidenced by an affidavit provided by the spinner) bears to—

(B) the production of the yarns described in subparagraph (A) during the period January 1, 1998 through December 31, 2003 for all spinners who qualify under this paragraph.

(3) 50 percent of the amounts in the Trust Fund shall be paid annually to those manufacturers who cut and sew cotton shirts in the United States who certify that they used imported cotton fabric during the period January 1, 1998, through July 1, 2003, and shall be allocated to each such manufacturer in an amount that bears the same ratio as—

(A) the dollar value (excluding duty, shipping, and related costs) of imported woven cotton shirting fabric of 80s or higher count and 2-ply in warp purchased by the manufacturer during calendar year 2002 (as evidenced by an affidavit from the manufacturer that meets the requirements of subsection (d)) used in the manufacturing of men's and boys' cotton shirts, bears to—

(B) the dollar value (excluding duty, shipping, and related costs) of the fabric described in subparagraph (A) purchased during calendar year 2002 by all manufacturers who qualify under this paragraph.

(d) AFFIDAVIT OF SHIRTING MANUFACTURERS.—The affidavit required by subsection (c)(3)(A) is a notarized affidavit provided by an officer of the manufacturer of men's and boys' shirts concerned that affirms—

(1) that the manufacturer used imported cotton fabric during the period January 1, 1998, through July 1, 2003, to cut and sew men's and boys' woven cotton shirts in the United States;

(2) the dollar value of imported woven cotton shirting fabric of 80s or higher count and 2-ply in warp purchased during calendar year 2002;

(3) that the manufacturer maintains invoices along with other supporting documentation (such as price lists and other technical descriptions of the fabric qualities) showing the dollar value of such fabric purchased, the date of purchase, and evidencing the fabric as woven cotton fabric of 80s or higher count and 2-ply in warp; and

(4) that the fabric was suitable for use in the manufacturing of men's and boys' cotton shirts.

(e) DATE OF PURCHASE.—For purposes of the affidavit under subsection (d), the date of purchase shall be the invoice date, and the dollar value shall be determined excluding duty, shipping, and related costs.

(f) AFFIDAVIT OF YARN SPINNERS.—The affidavit required by subsection (c)(2)(A) is a notarized affidavit provided by an officer of the producer of ring spun yarns that affirms—

(1) that the producer used pima cotton grown in the United States during the period January 1, 2002, through December 31, 2002, to produce ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number), in single and plied form during 2002;

(2) the quantity, measured in pounds, of ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number), in single and plied form during calendar year 2002; and

(3) that the producer maintains supporting documentation showing the quantity of such yarns produced, and evidencing the yarns as ring spun cotton yarns, measuring less than 83.33 decitex (exceeding 120 metric number), in single and plied form during calendar year 2002.

(g) NO APPEAL.—Any amount paid by the Commissioner of the Bureau of Customs and Border Protection under this section shall be final and not subject to appeal or protest.

SEC. 408. TAX COURT REVIEW OF REQUESTS FOR EQUITABLE RELIEF FROM JOINT AND SEVERAL LIABILITY.

(a) IN GENERAL.—Paragraph (1) of section 6015(e) of the Internal Revenue Code of 1986 (relating to petition for tax court review) is amended by inserting '', or in the case of an individual who requests equitable relief under subsection (f)'' after ''who elects to have subsection (b) or (c) apply''.

(b) CONFORMING AMENDMENTS.—

(1) Section 6015(e)(1)(A)(i)(II) of such Code is amended by inserting ''or request is made'' after ''election is filed''.

(2) Section 6015(e)(1)(B)(i) of such Code is amended—

(A) by inserting ''or requesting equitable relief under subsection (f)'' after ''making an election under subsection (b) or (c)'', and

(B) by inserting ''or request'' after ''to which such election''.

(3) Section 6015(e)(1)(B)(ii) of such Code is amended by inserting ''or to which the request under subsection (f) relates'' after ''to which the election under subsection (b) or (c) relates''.

(4) Section 6015(e)(4) of such Code is amended by inserting ''or the request for equitable relief under subsection (f)'' after ''the election under subsection (b) or (c)''.

(5) Section 6015(e)(5) of such Code is amended by inserting ''or who requests equitable relief under subsection (f)'' after ''who elects the application of subsection (b) or (c)''.

(6) Section 6015(g)(2) of such Code is amended by inserting ''or of any request for equitable relief under subsection (f)'' after ''any election under subsection (b) or (c)''.

(7) Section 6015(h)(2) of such Code is amended by inserting ''or a request for equitable relief made under subsection (f)'' after ''with respect to an election made under subsection (b) or (c)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to liability for taxes arising or remaining unpaid on or after the date of the enactment of this Act.

Amend the title to read as follows: ''An Act to amend the Internal Revenue Code of 1986 to extend expiring provisions, and for other purposes.''

The SPEAKER pro tempore. Pursuant to House Resolution 1099, the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California.

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

Mr. Speaker, to make sure that Members understand what we are doing, and, quite frankly, why we are doing it today rather than yesterday, is that we are considering H.R. 6111. H.R. 6111 is a bill that passed the House on suspension by voice vote on December 5. It then passed the Senate by unanimous consent with an amendment yesterday, December 7.

We are doing this as the House of Representatives to assist the Senate under its rules to facilitate the handling of the amendment we are now discussing, and we are doing this because given the Senate rules, they

would require a 2-day layover, two cloture votes and a number of other procedures. By doing this this way, we will save them a day and a cloture vote. Once again, the courtesy and kindness of the House is assisting the Senate in accomplishing the work of the Congress.

So, if you will please understand, the gentleman from New York and I will lead a discussion on the amendment to H.R. 6111. In fact, the amendment is as though the entire text of H.R. 4608, the Tax Relief and Health Care Act of 2006, is before us. In addition to that, there are several other provisions that accompany the Tax and Health Care Relief Act.

So, notwithstanding the merits of H.R. 6111, the discussion will be on the so-called tax extenders bill; the energy extenders bill; Medicare, the so-called doctors fix; the health care provisions; certain wilderness designations; some tariff procedures and other items which will in fact be the subject of the debate we are about to be engaged in.

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

□ 1330

Mr. RANGEL. Mr. Speaker, I ask unanimous consent to yield 15 minutes to the gentleman from Massachusetts (Mr. MARKEY), who is in opposition to the bill before us.

The SPEAKER pro tempore. Without objection, the gentleman from Massachusetts will control that time.

There was no objection.

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

I concur, Mr. Speaker, with the observations of the chairman as to the content of this bill. Naturally, this is the last day of the 109th Congress, and I do hope that the new majority would at least learn how not to legislate. Most of the Members have no clue as to what is in this bill. This is a late hour. There is certainly far more good in it than bad.

I wish we had seen fit to have been able to get the New York Liberty Bond 9/11 relief converted to a transportation infrastructure, which was stripped from this bill that passed the House before.

There are other things in this bill, and I assume those people who are asking for time will be discussing them.

Mr. Speaker, as of now, I reserve the balance of my time.

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

Perhaps again it is necessary to underscore the fact that the procedure we are going through is not the choice of the House. The current minority leader, to be the majority leader, and I know I am violating the rules when I say the gentleman from Nevada, personally called and asked that we engage in this procedure to assist the Senate. I do hope the gentleman from New York, when he assumes his majority rule, will see fit to accommodate even Members of the other party in making sure that the people's work is done in the most reasonable fashion possible.

So, yes, it seems a little bit complicated, but it is in large part because both the Democratic and the Republican leadership of the Senate asked for our assistance in doing it this way.

Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH), a distinguished member of the Ways and Means Committee.

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

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from California, and I would be remiss if I did not take a portion of this time to thank him for his stewardship and his time as chairman of the Ways and Means Committee.

While we are in a period where we move to complete the 109th Congress and we look ahead, it is worth noting that what has passed is prologue, and indeed, as we have just come through a campaign where the cry has been for bipartisanship, for consensus, I commend one of the procedures, or one of the provisions, that is included in this legislative vehicle of extenders for tax considerations, and that is, the extension of the solar and fuel cell investment tax credits.

Why do we offer this? Well, because there is support for alternative forms of energy and, in particular solar power, from all America. Eighty-two percent of Republicans, 77 percent of Democrats, 87 of Independents say we need to find alternative forms of energy.

Mr. Speaker, for over a decade, I have been honored to represent the people of Arizona, more specifically, the eponymously nicknamed Valley of the Sun. But from Maine to Montana, from Arizona to Alaska to Alabama, across the country we need to utilize alternative forms of energy such as solar energy, such as fuel cell technology, and this provision does so.

We extend it for an additional year. Were it up to me, I would like to see it for a full decade, but as we know, as my good friend, the late John Rhodes, our former House Republican leader, used to say, ''Politics is the art of the possible.''

Today with this legislation, though some are troubled by process, we have a chance to produce results. I ask you to join us in passing this legislation and extending solar and fuel cell investment tax credits.

Mr. MARKEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this bill contains a provision which really is unrelated completely to the tax extenders. There are indeed tax credits and other things, very good; but what they have decided to do is attach a rider to this bill, and that rider is a special sweetheart deal that changes the entire formula for the collection of royalties, that is, taxes, for the American people for oil and gas which is drilled for on public lands.

Because of this change in formula, $170 billion is going to be transferred from the pockets of the American taxpayer of 46 States and sent to four States. In the course of the debate this afternoon within the hour, we will be considering an amendment, an amendment which will say that if any oil companies want to drill for the oil in the gulf that is going to be permitted under this new bill, that these companies must renegotiate the old leases which they received back in the 1990s, which, believe it or not, makes it possible for them to escape paying royalties on oil and gas drilled for on public lands in the United States. Even if the price of oil goes to $40, $50, $60, $70, $80 a barrel, oil companies do not pay any more royalties.

Well, what our amendment will say is that they must renegotiate. The oil and gas industry must renegotiate with the Federal Government to return those windfall profits on the old leases before they are going to be allowed to drill for these new leases in the Gulf of Mexico. In that way, the taxpayers will reclaim $20 to $30 billion of revenues that can be used for health care, for education, to pay for the war in Iraq, to balance the Federal budget.

So I just want all the Members to know that that is the nature of the amendment which is going to come up within the hour. It is fair. If the oil companies are going to receive such a boon out of this bill, if the gulf States are going to receive such a boon out of this bill, as much as I object to it, the least that we should be able to say is that we reclaim those revenues, and as a bonus, Mr. RANGEL has inserted into the amendment, which I will be making, a provision which extends the AMT protection for 20 million Americans so their taxes do not go up next year, 2007.

So with two things, you reclaim 20 to $30 billion from oil companies and you protect all taxpayers from an increase in the AMT.

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

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

Mr. Speaker, so that people again understand the process, notwithstanding the fact we are dealing with what amounts to a tax bill, because of the unusual procedure of using H.R. 6111 as a vehicle, asked for by the bipartisan leadership of the Senate and provided by us as a courtesy, there would be no motion to recommit available to the minority. This is a substantive amendment which is functioning as a substitute for the motion to recommit.

It has been indicated to me directly by that bipartisan leadership and those individuals I mentioned that if what was to be a motion to recommit and which will now be a substantive amendment passes, in their opinion, this bill will not be able to move through the Senate.

It may surprise the gentleman from Massachusetts to know that I agree with virtually everything he said and would like to add additional items in terms of the OCS provision. In fact, an Outer Continental Shelf measure passed the House. The measure that is currently carried in this amendment is totally isomorphic, exactly the same as the Outer Continental Shelf legislation that passed the Senate, that the Senator from New York, Mrs. CLINTON, that the Senator from Nevada, Mr. REID, and others supported 71–25. Need I say, this is an additional courtesy that the House is providing.

If, in fact, Mr. MARKEY's amendment passes, everything we will be talking about for the rest of the time on this amendment will be moot.

Mr. Speaker, it is now my pleasure to yield 2 minutes to the gentleman from Illinois (Mr. WELLER), an extremely valued member of the Ways and Means Committee.

Mr. WELLER. Mr. Speaker, I thank the chairman for his leadership in the last 6 years in the House Ways and Means Committee. It has been a privilege to serve with you and under your leadership.

I rise in support of this legislation, which is known as the extender legislation, extending tax provisions which expired this past year, all tax provisions that have an economic impact on investment decisions affecting the economy in my district and the economy of our Nation.

I am pleased that we are extending the work opportunity tax credit. I am pleased we are extending the welfare-to-work tax credit. I am pleased that we are combining these two to make them much more efficient. When Ronald Reagan created the welfare-to-work tax credit back in the early 1980s, his goal was pretty simple: let us give those who are on the welfare rolls an opportunity to get a job and incentivize private employers to do that, and it has worked. In the district I represent, an estimated 700 workers today have jobs because of the work opportunity tax credit.

Most are pleased that this legislation extends and expands the brownfields tax incentive. I represent an oil industrial area. They have brownfields, old industrial parks. We want to recycle them. We want to reclaim them. We want to revitalize the neighborhoods they are located in. The brownfields tax incentive provides that incentive for private investors to purchase it, help recover their costs in environmental cleanup.

Also in this legislation we expand it. Forty percent of brownfields have petroleum contamination. If you are driving through a community and you see that old abandoned gas station that has been there for decades and you wonder why somebody has not bought it, that is because there is petroleum contamination. This tax incentive will help clean that up and revitalize that strategic corner in your community.

Also, I want to commend this House and this committee on moving forward on extending the energy-efficient homes tax incentive. When you often think about it, 20 percent of the energy we consume in America is consumed in our residences, in our homes, and people when they put a little extra money in their home, they want to make their bathroom nicer or they want a nicer, fancier kitchen, they do not always think about the need to conserve energy. The energy-efficient homes tax incentive encourages home builders, those building new construction, new homes to make them better insulated, better windows, better doors and ceilings and reducing energy costs.

I would note that both brownfields provisions and the energy-efficient residential tax incentive are both important environmental initiatives as well. We often talk about jobs being created, but when you reduce energy consumption, when you clean up and revitalize old industrial parks and, frankly, when you give those on welfare an opportunity to work, we all win.

So I encourage bipartisan support for this legislation, urge an ''aye'' vote.

Mr. RANGEL. Mr. Speaker, I am privileged to yield 2 minutes to the gentleman from Michigan (Mr. LEVIN), a senior respected member of the Ways and Means Committee.

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

Mr. LEVIN. Mr. Speaker, I thank Mr. RANGEL.

All due respect to the energies and labors of the chairman of the committee, this is another example of how not to legislate. I favor the extenders bill. Almost everyone else in this place does. Mr. RANGEL has been talking about extenders extensively.

An extenders bill could pass this House and could pass the Senate today on its own, just like this. Why is that not happening? It is not just because the gentleman from Arizona says politics is the art of the possible. It is also because it should be the art of the rational and the art of the appropriate, and this package is not appropriate.

Mr. MARKEY has spoken so eloquently about the Continental Shelf legislation, and now we are threatened that if his amendment fails the whole bill fails, which I think is a statement of how not to legislate. We do not want to legislate by holding ourselves hostage. That is not the way to legislate.

□ 1345

And also there will be some discussion about the health savings account. That proposal could not pass on its own, so essentially it is being packaged with the extenders bill because it is the only way to get it through here. We will do it differently next year; we will serve the people of this country more effectively, more openly. When there is a bill like the extenders bill that can rise on its own, it will do that.

The Senate says they need our cooperation. We will cooperate. It would be better to send the extenders bill on its own.

So all of us will have this choice, a package of good and bad, and each of us will have to make that decision, a decision we should not be forced to make.

Mr. MARKEY. I yield 3½ minutes to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, I want to thank my friend and colleague from Massachusetts for his initiative on this legislation, because what he is doing is making available to this House the opportunity to correct a very serious problem which has been existing now since 1995.

In 1995, this House and this Congress passed a law which essentially allows the oil companies to take oil and natural gas from the American people out of their public property without paying them the royalties that are owed to them. This ridiculous situation has been going on now for more than 10 years.

We have an amendment that is being offered to this bill which every Member of this House should vote for. If they have any respect for their obligations to the American people, every Member of this House should vote for this amendment, because what this amendment does is this, very simply: It says to the oil companies, if you want new leases so that you may increase your profits by taking a very valuable commodity from public property owned by the American people, if you want to be able to do that, you have to in order to get those new leases renegotiate the old leases that you have on public property so that you will pay back to the taxpayers of America the money that you owe them on this commodity, oil and natural gas.

It is a very simple and very reasonable thing to do. If we fail to do it, what will happen is this. According to the Department of the Interior, the taxpayers of America will lose as much as $60 billion which will go into the pockets of the oil companies who are already realizing record profits. The oil companies have more cash than they know what to do with. And what this Congress has been doing is allowing them to increase their profits by taking a product that is owned by the taxpayers of America, exploiting that situation, increasing their profits, and not paying back the percentage of royalties that is owed to the people of this country. So it is a very simple amendment, and there is absolutely no reason why it should not pass.

This House already passed an amendment just like this. Back in May, Mr. MARKEY and I offered an amendment to an Interior appropriations bill which would do precisely the same thing. That amendment was adopted by this House by a very substantial margin. The problem is the Interior appropriations bill went over to the other Chamber and since then nothing has happened with the bill, it has just laid there idly. And so the situation now continues to exist.

So what the majority here apparently wants to do is to say that even though the oil companies have leases on 80 percent of the land that is available, of the offshore land that is available, they want to increase that above and continue to take this product and continue to take this commodity from the American people without paying them back the money that is owed to them.

This has got to stop. It has been going on now for more than a decade. The people of this country continue to suffer. And that is one of the reasons why they made the decision on November 7 that they did, because they recognize the suffering that they have been exposed to as a result of the carelessness and exploitation that has been authorized by this Congress.

Pass this amendment, correct the mistake, give the American people the money that is owed to them, and do it in a just way.

Mr. THOMAS. Mr. Speaker, I appreciate people and their passion getting a bit carried away.

This bill was signed into law by the last Democratic President, Mr. Clinton. It was on your watch. To stand in the well and tell us what is in the amendment that is going to be offered in a short time, after being criticized that they have only had 2 days on the content of our amendment, is absolutely unbelievable.

We made this amendment in order because you didn't have the right to the motion to recommit. The Rules Committee out of courtesy asked you, could we have a copy of your amendment? You told the Rules Committee ''No, you couldn't have a copy of the amendment.''

Mr. MARKEY earlier described your amendment as having more than one item. Mr. HINCHEY talked about it being OCS. Mr. MARKEY said it was OCS and it was AMT and it may be something else.

What amazes me is that they can stand there with a straight face and criticize us because they only got the copy, the absolute legislative language, 2 days ago on our bill, and they have the audacity to go to the well and describe their amendment and what it is when they won't even give us a copy of it. Now, this is a preview of the coming majority in terms of their saying one thing and doing another. Buckle your seat belts. The piety and the arguments about how correct they are and how unfair it is was just said. This was done by this Congress, it was signed by President Clinton, and we have no idea what is in your amendment because you didn't even offer the courtesy of giving us the language of your amendment notwithstanding the fact that we gave you the privilege of offering an amendment. Now, that is what this is about. Okay?

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HERGER), a member of the committee.

Mr. HERGER. Mr. Speaker, I rise in strong support of the tax relief legislation before us today.

I would also like to make a note of thanks to Chairman BILL THOMAS. BILL is ending a prolific 6-year tenure as chairman of the Ways and Means Committee, during which he has been responsible for the passage of each pro-growth and pro-family tax measure since 2001. I would like to thank Chairman THOMAS and his staff for their work which has continued through the writing of today's legislation.

Among the expiring tax relief measures is an extension and modernization of the research and development tax credit. In my own home State of California, more than 6,600 firms perform R&D, helping to make California number one in reported research and development activity. In the face of an extremely competitive global marketplace, the R&D tax credit helps keep America first among other nations in new cutting-edge innovation.

Also included is a provision that helps bring equity to farmers and small businesses in rural areas such as my own home district in northern California. Agricultural aviators, who are exempt from fuel excise taxes, will now be able to claim tax refunds directly without having to rely on fuel suppliers to pass along this benefit. Even though this is a small change, it will help reduce fuel costs for ag aviators and spraying costs for farmers who employ ag aviators to plant and maintain their crops. Mr. Speaker, I urge passage of this bill.

Mr. RANGEL. Mr. Speaker, I am going to be very careful in the words that I select because I am not certain that the House physician's office is still open, and I just don't want to get overstressed over a parliamentary problem that we are having here. But it is very difficult to understand how the outgoing chairman could be so frustrated that the amendment is coming at this late hour, because we cannot really get an amendment together until we know what we are amending, and I assume that we didn't know that until sometime early this morning at a meeting that took place at a room which I don't know where it exists. So I think that this amendment that we do have deals with an issue that we never expected to be included in the extended bills. And under the parliamentary procedures that we have in this august House and this institution, Members, even if they are in the minority, have an opportunity at any time to raise it before the House. And we hope that we can extend this courtesy for the years that we have to come.

I would like to yield 2 minutes to the distinguished gentleman Mr. POMEROY from the sovereign State of North Dakota.

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding and would amplify just for a moment on his point. You can't get your amendment set until you know what the underlying bill is. And with all the moving parts in the underlying bill, that simply was not possible.

But I believe that this election was about restoring more of a bipartisan tone to the functions of this Chamber. And in that context, I want to tell the departing chairman I wish him well as his service in this body comes to a conclusion. I wish all my Ways and Means colleagues, Republicans and Democrats alike, a very happy holiday season.

There are several portions of this bill that are important, and I applaud those who constructed this legislation for including these components. I am not speaking about the amendment which will be brought; that will be dealt with by other speakers. But there is a lot of good in this bill, and I don't want it lost in the discussion here.

I chair, along with GREG WALDEN, a bipartisan group, the Rural Health Care Coalition. We have advanced legislation to try to improve the unfairness of the Medicare system relative to rural hospitals. I am pleased that the bill includes provisions, including a continuation of the geographic classification issue, section 508, that was in the Medicare Modernization Act and addresses reasonable cost payment for lab tests in small rural hospitals and a number of other provisions found their way into this bill. They are important to us, and I speak in favor of them.

I also believe that it was absolutely essential we address this physician payment issue in this legislation. It should be underscored, I suppose, that this is just a very stop-gap fix and more will need to be done. There is some very important features in here on renewable energy as well. The plus-up of the clean renewable energy bonds with an additional $400 million to fund renewable energy projects, extremely important. A 1-year continuation of the wind production tax credit is, no question, going to allow more wind farms to be brought online, bringing this renewable energy source, clean renewable energy source, more into our power mix. And the extension of the ethanol tariff is also important, something to keep in mind as we consider it this afternoon.

Mr. Speaker, I rise in support of H.R. 6111, the Tax Relief and Health Care Act of 2006 as it provides for much needed relief for those physicians, hospitals and laboratories who serve North Dakota's 103,000 Medicare patients.

As you know, the Medicare Modernization Act made long overdue corrections to significant flaws in Medicare payment schemes that have made a tremendous difference to the hospitals, doctors and other providers in my State and throughout the rural America. Several of these provisions, which help to level the playing and simply keep hospitals and doctors offices open, have or are about to expire. However, access to health care services in rural areas continues to be in jeopardy due to physician shortages, low patient volume and geographic isolation. In my own State of North Dakota, over two-thirds of our counties are designated as Physician Scarcity Areas.

That is why Representative GREG WALDEN, myself and over 50 other bipartisan members of the Rural Health Care Coalition introduced H.R. 6030, the Health Care Access and Rural Equity Act, otherwise known as H–CARE. This commonsense legislation significantly improves health care quality and access in North Dakota and rural America while also increasing the viability of rural providers.

I am pleased to see that a number of the provisions Representative WALDEN and I authored for H–CARE are included in today's bill. From extending the Medicare Modernization Act, MMA, floor on the Medicare work geographic adjustment for physician services to continuing to provide reasonable cost payment for lab tests in small rural hospitals, H.R. 6111 helps to maintain important corrections in our current Medicare payment system. In addition, this bill extends a critical provision of the MMA that created greater wage parity between hospitals in my State of North Dakota.

These MMA rural health provisions have already made a tremendous difference in our State. For example, one hospital was able to use the funding to recruit four new physicians. Other hospitals used the funding to invest in capital infrastructure including much needed and costly ultrasound equipment and electronic health record systems. In addition, these hospitals were able to increase salaries anywhere from 4 to 8 percent.

While H.R. 6111 extends many critical rural health care provisions from the MMA and brings temporary relief for our Nations physician's, our work is not done. I think we would all agree that the physician payment system under Medicare is a flawed system that penalizes efficient care and rewards excessive care. I look forward to working with my colleagues in the 110th Congress in a bipartisan manner to improve our Medicare physician payment system and further advance the remaining components of H–CARE in order to improve access to quality, affordable health care in North Dakota and rural America.

This bill also contains important provisions for our growing renewable energy industry. Included in H.R. 6111, the Tax Relief and Health Care Act of 2006, are an extension and expansion of the Clean Renewable Energy Bond program, a 1-year extension of the Wind Production Tax Credit and over a year extension of the ethanol tariff that protects American ethanol producers from subsidized foreign ethanol.

Through this continued investment in renewable energy we not only build a sustainable industry for our State but we are helping make America more energy independent and more secure.

Clean Renewable Energy Bonds, which I helped develop as part of the 2005 Energy Bill, can now be offered for an additional year and have been authorized to release an additional $400 million of clean energy bonds. In North Dakota we have already seen the effects that Clean Renewable Energy Bonds can have. The city of Fargo will be using Clean Renewable Energy Bonds to finance a wind tower and a methane gas facility that will be used to reduce the city's energy costs. Great River Energy will also be using these energy bonds to finance the construction of a coal drying facility which will not only increase the efficiency of North Dakota lignite coal but also reduce emissions.

Clean Renewable Energy Bonds work by allowing a Federal tax credit to holders of bonds issued by public utilities and cooperatives to finance clean energy projects. Not-for-profit utilities can sell clean energy bonds to stakeholders, but instead of the utility or cooperative paying out interest to the bondholder, the Federal Government would give the bondholder a tax credit. These bonds provide what amounts to interest free loans for co-ops and public power systems to finance renewable energy projects.

This bill also extends the wind production tax credit to 2009. In 2015, wind energy generation is expected to reach 63 gigawatts with the tax credit in place compared to an estimated 9.3 gigawatts without. This represents a 650 percent increase in wind generation.

However, without stabilizing the tax credit, companies like DMI Industries in West Fargo and LM Glassfiber in Grand Forks are in constant limbo. DMI manufactures wind turbine towers and had furloughed over 100 employees in late 2003 after the expiration of the wind production tax credit. LM Glassfiber, which manufactures wind turbine blades, had previously idled all production due to the delay in extending the wind tax credit and was forced to furlough 60 to 70 employees.

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

□ 1400

Mrs. MALONEY. Mr. Speaker, I thank the gentleman for yielding and for all of his leadership, and I congratulate the dean of our delegation, CHARLIE RANGEL, for working hard on this bill and restructuring of the bond issue for New York City, among other issues.

Why I am rising today, however, is the audit report that came out 2 days ago of the Department of the Interior. It was a scathing indictment of mismanagement and cronyism. In my years on the Committee on Government Reform, it is the worst report I have seen and it documents billions of dollars that are owed to the American people for oil and gas extracted from federally owned land, land owned by the American people. These revenues are not coming into the Treasury, but into the pockets of the oil industry.

I rise in support of the Markey-Hinchey amendment, which includes, among other things, a renegotiation of these leases to pay a fair price to the American public and to our country. It is long overdue. We should not tolerate this type of mismanagement. It showed that the number of audits have gone down, the number of auditors have come down. They have a paper compliance review board that has oversight which amounts to pushing paper around. It is not a watchdog, but a lap dog, for private industry as opposed to documentation of what is fairly owned to the American people and to our government.

Correcting this will literally bring 10 to $30 billion into the Treasury of the United States. It is the fair thing to do. It is the right thing to do. We should all follow and read this important report and vote to renegotiate the rip-off leases and have them pay a fair deal for what they are reaping for their own pockets.

Our constituents are paying record prices at the pump and for heating oil; yet the oil companies are not paying their fair due for their leases on American federally owned property. This is an important amendment, and I urge my colleagues to support it.

Mr. THOMAS. Mr. Speaker, I yield myself 5 seconds.

Mr. Speaker, this is the third Member on the other side of the aisle who spoke passionately about an amendment that apparently they have had time to write, circulate and read. We have not been presented with that amendment. Obviously, with some fervor, I indicated that I didn't think that probably was the fair thing to do. They now know how the majority feels, having given them the right to offer an amendment. My assumption is that continued refusal to provide us with a copy of the amendment is willful.

Mr. RANGEL. You may not have received the amendment, but you have received the best wishes from the Democrats on your 65th birthday, and we wish you well.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

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

Mr. THOMAS. That was 2 days ago. What are you doing for me lately?

Mr. RANGEL. We are saying goodbye.

Mr. Speaker, I would like to yield 2 minutes to an outstanding Member who has served this Congress and served the Ways and Means Committee with distinction. And as he goes to raise the level of intellect in the other body, I yield to him on this bill.

Mr. CARDIN. Mr. Speaker, let me thank Mr. RANGEL not just for yielding me this time, but for your friendship. I have enjoyed my years on the Ways and Means Committee. Mr. THOMAS, I wish you only the best. It has been an incredible experience to serve on the Ways and Means Committee.

It is interesting that the last bill that we will be considering, maybe not the last because we will have a trade bill later, but this bill causes me some trouble because of the manner in which provisions have been brought together. It seems to me that we should have had an opportunity to vote on many of these provisions separately.

Several provisions that have been incorporated in this bill I have voted against, and I would like an opportunity to do that again.

I am troubled because there are some very important provisions included in this legislation. As you know, we let expire many important tax provisions in the beginning of this year, and this bill will reinstate those provisions effective for 2006 and 2007.

I am particularly pleased that the research and development credit is extended and improved for 2007. I worked with Mr. WELLER from the other side of the aisle so we could make the research

and development credit more available for businesses today. I am glad that is included.

I am glad that we have extended the deduction for higher education expenses. We need to bring down the cost for higher education for families in this country.

On the environmental front, I am very pleased we have extended the provisions for electricity-using renewable sources. That is certainly in our interest as a Nation on energy independence.

I am also pleased that on the Medicare side we have found a way to provide relief for physicians update for this year. I hope that we will be able in the next Congress to do that on a permanent basis, and I am pleased also that we have been able to extend therapy cap provisions so that the harsh impact will not be felt by Medicare beneficiaries.

Mr. Speaker, there are many provisions in this bill that are extremely important for us to enact before we adjourn sine die. I am pleased that the provisions that have come under the jurisdiction of the Ways and Means Committee are provisions that I think are important to be enacted, and I hope we will find a way to ensure that they are enacted before we adjourn sine die.

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

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BECERRA), an outstanding member of the committee.

Mr. BECERRA. Mr. Speaker, here we are on December 8 talking about legislation that we had discussed in prior months this year before this Congress was set to adjourn officially on September 30. We find today a circumstance where we have some very good provisions that are lumped together in this legislation.

We have provisions in this bill that would promote the cleanup of brownfields. Those are contaminated sites throughout this country that are lying empty because they are too contaminated to use and too expensive to clean up. We are going to promote the cleanup of those brownfields.

We are going to provide a better way to have environmental settlements occur so we have funds in place that will then be used to help pay for cleanup of environmental degradation.

We have the very important research and development tax credit which so much of American business needs to know about so they can make sound investments into the future about what to devote their next 10–20 years' worth of money into in terms of research and development.

We have the welfare-to-work tax credit to get folks on welfare back to work.

We have the extension of the American Jobs Creation Act for Puerto Rico manufacturing; but we have a lot of other things as well that don't belong here.

It is one of those circumstances where you are looking at a great baby that just took a bath and you are wondering how you can get rid of the bath water without getting rid of the baby. Unfortunately, it is a circumstance where many Members are probably going to wait until the time of the vote to decide if it is worth throwing away the bath water and not jeopardizing the baby.

I must say, it is good to know we are at December 8 with a vote having taken place in November, with the American public having told us enough is enough, we want a new direction and a new way of doing things. I hope come 2007 this Congress will behave itself in a way that makes the American people proud of what it has so we don't have circumstances where a lot of Members say there is some great stuff here, and a lot of bad stuff, too. At the end of the day, this will be a vote that no one will be too proud of, but hopefully will move us forward.

Mr. MARKEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPS).

(Mrs. CAPPS asked and was given permission to revise and extend her remarks.)

Mrs. CAPPS. Mr. Speaker, I rise in reluctant opposition to this package of bills the Republican leadership has brought to the floor.

Included are many provisions that are worthy of support of this House. The bill extends important energy-efficiency tax credits, provisions so important to American families and businesses, which should be extended.

The bill also prevents what would have amounted to a 5.1 percent cut in Medicare physician reimbursements. That cut would be devastating, hindering physicians' ability to treat their patients.

But I must vote against this package because it includes the so-called Gulf of Mexico Energy Security Act. That act makes this bill fiscally irresponsible. According to estimates, the bill will drain $170 billion from the Federal Treasury over the next 60 years, creating a new entitlement immediately, giving away huge amounts of revenue from offshore drilling, mostly to only four Gulf Coast States. It is a great deal for those four States, and I understand why they would support it; but what I don't understand is why any colleagues from the other 46 States would agree to it.

The offshore waters of the gulf coast belong to all Americans, as do the Pacific and Atlanta Oceans, the Great Lakes, and public lands. This country has record deficits as far as the eye can see, and it is simply irresponsible to add billions more in new debt through legislation like this.

Mr. Speaker, in the new Democratically controlled Congress, we can and we should craft a sensible new energy policy, one that helps Louisiana and other States rebuild wetlands and restore their coasts, and one that makes America less dependent on fossil fuels. And one that doesn't bust the budget.

Sadly, this bill falls woefully short.

Mr. Speaker, I rise in reluctant opposition to this package of bills the Republican leadership has brought to the floor this evening.

This bill includes many provisions that are worthy of the House's support.

For example, the bill extends the Research and Development tax credit and important energy efficiency tax credits. These tax provisions are important to American families and businesses and should be extended.

The bill also prevents what would have amounted to a 5.1 percent cut in Medicare physician reimbursements. This cut would be devastating, hindering physicians' ability to treat their patients. And it would make it even harder for Medicare beneficiaries to have the best possible access to quality health care.

I have long been vocal in my support for reforming the flawed physician fee structure so I am pleased that this provision will become law. But it is a pity that the Republican leadership has waited until the last minute to enact this provision.

Mr. Speaker, I have faith that the incoming Democratic Majority will move quickly to address this and other Medicare payment problems, like the geographic practice cost index problem plaguing my district, in the 110th Congress next year. I know that I will be working hard to see these issues addressed.

We simply must revamp the Medicare physician payment structure to ensure our doctors are being paid appropriately and that our patients can be assured of readily available quality health care.

But Mr. Speaker, I must vote against this package because it includes S. 3711, the so-called Gulf of Mexico Energy Security Act.

There are several reasons that I oppose S. 3711.

First, it's bad energy policy. Our first steps in crafting a new energy policy should be to reduce demand and develop new alternative and renewable energy sources. We missed that opportunity in last year's misguided energy bill and sadly, this bill continues that mistake.

Second, this bill is fiscally irresponsible. According to estimates, the bill will drain $170 billion from the Federal treasury over the next 60 years. It creates a new entitlement immediately giving away huge amounts of revenue from offshore drilling, mostly to only four Gulf Coast States.

This is a great deal for these four States and I certainly understand why they support it. What I don't understand is why my colleagues from the other 46 States would agree to it. The offshore waters of the gulf coast belong to all Americans, as do the Pacific and Atlantic Oceans, the Great Lakes and other public lands.

Mr. Speaker, we have record deficits as far as the eye can see and it is simply irresponsible to add billions more in new debt through legislation like this.

Finally, this bill will damage our environment. It will bring the 25-year-old bipartisan moratorium against new drilling off America's coasts one step closer to an end. It threatens our coastal economies with the risk of pollution and oil spills.

Mr. Speaker, in the new Democratically controlled Congress we can—and should—craft a sensible new energy policy. One that helps

Louisiana and other States rebuild wetlands and restore their coasts. One that makes America less dependent on dirty fossil fuels. And one that doesn't bust the budget.

Sadly this bill falls woefully short.

And that's why I urge my colleagues to support the Markey-Boehlert motion to recommit.

This motion would prevent the Interior Department from awarding leases to companies that are currently drilling in American waters without paying royalties. We need to bring the oil companies back to the negotiating table to close the royalty relief loophole.

And, Mr. Speaker, as one of the last acts of this Congress we need to pass a clean bill that extends these critical tax credits and fixes the flawed physician fee formula once and for all.

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

Mr. Speaker, I want to thank my friend from Massachusetts for providing the majority with the amendment.

Frankly, I was rather baffled why my friend from New York would yield half their time to the gentleman from Massachusetts since he has time under his own amendment. Having now seen the amendment, I find it interesting that it is an 11-page amendment, a portion of a page is on research credits, a portion of a page is on the alternative minimum tax. The Outer Continental Shelf portion of the 11-page bill, which has been the sole focus of my friends on the other side of the aisle, is six lines. Not six pages, six lines.

What in the world is in the rest of the 11-page bill: Eight pages address putting back into this, over the objections of the Democratic leader on the Senate side, the New York railroad bond provision. I now understand why Mr. MARKEY got his 15 minutes.

Mr. Speaker, it is my pleasure to yield 2 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), the chairman of the Health Subcommittee.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in support of this legislation because it adopts a number of extremely important tax provisions, expensing of brownfields remediation costs, mental health parity benefits, deduction of higher education expenses, the work opportunity tax credits, incentives for renewable and alternative sources of energy, and the R&D tax credit with its new forward-looking option; but it also helps to ensure that our senior citizens will be able to choose the physician of their choice by preventing the scheduled 5 percent cut in physician Medicare reimbursements.

In addition, it extends the 508 hospital payments and requires a study of how to reform the wage index system, laying the foundation for needed reform in that area.

The Medicare home demonstration project it adopts will reward small physician offices for managing patients with chronic or severe illness more holistically, both to reduce the cost of medical care and to improve the quality of the care those seniors receive.

But while I support this bill, I believe the 1-year doctor payment policy it adopts is deeply flawed and urge my colleagues to develop a more thoughtful and fair approach to reflecting the quality of physician performance in our Medicare payment system.

First, in any pay-for-performance system, clinical criteria for quality must emanate from the physician community. Bureaucrats must never be allowed to dictate medical practice.

Second, any pay-for-performance system must not penalize doctors who care for difficult, noncomplying patients, or patients for whom criteria has not been established.

Consequently, all doctors should receive some increase to recognize the increased cost of delivering care to our seniors, increased cost of malpractice insurance, health benefits for their employees and so on. And above that, a fair, balanced pay-for-performance system must be adopted.

I urge support of the bill.

□ 1415

Mr. RANGEL. Mr. Speaker, I would like to yield 1½ minutes to the gentleman from Louisiana (Mr. MELANCON).

Mr. MELANCON. Mr. Speaker, I thank the gentleman from New York for yielding.

I appreciate the fact that today is a historic day for Louisiana. After 50 years of producing the energy for this country that power the plants, that power the cars, that provide the heating oil and the natural gas, we finally are going to come to a point in Louisiana where we are going to get something in return for the efforts that we have put forth. And during those 50 years, our wetlands have been damaged. Our estuaries are eroding.

The Nation, I hope, will understand after these storms, and it is regretful that we had to have these storms in order to get the attention, but the marshlands, the wetlands, the estuaries of South Louisiana, the State in its wisdom has made a constitutional amendment to dedicate the funds that come from the revenues, and this will be new revenues, this will not be money coming out of the budget of the country, and it will be dedicated to rebuilding America's wetlands. It is America's wetlands because it provides for America energy and seafood, approximately 30 percent of each to the men, women, and children of this country.

I encourage everyone to please vote for this bill. Some have said it is too much money, but long ago the Louisiana delegation for decades has been asking for help and have been like the tree falling in the woods, unheard. Now is the opportunity to not only do something for energy production for this country but to do something for America's wetlands, and I urge your support and vote.

Mr. THOMAS. Mr. Speaker, will the gentleman yield on my time?

Mr. MELANCON. Yes.

Mr. THOMAS. Mr. Speaker, I thank the gentleman because I do appreciate the remarks that he just made. And we probably had not planned on highlighting it, but as the gentleman from Louisiana well knows, another portion of the changes that we are making in this package is to take what was known as the Katrina GO Zone, a benefit, and, after the time has passed, focus the money on those counties that still remain devastated by a high percentage of destruction. Rather than simply having money go where it may not be necessary, a portion of this bill focuses the money where it is absolutely necessary. And as the gentleman from Louisiana well knows, there are still major areas of his State and other States that can easily be defined as devastated.

Mr. MELANCON. Thank you, sir.

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

Mr. MARKEY. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. WATERS).

(Ms. WATERS asked and was given permission to revise and extend her remarks.)

Ms. WATERS. Mr. Speaker, I thank the gentleman from Massachusetts for the time.

The special interest Republican Congress is at it again. Republican leaders are packaging three different bills together in one in order to force Members of Congress to pass controversial legislation together with popular legislation. And once again they have brought this complicated legislation to the House floor without providing an opportunity for meaningful debate and without allowing Members to review the text of the bill in advance.

Before the election they packaged tax credit extensions and an increase in the minimum wage together with an estate tax cut that benefits some of the richest people in the country. Now they are packaging tax credit extensions and an adjustment in Medicare payments to physicians together with a special interest giveaway to their friends in the oil industry. This special interest bill opens up 8 million acres of Florida gulf coast waters to offshore oil drilling.

The American people are sick and tired of these deceptive procedures. That is why we won the election.

Perhaps my friends on the opposite side of the aisle just want to provide one more favor to the oil industry before they lose control of Congress next month.

Mr. THOMAS. Mr. Speaker, it is my pleasure now to yield 2 minutes to a valued member of the Ways and Means Committee, the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. First let me thank you, Chairman THOMAS, for your years of hard work to provide real tax relief for families.

Mr. Speaker, I know in Texas, in our region, our community, your leadership on restoring the State and local sales tax deduction, that saves our Texas families $1 billion a year that we

do not have to send to Washington, that can stay in their pocketbooks, stay in our communities, creates jobs in our State. And I know that on behalf of seven States to whom that deduction is so important, you have saved us from a $5.5 billion tax increase, and we are grateful.

In Washington we spend too much time debating what bills mean to each other and not enough about what bills mean to real families. Being able to deduct that sales tax is a real help for families, especially those who are starting out in life. Sales taxes add up so quickly.

This bill helps families struggling to afford tuition for their college students. It helps teachers who have to go into their own pocketbook to pay for classroom supplies each year. I do not think they ought to ever have to do that, but when they do, at least let them write those expenses off.

It helps American companies who are trying to compete against the rest of world afford the type of research it takes to keep jobs here in America. This allows people who are trying to get their first job off of welfare a chance to get some job openings they might not otherwise help. It allows seniors, like my mom, to see a doctor whom she knows and a doctor who knows her, because it does an important fix on the Medicare.

And for States like Texas, with this new bill, we will get some revenues from leases off our shores that will help us rebuild our coastal wetlands and preserve our shores.

This is a classic piece of legislation that helps so many people in America.

And while you can talk a good game about tax relief for middle-class families, it is another thing to actually vote for it. I am proud to vote for this bill. This is going to help a lot of families.

I encourage your support.

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

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

Mr. THOMAS. Mr. Speaker, at this time I will place a letter in the RECORD which is a clarification sought by the gentleman from Georgia (Mr. PRICE) to me.

CONGRESS OF THE UNITED STATES,
Washington, DC, December 8, 2006.

Representative J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: We would like to clarify the intent of certain provisions in Tax Relief and Health Care Act of 2006, H.R. 6111.

The first clarification addresses Section 1848(k)(2) of the Social Security Act as proposed to be added by Section 101(b) of H.R. 6111. The language presents the issue of 'consensus-based quality measures' and any 'consensus organization'. The intent of this language is to ensure that physician groups (such as the Physician Consortium for Performance Improvement) are actively involved in defining the quality measures and determining the quality data to be reported under the program.

The second clarification is in regards to the bonus payments for physicians who volunteer to report on quality measures starting in July of 2007 as proposed in Section 101(c) of H.R. 6111. The intent of the bill is to ensure that the 1.5 percent bonus money to be paid to physicians who participate in the voluntary reporting program are paid on all Medicare claims submitted [during the reporting period] by those participating providers, with the recognition of monetary caps.

We appreciate your leadership and dedication to this piece of legislation and to the House of Representatives.

Yours Truly,

BILL THOMAS,
Member of Congress.
TOM PRICE,
Member of Congress.

Mr. Speaker, it is now my pleasure to yield 2½ minutes to a member of the committee who will no longer be a member of the committee but who had, in the time that she was with us, made enormous contributions, the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Speaker, I thank the chairman not only for yielding but especially for his 6 years of incredible service as chairman and his other years of service on the Ways and Means Committee. I have not in my 16 years as a legislator seen anybody who is so capable of developing great policy which certainly has produced an incredible return for this country.

Following with that, this legislation carries a number of important tax provisions and extensions of some of those great policies that have really helped the economy to grow in this country. With today's announcement of an additional 132,000 new jobs created this month, this adds to the 5.7 million jobs that our pro-growth tax policies have created since the year 2003.

These provisions are also important to the economy in my home area, especially in western Pennsylvania, where we have seen our unemployment rate drop to about 5 percent over the last 3 years from upwards of 7-plus percent.

Part of what is continuing to help development and job growth in my area are some of the incentives to redevelop brownfields; brownfields, those abandoned industrial sites that are very difficult to find the capital to clean up. We are extending the incentive to clean up brownfields. This is so hugely important to an area like mine where there are so many industrial sites that need to be redeveloped but also the expansion of that credit to areas that have some petroleum contamination, which will also help us clean up the smaller sites such as old abandoned gas stations. Extremely important to the communities I represent.

Also the green building incentives. These tax credits for the construction repairs for energy-efficient homes and commercial buildings are extremely important. My home area is home to development of such products. My area is home to a significant amount of design of green buildings and also development of such buildings. We have had a great spurt in that growth and are headquarters to the Green Building Alliance. That is certainly going to help our region.

But, finally, the issue of health care and health coverage is one that we have great strides in the last few years to improve for Americans. The other side can say what they want about HSAs, and I hear a lot of silliness in the characterization of HSAs from the other side of the aisle. There are more than 3.2 million enrollees in these health savings accounts, an alternative health coverage in this country. More than 30 percent of those individuals were previously uninsured. And I am going to restate that. More than 30 percent of people who put HSAs were previously uninsured. This alternative health coverage has provided so many opportunities for families who find it difficult to afford traditional health coverage. The changes that we include in this legislation will provide even more opportunity for more families to have very good flexible health coverage.

I urge my colleagues to support these changes. They are vitally important.

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

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

Mr. THOMAS. Mr. Speaker, at this time the Chair would recognize the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) for 2 minutes.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I certainly want to thank Chairman THOMAS. He has been a great chairman and has worked with everybody on both sides of the aisle and is sorely going to be missed. I know he doesn't like people to say nice things about him because he does not want to be known as a nice guy, but he truly is.

Florida, like other States, does not have an income tax, and only recently have the residents again been able to deduct the sales taxes from their Federal income tax. That is called parity. It is parity with other States. This deduction was about to expire at the end of 2005.

In recent months I and many others from States that only have a sales tax have heard from many constituents who are concerned about whether or not they will be able to claim this deduction as they begin their taxes, due April 15. Thankfully this legislation before us today will extend this critical provision.

I know throughout the last several months I have probably been the biggest nag to Mr. THOMAS about this issue. I know all of my colleagues from States that only have sales tax also have been making their views known that this does need to be continued.

I certainly want to stress that it is common sense, and, again, it is just parity. And we do need this very much-needed tax benefit and it is good that we are able to deliver it just before the holidays.

I want to thank the chairman.

Mr. MARKEY. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, our Nation is faced with an unprecedented challenge in global warming. Saving the planet will undoubtedly require us to drastically curtail our use of fossil fuels. The CDC recently said, ''Climate change is perhaps the largest looming public health challenge we face.''

There are solutions available now, like conservation; efficiency; development of alternative energy, wind, solar, geothermal, green hydrogen. Congress is going to need to facilitate the transition to clean energy in the future.

Instead, the response of this Congress is to open up 6 million acres of protected area in the Gulf of Mexico to drilling for oil and gas. In other words, with this bill the response is more of the same of yesterday's destructive energy portfolio.

Wake up, Congress. Step into the 21st century of sustainable energy. Save our natural resources. Protect our environment. Save our planet. Or we are going to have more toxic air pollution, more fouling of the waters of the United States on which entire industries like fishing and tourism depend; and more global warming, more monopoly control of our energy by oil companies, more price gouging by oil companies, more record profits to the oil companies. In fact, this bill deprives the Federal treasury of $170 billion, further deepening our deficit. The government is subsidizing the oil companies, who are gouging the public, taking huge profits, while exploiting natural resources which belong to the people.

□ 1430

Then the oil companies refuse to pay to the government the royalties, which is why the Markey amendment is so important. You have to look at what this bill is going to do in permitting the opening up of six million acres for drilling of oil and gas. It, in effect, creates a transfer of wealth from the people of the United States to the oil companies, a transfer of wealth in terms of destruction of the environment. We are subsidizing the oil company's destruction of the environment. A transfer of wealth in terms of diminishing the health of the people of the United States. With all the environmental pollution that causes people's help to be degraded, well, guess what? That is a subsidy that they pay to the oil companies, and the oil companies make a profit on that.

We are ruining our planet. We are ruining our Nation because of corporate control of our energy resources. It is time to stop this bill, which is called the Gulf of Mexico Energy Security Act, folded into a larger bill. We need to stand up for clean energy. We need to stand up for the future of America and stand up for our planet.

Mr. THOMAS. Mr. Speaker, the Chair appreciates the vigor of the gentleman from Ohio on 6 lines out of an 11-page amendment.

The Chair now recognizes the gentleman from Pennsylvania (Mr. PETERSON) for 1½ minutes.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the gentleman for his leadership and knowledge that he has brought to this committee. It will be missed.

The most important part of this bill was just discussed, the energy portion of this bill. This starts, for the first time, opening up some energy for America.

It is interesting, Mr. MARKEY has talked about $170 billion thievery of our resources; 12.5 percent, or $55 million will go into the land and water conservation fund, if we produce it; and $225 billion will go into the treasury, if we produce the energy.

America, for the last 5 years, has had the highest energy prices in the world. And our homeowners are paying more to heat their homes than Canada, South America, Europe.

Our small businesses are paying the highest energy prices in the world, and our corporations are leaving this country. Petrochemical is moving. The best jobs we have left. Why? They use huge amounts of energy.

Fertilizer. Fifty percent of the fertilizer industry has left in the last 2 years, and our farmers will be buying Russian fertilizer to grow corn to make ethanol. Does that make sense?

Energy is the linchpin of the future of America's economy and the working people of this country having jobs. And the reason oil companies make excessive profits, when you shorten the supply of energy, the price goes up. And Congress is the reason we don't have adequate energy in this country. And many that we have heard today are the main speakers. And when you shorten the supply, the price goes up. And the oil companies who already own the inventories all over the world, the cheapest place to produce energy is in other countries, but when you produce it here, you create wealth in America for Americans and make it affordable for businesses to stay here and grow.

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

Mr. MARKEY. Mr. Speaker, I only have one speaker remaining.

Mr. THOMAS. Mr. Speaker, would you indicate the time remaining for each manager?

The SPEAKER pro tempore (Mr. FORBES). The gentleman from California has 3½ minutes. The gentleman from New York has 3 minutes, and the gentleman from Massachusetts has 2 minutes.

Mr. THOMAS. And would the Speaker indicate who has the right to close?

The SPEAKER pro tempore. The gentleman from California has the right to close.

Mr. THOMAS. Mr. Speaker, the chairman reserves the time.

Mr. RANGEL. I would just ask the chairman whether he is going to be the last speaker, then I can just use whatever time I have.

Mr. THOMAS. I would tell the gentleman that I have the chairman of the Energy and Commerce Committee and the chairman of the Ways and Means Committee.

Mr. RANGEL. Well, I reserve. I would just like to be able to close on my side.

Mr. THOMAS. Is the gentleman indicating that the gentleman from New York is the last speaker under his time control?

Mr. RANGEL. Yes.

Mr. THOMAS. I thank the gentleman.

Does the gentleman from Massachusetts indicate that he is the last speaker under his time? I thank the gentleman.

The Chair now recognizes the gentleman from Texas, the chairman of the Energy and Commerce Committee, Mr. BARTON, for 2 minutes.

Mr. BARTON of Texas. Mr. Speaker, I thank the distinguished chairman of the Ways and Means Committee, and I thank my distinguished friends on the other side of the aisle for their strong leadership on these issues in this debate.

Mr. Speaker, I rise in strong support of H.R. 6111, the Tax Relief and Health Care Act of 2006. I want to especially thank full committee Chairman THOMAS, Subcommittee Chairman NANCY JOHNSON of the Ways and Means Subcommittee, and Subcommittee Chairman NATHAN DEAL of my Health Committee for their leadership on this legislation. It has been an honor to work with all of these folks over the years on the issues, and I am glad that we have some resolution that will help in the years to come.

The legislation before us would ensure continued beneficiary access to quality health issues. This legislation provides significant relief for payment cuts that would have gone into effect for physician services for 2007, and does promote appropriate quality care.

The Energy and Commerce Committee has held a number of hearings to examine how we pay physicians, what we need to think about when we talk about how to pay physicians tomorrow, and how we protect the taxpayer from being billed for unnecessary services. We have heard about flaws in the current physician payment system, and I think it needs to be structurally reformed. Unfortunately, the bill before us does not. We do not have the depth and scope to do that. But we at least hold our physicians harmless in terms of expected cuts that they would have taken otherwise. Hopefully, in the next Congress we can work a bipartisan basis to come up with a permanent solution to some of these physician payment issues.

It is important to fix the problems with physician payment once and for all. The legislation before us today does provide a stabilizing period for physicians. It fills the hole in payments for next year, provides a bonus for those physicians that would report data on quality measures. That is an

important first step, in my opinion. It also helps ensure beneficiary access to quality health care.

I rise today in support of this bill. I hope that the House will pass it and send it to the Senate and that the Senate will also pass it.

Again, I want to thank Chairman THOMAS for his leadership. It will be a different Congress in the next Congress without him here in person, but he will always be with us in spirit, and I really, really support the many things that he has done to improve America during his tenure as chairman of the Ways and Means Committee.

Mr. BARTON of Texas. Mr. Speaker, I rise today in strong support of H.R. 6111, the Tax Relief and Health Care Act of 2006. I want to thank Chairmen THOMAS, JOHNSON, and DEAL for their leadership on this legislation. I want to specifically thank Chairmen THOMAS and JOHNSON for their leadership over the years on health care issues, particularly the issue of physician payment. It has been an honor to work with you on these issues.

This legislation will help ensure continued beneficiary access to quality health care. This legislation provides significant relief for payment cuts for physician services for 2007 and promotes appropriate, quality care. This year the Energy and Commerce Committee held a number of hearings to closely examine how we pay physicians, what we need to think about when we talk about how to pay physicians tomorrow, and how we protect the taxpayer from being billed for unnecessary services. We heard about the flaws in the current physician payment system that may contribute to overuse of physician services. We heard about the promise of a system that more fairly pays physicians for the necessary services they provide—those that reflect the best quality and efficient care that a physician can provide for any particular patient.

It is important to fix the problems with physician payment once and for all. I believe the legislation today provides an important stabilizing period for physicians. It fills the hole in payments for next year and provides a bonus for those physicians that report data on quality measures. It helps ensure beneficiary access to quality health care. It helps physicians work with us to develop a better payment system, one that provides the right incentives for care rather than the wrong incentives for overuse, and one that recognizes that there are savings accrued when chronic care is managed effectively.

I rise today in support of this bill. In addition to providing help in stabilizing physician payment, this bill extends many important payment provisions that affect access to health care, particularly in rural areas, such as therapy and dialysis services. I urge my colleagues to vote for this bill.

Mr. RANGEL. Mr. Speaker, as we close this debate, I agree it will be a different Congress, and I will sincerely miss the spirited debate from the distinguished gentleman from California who has served the committee and served the Congress and served this country so well. And I am just bothered that he is disturbed about the lateness of the amendment which comes to the floor, but, of course, you cannot amend anything until you get it, and this just came to the floor this morning.

Many of the issues and extenders in this bill are long overdue, and I certainly encourage people to support the bill. But the bill would be strengthened if indeed it excluded the provision that has been debated and will come up in the amendment as relates to the gulf opportunity zone property.

In addition to that, most of us would agree that if there is one provision in the Tax Code, a burden that Republicans, conservatives, Democrats, Republicans, can agree to that should be removed is the alternative minimum tax. Nobody ever intended for these 23 million people to be shoved into a tax bracket that they didn't deserve. And since it is not included in the extenders, for reasons which I don't know, it would seem to me that people would have an opportunity, in this amendment offered by the distinguished gentleman from Massachusetts, to do that and, at the same time, strip from the provision the offending provisions as relates to the Gulf States.

And lastly, those of you that were kind enough to support the city and State of New York during the trying 9/11 experience would know that at one time we had passed a provision that would allow us, under the New York liberty bond provisions, to provide a tax credit for the transportation infrastructure. I want to thank the chairman for trying so hard to see that that provision would be included in this bill. But, because of reasons and problems that we have had on the other side, that provision is omitted. However, it will be included in the amendment, and I am convinced that the base bill, coupled with the amendment, would be a better piece of legislation.

I know we have other issues on the floor, and this is not the time to say farewell to the chairman, but as it relates to at least this part of our debate, Mr. Speaker, I will yield back the balance of my time.

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

The amendment which we are about to consider does not prohibit drilling in any of this new land. The amendment we are about to debate does not prohibit drilling in any of the new land which is authorized to be drilled in. What the amendment says is this: is that the oil and gas companies that received leases over the last 10 years where they pay no royalties whatsoever, and that has been determined, as a result, deprived the American taxpayer of between 20 and $60 billion worth of royalties, which they are entitled to as taxpayers, will be renegotiated by the oil companies that want to drill in this new land in the Gulf of Mexico. That is all it does. So anyone who is listening to this, this amendment will not prohibit drilling here. All it says is that where these massive, tens of billions of dollars of windfall profits are falling into the pockets of oil and gas companies under these oil leases, that these oil and gas companies do not have the privilege of coming into these new leases. However, any other oil company, any other gas company, they can go right into this Gulf of Mexico area and drill.

So for Mr. PETERSON, or anyone else, it has nothing to do with it. The question for you, Mr. PETERSON, the question for the other Members is: Do you want to recollect these other royalties? Or if the price of oil goes to 30, 40, 50, 60, 70, $80 a barrel, do you want the oil and gas industry to pay any royalties at all? Because right now, they don't. So if you want all the revenues to go to them, nothing to go to the taxpayer, then, fine. Vote against the Markey amendment. But if you want to open up the lands in the gulf, let the oil industry come in, but to make sure that they pay on their old leases a fair share of the dues to live in this country, because it is a massive part of the revenues that we use to fund our defense, then you vote ''yes'' on the Markey amendment.

Mr. THOMAS. Mr. Speaker, I want to refocus our Members. We are not on the Markey amendment. The Markey amendment will be presented following the conclusion of the discussion on the underlying bill.

Mr. Speaker, the Nonpartisan Joint Committee on Taxation has made available to the public a technical explanation of the bill. This technical explanation expresses the committee's understanding and legislative intent behind this important legislation.

Mr. THOMAS. Mr. Speaker, the nonpartisan Joint Committee on Taxation has made available to the public a technical explanation of the bill. This technical explanation expresses the Committee's understanding and legislative intent behind this important legislation.

Mr. Speaker, in keeping with the spirit of H. Res. 1000, which the House passed this year to reform the legislative process, I note that the Joint Committee on Taxation has identified 2 provisions of H.R. 6408, introduced yesterday, as ''earmarks'' under the terms of that resolution. These provisions also appear in the amendment to H.R. 6111 which the House will consider today. A copy of the Joint Committee on Taxation's opinion letter is available for Members to review if they wish.

The identified provisions are Title I's Section 414. Modification of special arbitrage rule for certain funds made permanent, and Section 211 of Division C, Certain related persons and successors in interest relieved of liability if premiums prepaid. Section 414 was requested by Congressman KEVIN BRADY (R–TX). Section 211 is part of a comprehensive mining reform proposal requested by Senators RICK SANTORUM (R–PA) and MAX BAUCUS (D–MT).

H.R. 6408's Division B—Medicare and Other Health Provisions, contains an earmark. Section 111, Clarification of hospice satellite designation, was requested by Senator REID (D–NV). The amendment also contains this provision.

In addition, Division C, Title I, Gulf of Mexico Energy Security requested by Congressman BOBBY JINDAL (R–LA) and Title III, White Pine County Conservation, Recreation and Development requested by Senator HARRY

REID (D–NV) have been identified as containing probable earmarks.

DECEMBER 8, 2006.

Hon. WILLIAM M. THOMAS,
Chairman, Committee on Ways and Means, 1102 Longworth House Office Building, Washington, DC.

DEAR CHAIRMAN THOMAS: House Resolution 1000 provides that the staff of the Joint Committee on Taxation identify any tax earmark in a bill carrying a tax measure reported by the Ways and Means Committee or in a conference report to accompany a bill carrying a tax measure. You requested that we review the language of H.R. 6408, the ''Tax Relief and Health Care Act of 2006'' as introduced in the House of Representatives on December 7, 2006, and the House Amendment to the Senate amendment to H.R. 6111 (''An Act to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending'') scheduled for consideration by the House on December 8, 2006, to identify any provisions which would satisfy the tax earmark standard of House Resolution 1000, if applicable.

In response to your request, the staff of the Joint Committee on Taxation has identified two provisions in each piece of legislation that would qualify as tax earmarks under House Resolution 1000, were they included in a bill reported by the Ways and Means Committee or contained in a conference report. The two provisions, which are the same in both bills, are: (1) the provision to make permanent the modification of special arbitrage rules for the Texas Permanent University Fund (sec. 414 of Division A of each bill); and (2) the provision of the Surface Mining Control and Reclamation Act Amendments of 2006 allowing release of joint and several liability in the case of prepayment of liabilities to the Combined Benefit Fund, section 9711 individual employer plan, or 1992 UMWA benefit plan and modifying of the definition of successor in interest (sec. 211 of Division C of each bill).

Sincerely,

THOMAS A. BARTHOLD,
Acting Chief of Staff.

DECEMBER 8, 2006.

Hon. BILL THOMAS,
Chairman, Committee on Ways and Means, House of Representatives, 1102 Longworth House Office Building, Washington, DC.

DEAR CHAIRMAN THOMAS: In compliance with H. Res. 1000 as passed the House of Representatives on September 14, 2006, the Committee finds that the amendment to H.R. 6111 contains no earmarks within the jurisdiction of the Committee on Energy and Commerce.

Sincerely,

JOE BARTON,
Chairman.

DECEMBER 8, 2006.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives, H 232 Capitol, Washington, DC.

DEAR MR. SPEAKER: I have just reviewed the proposed amendment to H.R. 6111, to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending. Division C unexpectedly contains several provisions within the jurisdiction of the Committee on Resources. I have been asked to review these extensive provisions (126 pages) under severe time limits to determine whether they contain any earmarks as defined under House Resolution 1000.

Without the opportunity to question the authors of these provisions, it is difficult to determine their effect on the public lands and resources of the United States. Especially troubling is the reference to maps in the context of land sales, exchanges and special use designations. Neither myself or any of my staff have seen these maps or reviewed the conditions of these transactions. Most importantly, none of these provisions have been reviewed by the Congressional Budget Office to determine the budgetary effect of their implementation. With these caveats, here is my assessment whether these provisions constitute earmarks under the House Resolution 1000.

DIVISION C—OTHER PROVISIONS

Title III—White Pine County Conservation, Recreation and Development. Many provisions of this Title appear to provide authority for a grant, contract or other expenditure with or to a non-federal entity, most specifically, White Pine County, Nevada; Washoe County, Nevada; the State of Nevada; the Ely Shoshone Tribe; the Eastern Nevada Landscape Coalition; the Great Basin Institute (whatever these are).

Because of the hundreds of thousands of acres of public lands involved in the land sales, wilderness designation and other transactions authorized by this title, and the lack of maps or other information, I cannot determine with specificity the fiscal impact of Title III. As a consequence, we have no way of determining whether this constitutes sound land management policy which we would support. In addition, because I was not involved in the writing of this provision, I do not know who the requestor was but this language has not been reported by the Committee on Energy and Natural Resources, the Committee on Resources or considered by the Senate or House.

I am extremely disappointed that the committee of jurisdiction was not consulted regarding the inclusion of these provisions. Their ill-advised inclusion undermines valuable natural resources, cheats taxpayers out of their investment in our public lands and benefits special interest groups on a completely unprecedented scale.

Sincerely,

RICHARD W. POMBO,
Chairman.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of the bill under consideration.

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

There was no objection.

Mr. THOMAS. Mr. Speaker, I want to thank my friend from New York for the kind comments that he made. I would like to reference his statement about the other side. For those of you who may not have understood what he meant, the other side is not the other side of Jordan. It is the other side of the Capitol. Oftentimes in dealing with the other side of the Capitol, it feels like you have crossed over the other side of Jordan in trying to make sure various things happen.

There are a number of items, and I guess at some point, your entire presentation oftentimes in dealing with Congress was woulda, coulda, shoulda. And that is fine to debate woulda, coulda, shoulda, which is basically process.

We have reached a point where, through great difficulty, the House and Senate have agreed on a number of important measures to extend benefits and to at least keep open the opportunity to do additional items.

□ 1445

We happened to reach agreement at the very end of the session. The point I want to underscore is, we have reached agreement. The question will be on whether we decide to support that agreement or not support the agreement. I do appreciate all the time consumed in complaining about how we got there.

I have counseled my friends on this side that when they become the minority, I will provide them with all the yellow pages and the copies of the other side while they have been in the minority about the ''woulda coulda shoulda.'' Right now, it is about substance, it is about doing something, and we will have the vote on this measure following the debate on the Markey amendment.

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

The SPEAKER pro tempore (Mr. FORBES). All time for debate has expired.

Pursuant to House Resolution 1099, the previous question is ordered.

AMENDMENT OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARKEY:

Amend the House amendment by striking section 123 of title I of division A and inserting the following:

SEC. 123. SPECIAL RULE FOR ELECTIONS UNDER EXPIRED PROVISIONS.

(a) RESEARCH CREDIT ELECTIONS.—In the case of any taxable year ending after December 31, 2005, and before the date of the enactment of this Act, any election under section 41(c)(4) or section 280C(c)(3)(C) of the Internal Revenue Code of 1986 shall be treated as having been timely made for such taxable year if such election is made not later than the later of April 15, 2007, or such time as the Secretary of the Treasury, or his designee, may specify. Such election shall be made in the manner prescribed by such Secretary or designee.

(b) OTHER ELECTIONS.—Except as otherwise provided by such Secretary or designee, a rule similar to the rule of subsection (a) shall apply with respect to elections under any other expired provision of the Internal Revenue Code of 1986 the applicability of which is extended by reason of the amendments made by this title.

SEC. 124. EXTEND ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT FOR 2007.

(a) IN GENERAL.—Subparagraphs (A) and (B) of section 55(d)(1) (relating to exemption amount for taxpayers other than corporations) are each amended by inserting ''or 2007'' after ''2006''.

(b) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2008, but once in effect shall apply to taxable years beginning after December 31, 2006.

SEC. 125. RESTRUCTURING OF NEW YORK LIBERTY ZONE TAX CREDITS.

(a) IN GENERAL.—Part I of subchapter Y of chapter 1 is amended by redesignating section 1400L as 1400K and by adding at the end the following new section:

"SEC. 1400L. NEW YORK LIBERTY ZONE TAX CREDITS.

''(a) IN GENERAL.—In the case of a New York Liberty Zone governmental unit, there shall be allowed as a credit against any taxes imposed for any payroll period by section 3402 for which such governmental unit is liable under section 3403 an amount equal to so much of the portion of the qualifying project expenditure amount allocated under subsection (b)(3) to such governmental unit for the calendar year as is allocated by such governmental unit to such period under subsection (b)(4).

''(b) QUALIFYING PROJECT EXPENDITURE AMOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualifying project expenditure amount' means, with respect to any calendar year, the sum of—

''(A) the total expenditures paid or incurred during such calendar year by all New York Liberty Zone governmental units and the Port Authority of New York and New Jersey for any portion of qualifying projects located wholly within the City of New York, New York, and

''(B) any such expenditures—

''(i) paid or incurred in any preceding calendar year which begins after the date of enactment of this section, and

''(ii) not previously allocated under paragraph (3).

''(2) QUALIFYING PROJECT.—The term 'qualifying project' means any transportation infrastructure project, including highways, mass transit systems, railroads, airports, ports, and waterways, in or connecting with the New York Liberty Zone (as defined in section 1400K(h)), which is designated as a qualifying project under this section jointly by the Governor of the State of New York and the Mayor of the City of New York, New York.

''(3) GENERAL ALLOCATION.—

''(A) IN GENERAL.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly allocate to each New York Liberty Zone governmental unit the portion of the qualifying project expenditure amount which may be taken into account by such governmental unit under subsection (a) for any calendar year in the credit period.

''(B) AGGREGATE LIMIT.—The aggregate amount which may be allocated under subparagraph (A) for all calendar years in the credit period shall not exceed $1,750,000,000.

''(C) ANNUAL LIMIT.—

''(i) IN GENERAL.—The aggregate amount which may be allocated under subparagraph (A) for any calendar year in the credit period shall not exceed the sum of—

''(I) the applicable limit, plus

''(II) the aggregate amount authorized to be allocated under this paragraph for all preceding calendar years in the credit period which was not so allocated.

''(ii) APPLICABLE LIMIT.—For purposes of clause (i), the applicable limit for any calendar year is—

''(I) in the case of calendar years 2007 through 2016, $100,000,000,

''(II) in the case of calendar year 2017 or 2018, $200,000,000,

''(III) in the case of calendar year 2019, $150,000,000,

''(IV) in the case of calendar year 2020 or 2021, $100,000,000, and

''(V) in the case of any calendar year after 2021, zero.

''(D) UNALLOCATED AMOUNTS AT END OF CREDIT PERIOD.—If, as of the close of the credit period, the amount under subparagraph (B) exceeds the aggregate amount allocated under subparagraph (A) for all calendar years in the credit period, the Governor of the State of New York and the Mayor of the City of New York, New York, may jointly allocate to New York Liberty Zone governmental units for any calendar year in the 5-year period following the credit period an amount equal to—

''(i) the lesser of—

''(I) such excess, or

''(II) the qualifying project expenditure amount for such calendar year, reduced by

''(ii) the aggregate amount allocated under this subparagraph for all preceding calendar years.

''(4) ALLOCATION TO PAYROLL PERIODS.—Each New York Liberty Zone governmental unit which has been allocated a portion of the qualifying project expenditure amount under paragraph (3) for a calendar year may allocate such portion to payroll periods beginning in such calendar year as such governmental unit determines appropriate.

''(c) CARRYOVER OF UNUSED ALLOCATIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), if the amount allocated under subsection (b)(3) to a New York Liberty Zone governmental unit for any calendar year exceeds the aggregate taxes imposed by section 3402 for which such governmental unit is liable under section 3403 for periods beginning in such year, such excess shall be carried to the succeeding calendar year and added to the allocation of such governmental unit for such succeeding calendar year. No amount may be carried under the preceding sentence to a calendar year after 2026.

''(2) REALLOCATION.—If a New York Liberty Zone governmental unit does not use an amount allocated to it under subsection (b)(3) within the time prescribed by the Governor of the State of New York and the Mayor of the City of New York, New York, then such amount shall after such time be treated for purposes of subsection (b)(3) in the same manner as if it had never been allocated.

''(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) CREDIT PERIOD.—The term 'credit period' means the 15-year period beginning on January 1, 2007.

''(2) NEW YORK LIBERTY ZONE GOVERNMENTAL UNIT.—The term 'New York Liberty Zone governmental unit' means—

''(A) the State of New York,

''(B) the City of New York, New York, and

''(C) any agency or instrumentality of such State or City.

''(3) TREATMENT OF FUNDS.—Any expenditure for a qualifying project taken into account for purposes of the credit under this section shall be considered State and local funds for the purpose of any Federal program.

''(4) TREATMENT OF CREDIT AMOUNTS FOR PURPOSES OF WITHHOLDING TAXES.—For purposes of this title, a New York Liberty Zone governmental unit shall be treated as having paid to the Secretary, on the day on which wages are paid to employees, an amount equal to the amount of the credit allowed to such entity under subsection (a) with respect to such wages, but only if such governmental unit deducts and withholds wages for such payroll period under section 3401 (relating to wage withholding).

''(e) REPORTING.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit to the Secretary an annual report—

''(1) which certifies—

''(A) the qualifying project expenditure amount for the calendar year, and

''(B) the amount allocated to each New York Liberty Zone governmental unit under subsection (b)(3) for the calendar year, and

''(2) includes such other information as the Secretary may require to carry out this section.

''(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to ensure compliance with the purposes of this section.

''(g) TERMINATION.—No credit shall be allowed under subsection (a) for any calender year after 2026.''.

(b) TERMINATION OF CERTAIN NEW YORK LIBERTY ZONE BENEFITS.—

(1) SPECIAL ALLOWANCE AND EXPENSING.—Section 1400K(b)(2)(A)(v), as redesignated by subsection (a), is amended by striking ''the termination date'' and inserting ''the date of the enactment of the Extension of Tax Relief Act of 2006 or the termination date if pursuant to a binding contract in effect on such enactment date''.

(2) LEASEHOLD.—Section 1400K(c)(2)(B), as so redesignated, is amended by striking ''before January 1, 2007'' and inserting ''on or before the date of the enactment of the Extension of Tax Relief Act of 2006 or before January 1, 2007, if pursuant to a binding contract in effect on such enactment date''.

(c) CONFORMING AMENDMENTS.—

(1) Section 38(c)(3)(B) is amended by striking ''section 1400L(a)'' and inserting ''section 1400K(a)''.

(2) Section 168(k)(2)(D)(ii) is amended by striking ''section 1400L(c)(2)'' and inserting ''1400K(c)(2)''.

(3) The table of sections for part I of subchapter Y of chapter 1 is amended by striking ''1400L'' and inserting ''1400K''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to periods beginning after September 30, 2008.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall take effect as if included in section 301 of the Job Creation and Worker Assistance Act of 2002.

SEC. 126. LIMITATION ON AWARD OF LEASES TO HOLDERS OF CERTAIN EXISTING DEEP WATER LEASES.

No lease may be issued under title I of division C of this Act to any lessee under an existing lease issued by the Department of the Interior pursuant to the Outer Continental Shelf Deep Water Royalty Relief Act (43 U.S.C. 1337 note), where such existing lease is not subject to limitations on royalty relief based on market price.

Mr. MARKEY (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

Mr. THOMAS. Mr. Speaker, reserving the right to object, I believe perhaps we ought to proceed in the reading of the amendment.

The SPEAKER pro tempore. The Clerk will read.

The Clerk continued to read the amendment.

Mr. THOMAS (during the reading). Mr. Speaker, I believe the point has been made that the amendment goes on for another 9 pages like that and doesn't reach the OCS point.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to dispensing with the reading?

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 1099, the gentleman from Massachusetts (Mr. MARKEY) is recognized for 5 minutes.

Mr. MARKEY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, again, the Markey amendment does nothing about drilling in the new areas that are opened up in this bill. What the amendment says is that on all of those leases in the 1990s that had no royalty payments required at all, that finally if these oil and gas companies want to move into this new oil and gas gold rush in the Gulf of Mexico, they have to renegotiate those old contracts, those windfall profits, that 20 to $60 billion that could be used for the defense of our country, to reduce the deficit or for any other purposes.

This is a very simple amendment, and what it does is it mirrors what we voted on in May of this year when 252 Members of the House voted to force these oil and gas companies to finally play their role in contributing to the balancing of the budget. Otherwise, the oil companies are going to continue to just tip the American taxpayer upside down.

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

The SPEAKER pro tempore. The gentleman cannot reserve his time.

Mr. MARKEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I just want to share with the chairman that I recognize his concern that he got the amendment too late. I am surprised that he is opposing it, because I know that the content of the amendment, even though the procedure may not have been exactly as he would like, were things that he had previously supported. So it would seem to me that those of us who support the base bill, the amendment is only offered to improve upon that, even though it just excludes only one provision which is in this, which the gentleman from Massachusetts has spoken eloquently on, and I think even there the chairman would agree that it might be a better bill if that was excluded.

I do hope, as I am voting for the bill, that we might have a chance for those who are here and those who are listening to recognize that 23 million taxpayers are being held hostage by the alternative minimum tax. We have had ample opportunity to correct that, but coming from a Congress that most of us are against the tax increases, it just seems to me would be inconsistent with the past rhetoric, having the opportunity to remove this tax increase, which is certainly what it would be if we don't extend the relief from the alternative minimum tax for all of these people who never were intended to pay this tax.

So I think it would be a good time to show the bipartisanship in being for this substantial tax cut, or at least to prevent a tax increase, if we supported this amendment, at the same time to support the spirit of the reason in which this great Congress came to the assistance—

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

Mr. MARKEY. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. Two minutes remaining.

Mr. MARKEY. I apologize to the gentleman. I only have 1 minute to give to the gentleman from New York (Mr. HINCHEY) at this time.

I am now advised that the gentleman from New York (Mr. HINCHEY) wants to yield his minute to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. I have completed. I yield back to the gentleman from Massachusetts.

I am just saying that we in New York thank you for the generosity that you have, and we just hope that it is not taken back by refusing to support this amendment, where we can receive the tax credit for our transportation.

Mr. MARKEY. Mr. Speaker, I yield myself the remainder of the time and that is again to make the point that this amendment is central to the reclaiming of the $60 billion which the oil and gas industry has escaped in paying for drilling on the public lands of the United States. This is like Teapot Dome in the 1920s. They don't pay royalties. They have escaped payment for the use of the oil and gas for the American people.

This isn't their oil and gas; it is ours. This amendment just says that if they want to drill in the Gulf of Mexico in this new land, they have got to renegotiate these old contracts where they don't pay any royalties at all. At $40, $50, $60, $70, $80 a barrel the American taxpayer is paying at the pump, they don't get any tax relief when they use American oil and gas from the American public lands.

Vote ''aye'' for the Markey-Hinchey amendment. It is the key to ensuring that this bill has a fiscally sound core at its heart.

Mr. THOMAS. Mr. Speaker, I rise in opposition to the amendment.

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. THOMAS. I do think it is important to note there are a number of items in the bill, not just the Outer Continental Shelf. As was indicated by the gentleman from Massachusetts and indicated by the gentleman from New York, there is an alternative minimum tax provision in this amendment. One of the things that the Democratic leadership has said, since prior to the election is, that if they were elected, if they were chosen, if they were going to be dealing with items that cost money, they were going to submit themselves to the so-called PAYGO rules. PAYGO rules are exactly what it sounds like: you pay as you go.

I find it ironic that there is this great pressure to move this amendment now before they do come into the majority, because the alternative minimum tax provisions of this amendment have no PAYGO requirement.

What, in fact, they have is spend without covering the costs, and so I understand the urgency to get this done right now so that they don't have to follow the commitment that they have made.

Boy, is that typical. In terms of the railroad bonds, I will repeat, in a personal conversation with the Democratic leader of the Senate, he asked me to make sure, not withstanding previous support and structure that we were dealing with, in this extremely fragile measure, being carried in an unusual way to make sure that we can send it to the President, notwithstanding whether you believe the railroad bond provision has merit or doesn't have merit, it cannot be added at this time or you will lose the measure. I personally will put my trust in the judgment of the Democratic leader of the Senate.

Finally, on OCS. As I said to the gentleman from Massachusetts, in another time, in another place, in another circumstance for largely the same reason that I mentioned, we have to correct this. I appreciate it has been going on for 10 years. We do understand it was signed into law by President Clinton. I guess my question to you is, if it has been going on for 10 years, and you take over this place in less than a month, and you have 100-day priority structure, 100-hour structure, excuse me, were you not able to find room on the 100-hour structure to do this? It sounds to me, based upon the strength and the merit of your arguments, this would be number 1, 2 or 3 on the 100 hours.

Because in that same conversation that I had with the Democratic leader in the Senate, he said, BILL, please, we cannot have this added to the measure. It will split the Senate. We are very fragile, trying to hold ourselves together, notwithstanding the merits of this. Please, don't put it on this measure.

Time, place, manner, it is 10 years overdue. Can we make it 10 years and 20 days overdue so that you don't destroy all of the stuff that is in this bill so that we can get this done and then we turn the floor over to you in the first 100 hours? I am sure this would be number 1, 2 or 3 based upon the outrage that I think you justifiably present on this particular issue.

For all those reasons, unwillingness to follow their own rules they say they are going to follow on PAYGO for an alternative minimum tax, the fact that we looked at the railroad bonds, there was a bipartisan bicameral agreement, it was too sensitive at this time, and the fact that OCS will blow up everything else in this bill, I will ask my colleagues to vote ''no'' on this amendment so we can vote ''yes'' on everything else.

Mr. PITTS. Mr. Speaker, I rise today in support of H.R. 6111, which extends many essential Medicare programs that sustain our seniors every day and keeps them healthy. I applaud provisions in this bill that maintain and preserve access to crucial health care services, like physical therapy, primary care, and

dialysis treatments. Our seniors should never have to worry about their access to care. Congress has a responsibility to ensure that our Medicare program is strong and stable enough to provide services without impediments or limitations on access.

Unfortunately, I believe Congress on this occasion missed an opportunity to ensure unfettered access in an increasingly crucial area of medical practice today: diagnostic imaging. Imaging procedures, like CT scans, MRIs, ultrasound, PET and Xrays save countless lives each day; they identify diseases early on, improving outcomes and lowering costs associated with undiagnosed illness. Seniors rely on brain scans, cardiac diagnostics and other diagnostic and therapeutic technologies every day for disease detection and treatment.

Access to those services, however, is threatened by provisions in the Deficit Reduction Act of 2005, DRA, that make drastic cuts to payments for these services that are crucial to identifying life-threatening conditions and guiding diagnostic and therapeutic interventions. The DRA includes payment reductions, inserted at the last minute of Congressional negotiations and without any debate in either body, of between 30 and 50 percent for many of these services performed in doctors' offices and freestanding clinics, seriously endangering the viability of those practices, and thus threatening seniors' access to convenient imaging services outside of the hospital setting.

This year, I introduced legislation, H.R. 5704, the Access to Medicare Imaging Act of 2006, which would have delayed these cuts for two years while the Government Accountability Office studies the cuts' impact on seniors' access to care. I did so because I was especially concerned that seniors in America's rural areas would face increasingly longer driving distances for testing when some physician clinics stop offering these services, and would inevitably be forced to receive these services in hospitals where longer wait times and higher co-payments might cause many seniors to forego services altogether. In short, I introduced H.R. 5704 because I was concerned about patients—about patients losing their access to life-saving diagnostic services. Evidently, I was not alone. To date, 142 of my colleagues—from both sides of the aisle—in the House have signed on as cosponsors of this critically important legislation.

Unfortunately, the cuts my bill would have temporarily averted go into effect on January 1, 2007, and I fear that our action here today to protect access to a number of important Medicare services but not to preserve access to diagnostic imaging services is an omission with significant consequences. Without relief from the cuts, many physician practices that provide high quality diagnostic imaging services will shrink in size or shut their doors altogether. Hospitals will overload with patients, and access will suffer. Today's legislation offered a unique opportunity to prevent these consequences by including language to delay the looming cuts until further study of their appropriateness is completed.

While I regret this missed opportunity, I am hopeful that in the 110th Congress a bipartisan group of my colleagues will, once again, work together to provide open, unfettered access to medically appropriate services that improve the quality and length of life for America's seniors.

Mr. WEXLER. Mr. Speaker, I strongly oppose this unconscionable attempt by the Republican leadership to force passage of a damaging offshore oil drilling measure by attaching it to an omnibus bill, H.R. 6111. The language contained within this bill, which would open the eastern Gulf of Mexico to oil and gas exploration, threatens Florida's delicate ecosystem, places coastal tourism and fishing industries at economic risk, and does little to address our dependence on fossil fuels.

If Congress was serious about offering real energy solutions, then we would be examining the true environmental and economic impacts of offshore drilling and exploring the use of clean, renewable energy technologies, increased fuel efficiency, and conservation. Policymakers should not be strong-armed into supporting legislation that could cause irreparable harm to our ecosystem and economy.

Mr. Speaker, the American people deserve an open and honest debate on our Nation's energy policy. I urge my colleagues to reject this bill and support passage of a comprehensive energy plan that promotes independence and protects our Nation's resources as well as the health of our communities.

Mr. DINGELL. Mr. Speaker, I rise today in support of S. 3711, the Gulf of Mexico Energy Security Act of 2006. I believe this legislation offers a balanced approach to increasing our energy independence, while still ensuring the safety of our environment.

I had opposed H.R. 4761, the Deep Ocean Energy Resources Act of 2006, when it was brought before the House because I believed it was the wrong way to approach Outer Continental Shelf drilling. It is my strong belief that if we are going to open Federal waters to leasing and drilling activities, than these revenues should be dedicated to go to the Federal Treasury for the betterment of our Nation. Ideally, I believe that revenues from leasing activities should be dedicated to conservation funding, as legislation like the Conservation and Reinvestment Act, which I introduced with Representative DON YOUNG a few years back would have. Unfortunately, the full scope of our legislation was never signed into law.

However, S. 3711 offers just that. Fifty percent of revenues from leasing activities will be designated to the Federal Treasury, and revenues that will be designated to the gulf producing States are authorized solely for conservation efforts. This legislation clearly states that each gulf producing State dedicate their revenues "only for 1 or more of the following purposes: projects and activities for the purposes of coastal protection; mitigation of damage to fish, wildlife, or natural resource; implementation of a federally-approved marine, coastal, or comprehensive conservation management plane; mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects." In addition, 12.5 percent of these revenues will be dedicated to the Land and Water Conservation Fund.

It is clear from the high cost of oil and natural gas today that we need to explore ways to increase our supply of hydrocarbons. Since the Low-Income Home Energy Assistance Program, LIHEAP, began in 1981, the portion of winter heating bills that LIHEAP covers has declined to 8 percent. Benefit levels based on the 1981 value have decreased from $209 in 1983 to $132 in 2004, causing many seniors on fixed incomes and low income families to bear the burden of excessive heating bills. If S. 3711 is enacted, the Minerals Management Service estimated that the area proposed for drilling contains at least 1.26 billion barrels of oil and 5.8 trillion cubic feet of natural gas enough natural gas to heat and cool every home in Michigan for the next for 16 years. Furthermore, the Congressional Budget Office, CBO, estimates that if S. 3711 is enacted, direct spending of Outer Continental Shelf recipients would be reduced by $900 million over the 2008–2016 period.

Mr. Speaker, I support S. 3711 today because it proposes a more limited approach to Outer Continental Shelf drilling plan than the House version, H.R. 4761. I am pleased that this legislation directs revenues towards conservation, ensuring that by increasing our domestic natural gas supply we are not compromising the environmental safety of our coastal lands in the Gulf of Mexico.

We can all agree that we should be looking for alternative fuels and renewable energy sources, but our immediate concern should be reducing the cost of natural gas and oil supplies for those most vulnerable in our society. I anticipate that the House Energy and Commerce Committee will look into alternative fuels and renewable energy sources during the 110th Congress.

Mr. LANGEVIN. Mr. Speaker, I rise today to voice my support for the many beneficial elements of the Tax Relief and Health Care Act. This bill includes several greatly needed extensions of tax provisions that will continue to help middle class families and small businesses to prosper throughout our Nation.

The measure before us today has many provisions I support, including extensions of the Research and Development Tax Credit and the Work Opportunity Tax Credit, the deduction of higher education expenses, and others. I am a cosponsor of legislation to make the Research and Development Tax Credit permanent, as it keeps American companies competitive and provides a strong incentive for businesses to invest in the future and create jobs. I am also pleased that this bill includes provisions to help make college more affordable to millions of students and allow teachers to deduct out-of-pocket expenses.

This bill will also ensure that a pending 5.1 percent cut in Medicare payments to physicians does not take effect. While I believe we could—and should—have addressed this issue much earlier, I am pleased that these cuts will not take effect. I expect that next year, Congress will take meaningful action to reform and stabilize the Medicare provider payment system and I pledge to support efforts to that end.

Unfortunately, this legislation also contains language authorizing an expansion of drilling in certain areas in the Gulf of Mexico. While I support efforts to improve our overall domestic energy production, we have not taken the necessary steps to encourage conservation efforts and energy efficiency programs, preferring instead to rely on oil and gas exploration. As I have stated in the past, we cannot dig or drill our way to energy independence. We need a comprehensive and forward-thinking energy policy that provides affordable energy, encourages the development of clean and renewable sources, and enhances our Nation's economy.

While I strongly believe that many of the tax provisions included in this legislation will significantly strengthen the middle class in our

country, I am dismayed by the process through which we are considering this bill. The Republican majority has again waited until the last minute to bring this legislation to the floor, thereby considerably hindering our legislative process. In the 110th Congress, I will work with my colleagues to ensure measures are brought to the floor according to a process that allows ample time to review and debate legislation in an open and honest way.

Ms. SEKULA GIBBS. Mr. Speaker, I rise in support of this bill, H.R. 6111—Tax Relief and Health Care Act of 2006.

This bill will open 8.3 million acres in the Gulf of Mexico to new oil and natural gas production. This bill is more narrow in scope than the bill that passed the House in June and I believe that more still needs to be done to increase access to our Nation's oil and natural gas resources. But this bill is a good step and I am happy to support its passage.

Folks in my district near Houston, Texas understand the oil and gas business since Houston has long been headquarters to several of the world's largest oil and gas producing companies. Unfortunately, today the U.S. imports nearly 60 percent of our oil from foreign countries including more than 1 million barrels of crude oil per day from Venezuela which is run by a socialist who has made no secret of his dislike of capitalism and his disrespect for our President.

America holds vast resources of oil which can be accessed in an environmentally friendly manner with today's modern drilling technology. Reliance on foreign energy sources, if allowed to continue, will not only undermine our economy and our standard of living but will weaken our national security as we become more and more dependent on foreign sources to fulfill our energy needs.

Working Americans do not want to find themselves over a barrel, especially trapped over a barrel of foreign oil. Working Americans want energy independence. I do not believe the goals of environmental protection and energy independence are mutually exclusive but are actually mutually dependent. I believe that it is critical, now more than ever, that all domestic sources of energy should be explored including the Outer Continental Shelf, the Gulf of Mexico, Alaska, and the Atlantic.

I am also pleased that this bill dedicates 37.5 percent of the newly generated revenues to coastal States, including Texas, for beach restoration and 12.5 percent to the Land and Water Conservation Fund State assistance program. This program funds the creation and upkeep of local and State parks, open spaces, and resource conservation in all 50 States. Not only will this bill help obtain energy independence, but it should result in recreation and conservation benefits for the American people. Over 40,000 local and state park and recreation projects have been aided by the LWEF in the 40-year history of the program since its inception in 1965.

Mr. Speaker, I am proud to support passage of H.R. 6111—Tax Relief and Health Care Act of 2006 and urge my colleagues to join me in voting in favor of it.

Ms. WOOLSEY. Mr. Speaker, I always tell people that I am from the most beautiful district in the country, Marin and Sonoma counties, California. We certainly have some of the most beautiful, pristine, and untouched coastline I have ever seen. That's why when I think of supporting an omnibus package today that includes offshore drilling within an 8.3 million-acre plot of the Gulf Coast, I can't help but think of what we'd be throwing away just for a 30-day supply of oil and gas.

In fact, the only way the current leadership can attempt to get this 25-year moratorium on offshore drilling lifted is by tying it together with other desperately needed provisions in order to try and sweeten the deal. Research and development tax credits, college tuition deductions, royalty set-asides for the urgently needed wetlands and levee restoration projects in Louisiana, and a package to prevent physician payment cuts next year. These are all perfectly good, bipartisan bills that should have passed on a number of occasions this year. In fact, while I'm happy to see that physicians are being spared a 5 percent cut in payments—I'm nonetheless appalled to see that yet again, we still have yet to improve their reimbursement formula.

But rather than working to ensure these and other important provisions are approved before we adjourn, and rather than creating a real energy policy by providing incentives for conservation and investing in renewable energy technology, we're having it all jammed down our throats at the end of a lame-duck session. What's more, deep within the tax-relief provisions before us today is an increase in the income eligibility level for recipients of federally funded Washington, DC private school vouchers. We ought to focus public funds on public schools, not private school voucher programs. These short-sighted approaches are getting us nowhere.

This pattern of putting politics over good policy has been typical of this Republican leadership and many of America's most vulnerable have suffered for it. Unfortunately Mr. Speaker, I rise in opposition to this bill today because, while I know of the many good things it includes, I cannot support opening up any ocean to the often-irreversible damages associated with offshore drilling.

Mr. McDERMOTT. Mr. Speaker, getting American trade policy right is important for many reasons. We must aim to provide opportunity for American businesses and the workers they rely upon, while also providing opportunity to people in less developed nations.

We have before us a consensus measure that is long overdue. Consensus building is hard work and too often those in power seek that which is easy, not that which is best and necessary.

I'm very pleased the bill before us continues the trade benefits vital to the nations of sub Saharan Africa.

This bill would finally launch a more just trading policy with Haiti, and bring Vietnam into the community of trading nations that abide by international rules.

I am pleased this bill continues to provide discretion to the President to retain competitive need limit waivers under the Generalized System of Preferences and does not require revocation of any such waiver currently in effect.

Unfortunately, this bill falls short in some fundamental ways. First, we should make permanent GSP, not merely extend it temporarily.

The program should also be enhanced to meet the pledge made by the U.S. Trade Representative to extend duty-free and quota-free treatment to products produced by workers in poor countries.

At the beginning of this year's session of Congress, President Bush addressed the Congress and the American people and said, "In a complex and challenging time, the road of isolationism and protectionism may seem broad and inviting—yet it ends in danger and decline."

The President is right. The bill before us offers a dangerous future for our dealings with our own hemisphere. It weakens our relationship with Peru, Colombia, Bolivia and Ecuador. The conditions this bill imposes upon continued trade benefits for these countries are unrealistic.

This bill threatens thousands upon thousands of jobs in the Andean region, feeding a growing and destructive form of populism.

Mr. Speaker, the perfect cannot be the enemy of the good.

I know when the new Congress convenes in just over three weeks, the troubling components of this bill will be properly addressed, and I therefore support the bill before us today.

In conclusion, let me say I very much look forward to the new Congress, when trade policy will be constructed in public, and in daylight.

I look forward to next year's consideration of policies that aim to improve the human condition, and are produced by means enabling consensus, not division.

Mr. GARRETT of New Jersey. Mr. Speaker, I rise today to voice my support for H.R. 6111, the Tax Relief and Healthcare Act. And, I would also like to thank Chairman THOMAS for all of his hard work both on this bill and throughout his tenure in Congress and as Chairman of the Ways and Means Committee.

Mr. Speaker, I am extremely pleased that this bill makes an important fix to a very urgent Medicare problem that if left unaddressed could have caused many hospitals—including 7 in New Jersey—to possibly have to close their doors to those who require that care. By providing an extension to changes to the hospital wage index classification system, these hospitals will be able to continue to receive higher Medicare reimbursement rates and thus avoid real financial jeopardy. Both this provision and the provision to eliminate the cut of up to 5 percent in payments to health care providers solve critical healthcare problems that cannot be put off any longer.

I am also pleased that a number of very important tax relief extensions were included such as the Research and Development Tax Credit and state and local sales tax deductions. I only wish that instead of extending these; we would make them permanent.

Mr. Speaker, I am, however, disappointed to see a number of miscellaneous provisions included in the bill that Congress has not had ample time to debate and that cost the taxpayers millions of dollars. The most egregious of these provisions is the provision regarding the Abandoned Mine Land Fund. The bill reduces some AML fees and converts the program from discretionary to mandatory spending. This will increase the deficit by $3.9 billion over the next 10 years. At a time when Congress should be looking for ways to reduce out-of-control mandatory spending, I do not believe this is prudent.

Mr. Speaker, even though I do not support every provision in this bill, the Medicare fixes and tax relief extensions are critical in nature and will benefit millions of Americans and I urge my colleagues to support this bill.

Mr. STARK. Mr. Speaker, I rise today in opposition to the Tax Relief and Health Care Act

of 2006. Today's legislation is a perfect example of the reckless priorities that voters rejected in giving Democrats control of both the House and Senate. Adding another $45 billion to the deficit is a fitting last act from Congressional Republicans. They've added trillions to the debt in the last 6 years and have no remorse about adding a few billion more on the way out the door.

This bill destroys our environment with expanded offshore drilling in the Gulf of Mexico, and though not in this bill, California is the next logical target. It expands school vouchers for Washington, D.C. as part of the Republican crusade to shift money to private and religious schools and undermine public education. On the healthcare front, this bill wastes a billion dollars on health savings accounts for the rich. It also expands the Medicare Advantage program, adding to the $5.2 billion in annual overpayments taxpayers already cough up to private insurers.

I am glad that this bill includes a temporary update for physicians, giving us a little breathing room heading into next year. But we're still going to have to do some very heavy lifting in order to dig ourselves out of the $250 billion hole Republicans created by kicking the can down the road the last few years. In the next Congress, I hope my colleagues on the other side of the aisle work with me to address this problem once and for all.

Tax breaks for the rich and new oil for CHENEY and the gang—looks like Republicans really won one for the Gipper today.

Mr. Speaker, I oppose this fiscally irresponsible package and hope that my colleagues on both sides of the aisle will join me in rejecting this bill.

Mr. ROYCE. Mr. Speaker, I rise to support H.R. 6111, the Tax Relief and Health Care Act of 2006.

The bill contains a package of provisions designed to improve Health Savings Accounts, HSAs. HSAs were enacted by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. An HSA is a tax-exempt account to which tax-deductible contributions may be made by individuals with a high deductible health plan.

HSAs empower Americans to make informed decisions about their health care choices. Instead of being tied into a traditional plan that limits choice, and distances the consumer from the healthcare market, HSAs allow individuals to take an active role in the choosing how to spend their money.

This bill will:

Allow rollovers From Health FSAs and HRAs into HSAs;

Repeal the Annual Plan Deductible Limitation on HSA Contributions;

Modify the Cost-of-Living Adjustment;

Expand the Contribution Limitation for Part-Year Coverage;

Modify employer comparable contribution requirements for contributions made to non-highly compensated employees; and

Allow one-time roll overs from IRAs into HSAs.

Health Savings Accounts help families more easily access quality health care and save for medical costs. This bill will expand HSAs to help provide more Americans with health care coverage.

Mrs. JONES of Ohio. Mr. Speaker, I rise in support of this tax legislation.

H.R. 6111 includes many important provisions for the benefit of the American economy.

Although I would have preferred a longer extension, this bill extends for one year:

The R&D Tax Credit, which is a job creator and important to our domestic manufacturers, keeping them competitive globally;

The Welfare-to-Work and Work-Opportunity Tax Credits, which are incentives for employers that hire economically disadvantaged individuals with significant barriers to employment; and

The New Markets Tax Credit, which is important to the economic revitalization of our urban areas, such as Cleveland, Ohio.

And there are many more important tax provisions that this bill contains, in particular one which I have worked with Congressmen MIKE TURNER and JOHN BOEHNER and the Ohio delegation in a bipartisan fashion last year.

It deals with Regional Income Tax Agencies, and it helps municipalities improve their tax collection.

In my home State of Ohio we have the Regional Income Tax Agency (also known as RITA), which provides services to collect income tax for 120 municipalities in the state—including the cities of Shaker Heights, East Cleveland, Beachwood, and others in my district.

However, because their individual populations do not exceed 250,000 people, these cities cannot receive Federal tax information from the IRS in order to better and more accurately collect local taxes.

This legislation will allow municipalities that are members of Regional Income Tax Agencies to receive tax information from the IRS. Ohio RITA has determined that this will have two important economic benefits to Ohio cities:

1. Identification of delinquent taxpayers, which significantly enhance tax revenues to RITA municipalities in Ohio to the extent of a projected $21 million per year, and

2. Streamlining current business processes, thereby reducing costs to member municipalities.

Additional revenues are exactly what cities in Ohio need as local governments face tough decisions to cut critical services such as police and fire protection. These additional funds can now go towards those key social services, as well as our schools.

That is why I am in favor of this legislation and support its passage.

However, let me state that I am greatly disappointed that relief from the Alternative Minimum Tax (AMT) is not in this legislation.

The temporary AMT relief that Congress passed earlier this year expires at the end of this year, and it is not being extended in this legislation. That means that without AMT relief 15 million Americans face a tax increase as they stand to be hit by the AMT next year.

The Republican leadership decided to punt to the Democrats on that issue. But that is okay, as we Democrats have vowed next year to defuse the ticking time bomb that is the AMT.

The American people have placed us, Democrats, in the majority for a reason. They trust us to tackle the important issues that affect American families—and we will deliver.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise in support of H.R. 6111, the Tax Relief and Health Care Act of 2006, which includes an extension of 30A tax credits for American Samoa's tuna canneries and protects the jobs of more than 5,000 cannery workers in the Territory.

As a matter of public record, I thank the Honorable WILLIAM THOMAS, Chairman of the House Committee on Ways and Means, for his unwavering support in getting this deal done. Chairman THOMAS is a true friend of American Samoa and has stood by us in our most difficult times. Because of him, our people have hope for a better future, and for this, I extend my deepest appreciation to the gentleman from California.

I also thank the Honorable CHARLES RANGEL, Ranking Member of the House Committee on Ways and Means. Congressman RANGEL is also a friend of American Samoa and has championed our cause on each and every trade agreement that has come before the U.S. Congress. He also supports our extension of 30A tax credits and is fully committed to working with us to implement a long-term tax policy based on the input of all vested stakeholders, especially our tuna canneries which are our largest private sector employers.

The possession tax credit offered by the Internal Revenue Code of 1986 has encouraged two U.S. tuna canneries which employ more than 5,150 people or 74 percent of the workforce to remain and invest in American Samoa. More than 80 percent of American Samoa's private sector economy is dependent either directly or indirectly on these canneries and a decrease in production or departure of one or both of the two canneries in American Samoa could devastate the local economy resulting in massive layoffs and insurmountable financial difficulties.

For this reason, I again thank Chairman THOMAS and Ranking Member RANGEL for supporting my efforts to include an extension of 30A tax credits for American Samoa in H.R. 6111. Given how serious this issue is for American Samoa, I also urge my fellow colleagues to vote in favor of this important bill.

Mr. RAHALL. Mr. Speaker, I would like the Record to show that I am voting for the pending legislation because it includes a historic accord to reauthorize the Abandoned Mine Reclamation Program and to address, in a comprehensive fashion, the pressing need to insure the long-term financial stability of the funds which finance health care for members of the United Mine Workers of America.

My views on the OCS Leasing provisions in the pending legislation are well known. I oppose them.

Yet in this case, the health and safety of coalfield residents, takes precedence as it always has, and always will, when it comes to how I discharge my duties.

Mr. MCKEON. Mr. Speaker, I rise in support of this legislation and would like to speak briefly on one of its most meaningful components.

When the topic of school choice is debated in Washington and elsewhere, we often refer to the lucky lottery of life. A child doesn't control which family he or she is born into, what economic situations that family must deal with, or what school he or she is likely to attend. Yet the result of that ''lucky lottery of life'' often sets a child on a very specific path through his or her early years—and beyond.

Each year, not too far from this Capitol building, we witness a lottery of a different type. The Washington Scholarship Fund, an organization founded to empower low-income Washington, DC families with a choice in where they send their children to elementary,

middle, and high school, hosts an annual picnic where parents, grandparents, and others stand in line, waiting to enter a lottery of their own.

The prize? A partial scholarship to a private school in the nation's capital and a chance for their loved ones to escape some of the nation's most troubled public schools. It's ironic that each year, for a limited number of Washington families, one lottery has the potential to dramatically impact the results of the other.

In 2004, the Washington Scholarship Fund was chosen to manage the nation's first ever federally-funded K–12 scholarship program, the DC Opportunity Scholarship Program. This program provides low-income students and families access to up to $7,500 to cover tuition, fees, and any transportation expenses at a private elementary or high school in Washington.

Written by Congress, signed by a Republican President, and embraced by a Democrat mayor of the District of Columbia, this school choice program is making a real difference for about 1,800 students this year.

But for some, their participation will be placed at risk if we do not act today. Due to very small increases in income or changes in family structure, some participating families now find themselves ineligible for the scholarships they have received for the last two years. Unless we increase the income eligibility threshold for renewing scholarship families that entered the program in its first two academic years from 200 percent to 300 percent of the federal poverty level, some participating students will no longer be eligible to attend the schools that they have called home for the last two years.

By raising the income eligibility limit for renewing families, the average income of Opportunity Scholarship Program families would be $22,424. So, the program still would serve the low-income population for which it was initially designed. And this would not cost taxpayers a single dollar more, since this technical change simply allows participating students to remain in the program.

Just as importantly, by allowing these students to continue participating, an ongoing federal evaluation of the program can remain in place as it was intended. If we don't act, potentially hundreds of low-income students will be forced from the program but will continue to be studied as if they could use the scholarship, thereby compromising the study. For both supporters and opponents of the program, this study is sure to provide us some meaningful data about both its successes and shortcomings, and it serves us well to ensure its results are valid.

Mr. Speaker, this language has passed the Senate Appropriations Committee already and enjoys bipartisan support. For the good of this program and the students it serves—students we call neighbors here in Washington, DC—I urge its passage here in the House as well.

Mr. BLUMENAUER. Mr. Speaker, this bill serves as a reminder why the American people feel Congress is failing them. It is little more than an incoherent grab bag of the good and bad. I am disappointed that the Republicans, in their last act of power, chose to skirt their responsibilities as lawmakers by sending this bill to the floor at the last minute and under a rule that does not allow for Members to thoroughly analyze its contents. Due to a prior engagement in my district, I was unable to be here to vote on H.R. 6111. But in the end, there is no good vote for this bill. It is my hope that under Democratic leadership next year, we will hold ourselves to a higher standard and refuse to make policy like this.

Had I been present for the vote on the Markey-Hinchey motion to recommit on the Alternative Minimum Tax and oil royalties, I would have voted ''aye.''

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H.R. 6111, the Tax Relief and Health Care Act of 2006. I do so for three reasons. First, the bill extends and modifies certain key tax relief provisions through 2007, which provide much needed relief to working and middle-class taxpayers.

Second, I believe that among the most urgent challenges confronting the Nation, none is more important than lessening, and ultimately ending, America's dependence on foreign energy sources. H.R. 6111 advances this goal in a small but appreciable way by permitting oil and gas production in an 8.3–million acre area of the Gulf of Mexico, with 37.5 percent of the lease income allocated to the Gulf Coast States closest to the drilling area, excluding the Florida gulf coast.

Third, the bill blocks the scheduled 5 percent cut in Medicare payments to doctors, and provides for a 1.5 percent increase in such payments next July for physicians who submit data relating to certain quality of care standards.

I. EXTENSION OF TAX RELIEF FOR WORKING AND MIDDLE CLASS

Mr. Speaker, H.R. 6111 extends through 2007 several tax provisions under current law, including provisions that expired at the end of 2005 and some that are set to expire at the end of this year. Many of these provisions are targeted to middle- and working-class taxpayers. I strongly support this portion of the bill. I would like to discuss several of the more important middle class tax relief provisions.

STATE AND LOCAL SALES TAX DEDUCTION

H.R. 6111 extends by 2 years the provision allowing taxpayers the option of deducting general sales taxes paid. This provision is of particular benefit to taxpayers living in States that do not impose a State income tax. Taxpayers have long been permitted to claim an itemized deduction for certain State and local taxes, including personal income tax, real property taxes and personal property taxes, but they have not been to deduct general sales taxes since 1986. The 2004 corporate tax bill allowed taxpayers, in 2004 and 2005 only, to claim instead an itemized deduction for State and local sales taxes, either by accumulating receipts and deducting the total amount or using tables produced by the Internal Revenue Service. In States without State income tax, this provision provided a new deduction for individuals.

HIGHER EDUCATION EXPENSES DEDUCTION

Similarly, the bill renews and extends through 2007 the ''above-the-line'' deduction that taxpayers may claim for higher education expenses: An ''above-the-line'' deduction is a deduction that may be claimed by a taxpayer even if he or she does not itemize his or her deductions. Under the provision of law that would be extended, taxpayers can deduct up to $4,000 of such expenses if their adjusted gross income does not exceed $65,000 for a single return or $130,000 for a joint return, and up to $2,000 if their income does not exceed $80,000 for a single return or $160,000 for a joint return. In this increasingly globalized economy, a college education is becoming a necessity. We must do all we can to ensure that access to higher education remains affordable to the working and middle class. That is why I support strongly the renewal and extension of the deductibility of higher education expenses.

TEACHER CLASSROOM DEDUCTION

Mr. Speaker, H.R. 6111 also extends through 2007 a provision that expired at the end of 2005, under which teachers may claim an ''above-the-line'' deduction up to $250 of the expenses for certain supplies that they purchase for their elementary or secondary classrooms with their own money.

Mr. Speaker, my daughter taught in elementary schools and I know how devoted she and her colleagues were to providing their students with the most enriching educational experience possible. It is not uncommon for them to dip into their personal funds to buy supplies and materials to supplement those provided by the schools. Teachers go this extra mile because they love what they do; everyone knows it is not because they are overpaid. I approve the teacher classroom deduction included in the bill. I hope we will be able to increase the amount of this deduction in the future.

II. ENERGY INDEPENDENCE AND SECURITY

It is imperative that America achieves energy independence in the 21st century. We must end our addiction to foreign sources of oil, most of which are found in regions of the world which are unstable and in some cases, opposed to our interests. Accordingly, there is no issue more integral to our economic and national security than energy independence.

Although I must admit that I do have reservations about certain aspects of this bill and the process with which this bill has arrived on the House floor, I nevertheless support it as a step in the right direction of America achieving energy independence. I think many of us in the House would agree that the issues central to this bill, the future of energy exploration off of our gulf coastlines, deserves more time for deliberation, debate, and a process for amendment. Some of these provisions which were incorporated into H.R. 4671 include my amendments which supported minority-serving universities and minority-owned businesses.

These very important provisions were designed to ensure that sectors of our Nation and economy which are often overlooked, namely, minority-serving institutions and minority-owned businesses, were given an opportunity to benefit from and compete for the opportunities afforded in this bill.

Nevertheless, I still support H.R. 6111 because it is a step in the right direction, a step towards energy independence, and a step away from being eternally beholden to foreign sources of oil. Additionally, I believe the energy aspects of the bill lay the foundation for the development of a new model for reclaiming wetlands; will help the Gulf Coast States affected by Hurricanes Katrina and Rita to recover from the disaster and prosper in the future; provide thousands of good-paying jobs for the middle class; and serve as a blueprint for general revenue sharing in the 21st century.

In this connection, I would like to emphasize that the revenue sharing formula in the bill ensures that 37.5 percent of the revenue from

new areas of production and new leases go towards gulf producing States. Furthermore, 20 percent of the revenue allocated to gulf producing States must be allocated to the State's coastal subdivisions to be used for the purposes of: coastal protection, conservation, coastal restoration, hurricane protection, protecting coastal wetlands, and mitigating damage to fish and wildlife. In addition, 12.5 percent of the revenue will be allocated to the Land and Water Conservation Fund, which ensures that the environmental impact of offshore drilling will be monitored, managed, and regulated to ensure that our coasts are protected.

Energy is the lifeblood of every economy, especially ours. Producing more of it leads to more good jobs, cheaper goods, lower fuel prices, and greater economic and national security. However, the U.S. is more than 60 percent dependent on foreign sources of energy, twice as dependent today as we were just 30 years ago. Although energy is the lifeblood of America's economic security, this growing and dangerous dependence has resulted in the loss of hundreds of thousands of good American jobs, skyrocketing consumer prices, and vulnerabilities in our national security.

Energy imports now make up one-third of America's trade deficit. Through this bill, America could improve the supply-demand imbalance, lower consumer prices, and increase jobs by producing more of its own energy resources. With my district of Houston being the energy capital of the world, I support the efforts that this bill makes to recognize State stakeholders and incorporate their interests in revenue sharing.

According to the U.S. Minerals Management Service, MMS, America's deep seas on the Outer Continental Shelf, OCS, contain 420 trillion cubic feet of natural gas—the U.S. consumes 23 TCF per year—and 86 billion barrels of oil—the U.S. imports 4.5 billion per year. Even with all these energy resources, the U.S. sends more than $300 billion—and countless American jobs—overseas every year for energy we can create at home.

In some cases, the U.S. is facing much-higher energy prices than other countries. Natural gas, for example, is as much as ten times more expensive in the United States than it is in foreign nations. This fact alone has led to the loss of hundreds of thousands of high-paying American jobs, as natural gas-dependent factories are forced to close their doors and move overseas in search of more affordable energy. The outsourcing of American jobs is an issue of central importance to me and my constituents, and I believe this bill is a step in the right direction of bringing jobs back to hard-working Americans.

III. H.R. 6111 BLOCKS MEDICARE CUTS IN PHYSICIAN PAYMENTS

Finally, Mr. Speaker, I support the bill because it blocks the 5 percent cut in payments to physicians who treat Medicare patients which otherwise would go into effect on January 1, 2007. Over the next 9 years, Medicare's trustees are projecting a total of 40 percent in Medicare payment cuts to physicians. If the January 1 cut is imposed, the average physician payment rate, accounting for increases in the cost of running a practice, will be less in 2007 than it was in 2001.

The Medicare sustainable growth rate, SGR, formula, used in establishing payment rates under the physician fee schedule under the Medicare program, resulted in significant payment cuts to physicians and health care professionals in 2002. These cuts were for doctors only, not for hospitals or other medical facilities.

The Medicare SGR formula would have resulted in payment cuts to physicians and health care professionals in 2003, 2004, 2005, and 2006 had Congress not intervened.

According to the Medicare Payment Advisory Commission, MedPAC, and the board of trustees of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, the Medicare SGR formula will result in substantial payment cuts to physicians and health care professionals through at least 2015.

MedPAC is very well respected and a recognized authority on Medicare and healthcare issues. It does not support the impending payment cuts and is concerned that such consecutive annual payment cuts would threaten access to physician services over time, particularly primary care servlces.

MedPAC has raised concerns over current payment policies that may discourage medical students and residents from becoming primary care physicians because many Medicare beneficiaries rely on primary care providers for important health care management.

According to a 2006 American Medical Association, survey, if payment cuts to physicians under the Medicare program go into effect: half of physicians plan to decrease the number of new Medicare patients they accept; half of physicians plan to defer the purchase of information technology; 1 in 3 physicians who treat patients living in rural communities will discontinue rural outreach services; and almost half—43 percent—of physicians will decrease the number of new TRICARE patients they accept.

The annual actions by Congress that have overridden the Medicare SGR formula have only resulted in instability and unpredictability for physicians, health care professionals, seniors, and individuals with disabilities. It does not solve the long-term systemic problem of rising costs.

Stable, positive updates under the Medicare physician fee schedule that accurately reflect medical practice cost increases are vital for encouraging and economically supporting physicians' ability to make the significant financial investment required for health information technology and participation in quality improvement programs.

A stable payment system for physicians is critical to preserve Medicare beneficiaries' access to high-quality health care.

We cannot in good conscience establish barriers for doctors and health care professionals to surmount in order to continue to provide access to high-quality Medicare services for all Medicare beneficiaries. Congress must halt the impending January 1 cuts and develop an alternative payment system that accurately reflects the costs of providing care to Medicare beneficiaries.

The biggest single flaw is that this payment schedule rubric recently announced by CMS has no connection to the actual cost of providing patient care. Starving doctor's practices will not decrease healthcare prices, or change unethical behavior. It will drive doctors out of business who are desperately needed to provide care to our elderly.

In conclusion, I urge my colleagues to support H.R. 6111 because it takes three steps in the right direction: (1) It provides much needed tax relief to working and middle class taxpayers; (2) It reduces the Nation's dependence on foreign energy supplies and ensures that Gulf Coast States share in the revenue from new areas of production while protecting our environment; and (3) It blocks draconian cuts by Medicare in payments to physicians. I urge all members to support the bill.

Ms. FOXX. Mr. Speaker, today, I voted for H.R. 6111, the Tax Relief and Health Care Act of 2006. This bill contained a number of critical provisions, which I supported, and a few which I opposed.

Among the critical provisions contained in the bill, were the tax deductions for higher education expenses, the extension of the research and development tax credit, and the tax deduction for teachers who purchase certain educational supplies for their classrooms. I approve of allowing employers who hire individuals in targeted groups to claim the maximum $2,400 work opportunity tax credit and the welfare to work tax credit. This bill enhances individual ownership of health care decisions by strengthening health savings accounts. And of course, I am thrilled that the bill prevents a decrease in Medicare physician reimbursement payments.

However, I was disappointed that some of my colleagues included some other policies, such as the provisions involving the abandoned mine land program. The Congressional Budget Office has determined that these changes will increase government spending, costing the taxpayers $4.9 billion over 10 years. Ultimately, the inclusion of these provisions was enough to violate the budget resolution agreed to by the House, which is intended to help restrain out-of-control Federal spending. I am sorry also that the bill contained an earmark demanded by the Democratic leader in the Senate.

It is my firm belief, shared by many others, that this was the last opportunity we would have for at least 2 years to vote for these good provisions. Realizing that this was not a perfect bill and that it was unlikely I would have a chance to vote on a ''clean'' bill, I voted for this bill to ensure the positive tax policies that have led to 38 consecutive months of economic growth will not end.

Ms. MCCOLLUM of Minnesota. Mr. Speaker, I rise to support H.R. 6111 because it is critical that we address the unsustainable cut scheduled for reimbursement to physicians under Medicare. Due to the inequities of the Federal Government's formula, physicians in Minnesota receive some of the lowest payment in the Nation while providing, in my opinion, the best care. I will continue to work to ensure that Congress addresses this problem in the long term and that quality health care is available for Medicare beneficiaries in Minnesota and across the country.

I also strongly support the tax extensions included in this legislation. The Research and Development Tax credit, the college tuition deduction, the State sales taxes exemption, and teacher classroom expenses deduction are widely supported and important to families and businesses in the 4th District. It is unfortunate that the Republican majority has once again failed to craft a durable solution to the Alternative Minimum Tax, which is squeezing middle class families. I look forward to working with incoming-Chairman RANGEL to improve tax fairness for middle class families in the next Congress.

However, I am deeply disappointed the Republican majority chose to insert an unrelated and irresponsible plan to open 8 million acres to oil and gas drilling in the eastern Gulf of Mexico into this otherwise constructive bill. Our country consumes 25 percent of the world's oil supply but controls only 3 percent of known reserves. That means an energy policy focused primarily on domestic fossil fuel production will never deliver energy security for America's working families and small businesses. Instead, the Congress must commit to a comprehensive energy strategy that makes bold investments in homegrown renewable fuels, mass transit, innovative vehicle technology and increased vehicle efficiency.

In addition to these failings, the bill's offshore drilling provisions continue a pattern of giveaways for big oil at taxpayer expense. H.R. 6111 will rob tens of billions of dollars from the Federal Treasury in offshore drilling royalties. Nearly 40 percent of the royalty revenue generated from new leases will go to four States—Texas, Louisiana, Mississippi and Alabama—which will cost the Federal Government an estimated $20 billion over the next two decades. And the bill does nothing to stop the Federal Government from giving oil and gas companies $7 billion in tax breaks for drilling on Federal lands (known as "royalty relief")—resources that should be directed to providing tax relief for American families.

I voted for the Markey-Hinchey amendment to H.R. 6111, which would have restored a modicum of fiscal sanity to the offshore drilling aspects of the bill. The amendment would push oil and gas companies to renegotiate their royalty free drilling leases by prohibiting companies holding such leases from gaining access to the eight million acres this bill opens to exploration. Unfortunately the amendment narrowly failed on the House floor.

Despite a clear message in last month's mid-term election for a return to ethical governance, Republican leaders used the popularity of tax credit extensions and the need to restore cuts in Medicare reimbursement to force a reckless offshore drilling plan upon America. Therefore, it is with both regret and resolve that I support the omnibus package included in H.R. 6111.

Mr. UDALL of New Mexico. Mr. Speaker, I rise today to once again express my strong opposition to the way the current Majority conducts business here in the House of Representatives. True to their tenure in charge of this Chamber, on the last day of the 109th Congress they are packaging four separate provisions only barely tenuously related into one omnibus measure. This is not the way to legislate, and it is particularly frustrating because there are several excellent provisions included in this omnibus bill, unfortunately packaged with atrocious provisions that cannot and would not stand on their own merits.

Mr. Speaker, there is much to like in this legislation. There are extensions of many important tax provisions that are scheduled to soon expire that are critical to businesses, students, educators, renewable energy development, and our troops. There is a vitally important freeze, and in some cases an increase, in reimbursements under Medicare for physicians. This particular provision is extremely important to my State of New Mexico, and I have worked to address the scheduled cut in reimbursement rates by cosponsoring legislation to repeal the sustainable growth rate formula, as well as joined many of my colleagues in sending letters to the House Leadership and other Members on committees with oversight responsibility for the Medicare program. In addition to the physician reimbursement, there are also several important provisions for rural health care providers under Medicare. Many of these provisions are included in rural health care legislation that I was proud to cosponsor during this Congress.

However there is more that is objectionable in this legislation. Once again, the majority's tunnel vision and unwillingness to legitimately explore alternative sources of energy has led us to their energy panacea—drilling in areas closed to exploration. There are answers to our energy problems beyond drilling, the majority simply chooses not to look at them in a serious manner. I strongly support the rebuilding of the Gulf Coast States devastated by last year's hurricanes, and recognize the obligation of the Federal Government to assist in doing so. I also believe we must urgently protect and restore coastal wetlands. But I do not believe it should be done through the royalties derived from oil and gas leases authorized by this provision. These funds should be deposited in the Federal coffers—as more than the majority of funds derived from Federal oil and gas leases are—not set up as a new entitlement for only four States. Redirecting these funds marks an unprecedented raid on the Federal Treasury of billions of dollars for the benefit of four States. This kind of fiscal irresponsibility is unacceptable.

Also Mr. Speaker, I am extremely disappointed at the inclusion of Health Savings Accounts, a measure that would have trouble passing Congress as a stand-alone. Again, this legislation marks another significant decrease in revenue, to the estimated tune of $287 million from FY07 to FY11, and by $1 billion from FY07 to FY16.

Regardless of the provisions included in this legislation, this is no way to legislate. It is not good government and is not good for democracy. Each of these measures are important enough on their own that they deserve up-or-down votes and the only good about today is that this is the last day the majority win be able to conduct the business of the House in such an irresponsible manner.

Mr. THOMAS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Massachusetts (Mr. MARKEY).

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

RECORDED VOTE

Mr. MARKEY. Mr. 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 amend will be followed by 5-minute votes on adoption of the motion to concur, if ordered; and the motion to suspend on H. Res. 1091.

The vote was taken by electronic device, and there were—ayes 205, noes 207, not voting 20, as follows:

[Roll No. 532]

AYES—205

Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bass
Becerra
Berkley
Berman
Berry
Biggert
Bishop (GA)
Bishop (NY)
Boehlert
Boswell
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown, Corrine
Brown-Waite, Ginny
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Castle
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doyle
Emanuel
Engel
Eshoo
Etheridge
Farr
Ferguson
Filner
Fitzpatrick (PA)
Fossella
Frank (MA)
Gerlach
Gordon
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kucinich
Kuhl (NY)
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Platts
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Reynolds
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Simmons
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—207

Abercrombie
Aderholt
Akin
Alexander
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bean
Beauprez
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boustany
Brady (TX)
Brown (SC)
Burgess
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cramer
Crenshaw
Cubin
Cuellar
Culberson
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
English (PA)
Everett
Feeney
Flake
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode

Goodlatte
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson, Sam
Keller
Kennedy (MN)
King (IA)
Kingston
Kirk
Kline
Knollenberg
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris Rodgers
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Northup
Nunes
Nussle
Ortiz
Osborne
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schmidt
Schwarz (MI)
Sekula Gibbs
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Tancredo
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—20

Baker
Blumenauer
Burton (IN)
Davis, Jo Ann
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Jones (NC)
Kolbe
Norwood
Otter
Oxley
Paul
Strickland
Sweeney
Taylor (NC)
Watson

□ 1528

Ms. GRANGER, Messrs. Camp of Michigan, FLAKE, THOMAS, MACK, THOMPSON of Mississippi, TERRY, MURPHY, PICKERING, Mrs. CUBIN, Messrs. WELDON of Pennsylvania, BILIRAKIS, AL GREEN of Texas and PEARCE changed their votes from ''aye'' to ''no.''

Mr. OWENS, Mrs. KELLY, Messrs. HINOJOSA, REYES, SALAZAR, FERGUSON and MOLLOHAN changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. NORWOOD. Mr. Speaker, on rollcall No. 532, Markey of Massachusetts amendment, had I been present, I would have voted "no."

The SPEAKER pro tempore (Mr. BONNER). The question is on the motion to concur in the Senate amendment with an amendment.

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

RECORDED VOTE

Mr. MARKEY. Mr. 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 5-minute vote on the motion to concur in the Senate amendment with a House amendment will be followed by 5-minute votes on suspending the rules on H. Res. 1091 and suspending the rules on H.R. 6375.

The vote was taken by electronic device, and there were—ayes 367, noes 45, not voting 21, as follows:

[Roll No. 533]

AYES—367

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Baca
Bachus
Baird
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holden
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNulty
Meehan
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Neal (MA)
Neugebauer
Northup
Nunes
Nussle
Oberstar
Obey
Ortiz
Osborne
Owens
Pascrell
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Rothman
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sanchez, Loretta
Saxton
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Sires
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stearns
Stupak
Sullivan
Tancredo
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Towns
Turner
Udall (CO)
Upton
Van Hollen
Velázquez
Walden (OR)
Walsh
Wamp
Watt
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—45

Andrews
Baldwin
Brady (PA)
Capps
Conyers
Davis (FL)
Farr
Filner
Frank (MA)
Grijalva
Gutierrez
Harman
Hastings (FL)
Hinchey
Holt
Jackson (IL)
Kucinich
Lee
Lynch
Markey
McGovern
McKinney
Meek (FL)
Moore (WI)
Napolitano
Olver
Pallone
Pastor
Payne
Ros-Lehtinen
Roybal-Allard
Sánchez, Linda T.
Sanders
Schakowsky
Simpson
Stark
Tierney
Udall (NM)
Visclosky
Wasserman Schultz
Waters
Waxman
Wexler
Whitfield
Woolsey

NOT VOTING—21

Baker
Blumenauer
Burton (IN)
Davis, Jo Ann
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Jones (NC)
Kolbe
Norwood
Otter
Oxley
Paul
Simmons
Strickland
Sweeney
Taylor (NC)
Watson

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 1538

Mr. BERMAN, Ms. SOLIS, and Mr. MEEHAN changed their vote from ''no'' to ''aye.''

So the motion 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. NORWOOD. Mr. Speaker, on rollcall No. 533, Tax Relief and Health Care Act, had I been present, I would have voted ''yes.''

Mr. SIMMONS. Mr. Speaker, on rollcall No. 533 I was listed as not voting. I was in the Capitol, however, and cannot explain the absence of a recorded vote. I would like to be recorded as voting "yea."

PERSONAL EXPLANATION

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, due to a medical treatment, I was unable to attend votes on Friday, December 8, 2006. Had I been present, I would have voted the following:

H.R. 6406—"nay"; to modify temporarily certain rates of duty and make other technical amendments to the trade laws, to extend certain trade preference programs, and for other purposes.

H.R. 6111—"yea"; Tax Relief and Health Care Act of 2006.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 1674. An act to authorize and strengthen the tsunami detection, forecast, warning, and mitigation program of the National Oceanic and Atmospheric Administration, to be carried out by the National Weather Service, and for other purposes.

H.R. 6131. An act to permit certain expenditures from the Leaking Underground Storage Tank Trust Fund.

The message also announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1245. An act to provide for programs to increase the awareness and knowledge of women and health care providers with respect to gynecologic cancers.

The message also announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 1120. An act to reduce hunger in the United States, and for other purposes.

S. 4113. An act to amend the Omnibus Crime Control and Safe Streets Act of 1968 to clarify that territories and Indian tribes are eligible to receive grants for confronting the use of methamphetamine.

CONDEMNING IRAN'S COMMITMENT TO HOLD INTERNATIONAL HOLOCAUST DENIAL CONFERENCE

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 1091, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 1091, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 408, nays 0, not voting 25, as follows:

[Roll No. 534]

YEAS—408

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Stupak
Sullivan
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—25

Baker
Blumenauer
Burton (IN)
Cubin
Davis, Jo Ann
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Jones (NC)
Kolbe
McCrery
McKinney
Norwood
Otter
Oxley
Paul
Strickland
Sweeney
Tancredo
Taylor (NC)
Watson
Young (AK)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised the pending vote is on H. Res. 1091, as amended, condemning in the strongest terms Iran's commitment to hold an international Holocaust denial conference on December 11–12, 2006.

That is the vote that is currently on the floor. A vote on H.R. 6375 will follow immediately after this vote.

□ 1553

Mrs. NORTHUP, Mrs. LOWEY, Messrs. COSTA, CONYERS, LANTOS, MICHAUD, BERMAN, CUMMINGS, GEORGE MILLER of California, SALAZAR, and JEFFERSON changed their vote from "nay" to "yea."

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the resolution, as amended, 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. NORWOOD. Mr. Speaker, on rollcall No. 534, condemning in the strongest terms Iran's commitment to hold on international Holocaust denial conference; had I been present, I would have voted "yes."

PERSONAL EXPLANATION

Mr. FATTAH. Mr. Speaker, had I been present for the vote on H. Res. 1088 and H. Res. 1091, I would have voted "yea."

REQUIRING SECRETARY OF DEFENSE TO SUBMIT ANNUAL REPORT ON CONGRESSIONAL INITIATIVES

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 6375.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HUNTER) that the House suspend the rules and pass the bill, H.R. 6375, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 70, nays 330, not voting 32, as follows:

[Roll No. 535]

YEAS—70

Barrett (SC)
Barrow
Bilbray
Blackburn
Bradley (NH)
Brown-Waite, Ginny
Campbell (CA)
Capito
Castle
Chocola
Coble
Cooper
Davis, Tom
Deal (GA)
Dent
Duncan
Feeney
Fitzpatrick (PA)
Flake
Fossella
Foxx
Franks (AZ)
Garrett (NJ)
Gilchrest
Gingrey
Gohmert
Green (WI)
Hall
Hayworth
Hensarling
Hoekstra
Hunter
Inglis (SC)
Jindal
Johnson (IL)
Kennedy (MN)
King (IA)
Leach
Linder
McHenry
McMorris Rodgers
Miller (MI)
Moran (KS)
Musgrave
Neugebauer
Nussle
Pence
Pitts
Platts
Poe
Price (GA)
Ramstad
Reichert
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Schmidt
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Simmons
Souder
Stearns
Tiberi
Westmoreland
Wolf

NAYS—330

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Boehlert
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Cannon
Cantor
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Chabot
Chandler
Clay
Cleaver
Clyburn
Cole (OK)
Conaway
Costa
Costello
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Ferguson
Filner
Forbes
Fortenberry
Frank (MA)
Frelinghuysen
Gerlach
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McDermott
McGovern
McHugh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Northup
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pombo
Pomeroy
Porter
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Serrano
Sherman
Sherwood
Shimkus
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Spratt
Stark
Stupak
Sullivan
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—32

Baker
Berkley
Biggert
Blumenauer
Blunt
Boehner
Burton (IN)
Conyers
Cubin
Davis, Jo Ann
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Jefferson
Jones (NC)
Kolbe
McCrery
McKinney
Miller, Gary
Norwood
Otter
Oxley
Paul
Strickland
Sweeney
Tancredo
Taylor (NC)
Waters
Watson

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1602

Mr. MORAN of Kansas changed his vote from "nay" to "yea."

So (two-thirds of those voting having not responded in the affirmative) the motion was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. NORWOOD. Mr. Speaker, on rollcall No. 535, requiring the Secretary of Defense to submit to Congress an annual report and to provide notice to the public on congressional initiatives in funds authorized or made available to the Department of Defense, had I been present, I would have voted "yes."

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 6136

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to remove my name as a co-sponsor of the bill, H.R. 6136.

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

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.J. RES. 102, FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2007

Mr. PUTNAM, from the Committee on Rules, submitted a privileged report (Rept. No. 109–727) on the resolution (H. Res. 1105) providing for consideration of the joint resolution (H.J. Res. 102) making further continuing appropriations for the fiscal year 2007, and for other purposes, which was referred to the House Calendar and ordered to be printed.

RESIGNATION FROM THE HOUSE OF REPRESENTATIVES

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

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 4, 2006.

Hon. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: On November 7, 2006, I received the great privilege of being elected Governor of the State of Nevada. Although Dean Heller was elected and will succeed me as the representative of the Second Congressional District of Nevada, under Nevada law I must formally resign my Congressional office prior to taking office as Governor. I have advised the current Governor of the State of Nevada of such resignation and hereby inform you of my formal resignation as the representative of the Second Congressional District of Nevada to be effective at the close of business on December 31, 2006.

It has been an honor and pleasure representing the Great State of Nevada in Congress over the past 10 years, and I look forward to continuing that service as Governor.

Sincerely,

JIM GIBBONS,
Member of Congress.

DECEMBER 4, 2006.

Hon. KENNY GUINN,
Governor, State of Nevada,
Carson, City, NV.

DEAR GOVERNOR GUINN: On November 7, 2006, I received the great privilege of being

elected Governor of the State of Nevada. As you may be aware, under Nevada law I must formally resign my Congressional office prior to taking office as Governor. I have advised the Speaker of the House of such resignation and hereby inform you of my formal resignation as the representative of the 2nd Congressional District of Nevada to be effective at the close of business on December 31, 2006.

It has been an honor and pleasure representing the Great State of Nevada in Congress over the past 10 years, and I look forward to continuing that service as Governor.

Sincerely,

JIM GIBBONS.

PROVIDING FOR CONSIDERATION OF H.J. RES. 102, FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2007

Mr. PUTNAM. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1105 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1105

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the joint resolution (H.J. Res. 102) making further continuing appropriations for the fiscal year 2007, and for other purposes. The joint resolution shall be considered as read. The previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations; and (2) one motion to recommit.

The SPEAKER pro tempore (Mrs. BIGGERT). The gentleman from Florida (Mr. PUTNAM) is recognized for 1 hour.

Mr. PUTNAM. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Mrs. SLAUGHTER), 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.

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

Mr. PUTNAM. Madam Speaker, I thank my colleagues. I realize that as we wind down this session, Congress, Members are still attempting to move last-minute suspensions and items of importance for their district.

This resolution, Madam Speaker, is a rule that provides for consideration of House Joint Resolution 102, making continuing appropriations for fiscal year 2007. This rule provides for 1 hour of debate in the House, equally divided and controlled by the majority and minority chairman and ranking member of the Committee on Appropriations. The rule waives all points of orders against consideration of the joint resolution and provides for one motion to recommit.

I want to commend both Chairman LEWIS and Ranking Member OBEY and the entire House Appropriations Committee for sticking to the timetable that they laid out at the beginning of this legislative session. In an impressive display of bipartisanship and great labor, the House passed 10 of the 11 appropriations bills prior to the July 4 district work period this year. Since July the Senate has returned to us the defense and homeland security appropriations bills, each of which has been signed by our President. Only the military quality of life appropriations bill has been passed by the Senate and is being conferenced. The remaining seven remain floundering in the Senate.

The House of Representatives, Chairman LEWIS and Ranking Member OBEY, and this body, have done their work. We must institute the continuing resolution in order to allow the government to continue functioning through February 15, 2007. This allows the new Congress ample time to organize and consider the outstanding appropriations bills. The rule allows consideration of this imperative continuing resolution funding measure.

While disappointed that we must resort to a CR, I am pleased that the appropriators have ensured that we have a clean bill without extraneous projects or funds and we have avoided the temptation often driven by the other body to package bills together in an omnibus.

Throughout the appropriations process, the committee has shown its commitment to the budget resolution and to fiscal accountability. The committee has funded programs and activities at the lowest of the House-passed level, the Senate-passed level, or the fiscal year 2006 rate. For agencies for which the Senate has not passed the bill, the funding rate is at the lower of the House-passed level or the fiscal 2006 current rate. For agencies for which neither the House nor the Senate have passed the bill, the funding rate is at the current 2006 number.

And in order to ensure quality health care for our veterans, we have included substantial additional transfer authority for Veterans Administration medical care. As the entire Federal Government is facing a plateaued budget, the CR includes a provision that prohibits the automatic implementation of the cost of living adjustment for Members of Congress also until February 16.

Again, I want to congratulate Chairman LEWIS and Ranking Member OBEY on their hard work. I urge Members to support the rule and the underlying continuing resolution so that we can finish the appropriations process and move down the road toward meeting the needs of this country.

Madam Speaker, I reserve the balance of my time.

Mrs. SLAUGHTER. Madam Speaker, I thank the gentleman for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Madam Speaker, the bill before us represents one of the last chances that the majority has to leave its mark on the 109th Congress, and yet again we are ending this session like we began it, rushing to pass a rule on a bill without having taken enough time to get either one right.

Along with the broken process used to pass this legislation, what is in this bill is a perfect representation of what is wrong with the way business has been done under this majority. It is a clear example of why we need a new direction in Washington, why we need a new philosophy of government to take root here in the people's House.

This continuing resolution will automatically fund government programs at their current levels through February 15 of next year. It is the third continuing resolution Congress has passed since the current fiscal year began on October 1. We are in the second week of December, and the majority has approved only two of the 11 bills that were needed this year. In fact, by the time this resolution expires in February, the Federal Government would have been on autopilot for more than one-third of the 2007 fiscal year. The nine spending bills that the 109th Congress will leave unfinished when it adjourns this week cover over $460 billion in Federal spending, 460 billion. That is almost half a trillion that the leaders of the Congress have decided to send out the door without any policymaking or oversight.

Madam Speaker, the majority didn't do its job. As representatives, we are sent here to be good stewards of the taxpayer dollars that the Federal Government spends. It is one of our most important responsibilities. Voters do not expect us to abdicate that responsibility or any other responsibility, for that matter. What they expect is that we will take on the challenges confronting our Nation, challenges which have for years awaited a leadership with the vision and commitment needed to address them.

Madam Speaker, my fellow Democrats and I understand what the American people expect of us. Democrats believe that running this House correctly is a matter of pride. We believe it is a matter of having a fundamental respect for both the institution in which we serve and for the citizens who gave us the privilege to serve here.

And that is why when the 110th Congress opens next month, Democrats will actually face the unanswered challenges confronting us with a new promise and address them in a new way. The House will no longer avoid asking tough questions or fail to live up to its most basic duties. Democrats are going to show the American people a Congress with a new set of priorities and a new set of how best to do the people's business.

They are going to see a Congress committed to getting our deficits under control and passing critical bills like unfinished budgets before us on time. They will see a Congress focused on rewarding millions of hardworking

Americans with an increase in the minimum wage and on promoting education and employment opportunities to help save the backbone of our economy: the middle class.

Americans are going to see a Congress committed to the high standards of ethical conduct and procedural fairness so that corruption will no longer find refuge within these Halls.

And they are going to see a Congress with the principle needed to truly stand up for our troops in the field by changing our course in Iraq and by rooting out the fraud, waste, and abuse that to this day endanger the very soldiers that we have asked to risk their lives countless times on our behalf.

□ 1615

Mr. Speaker, the new direction my fellow Democrats and I stand for will show our gratitude to the American people for giving us this opportunity to serve our country, to help our communities, and strengthen our future. It is in the Democratic Party's respect for the fundamental principles of our society that they will see the faith we have in the principles and their timelessness and in their strength.

It is in the challenges we choose to confront and the honest, open and fair means by which we confront them that they will see our dedication to a government of, by, and for the people of the United States.

The American people understand what is at stake in the years ahead. They understand that how we act, both in Washington and toward those at home and abroad, will determine who we are as a Nation. They want a country they can recognize. They want the country they grew up believing in. They want a Congress they can be proud of again. And, Madam Speaker, that is exactly what the Democrats are going to give them.

Madam Speaker, I reserve the balance of my time.

Mr. PUTNAM. Madam Speaker, I am pleased to yield 2 minutes to my Rules Committee colleague, the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Madam Speaker, I rise today to speak in support of this rule. As I was listening to the statements that have gone on, I started thinking to myself, you know, it is the Christmas season. It is a time of optimism. It is a time of reflection. It is a time when we look forward to the new year. And as I do that, as a Member of Congress, as a family member, as a member of my community, as an American citizen, I look forward to what is going to happen after this new year. But what we need to concentrate on today is to make sure that the business of the people continues in a responsible way, and that is what this rule does. It continues the government spending.

I have great regrets that we were unable to get our appropriations bills through, and I hold the other side of the aisle, the other side of the big aisle, responsible for a lot of that. But at the same time, I think it is important for people across the Nation who are watching this to realize what we are really talking about today, and that is the continuing services, continuing benefits, continuing the work and the funding of the American government.

I think it is also important to note in this particular piece of legislation, because we are very concerned, as a Congress, about our veterans and about our VA health care, that because there could be some possible issues between now and when this expires in February, that we have allotted for the ability to have the transfer within the VA medical costs so that they won't skip a beat, and our veterans will be cared for in the manner to which we would want them to be cared for, in the manner which they deserve.

So I rise today with a heart filled with Christmas spirit, with a positive outlook, not only on this body, but this Nation. And I wish the other side good luck in the years to come, and I look forward to serving this Congress and the next Congress.

Ms. SLAUGHTER. Madam Speaker, I reserve the balance of my time. But let me inquire if my colleague has any more speakers.

Mr. PUTNAM. I thank the lady for her inquiry. I am advised that we have no other Members wishing to speak on the rule.

Ms. SLAUGHTER. Then I am prepared to yield back the balance of my time.

Mr. PUTNAM. Madam Speaker, before I yield back the balance of my time I, first and foremost, want to urge my colleagues to adopt the rule and adopt the continuing resolution, and express my highest regards and best wishes to the gentlewoman from New York as she prepares to take the leadership of the Rules Committee. And I wish her all the very best. And I regret that I will not be serving on the committee under her leadership, but certainly wish she and her colleagues all the opportunity and hope and advantages that come with that responsibility.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 6406, TRADE LAWS MODIFICATION

Mr. DREIER. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 1100 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1100

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 6406) to modify temporarily certain rates of duty and make other technical amendments to the trade laws, to extend certain trade preference programs, and for other purposes. The bill shall be considered as read. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit.

SEC. 2. In the engrossment of the House amendment to the Senate amendment to the bill (H.R. 6111) to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending, the Clerk shall—

(a) add the text of H.R. 6406, as passed by the House, as new matter at the end of such engrossment;

(b) assign appropriate designations to provisions within the engrossment; and

(c) conform provisions for short titles within the engrossment.

The SPEAKER pro tempore (Mrs. BIGGERT). The gentleman from California is recognized for 1 hour.

Mr. DREIER. Madam Speaker, I have, for the last time for the next 2 years, called up this resolution, and I will say that for the purpose of debate only I will yield the customary 30 minutes to my very good friend from Fort Lauderdale, Mr. HASTINGS, pending which I yield myself such time as I may consume. And during consideration of this resolution, all time that I will be yielding will be for debate purposes only.

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

Mr. DREIER. Madam Speaker, House Resolution 1100 is a closed rule providing 1 hour of debate in the House, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule waives all points of order against consideration of the bill, and also provides for one motion to recommit.

The rule also provides that, in the engrossment of the House amendment to the Senate amendment to the bill (H.R. 6111) to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending the Clerk shall, (a) add the text of H.R. 6406, as passed by House, as new matter at the end of such engrossment; (b) assign appropriate designations to provisions within the engrossment; and (c) conform provisions for short titles within the engrossment.

Madam Speaker, today I rise in strong support of H. Res. 1100 and its underlying legislation, H.R. 6406. While it is important to note that this bill is not a free trade agreement, we have structured a closed rule to mirror the standard procedures afforded to free trade agreements for House consideration.

This past Congress I am very proud, with your work, Madam Speaker, and

the work of many others, we have been able to pass crucial free trade agreements with the countries of Bahrain and Oman as well as the Central American countries and the Dominican Republic. Under this rule, we are continuing this commitment to free trade, and we aim to implement a number of provisions that are critical for advancing our trade agenda and ensuring the continued leadership of the United States economy in the worldwide marketplace. First, we would grant Vietnam, Southeast Asia's fasting growing economy, permanent normal trade relations (PNTR), thereby eliminating the annual evaluation of Vietnam's emigration practices under the Jackson-Vanik provision.

It is important to clarify what PNTR is and what it is not. First of all, as I said, PNTR is not a free trade agreement. Though I would be the first to support an FTA with Vietnam, the issue we are debating today is not a special trading relationship between the United States and Vietnam. It would simply grant what is known as a normal trade relationship.

Normalizing trade with Vietnam is an important step towards enhancing our ability to engage with Vietnam and encourage continued progress in the areas of economic and political liberalization. A normal trade relationship will not be a panacea or cause an instantaneous eradication of the challenges of human rights violations and other issues that Vietnam faces. But it is both by doing this, we are acknowledging the tremendous progress that has been made and an opportunity for further engagement that will help propel Vietnam forward on the path towards political and economic reform.

Furthermore, granting PNTR for Vietnam is necessary to provide access for American producers and service providers to a market that will soon be open to the rest of the world. Vietnam will accede to the WTO, the World Trade Organization, in just a few weeks, essentially normalizing its trading relationship with the entire globe. If we fail to grant PNTR for Vietnam, we will be putting American businesses and our consumers, the American people, at a competitive disadvantage with our trading partners, all of whom will have access to the market in Vietnam.

By seeking WTO accession, Vietnam has demonstrated its commitment to operate in a rules-based trading system. It has clearly signaled that it wants to be a responsible participant in the global economy, and adhere to the rules that we have all agreed to. Through PNTR, we not only open up new market access, we gain the ability to hold Vietnam accountable for its trading practices.

Many will argue that because Vietnam must still make progress in protecting human rights and ensuring individual freedoms, that we cannot normalize our trade relationship yet. I believe that it is precisely because of the need to focus on improving the human rights situation, on bringing about a full accounting of the POW, MIAs, of dealing with enhancement of the rule of law and political pluralism, that that is exactly why we must do everything we can to expand our engagement. Bringing them in to a rules-based system of international trade will enhance transparency and accountability, and I truly believe will undermine the command-and-control concept that has existed in their government.

This is not a gift to them, Madam Speaker. What we are doing is we are playing a big role in not only enhancing the opportunity for the American people to see our standard of living and quality of life improve because of imports, but also by gaining access to their market and thereby improving the standard of living and the quality of life for the people of Vietnam. Giving them a place in the international community will increase the pressure that they feel to live up to international norms.

As I said, a great deal of progress has already been made on the part of the Vietnamese Government. Refusing to engage in a normalized trade relationship is not the way to encourage continuation of this progress that we have already seen.

Now, Madam Speaker, additionally, this bill includes an extension of the Andean preference program which expires in just a few weeks, on December 31. This program provides an incentive for U.S. companies to invest in the politically and economically fragile Andean region. Creating lawful economic activity has been critical to efforts to divert illegal coca manufacturing towards legitimate industries, especially in some of the most egregious drug trafficking countries.

And at the same time, these preferences encourage the Andean countries to pursue more permanent, two-way free trade agreements with the United States which will help to solidify our economic and political relationship with that very important region right in our back yard.

Madam Speaker, the underlying legislation would extend these programs temporarily, but require full cooperation in the free trade arrangement negotiating process in order to continue them beyond a 6-month period.

□ 1630

What I am saying is in the first 6 months, there obviously are standards that must be met, requirements that must be met, and then we must continue in the FTA negotiations. By taking this approach, we maintain the economic benefits that the preference program has brought, while at the same time we provide a powerful incentive to move toward greater economic engagement.

Madam Speaker, this bill goes further in addition by including provisions regarding the Haitian Hemispheric Opportunity through Partnership Encouragement, or the so-called HOPE Act, which provides important tax credits for new U.S. labor and capital investments in eligible countries in the Caribbean region.

This program will not only advance U.S. textile interests, but provide critical assistance and opportunities for the people in this region, again, right in our backyard, not on the other side of the world.

Madam Speaker, with that I again urge my colleagues to support this very fair rule that allows us to bring up this important underlying legislation which deserves strong bipartisan support.

I reserve the balance of my time.

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

Let me first thank the distinguished Chair of the House Rules Committee, my very good friend, Mr. DREIER, for yielding me the time. As a point of personal privilege, Madam Speaker, let me take a moment to commend Chairman DREIER for his able stewardship of the Rules Committee over these past several years.

I consider David to have been, on balance, a very good chairman. He certainly is an institutionalist and someone who clearly understands the role of the United States and the United States Congress in the world today. He was given the challenge of running the Rules Committee at a particularly difficult juncture in congressional history.

David, it has been a pleasure to work with you, to travel with you, and to learn from you. I look forward to our continued work together, albeit with slightly different roles in the future.

Madam Speaker, as Chairman DREIER has already pointed out, this is a comprehensive and massive trade bill that is being brought to the House floor today. It was introduced in the House within the past few hours, and we are asked to vote on it shortly. I seriously doubt that most Members have read this bill. Okay, maybe Chairman THOMAS and Mr. RANGEL. Others? Not really, not a chance.

In some respects, this was a troubling pattern in the Congress, which I hope will end tomorrow. As I have said multiple times this year, it is my great hope that this type of legislating will end at the close of this year.

Now, within this massive bill are provisions that are both positive and negative. If this bill was split into four or six separate bills, I suspect I would find myself voting against three or five of the individual pieces of legislation. But I don't have that opportunity because, once again, the outgoing leadership has closed down the process in the hopes of squelching democracy here in the people's House.

Despite my serious misgivings about several portions of this bill, I may wind up supporting it for the sections that deal with our Caribbean neighbor to the immediate south.

The major focus of this bill, as it relates to the people of south Florida and of the 23rd Congressional District, which I am privileged to represent, is the investment it makes in Haiti. The truth is, Madam Speaker, this Congress and this administration and the previous administration has had a dismal record as it relates to helping one of the most beleaguered nations in our hemisphere. This bill takes a step, albeit a small step, in helping our brothers and sisters in Haiti begin to take control of their economy, take control of their livelihoods and, hopefully, their circumstances.

It is not a panacea, far from it. But it is, in my view, a step in the right direction. One of the key provisions of the Haitian Hemispheric Opportunity Through Partnership Encouragement, as it is referred to as the HOPE Act, will be that it provides new duty free, quota-free access to the U.S. market for apparel made in Haiti.

This has a two-fold benefit. One, it should, over time, allow businesses in Haiti to flourish and build a stable economy and lead to a more stable democracy; and, two, it will also help to lessen the massive trade imbalance we currently owe to China.

Madam Speaker, as the incoming chairman of the House Ways and Means committee, my good friend, CHARLIE RANGEL, has recently said Haiti and its fledgling democracy stand at critical crossroads. This is a key moment in the relationship between the United States and Haiti.

In order to capitalize on this moment, Haiti needs to be able to create sustained economic opportunity for its citizens. The provisions of this section of the bill can and likely will go a long way to fulfilling the U.S. part of this commitment.

As I said, Madam Speaker, this is not a perfect bill, and it certainly is not a perfect process. But this is what we have to work with today, and I may support this bill, warts and all, because of what it may do for the future of Haiti and its citizens who are desperately in need of support from the United States and other donor countries.

Madam Speaker, I reserve the balance of my time.

Mr. DREIER. Madam Speaker, let me begin by expressing my appreciation for my very good friend, Mr. HASTINGS, for his kind words and I look forward to working with him and Mrs. SLAUGHTER. We don't know all the other new members of the Rules Committee who will be joining us, but we look forward to working in a bipartisan way to address the many challenges the United States of America faces.

Mr. HASTINGS and I are in agreement on our quest to try to make sure that we implement this very important legislation. It does touch a number of areas, but as I said, it reaffirms our very strong commitment to doing all that we can, all that we can to expand the cause of freedom and the recognition of the interdependence of economic and political liberalization.

I was just talking to one of my colleagues a few minutes ago, Madam Speaker, and he made the statement to me that he is concerned about the Vietnam agreement because we should not be engaging with a communist country.

I think it is for that precise reason that we have what to me is an authoritarian dictatorship in Vietnam. I believe that by tying their hands, forcing them to live with a rules-based trading system, by doing everything that we can to bring them, as I said in my statement, into a world trade community, they will be able to have to comply with international norms, and there will be greater transparency and disclosure, so that the horrendous human rights issues that we have seen can more readily be addressed.

I am one who has believed at my core that trade promotes private enterprise, which creates wealth, which improves living standards, which undermines political oppression. If one looks at the last two decades of our Nation's history, we found countries with authoritarian dictatorships where we have maintained strong economic engagement, and, in so doing, we have been able to bring about the kind of political reform that I believe to be essential.

Two instances in this hemisphere alone, Venezuela and Chile, these are two countries which have had oppressive dictatorships. Yet through the decades of the 1980s, we maintained strong economic engagement with them. What has happened? Well, we have seen blossoming, strong political liberalization and the building of democracies in those nations, the recognition of the rule of law.

Similarly, if we shift to Asia, shift to Asia and look at countries like South Korea and Taiwan, places where we saw authoritarian dictatorships for many, many years and we as a Nation, under the leadership of Ronald Reagan and George H.W. Bush maintained strong economic ties with those countries, what has happened? Well, we see vibrant, growing democracies, both on Taiwan and on South Korea.

Now, I believe similarly that doing the kinds of things that can help us in the recognition of the importance of improving human rights, the importance of dealing with the violations of international norms that we have observed in Vietnam, we all acknowledge them. I served for years as a member of the POW/MIA Task Force. I made several trips to Vietnam in our quest to bring about a resolution on that. We continue today to be committed to this. I believe that our bringing Vietnam into this international norm, the trading status, will help us resolve these very, very important issues.

Another question that came forward was the deleterious impact this could potentially have on the textile industry here in the United States as it relates to India, as it relates to Haiti. I know there has been some concern raised about ATPA, the Andean Trade Preference Status.

Madam Speaker, I think it is important for us to recognize that change is inevitable. I am one who believes passionately in what is known as the ''economic theory of comparative advantage.'' We do what we do best, and others will do what they do best.

Madam Speaker, it is in our interest to see a strong, growing, global economy. It is also in our interest to do everything we can within our own hemisphere to ensure that we can compete globally. By proceeding with our focus on the Andean region, as we deal with the scourge of illicit drugs, as we deal with the economic devastation in Haiti, and I am very proud of the fact that the House Democracy Assistance Commission, that my colleague, DAVID PRICE and I have worked on, are focusing on building the parliament in Haiti, that our doing what they can there to enhance that political pluralism will be very important, very important for the stability of this hemisphere. I believe it will be very important for the consumers of the United States of America as well.

While this isn't a perfect measure, frankly, I wish we could do more, I wish we could immediately pass the FTAs with Peru, Colombia and we look forward to the South Korea FTA. I mean, I can go to other parts of the world. I very much want us to see more and more of these. I know come June we will see the expiration of trade promotion authority.

I see my very good friend from Virginia (Mr. MORAN), and he and I worked very closely on the issue of trying to enhance our opportunity, on trying to embark on more negotiations for FTAs. I believe it is imperative for us.

Madam Speaker, as I listen to many people decry the notion of trade and talk about the devastation that it has wrought to the U.S. economy, I remind them that just yesterday we got a near record report of a drop in jobless claims. We have a 4.6 percent unemployment rate, near record low.

We have a very strong GDP growth rate. We want it to be stronger, not quite as strong for this quarter as it has been in the past, but it still is strong GDP growth. I believe that has come, in large part, due to our strong commitment to the global leadership role.

If we as a Nation, if we don't lead globally, we will see others take that lead. What we are going to be voting on later today is very important in our quest to do that.

Madam Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Madam Speaker, I yield 4½ minutes to my friend, the distinguished gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. I want to thank the gentleman; I want to thank Chairman DREIER.

Madam Speaker, I think it is important to concede that it is possible to be in favor of trade, but at the same time be very concerned about the rules which attend a trade, about the structures that are set up to facilitate trade that may not take into account the rights of people, the rights of workers.

Mr. Speaker, the bill before us might have Vietnam in its name, but it is a hodgepodge collection of an agenda impacting Africa, Haiti, as well as Vietnam.

□ 1645

If we wanted to raise wages around the world, improve the livelihoods of a majority of citizens, we wouldn't send them on a global race to the bottom. That is precisely what this bill does.

Let me talk about Vietnam. A lot of us feel very badly about the legacy of the U.S. war in Vietnam. We feel badly about the napalm and carpet-bombing and the damage that was done to the lives of innocent people. We feel we should do something positive for the people of Vietnam. And I agree. We will have a moral obligation to the people of Vietnam far into the future.

But foisting the rules of globalization on the Vietnamese people is no gift. Let us remember that NAFTA was no gift to the Mexican farmers, who lost their markets and their livelihoods and who are poorer now after NAFTA than they were before NAFTA.

This bill is no gift. The global experience of developing countries with WTO rules provides a warning. During the WTO decade of 1995 to 2005, the number and percentage of people living on less than $2 a day has jumped in South Asia, sub-Saharan Africa, Latin America, the Middle East and the Caribbean. The rate of worldwide poverty reduction has slowed.

When you add in the full range of globalization's institutions, the picture gets even bleaker, from the specter of a developing country. Per capita income growth in poor nations declines when they sign up for the structural adjustment policies of the IMF and the World Bank. Per capita growth from 1980 to 2000 fell to half of what occurred between 1960 and 1980, prior to the imposition of the WTO–IMF, or International Monetary Fund, package.

I worry about the damage to the people in Vietnam if this permanent trade agreement passes. As poor as that country is, it actually has a lot more to lose. This permanent trade agreement we are talking about, here is what it could cause. It could cause millions of peasants to be thrown off their land as agricultural supports are withdrawn. It can cause millions of workers to lose their jobs as state enterprises wither in the face of foreign competition or downsize and speed up operations in an effort to stay competitive.

As a result of these and other factors, there will be a surge in income and wealth inequality, exacerbating dangerous trends already underway. Foreign tobacco companies will gain greater access to the Vietnamese market, which almost certainly means there will be a rise in smoking rates among women and children and may result in millions of excess tobacco-related deaths.

The U.S. balance of trade with Vietnam has already gone from a surplus in 1993 to a deficit of over $5 billion. As Chinese manufacturers move south to Vietnam in search of even cheaper labor, more and more exports will come from Vietnam to the United States, and more and more jobs in the United States will disappear.

Haven't we learned enough about the folly of the World Trade Organization? Haven't we lost enough good-paying jobs? Haven't we learned that the U.S. cannot for long be the world's biggest market and biggest consumer if our people are not making wealth through manufacturing?

What will have to happen for us to learn that we cannot sustain trade deficits forever? The U.S. is borrowing almost $800 billion per year from the international community. That is the trade deficit. One day, our Chinese, British, German, Canadian and Vietnamese creditors will want a say in U.S. economic policies, and that is not going to be in the interests of U.S. workers. Vote ''no'' on H.R. 6346.

Mr. DREIER. Madam Speaker, being the eternal optimist that I am, I will put my friend from Ohio (Mr. KUCINICH) in the ''undecided'' column on this.

Pending that, I am happy to yield 5 minutes to my very good friend, the former mayor of Alexandria, Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank the chairman of the Rules Committee, my friend, Mr. DREIER.

I am a cosponsor of this legislation because I do agree with the premise, as articulated by Mr. DREIER, that trade liberalization inevitably does lead to political and social liberalization. We tried the other approach in Vietnam and we lost 58,000 people and have very little to show for it. But it doesn't mean that we are going to look the other way when human rights are being violated. In fact, this gives us more ability to intervene and to protect American citizens and Vietnamese citizens.

Let me give you an example. There is a gentleman by the name of Hoan Nguyen. He has been a United States citizen for over 30 years. He has been on the Board of Visitors of George Mason University for 5 years. He is an internationally recognized humanitarian and educator.

He went to Vietnam to open the Hanoi International School for the children of diplomats and corporate executives because he wanted to help his native country to develop and to grow. But under the current regime, without this trade agreement, he is required to accept a local partner that the Vietnamese Government assigns him.

Well, this school worked and it began to make money, and so he started to pay off his American investors who had invested in the school. The local partner, with the assistance of Vietnamese officials, decided they wanted to seize the school. What they did was to arrest Mr. Hoan Nguyen. He is now in prison, without charges, without evidence, without the ability to consult his lawyer, without trial. He can't have an American lawyer.

His wife, with the help and advice of the U.S. Embassy, paid $85,000 in bail for his release on October 14, 2006. The government took the money and wouldn't release him. Now they want more money. It is pure extortion. She can't pay it, and she shouldn't. It is a brazen attempt to take over this school.

Now, my constituents who know Hoan Nguyen say the answer is to defeat the Vietnam Trade Agreement. I think the answer is just the opposite, because that is the kind of situation that exists today for every American investor. It won't exist when we have the kind of transparency that is guaranteed through this agreement.

What we are trying to get is the protection of commercial transactions, the protection of money that is invested in Vietnam. This is a quid pro quo, and there are a lot of Vietnamese Communist officials who are very uneasy about what this will require. They should be uneasy, because we won't allow this kind of situation to continue to occur.

This situation is not fair, in Vietnam or in any authoritarian Communist countries. China is not dissimilar from Vietnam. But the answer is not to engage militarily and I don't think the answer is to turn our back.

The answer is to change the situation, peacefully, diplomatically, legally. And that is what these trade agreements are all about: sitting down, negotiating; coming up with requirements for transparency; coming up with the ability to get insurance, with the ability to protect your investment, with the ability to take your case to court and have a fair trial, to introduce justice into these authoritarian systems.

Now, it is going to be slow, it is going to be frustrating, but it has got to be the way we go in the 21st century. We have got to engage with our competitors, even our former enemies, in this global economy, and this I think is the appropriate way to do so.

I would urge a ''yes'' vote on this trade agreement.

Mr. HASTINGS of Washington. Madam Speaker, I am very pleased to yield 3 minutes to my good friend the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Madam Speaker, I want to particularly thank my colleague from the State of Florida for the time.

Madam Speaker, I rise to oppose the rule for consideration of H.R. 6346 because under today's marshal law and the closed rule before us, no amendments were made in order.

I oppose this legislation, and I particularly want to reference a provision which allows the administration to revoke India's competitive need limitations waivers on certain items after 6 months. Although India continues its economic development, the vast majority of Indians are still desperately poor. The GSP program has become very important to India's smaller businesses, such as the jewelry industry.

Approximately 325,000 workers employed by the Indian jewelry industry, many of whom are from the countryside and are extremely poor, depend on GSP benefits. By providing alternative employment opportunities, the jewelry industry is helping to address the challenges India faces with increasing unemployment and desperation in rural areas, particularly for vulnerable populations such as women and low-skilled workers. It has afforded workers and their families access to basic necessities, such as basic education and health care.

From a development standpoint, restricting GSP benefits for India would have an adverse effect on this progress. These workers will simply lose their jobs, putting a tremendous burden on them and their families.

In addition, India is an important source of diamond jewelry to American jewelers today. Revoking these benefits would significantly increase the cost of many jewelry products for jewelers and their customers here, causing real harm to the industry in the United States.

The contention for revoking these benefits is to allow smaller GSP beneficiary countries to develop this industry. However, it would not increase sourcing from these lesser-developed countries or from domestic sources here in the United States. Instead, the U.S. market would simply turn straight to China, which is extremely cost competitive and has a well-established industry.

So I urge the administration to disregard the authority that is given under this bill to revoke India's competitive-need limitations. I hope the President will recognize the importance this program has on India's poor.

Again, I would urge Members to vote ''no'' on the rule and also on the subsequent bill.

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

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

Madam Speaker, I have no further speakers, and I would add further compliments to the final rule that our distinguished chair is bringing to the House as the chair in the majority, and to thank him again for his leadership of the Rules Committee and his friendship as we have progressed along. Having learned the things that I have from him, I am sure now that I will be able to teach him a thing or two in the next majority.

Thank you very much, David, for your friendship.

Madam Speaker, I yield back the balance of my time.

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

Madam Speaker, I, of course, express my great appreciation to my friend from Florida for his very kind words, and I do look forward to learning from him. I see the distinguished future chairman of the Ways and Means Committee here, my very good friend, Mr. RANGEL. We are going to have an interesting 2 years, and it is going to be a different opportunity for all of us.

I just reminded Paul Hayes of the fact that he, 15 years ago, said to me that he looked forward to the day when I would be able to, by direction of the Committee on Rules, call up a resolution for us to consider here on the floor, and I have been able to do that now for 12 years. We have this 2-year intermezzo that we are going to be going through, and I look forward to working in a bipartisan way with my colleagues on a wide range of issues.

I believe that this measure that we are considering right here on our global leadership role is an important bipartisan effort.

Madam Speaker, Mr. RANGEL and I spoke yesterday at length about the need for us to move ahead with our global trade agenda, and I look forward to continuing our effort together. On all of the public policy questions that we will be facing here in this House, I look forward to working with Mrs. SLAUGHTER and Mr. HASTINGS and the other members of the Rules Committee.

On this measure itself, Madam Speaker, I believe that for the cause of freedom, for the cause of our global leadership role, and, as Mr. MORAN said so eloquently, the effort to ensure the rule of law and political pluralism and the building of democratic institutions, this effort to pass these agreements is essential for us. So I urge support for the rule.

□ 1700

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

The previous question was ordered.

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

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

Mr. DREIER. Madam 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, this 15-minute vote on adoption of H. Res. 1100 will be followed by a 5-minute vote on suspending the rules on H.R. 5948.

The vote was taken by electronic device, and there were—yeas 207, nays 193, not voting 33, as follows:

[Roll No. 536]

YEAS—207

Akin
Bachus
Baird
Barton (TX)
Bass
Bean
Beauprez
Berkley
Berman
Biggert
Bilbray
Bilirakis
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chocola
Clay
Cole (OK)
Conaway
Costa
Crenshaw
Crowley
Cuellar
Culberson
Davis (AL)
Davis (FL)
Davis (KY)
Davis, Tom
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doggett
Drake
Dreier
Duncan
Ehlers
Emanuel
Emerson
English (PA)
Eshoo
Everett
Feeney
Ferguson
Flake
Fossella
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayworth
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hyde
Inslee
Issa
Istook
Jenkins
Johnson (CT)
Keller
Kennedy (MN)
Kind
King (IA)
King (NY)
Kirk
Kline
Knollenberg
Kuhl (NY)
LaHood
Larsen (WA)
Latham
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lungren, Daniel E.
Mack
Maloney
Manzullo
Marchant
Matheson
Matsui
McCaul (TX)
McCollum (MN)
McKeon
McMorris Rodgers
Meeks (NY)
Mica
Moran (VA)
Musgrave
Neugebauer
Northup
Nunes
Nussle
Ortiz
Osborne
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Rangel
Rehberg
Reichert
Renzi
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ruppersberger
Ryan (WI)
Schiff
Schwartz (PA)
Schwarz (MI)
Sekula Gibbs
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Simmons
Smith (TX)
Smith (WA)
Snyder
Sodrel
Souder
Stearns
Sullivan
Tanner
Terry
Thomas
Thompson (CA)
Thornberry
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Young (AK)
Young (FL)

NAYS—193

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Becerra
Berry
Bishop (GA)
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown-Waite, Ginny
Capps
Chandler
Cleaver
Clyburn
Coble
Conyers
Cooper
Costello
Cramer
Cummings
Davis (CA)
Davis (IL)
Davis (TN)
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dingell
Doolittle
Doyle
Edwards
Engel
Etheridge
Farr
Filner
Fitzpatrick (PA)
Forbes
Fortenberry
Foxx
Frank (MA)
Gonzalez
Goode
Gordon
Green, Al
Green, Gene
Grijalva
Hastings (FL)
Hayes
Hefley
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hunter
Inglis (SC)
Israel
Jackson (IL)
Jackson-Lee (TX)
Jindal
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kingston

Kucinich
Langevin
Lantos
Larson (CT)
LaTourette
Lee
Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lynch
Markey
Marshall
McCarthy
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Melancon
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Regula
Reyes
Rogers (AL)
Ross
Rothman
Roybal-Allard
Rush
Ryan (OH)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schmidt
Scott (GA)
Scott (VA)
Serrano
Sherman
Sires
Skelton
Slaughter
Smith (NJ)
Solis
Spratt
Stark
Stupak
Tauscher
Taylor (MS)
Thompson (MS)
Tiahrt
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Westmoreland
Wexler
Wilson (SC)
Wolf
Woolsey
Wu
Wynn

NOT VOTING—33

Baker
Blumenauer
Brown, Corrine
Burton (IN)
Carson
Cubin
Davis, Jo Ann
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Gutierrez
Harman
Jefferson
Johnson (IL)
Johnson, E. B.
Jones (NC)
Kolbe
McCrery
Miller, Gary
Norwood
Otter
Oxley
Paul
Sherwood
Simpson
Strickland
Sweeney
Tancredo
Taylor (NC)
Watson

□ 1729

Messrs. HEFLEY, LoBIONDO, MILLER of Florida, KINGSTON, RYUN of Kansas, GEORGE MILLER of California, MOORE of Kansas, RUSH, Ms. WASSERMAN SCHULTZ, Messrs. VAN HOLLEN, BECERRA, SAXTON, MORAN of Kansas, and Mrs. SCHMIDT changed their vote from ''yea'' to ''nay.''

Mr. CAPUANO changed his vote from ''nay'' to ''yea.''

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.

BELARUS DEMOCRACY REAUTHORIZATION ACT OF 2006

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 5948, 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 California (Mr. GALLEGLY) that the House suspend the rules and pass the bill, H.R. 5948, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 397, nays 2, not voting 34, as follows:

[Roll No. 537]

YEAS—397

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown-Waite, Ginny
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson, Sam
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris Rodgers
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Northup
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Simmons
Sires
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Stupak
Sullivan
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—2

Flake
Kucinich

NOT VOTING—34

Baker
Blumenauer
Brown, Corrine
Burton (IN)
Carson
Cubin
Davis, Jo Ann
Evans
Fattah
Ford
Frank (MA)
Gallegly
Gibbons
Gillmor
Gutierrez
Harman
Jefferson
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kolbe
McCrery
Miller, Gary
Norwood
Otter
Paul
Sherwood
Simpson
Strickland
Sweeney
Tancredo
Taylor (NC)
Watson

□ 1739

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. CORRINE BROWN of Florida. Mr. Speaker, on rollcall Nos. 536 and 537, had I been present, I would have voted ''no'' on 536 and ''yes'' on 537.

PERSONAL EXPLANATION

Ms. EDDIE BERNICE JOHNSON of TEXAS. Mr. Speaker, on rollcall Nos. 536 and 537, had I been present, I would have voted ''no'' on 536 and ''yea'' on 537.

PERSONAL EXPLANATION

Mr. GALLEGLY. Mr. Speaker, I was unable to make the following rollcall votes on December 8, 2006:

H. Res. 1101, Waiving all points of order against the conference report to accompany H.R. 5682 and against its consideration (rollcall vote 529). On agreeing to the resolution, had I been present, I would have voted ''aye.''

H. Res. 1099, Relating to consideration of the bill H.R. 6111 to amend the Internal Revenue Code of 1986 to provide that the Tax Court may review claims for equitable innocent spouse relief and to suspend the running on the period of limitations while such claims are pending (rollcall vote 530). Had I been present, I would have voted ''aye.''

H. Res. 1088, Expressing support for Lebanon's democratic institutions and condemning the recent terrorist assassination of Lebanese parliamentarian and Industry Minister Pierre Amine Gemayel (rollcall vote 531). On Motion to Suspend the Rules and Agree, I would have voted ''aye.''

H.R. 6111, Markey of Massachusetts Amendment (rollcall vote 532). On the motion to amend the House Amendment to Senate Amendment, I would have voted ''nay.''

H.R. 6111, Tax Relief and Health Care Act (rollcall vote 533). On the Motion to Agree to Senate Amendment with Amendment, I would have voted ''aye.''

H. Res. 1091, Condemning in the strongest terms Iran's commitment to hold an international Holocaust denial conference (rollcall vote 534). On Motion to Suspend the Rules and Agree, as Amended, I would have voted ''aye.''

H.R. 5948, Belarus Democracy Reauthorization Act of 2006 (rollcall vote 537). On Motion to Suspend the Rules and Agree, as Amended, I would have voted ''aye.''

PERSONAL EXPLANATION

Mr. BURTON of Indiana. Mr. Speaker, due to illness I was regrettably unable to be on the House floor for rollcall votes 529, 530, 531, 532, 533, 534, 535, 536, 537 and 538.

Had I been present I would have voted ''aye'' for rollcall votes 529, 530, 531, 533, 534, 536, and 537; and ''no'' for rollcall vote 532.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following titles:

H.R. 3248. An act to amend the Public health Service Act to establish a program to assist family caregivers in accessing affordable and high-quality respite care, and for other purposes.

TRADE LAWS MODIFICATION

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 1100, I call up the bill (H.R. 6406) to modify temporarily certain rates of duty and make other technical amendments to the trade laws, to extend certain trade preference programs, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of H.R. 6406 is as follows:

H.R. 6406

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

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Table of contents.

TITLE I—TARIFF PROVISIONS

Sec. 1001. Reference; expired provisions.

Subtitle A—New Duty Suspensions and Reductions

CHAPTER 1—NEW DUTY SUSPENSIONS

Sec. 1111. Diethyl sulfate.
Sec. 1112. Sorafenib.
Sec. 1113. Prohexadione calcium.
Sec. 1114. Methyl methoxy acetate.
Sec. 1115. Methoxyacetic acid.
Sec. 1116. N-Methylpiperidine.
Sec. 1117. Quinclorac technical.
Sec. 1118. Pyridaben.
Sec. 1119. Certain rubber or plastic footwear.
Sec. 1120. Sodium ortho-phenylphenol.
Sec. 1121. Certain chemical.
Sec. 1122. Baypure CX.
Sec. 1123. Isoeicosane.
Sec. 1124. Isododecane.
Sec. 1125. Isohexadecane.
Sec. 1126. Aminoguanidine bicarbonate.
Sec. 1127. o-Chlorotoluene.
Sec. 1128. Bayderm bottom DLV-N.
Sec. 1129. 2,3-Dichloronitrobenzene.
Sec. 1130. 1-Methoxy-2-propanol.
Sec. 1131. Basic Red 1 dye.
Sec. 1132. Basic Red 1:1 dye.
Sec. 1133. Basic Violet 11 dye.
Sec. 1134. Basic Violet 11:1 dye.
Sec. 1135. N-Cyclohexylthiophthalimide.
Sec. 1136. 4,4′-Dithiodimorpholine.
Sec. 1137. Tetraethylthiuram disulfide.
Sec. 1138. Certain tetramethylthiuram disulfide.
Sec. 1139. Certain aerosol valves.
Sec. 1140. 4-Methyl-5-n-propoxy-2,4-dihydro-1,2,4-triazol-3-one.
Sec. 1141. Ethoxyquin.
Sec. 1142. Tricholorobenzene.
Sec. 1143. Benzoic acid, 3,4,5-trihydroxy-, propyl ester.
Sec. 1144. 2-Cyanopyridine.
Sec. 1145. Mixed xylidines.
Sec. 1146. Certain reception apparatus not containing a clock or clock timer, incorporating only AM radio.
Sec. 1147. Pigment Yellow 219.
Sec. 1148. Pigment Blue 80.
Sec. 1149. 1-Oxa-3, 20-diazadispiro-[5.1.11.2] heneicosan-21-one 2,2,4,4-tetramethyl-,hydrochloride, reaction products with epichlorohydrin, hydrolyzed and polymerized.
Sec. 1150. Isobutyl parahydroxybenzoic acid and its sodium salt.
Sec. 1151. Phosphinic acid, diethyl-, aluminum salt.
Sec. 1152. Exolit OP 1312.
Sec. 1153. Sodium hypophosphite.
Sec. 1154. Cyanuric chloride.
Sec. 1155. Certain leather footwear for persons other than men or women.
Sec. 1156. Certain other work footwear.
Sec. 1157. Certain turn or turned footwear.
Sec. 1158. Certain work footwear with outer soles of leather.
Sec. 1159. Certain footwear with outer soles of rubber or plastics and with open toes or heels.
Sec. 1160. Certain athletic footwear.
Sec. 1161. Certain work footwear.
Sec. 1162. Certain footwear.
Sec. 1163. 1-Naphthyl methylcarbamate.
Sec. 1164. Certain 16-inch variable speed scroll saw machines.
Sec. 1165. 3,4-Dimethoxybenzaldehyde.
Sec. 1166. 2-Aminothiophenol.
Sec. 1167. Solvent Red 227.
Sec. 1168. Mixtures of formaldehyde polymer and toluene.
Sec. 1169. 1,2-Bis(3-aminopropyl)ethylenediamine, polymer with N-butyl-2,2,6,6-tetramethyl-4-piperidinamine and 2,4,6-trichloro-1,3,5-triazine.
Sec. 1170. Mixture of barium carbonate, strontium carbonate, calcium carbonate, methoxy-2-propananolacetate-1, for use as emitter suspension cathode coating.
Sec. 1171. Resin cement.
Sec. 1172. Phosphor yox, yttrium oxide phosphor, activated by europium.
Sec. 1173. Phosphor-bag-barium magnesium aluminate phosphor.
Sec. 1174. Yttrium vanadate phosphor.
Sec. 1175. Phosphor scap strontium chloroapatite-europium.
Sec. 1176. Phosphor zinc silicate.
Sec. 1177. Strontium magnesium phosphate-tin doped.
Sec. 1178. Phosphor-yof flu pdr yox; yttrium oxide phosphor, activated by europium.
Sec. 1179. Calcium chloride phosphate phosphor.
Sec. 1180. Ceramic frit powder.
Sec. 1181. Phosphor lite white and phosphor blue halo.
Sec. 1182. Phosphor-sca, strontium halophosphate doped with europium.
Sec. 1183. Phosphor-cool white small particle calcium halophosphate phosphor activated by manganese and antimony.
Sec. 1184. Phosphor lap lanthanum phosphate phosphor, activated by cerium and terbium.
Sec. 1185. Kashmir.
Sec. 1186. Certain articles of platinum.
Sec. 1187. Nickel alloy wire.
Sec. 1188. Titanium mononitride.
Sec. 1189. High accuracy, metal, marine sextants, used for navigating by celestial bodies.
Sec. 1190. Electrically operated pencil sharpeners.
Sec. 1191. Valve assemblies (vacuum relief).
Sec. 1192. Seals, aerodynamic, fireproof.
Sec. 1193. Wing illumination lights.
Sec. 1194. Exterior emergency lights.
Sec. 1195. Magnesium peroxide.
Sec. 1196. Certain footwear other than for men.
Sec. 1197. Grass shears with rotating blade.
Sec. 1198. Cerium sulfide pigments.
Sec. 1199. Kresoxim methyl.
Sec. 1200. 4-piece or 5-piece fireplace tools of iron or steel.
Sec. 1201. RSD 1235.
Sec. 1202. MCPB acid and MCPB sodium salt.
Sec. 1203. Gibberellic acid.
Sec. 1204. Triphenyltin hydroxide.
Sec. 1205. Bromoxynil octonoate.
Sec. 1206. Methyl 3-(trifluoromethyl)benzoate.
Sec. 1207. 4-(Trifluoromethoxy)phenyl isocyanate.
Sec. 1208. 4-Methylbenzonitrile.
Sec. 1209. Diaminodecane.
Sec. 1210. Certain compounds of lanthanum phosphates.
Sec. 1211. Certain compounds of yttrium europium oxide coprecipitates.
Sec. 1212. Certain compounds of lanthanum, cerium, and terbium phosphates.
Sec. 1213. Certain compounds of yttrium cerium phosphates.
Sec. 1214. Canned, boiled oysters, not smoked.
Sec. 1215. Boots.
Sec. 1216. Vinylidene chloride-methyl methacrylate-acrylonitrile copolymer.
Sec. 1217. 1-Propene, 1,1,2,3,3,3-hexafluoro-, oxidized, polymerized, reduced hydrolyzed.
Sec. 1218. 1-Propene,1,1,2,3,3,3-hexafluoro-oxidized, polymerized.
Sec. 1219. 1-Propene, 1,1,2,3,3,3-hexafluoro-, telomer with chlorotrifluoroethene, oxidized, reduced, ethyl ester, hydrolyzed.

Sec. 1220. Infrared absorbing dye.
Sec. 1221. 1,1,2-2-Tetrafluoroethene, oxidized, polymerized.
Sec. 1222. Methoxycarbonyl-terminated perfluorinated polyoxymethylene-polyoxyethylene.
Sec. 1223. Ethene, tetrafluoro, oxidized, polymerized, reduced, decarboxylated.
Sec. 1224. Ethene, tetrafluoro, oxidized, polymerized reduced, methyl esters, reduced, ethoxylated.
Sec. 1225. Oxiranemethanol, polymers with reduced methyl esters of reduced polymerized oxidized tetrafluoroethylene.
Sec. 1226. Ethene, tetrafluoro, oxidized, polymerized reduced, methyl esters, reduced.
Sec. 1227. Certain light-absorbing photo dyes.
Sec. 1228. Certain specialty monomers.
Sec. 1229. Suspension of duty on exoflex F BX7011.
Sec. 1230. Triphenyl phosphine.
Sec. 1231. Certain golf bag bodies.
Sec. 1232. Dichlorprop-p acid, dichlorprop-p dimethylamine salt, and dichlorprop-p 2-ethylhexyl ester.
Sec. 1233. 2,4-db acid and 2,4-db dimethylamine salt.
Sec. 1234. Filament fiber tow of rayon.
Sec. 1235. Parts for use in the manufacture of certain high-performance loudspeakers.
Sec. 1236. Certain plastic lamp-holder housings containing sockets.
Sec. 1237. Certain porcelain lamp-holder housings containing sockets.
Sec. 1238. Certain aluminum lamp-holder housings containing sockets.
Sec. 1239. Certain brass lamp-holder housings containing sockets.
Sec. 1240. Staple fibers of viscose rayon, not carded.
Sec. 1241. Staple fibers of rayon, carded, combed, or otherwise processed.
Sec. 1242. Mini DVD camcorder with 680K pixel CCD.
Sec. 1243. Mini DVD camcorder with 20G HDD.
Sec. 1244. Metal halide lamp.
Sec. 1245. Hand-held electronic can openers.
Sec. 1246. Electric knives.
Sec. 1247. Toaster ovens with single-slot traditional toaster opening on top of oven.
Sec. 1248. Ice shavers.
Sec. 1249. Dual-press sandwich makers with floating upper lid and lock.
Sec. 1250. Electric juice extractors greater than 300 watts but less than 400 watts.
Sec. 1251. Electric juice extractors not less than 800 watts.
Sec. 1252. Open-top electric indoor grills.
Sec. 1253. Automatic drip coffeemakers other than those with clocks.
Sec. 1254. Automatic drip coffeemakers with electronic clocks.
Sec. 1255. Electric under-the-cabinet mounting can openers.
Sec. 1256. Dimethyl malonate.
Sec. 1257. Lightweight digital camera lenses.
Sec. 1258. Digital zoom camera lenses.
Sec. 1259. Color flat panel screen monitors.
Sec. 1260. Color monitors with a video display diagonal of 35.56 cm or greater.
Sec. 1261. Color monitors.
Sec. 1262. Black and white monitors.
Sec. 1263. 6 V lead-acid storage batteries.
Sec. 1264. Zirconyl chloride.
Sec. 1265. Naphthol AS-CA.
Sec. 1266. Naphthol AS-KB.
Sec. 1267. Basic Violet 1.
Sec. 1268. Basic Blue 7.
Sec. 1269. 3-Amino-4-methylbenzamide.
Sec. 1270. Acetoacetyl-2,5-dimethoxy-4-chloroanilide.
Sec. 1271. Phenyl salicylate (benzoic acid, 2-hydroxy-, phenyl ester).
Sec. 1272. Synthetic indigo powder.
Sec. 1273. 1,3,5-Triazine-2,4-diamine, 6-[2-(2-methyl-1H-imidazol-1-yl)ethyl]-.
Sec. 1274. 50/50 Mixture of 1,3,5-triazine-2,4,6(1H,3H,5H)-trione, 1,3,5-tris[(2r)-oxiranylmethyl]- and 1,3,5,-triazine-2,4,6(1H,3H,5H)-trione, 1,3,5-tris[(2s)-oxiranylmethyl]-.
Sec. 1275. 9H-Thioxanthene-2-carboxaldehyde, 9-oxo-, 2-(o-acetyloxime).
Sec. 1276. 1H-Imidazole, 2-ethyl-4-methyl-.
Sec. 1277. 1H-Imidazole-4-methanol, 5-methyl-2-phenyl-.
Sec. 1278. 4-Cyclohexene-1,2-dicarboxylic acid, compd. With 1,3,5-triazine-2,4,6-triamine (1:1).
Sec. 1279. 1,3,5,-Triazine-2,4-diamine, 6-[2-(2-undecyl-1H-imidazol-1-yl)ethyl]-.
Sec. 1280. Certain footwear valued over $20 a pair with coated or laminated textile fabrics.
Sec. 1281. Certain women's footwear with coated or laminated textile fabrics.
Sec. 1282. Certain men's footwear with coated or laminated textile fabrics.
Sec. 1283. Certain men's footwear valued over $20 a pair with coated or laminated textile fabrics.
Sec. 1284. Certain women's footwear valued over $20 a pair with coated or laminated textile fabrics.
Sec. 1285. Certain other footwear valued over $20 a pair with coated or laminated textile fabrics.
Sec. 1286. Certain footwear with coated or laminated textile fabrics.
Sec. 1287. Certain other footwear covering the ankle with coated or laminated textile fabrics.
Sec. 1288. Certain women's footwear covering the ankle with coated or laminated textile fabrics.
Sec. 1289. Certain women's footwear not covering the ankle with coated or laminated textile fabrics.
Sec. 1290. Felt-bottom boots for use in fishing waders.
Sec. 1291. Lug bottom boots for use in fishing waders.
Sec. 1292. Certain parts and accessories for measuring or checking instruments.
Sec. 1293. Certain printed circuit assemblies.
Sec. 1294. Certain subassemblies for measuring equipment for telecommunications.
Sec. 1295. Chloroneb.
Sec. 1296. p-Nitrobenzoic acid (PNBA).
Sec. 1297. Allyl pentaerythritol (APE).
Sec. 1298. Butyl ethyl propanediol (BEP).
Sec. 1299. BEPD70L.
Sec. 1300. Boltorn-1 (bolt-1).
Sec. 1301. Boltorn-2 (bolt-2).
Sec. 1302. Cyclic TMP formal (CTF).
Sec. 1303. DITMP.
Sec. 1304. Polyol DPP (DPP).
Sec. 1305. Hydroxypivalic acid (HPA).
Sec. 1306. TMPDE.
Sec. 1307. TMPME.
Sec. 1308. TMP oxetane (TMPO).
Sec. 1309. TMPO ethoxylate (TMPOE).
Sec. 1310. Amyl-anthraquinone.
Sec. 1311. T-butyl acrylate.
Sec. 1312. 3-Cyclohexene-1-carboxylic acid, 6-[(di-2-propenylamino)carbonyl]-, rel-(1R,6R)-, reaction products with pentafluoroiodoethane-tetrafluoroethylene telomer, ammonium salt.
Sec. 1313. Mixtures of phosphate ammonium salt derivatives of a fluorochemical.
Sec. 1314. 1-(3H)-isobenzofuranone, 3,3-bis(2-methyl-1-octyl-1H-indol-3-yl)-.
Sec. 1315. Mixture of poly[[6-[(1,1,3,3-tetramethylbutyl)amino]-1,3,5-triazine-2,4-diyl] [2,2,6,6-tetramethyl-4-piperidinyl)imino]-1,6-hexanediyl[(2,2,6,6-tetramethyl-4-piperidinyl)imino]]) and bis(2,2,6,6-tetramethyl-4-piperidyl) sebacate.
Sec. 1316. Certain bitumen-coated polyethylene sleeves specifically designed to protect in-ground wood posts.
Sec. 1317. Nylon woolpacks used to package wool.
Sec. 1318. Magnesium zinc aluminum hydroxide carbonate hydrate.
Sec. 1319. C12–18 alkenes.
Sec. 1320. Acrypet UT100.
Sec. 1321. 5-Amino-1-[2,6-dichloro-4-(trifluoromethyl)phenyl]-4-[(1R,S)–(trifluoromethyl)-sulfinyl]-1H-pyrazole-3-carbonitrile (Fipronil).
Sec. 1322. 2,3-Pyridinedicarboxylic acid.
Sec. 1323. Mixtures of 2-amino-2,3-dimethylbutylnitrile and toluene.
Sec. 1324. 2,3-Quinolinedicarboxylic acid.
Sec. 1325. 3,5-Difluoroaniline.
Sec. 1326. Clomazone.
Sec. 1327. Chloropivaloyl chloride.
Sec. 1328. N,N′-Hexane-1,6-diylbis(3-(3,5-di-tert-butyl-4-hydroxyphenylpropionamide)).
Sec. 1329. Reactive Red 268.
Sec. 1330. Reactive Red 270.
Sec. 1331. Certain glass thermo bulbs.
Sec. 1332. Pyriproxyfen.
Sec. 1333. Uniconazole-P.
Sec. 1334. Bispyribac-sodium.
Sec. 1335. Dinotefuran.
Sec. 1336. Etoxazole.
Sec. 1337. Bioallethrin.
Sec. 1338. S-Bioallethrin.
Sec. 1339. Tetramethrin.
Sec. 1340. Tralomethrin.
Sec. 1341. Flumiclorac-pentyl.
Sec. 1342. 1-Propene-2-methyl homopolymer.
Sec. 1343. Acronal-S-600.
Sec. 1344. Lucirin TPO.
Sec. 1345. Sokalan PG IME.
Sec. 1346. Lycopene 10 percent.
Sec. 1347. Mixtures of CAS Nos. 181274–15–7 and 208465–21–8.
Sec. 1348. 2-Methyl-1-[4-(methylthio)phenyl]-2-(4-morpholinyl)–1-propanone.
Sec. 1349. 1,6-Hexanediamine, N,N-bis(2,2,6,6-tetramethyl-4-piperidinyl)-, polymer with 2,4,6-trichloro-1,3,5-triazine, reaction products with n-butyl-1-butanamine and N-butyl-2,2,6,6-tetramethyl-4-piperidinamine.
Sec. 1350. Vat Black 25.
Sec. 1351. Acid Orange 162.
Sec. 1352. Methyl salicylate.
Sec. 1353. 1,2-Octanediol.
Sec. 1354. Menthone glycerin acetal.
Sec. 1355. Pontamine Green 2b.
Sec. 1356. Bayderm bottom 10 UD.
Sec. 1357. Bayderm finish DLH.
Sec. 1358. Levagard DMPP.
Sec. 1359. Bayderm bottom DLV.
Sec. 1360. Certain ethylene-vinyl acetate copolymers.
Sec. 1361. Cyazofamid.
Sec. 1362. Flonicamid.
Sec. 1363. Zeta-cypermethrin.
Sec. 1364. 2-Ethylhexyl 4-methoxycinnamate.
Sec. 1365. Certain flame retardant plasticizers.

Sec. 1366. Baypure DS.
Sec. 1367. Bayowet C4.
Sec. 1368. Certain bicycle parts.
Sec. 1369. Other cycles.
Sec. 1370. Certain bicycle parts.
Sec. 1371. Certain bicycle parts.
Sec. 1372. (2-Chloroethyl)phosphonic acid (Ethephon).
Sec. 1373. Preparations containing, 2-(1-(((3-chloro-2-propenyl)oxy)imino)propyl)–5-(2-(ethylthio)propyl)–3-hydroxy-2-cyclohexene-1-one (Clethodim).
Sec. 1374. Urea, polymer with formaldehyde (pergopak).
Sec. 1375. Ortho nitroaniline.
Sec. 1376. 2,2 -(2,5-thiophenediyl)bis(5-(1,1-dimethylethyl)benzoxazole).
Sec. 1377. Certain chemicals and chemical mixtures.
Sec. 1378. Acid Red 414.
Sec. 1379. Solvent Yellow 163.
Sec. 1380. 4-Amino-3,6-bis[[5-[[4-chloro-6-[methyl[2-(methylamino)–2-oxoethyl]amino]-1,3,5-triazin-2-yl]amino]-2-sulfophenyl]azo]-5-hydroxy-2,7-naphthalenedisulfonic acid, lithium potassium sodium salt.
Sec. 1381. Reactive Red 123.
Sec. 1382. Reactive Blue 250.
Sec. 1383. Reactive Black 5.
Sec. 1384. 5-[(2-Cyano-4-nitrophenyl)azo]-2-[[2-(2-hydroxyethoxy)ethyl]amino]-4-methyl-6-(phenylamino)–3-pyridinecarbonitrile.
Sec. 1385. Cyano[3-[(6-methoxy-2-benzothiazolyl)amino]-1H-isoindol-1-ylidene]-acetic acid, pentyl ester.
Sec. 1386. [(9,10-Dihydro-9,10-dioxo-1,4-anthracenediyl)bis[imino[3-(2-methylpropyl)–3,1-propanediyl]]]bisbenzenesulfonic acid, disodium salt.
Sec. 1387. [4-(2,6-Dihydro-2,6-dioxo-7-phenylbenzo[1,2-b:4,5-b′]difuran-3-yl)phenoxy]-acetic acid, 2-ethoxyethyl ester.
Sec. 1388. 3-Phenyl-7-(4-propoxyphenyl)-benzo[1,2-b:4,5-b′]difuran-2,6-dione.
Sec. 1389. 2-[[[2, 5-Dichloro-4-[(2-methyl-1H-indol-3-yl)azo]phenyl]sulfonyl]amino]-ethanesulfonic acid, monosodium salt.
Sec. 1390. 2,7-Naphthalenedisulfonic acid, 5-[[4-chloro-6-[(3-sulfophenyl)amino]-1,3,5-triazin-2-yl]amino]-4-hydroxy-3-[[4-[[2-(sulfoxy)ethyl]sulfonyl]phenyl]azo]-, sodium salt.
Sec. 1391. 7-[[2-[(Aminocarbonyl)amino]-4-[[4-[4-[2-[[4-[[3-[(aminocarbonyl)amino]-4-[(3,6,8-trisulfo-2-naphthalenyl)azo]phenyl]amino]-6-chloro-1,3,5-triazin-2-yl]amino]ethyl]-1-piperazinyl]-6-chloro-1,3,5-triazin-2-yl]amino]phenyl]azo]-1,3,6-naphthalenetrisulfonic acid, lithium potassium sodium salt.
Sec. 1392. 4-[[3-(Acetylamino)phenyl]amino]-1-amino-9,10-dihydro-9,10-dioxo-2-anthracenesulfonic acid, monosodium salt.
Sec. 1393. [4-[2,6-Dihydro-2,6-dioxo-7-(4-propoxyphenyl)benzo[1,2-b:4,5-b]difuran-3-yl]phenoxy]-acetic acid, 2-ethoxyethyl ester.
Sec. 1394. Basic Yellow 40 chloride based.
Sec. 1395. Direct Yellow 119.
Sec. 1396. Naugard 412s.
Sec. 1397. Triacetonamine.
Sec. 1398. Ipconazole.
Sec. 1399. Omite tech.
Sec. 1400. Pantera technical.
Sec. 1401. p-Toluenesulfonyl chloride.
Sec. 1402. Preformed pellets of a mixture of sodium iodide, thallium iodide, dysprosium tri-iodide, holmium tri-iodide, thulium tri-iodide, and sometimes calcium iodide.
Sec. 1403. p-Aminobenzamide (4-aminobenzamide).
Sec. 1404. p-Chloroaniline.
Sec. 1405. 4-Chloro-2-nitroaniline.
Sec. 1406. o-Chloro-p-toluidine (3-chloro-4-methylaniline).
Sec. 1407. 2-Chloroacetoacetanilide.
Sec. 1408. p-Acetoacetanisidide.
Sec. 1409. 1-Hydroxy-2-naphthoic acid.
Sec. 1410. Pigment Green 7 crude, not ready for use as a pigment.
Sec. 1411. 1,8-Naphthalimide (1H-benz[de]isoquinoline-1,3(2H)-dione).
Sec. 1412. Diisopropyl succinate.
Sec. 1413. 2,4-Di-tert-butyl-6-(5-chlorobenzotriazol-2-yl)phenol.
Sec. 1414. Direct Black 22.
Sec. 1415. Methylene bis-benzotriazolyl tetramethylbutylphenol.
Sec. 1416. Bis-ethylhexyloxyphenol methoxyphenol triazine.
Sec. 1417. Reactive Orange 132.
Sec. 1418. Acid Black 244.
Sec. 1419. Certain cores used in remanufacture.
Sec. 1420. ADTP.
Sec. 1421. DCBTF.
Sec. 1422. Noviflumuron.
Sec. 1423. Parachlorobenzotrifluoride.
Sec. 1424. Mixtures of insecticide.
Sec. 1425. Mixture of fungicide.
Sec. 1426. 1,2-Benzisothiazol-3(2H)-one.
Sec. 1427. Styrene, ar-ethyl-, polymer with divinylbenzene and styrene (6CI) beads with low ash.
Sec. 1428. Mixtures of fungicide.
Sec. 1429. 2-Methyl-4-chlorophenoxy-acetic acid, di-methylamine salt.
Sec. 1430. Charge control agent 7.
Sec. 1431. Pro-jet Black 820 liquid feed.
Sec. 1432. Pro-jet Magenta M700.
Sec. 1433. Pro-jet Fast Black 287 NA liquid feed.
Sec. 1434. Pro-jet Fast Black 286 stage.
Sec. 1435. Pro-jet Cyan 485 stage.
Sec. 1436. Pro-jet Black 661 liquid feed.
Sec. 1437. Pro-jet Black Cyan 854 liquid feed.
Sec. 1438. Erasers.
Sec. 1439. Artificial flowers.
Sec. 1440. Suspension system stabilizer bars.
Sec. 1441. Rattan webbing.
Sec. 1442. Tractor body parts.
Sec. 1443. AC electric motors of an output exceeding 74.6 W but not exceeding 85 W.
Sec. 1444. AC electric motors of an output exceeding 74.6 W but not exceeding 105 W.
Sec. 1445. AC electric motors of an output exceeding 74.6 W but not exceeding 95 W.
Sec. 1446. Certain AC electric motors.
Sec. 1447. Viscose rayon yarn.
Sec. 1448. Certain twisted yarn of viscose rayon.
Sec. 1449. Allyl ureido monomer.
Sec. 1450. Synthetic elastic staple fiber.
Sec. 1451. Certain fiberglass sheets.
Sec. 1452. Halophosphor calcium diphosphate.
Sec. 1453. Certain rayon staple fibers.
Sec. 1454. Synthetic quartz or fused silica photomask substrates.
Sec. 1455. Certain integrated machines for manufacturing pneumatic tires.
Sec. 1456. Tramway cars.
Sec. 1457. Certain artificial filament single yarn (other than sewingthread).
Sec. 1458. Certain electrical transformers rated at 25VA.
Sec. 1459. Certain electrical transformers rated at 40VA.

CHAPTER 2—REDUCTIONS

Sec. 1461. Floor coverings and mats of vulcanized rubber.
Sec. 1462. Manicure and pedicure sets.
Sec. 1463. Nitrocellulose.
Sec. 1464. Sulfentrazone technical.
Sec. 1465. Clock radio combos.
Sec. 1466. Thiamethoxam technical.
Sec. 1467. Staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning.
Sec. 1468. Certain men's footwear covering the ankle with coated or laminated textile fabrics.
Sec. 1469. Certain footwear not covering the ankle with coated or laminated textile fabrics.
Sec. 1470. Acrylic or modacrylic synthetic staple fibers, not carded, combed, or otherwise processed for spinning.
Sec. 1471. Certain women's footwear.
Sec. 1472. Numerous other seals made of rubber or silicone, and covered with, or reinforced with, a fabric material.
Sec. 1473. Tetrakis.
Sec. 1474. Glycine, N,N-bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction products with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylene telomer.
Sec. 1475. Diethyl ketone.
Sec. 1476. Acephate.
Sec. 1477. Flumioxazin.
Sec. 1478. Garenoxacin mesylate.
Sec. 1479. Butylated hydroxyethylbenzene.
Sec. 1480. Certain automotive catalytic converter mats.
Sec. 1481. 3,3′-Dichlorobenzidine dihydrochloride.
Sec. 1482. TMC114.
Sec. 1483. Biaxially oriented polypropylene dielectric film.
Sec. 1484. Biaxially oriented polyethylene terephthalate dielectric film.
Sec. 1485. Certain bicycle parts.
Sec. 1486. Certain bicycle parts.
Sec. 1487. Bifenthrin.
Sec. 1488. Reduced Vat 1.
Sec. 1489. 4-Chlorobenzonitrile.
Sec. 1490. Nail clippers and nail files.
Sec. 1491. Electric automatic shower cleaners.
Sec. 1492. Mesotrione technical.
Sec. 1493. Certain crank-gear and other bicycle parts.

Subtitle B—Existing Suspensions and Reductions

Sec. 1501. Extensions of existing suspensions and other modifications.

Subtitle C—Effective Date

Sec. 1511. Effective date.

TITLE II—RELIQUIDATIONS

Sec. 2001. Reliquidation of certain entries of certain small diameter carbon and alloy seamless standard, line and pressure pipe from Romania.
Sec. 2002. Certain entries of pasta.
Sec. 2003. Clarification of reliquidation provision.
Sec. 2004. Reliquidation of certain drawback claim.
Sec. 2005. Payment of interest on amounts owed pursuant to reliquidation of certain entries.

TITLE III—TECHNICAL CORRECTIONS AND OTHER PROVISIONS

Subtitle A—Technical corrections

Sec. 3001. Amendments to the HTS.

Sec. 3002. Technical correction to the Tariff Act of 1930.
Sec. 3003. Amendments to the Pension Protection Act of 2006.
Sec. 3004. NMSBA.
Sec. 3005. Certain monochrome glass envelopes.
Sec. 3006. Flexible magnets and composite goods containing flexible magnets.
Sec. 3007. Cellar treatment of wine.

Subtitle B—Other Provisions

Sec. 3011. Consideration of certain civil actions delayed because of the terrorist attacks of September 11, 2001.
Sec. 3012. Effective date of modifications to the Harmonized Tariff Schedule.

TITLE IV—EXTENSION OF NONDISCRIMINATORY TREATMENT (NORMAL TRADE RELATIONS TREATMENT) TO THE PRODUCTS OF VIETNAM

Sec. 4001. Findings.
Sec. 4002. Termination of application of title IV of the Trade Act of 1974 to Vietnam.
Sec. 4003. Procedure for determining prohibited subsidies by Vietnam.
Sec. 4004. Consultations upon initiation of investigation.
Sec. 4005. Public participation and consultation.
Sec. 4006. Arbitration and imposition of quotas.
Sec. 4007. Definitions.

TITLE V—HAITI

Sec. 5001. Short title.
Sec. 5002. Trade benefits for Haiti.
Sec. 5003. ITC study.
Sec. 5004. Sense of Congress on interpretation of textile and apparel provisions for Haiti.
Sec. 5005. Technical amendments.
Sec. 5006. Effective date.

TITLE VI—AFRICAN GROWTH AND OPPORTUNITY ACT

Sec. 6001. Short title.
Sec. 6002. Preferential treatment of apparel products of lesser developed countries.
Sec. 6003. Technical corrections.
Sec. 6004. Effective date for AGOA.

TITLE VII—ANDEAN TRADE PREFERENCE ACT

Sec. 7001. Short title.
Sec. 7002. ATPA extension.
Sec. 7003. Technical amendments.

TITLE VIII—GENERALIZED SYSTEM OF PREFERENCES (GSP) PROGRAM

Sec. 8001. Limitations on waivers of competitive need limitation.
Sec. 8002. Extension of GSP program.

TITLE I—TARIFF PROVISIONS

SEC. 1001. REFERENCE; EXPIRED PROVISIONS.

(a) REFERENCE.—Except as otherwise expressly provided, whenever in this title, title II, and title III an amendment or repeal is expressed in terms of an amendment to, or repeal of, a chapter, subchapter, note, additional U.S. note, heading, subheading, or other provision, the reference shall be considered to be made to a chapter, subchapter, note, additional U.S. note, heading, subheading, or other provision of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007).

(b) EXPIRED PROVISIONS.—Subchapter II of chapter 99 is amended by striking the following headings:

9902.05.34
9902.06.01
9902.06.62
9902.08.10
9902.19.80
9902.20.05
9902.21.06
9902.21.42
9902.26.11
9902.28.40
9902.28.94
9902.29.01
9902.29.04
9902.29.05
9902.29.06 (relating to racemic dl-menthol)
9902.29.13
9902.29.14
9902.29.27
9902.29.30
9902.29.31
9902.29.33
9902.29.39
9902.29.40
9902.29.41
9902.29.42
9902.29.47
9902.29.56
9902.29.63
9902.29.68
9902.29.69
9902.29.75
9902.29.76
9902.29.78
9902.29.79
9902.29.84
9902.29.85
9902.29.86
9902.29.88
9902.29.92
9902.29.94
9902.29.96
9902.29.97
9902.29.99
9902.30.08
9902.30.11
9902.30.13
9902.30.46
9902.32.05
9902.32.06
9902.32.09
9902.32.10
9902.32.15
9902.32.17
9902.32.20
9902.32.23
9902.32.24
9902.32.25
9902.32.44 (relating to CAS No. 201932–24–3)
9902.32.44 (relating to CAS No. 186537–30–4)
9902.32.46
9902.32.50
9902.32.53
9902.32.58
9902.32.59
9902.32.60
9902.32.64
9902.32.65
9902.32.66
9902.32.67
9902.32.80
9902.32.81
9902.32.84
9902.32.86
9902.32.88
9902.32.96
9902.32.98
9902.37.01
9902.37.02
9902.38.00
9902.38.01
9902.38.02
9902.38.03
9902.38.13
9902.38.20
9902.38.22
9902.38.24
9902.38.29
9902.38.30
9902.38.50
9902.38.51
9902.38.53
9902.39.07
9902.39.31
9902.39.32
9902.52.01
9902.52.03
9902.70.01
9902.84.00
9902.84.16
9902.84.19
9902.84.30
9902.84.40
9902.84.70
9902.85.00
9902.90.20
9902.98.07

Subtitle A—New Duty Suspensions and Reductions

CHAPTER 1—NEW DUTY SUSPENSIONS

SEC. 1111. DIETHYL SULFATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.01	Diethyl sulfate (CAS No. 64–67–5) (provided for in subheading 2920.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1112. SORAFENIB.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.02	4-(4-{3-[4-Chloro-3-(trifluoromethyl) phenyl]ureido}phenoxy)-N-2-methylpyridine-2-carboxamide 4-methylbenzenesulfonate (Sorafenib tosylate) (CAS No. 475207–59–1) (provided for in subheading 2933.39.41)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1113. PROHEXADIONE CALCIUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.03	Prohexadione calcium (calcium 3-oxido-5-oxo-4-propionylcyclohexa-3-enecarboxylate) (CAS No. 127277–53–6) (provided for in subheading 2918.30.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1114. METHYL METHOXYACETATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.04	Methyl methoxyacetate (CAS No. 6290–49–9) (provided for in subheading 2918.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1115. METHOXYACETIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.05	Methoxyacetic acid (CAS No. 625–45–6) (provided for in subheading 2918.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1116. N-METHYLPIPERIDINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.06	N-Methylpiperidine (CAS No. 626–67–5) (provided for in subheading 2933.39.61)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1117. QUINCLORAC TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.07	3,7-Dichloroquinoline-8-carboxylic acid (Quinclorac) (CAS No. 84087–01–4) (provided for in subheading 2933.49.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1118. PYRIDABEN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.08	2-Tert-butyl-5-(4-tert-butylbenzylthio)-4-chloropyridazin-3(2H)-one (Pyridaben) (CAS No. 96489–71–3) (provided for in subheading 2933.99.22)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1119. CERTAIN RUBBER OR PLASTIC FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.09	Footwear for persons other than women, with outer soles of leather or composition leather and with uppers of textile materials (provided for in subheading 6404.20.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1120. SODIUM ORTHO-PHENYLPHENOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.10	2-Phenylphenol sodium salt (CAS No. 132–27–4) (provided for in subheading 2907.19.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1121. CERTAIN CHEMICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.11	Adsorbent resin comprised of a macroporous polymer of diethenylbenzene (CAS No. 9003–69–4) (provided for in subheading 3911.90.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1122. BAYPURE CX.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.12	Iminodisuccinic acid, triammonium salt, in aqueous solutions (CAS No. 415719–09–04) (provided for in subheading 2922.49.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1123. ISOEICOSANE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.13	Isoeicosane (CAS No. 93685–79–1) (provided for in subheading 2710.19.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1124. ISODODECANE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.14	Isododecane (CAS No. 31807–55–3) (provided for in subheading 2710.11.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1125. ISOHEXADECANE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.15	Isohexadecane (CAS No. 60908–77–2) (provided for in subheading 2710.19.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1126. AMINOGUANIDINE BICARBONATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.16	Aminoguanidine bicarbonate (CAS No. 2582–30–1) (provided for in subheading 2928.00.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1127. O-CHLOROTOLUENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new headings:

“	9902.22.17	2-Chlorotoluene (CAS No. 95–49–8) (provided for in subheading 2903.69.80)	Free	No change	No change	On or before 12/31/2009	
	9902.22.18	Chloromethylbenzene (CAS No. 25168–05–2) (provided for in subheading 2903.69.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1128. BAYDERM BOTTOM DLV-N.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.19	Aqueous polyurethane dispersions containing 38 percent to 42 percent solids content of propanoic acid, 3-hydroxy-2-(hydroxymethyl)-2-methyl-,polymer with 2-[(2-aminoethyl)amino]ethanesulfonic acid monosodium salt, 1,6-diisocyanatohexane, dimethyl carbonate, 1,2-ethanediamine, 1,6-hexanediol, hydrazine, and α- hydro-ω-hydroxypoly[oxy(methyl-1,2-ethanediyl)], polyethylene-polypropylene glycol monobutyl ether blocked (CAS No. 841251–36–3) (provided for in subheading 3909.50.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1129. 2,3-DICHLORONITROBENZENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.20	2,3-Dichloronitrobenzene (CAS No. 3209–22–1) (provided for in subheading 2904.90.47)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1130. 1-METHOXY-2-PROPANOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.21	1-Methoxy-2-propanol (CAS No. 107–98–2) (provided for in subheading 2909.49.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1131. BASIC RED 1 DYE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.22	Basic Red 1 (CAS No. 989–38–8) (provided for in subheading 3204.13.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1132. BASIC RED 1:1 DYE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.23	Basic Red 1:1 (CAS No. 3068–39–1) (provided for in subheading 3204.13.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1133. BASIC VIOLET 11 DYE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.24	Basic Violet 11 (CAS No. 2390–63–8) (provided for in subheading 3204.13.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1134. BASIC VIOLET 11:1 DYE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.25	Basic Violet 11:1 (CAS No. 39393–39–0) (provided for in subheading 3204.13.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1135. N-CYCLOHEXYLTHIOPHTHALIMIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.26	N-Cyclohexylthiophthalimide (CAS No. 17796–82–6) (provided for in subheading 2930.90.24)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1136. 4,4′-DITHIODIMORPHOLINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.27	4,4′-Dithiodimorpholine (CAS No. 103–34–4) (provided for in subheading 2930.90.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1137. TETRAETHYLTHIURAM DISULFIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.28	Tetraethylthiuram disulfide (CAS No. 97–77–8) (provided for in subheading 2930.30.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1138. CERTAIN TETRAMETHYLTHIURAM DISULFIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.29	Tetramethylthiuram disulfide (CAS No. 137–26–8) (provided for in subheading 2930.30.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1139. CERTAIN AEROSOL VALVES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.30	Aerosol valves designed to deliver a metered dose (50 microliters) of a pressurized liquid pharmaceutical product, having a mounting cup with inside diameter of 20.1 mm and height (skirt to shoulder) of 7.49 mm with a stem outside diameter of 2.79 mm, with such components of stainless steel and buna rubber and with a retaining cup of aluminum (provided for in subheading 8481.80.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1140. 4-METHYL-5-N-PROPOXY-2,4-DIHYDRO-1,2,4-TRIAZOL-3-ONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.31	4-Methyl-5-n-propoxy-2,4-dihydro-1,2,4-triazol-3-one (CAS No. 145027–96–9) (provided for in subheading 2933.99.97)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1141. ETHOXYQUIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.32	Ethoxyquin (1,2-dihydro-6-ethoxy-2,2,4-trimethylquinoline) (CAS No. 91–53–2) (provided for in subheading 2933.49.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1142. TRICHOLOROBENZENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.33	1,2,4-Trichlorobenzene (CAS No. 120–82–1) (provided for in subheading 2903.69.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1143. BENZOIC ACID, 3,4,5-TRIHYDROXY-, PROPYL ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.34	Benzoic acid, 3,4,5-trihydroxy-, propyl ester (CAS No. 121–79–9) (propyl gallate) (provided for in subheading 2918.29.75)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1144. 2-CYANOPYRIDINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.35	2-Cyanopyridine (CAS No. 100–70–9) (provided for in subheading 2933.39.91)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1145. MIXED XYLIDINES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.36	Mixed xylidines (CAS No. 1300–73–8) (provided for in subheading 2921.49.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1146. CERTAIN RECEPTION APPARATUS NOT CONTAINING A CLOCK OR CLOCK TIMER, INCORPORATING ONLY AM RADIO.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.37	Radiobroadcast receivers capable of operating without an external source of power, not containing a clock or clock timer in the same housing, each containing only an AM radiobroadcast receiver (provided for in subheading 8527.19.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1147. PIGMENT YELLOW 219.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.38	Pigment Yellow 219 (CAS No. 347174–87–2) (provided for in subheading 3204.17.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1148. PIGMENT BLUE 80.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.39	Pigment Blue 80 (CAS No. 391663–82–4) (provided for in subheading 3204.17.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1149. 1-OXA-3, 20-DIAZADISPIRO-[5.1.11.2]-HENEICOSAN-21-ONE, 2,2,4,4-TETRAMETHYL-,HYDROCHLORIDE, REACTION PRODUCTS WITH EPICHLOROHYDRIN, HYDROLYZED, POLYMERIZED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.40	1-Oxa-3,20-diazadispiro-[5.1.11.2]-heneicosan-21-one,2,2,4,4-tetramethyl-,hydrochloride, reaction products with epichlorohydrin, hydrolyzed, polymerized (CAS No. 202483–55–4) (provided for in subheading 3911.90.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1150. ISOBUTYL PARAHYDROXYBENZOIC ACID AND ITS SODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.41	Isobutyl 4-hydroxybenzoate (CAS No. 4247–02–3) and its sodium salt (CAS No. 84930–15–4) (provided for in subheading 2918.29.65)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1151. PHOSPHINIC ACID, DIETHYL-, ALUMINUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.42	Phosphinic acid, diethyl-, aluminum salt (CAS No. 225789–38–8) (provided for in subheading 2931.00.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1152. EXOLIT OP 1312.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.43	Phosphinic acid, diethyl-, aluminum salt (CAS No. 225789–38–8) with synergists and encapsulating agents (provided for in subheading 3824.90.91)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1153. SODIUM HYPOPHOSPHITE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.44	Sodium hypophosphite monohydrate (CAS No. 10039–56–2) (provided for in subheading 2835.10.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1154. CYANURIC CHLORIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.45	Cyanuric chloride (CAS No. 108–77–0) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1155. CERTAIN LEATHER FOOTWEAR FOR PERSONS OTHER THAN MEN OR WOMEN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.46	Other footwear with uppers of leather or composition leather, for persons other than for men or women (provided for in subheading 6405.10.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1156. CERTAIN OTHER WORK FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.47	Other work footwear for women, with outer soles and uppers of rubber or plastics, other than house slippers and other than tennis shoes, basketball shoes, gym shoes, training shoes and the like (provided for in subheading 6402.99.18)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1157. CERTAIN TURN OR TURNED FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.48	Turn or turned footwear with outer soles of leather and uppers of leather, other than for men or women (provided for in subheading 6403.59.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1158. CERTAIN WORK FOOTWEAR WITH OUTER SOLES OF LEATHER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.49	Footwear with outer soles of leather and uppers of leather, covering the ankle, other than for women (provided for in subheading 6403.51.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1159. CERTAIN FOOTWEAR WITH OUTER SOLES OF RUBBER OR PLASTICS AND WITH OPEN TOES OR HEELS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.50	Footwear with outer soles of rubber or plastics and uppers of textile materials other than of vegetable fibers, with open toes or open heels, the foregoing other than house slippers and other than footwear for women (provided for in subheading 6404.19.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1160. CERTAIN ATHLETIC FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.51	Footwear with outer soles of leather or composition leather and uppers of textile materials, valued over $2.50 per pair, the foregoing other than for men or women (provided for in subheading 6404.20.40)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1161. CERTAIN WORK FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.52	Work footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather, not covering the ankle (provided for in subheading 6403.99.60 or 6403.99.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1162. CERTAIN FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.53	Footwear with outer soles and uppers of rubber or plastics, incorporating a protective metal toecap, having uppers of which over 90 percent of the external surface area (including any accessories or reinforcements such as those mentioned in note 4(a) to chapter 64) is rubber or plastics (provided for in subheading 6402.30.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1163. 1-NAPHTHYL METHYLCARBAMATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.54	1-Naphthyl methylcarbamate (Carbaryl) (CAS No. 63-25-2) (provided for in subheading 2924.29.47)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1164. CERTAIN 16-INCH VARIABLE SPEED SCROLL SAW MACHINES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.55	Variable speed scroll sawing machines each having a throat depth of approximately 406 mm, new (provided for in subheading 8465.91.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1165. 3,4-DIMETHOXYBENZALDEHYDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.56	3,4-Dimethoxybenzaldehyde (CAS No. 120–14–9) (provided for in subheading 2912.49.25)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1166. 2-AMINOTHIOPHENOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.22.57	2-Aminothiophenol (CAS No. 137–07–5) (provided for in subheading 2930.90.29)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1167. SOLVENT RED 227.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.58	Solvent Red 227 (CI 60510) (provided for in subheading 3204.19.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1168. MIXTURES OF FORMALDEHYDE POLYMER AND TOLUENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.59	Formaldehyde, polymer with toluene (CAS No. 25155–81–1) (provided for in subheading 3911.90.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1169. 1,2-BIS(3-AMINOPROPYL)ETHYLENEDIAMINE, POLYMER WITH N-BUTYL-2,2,6,6-TETRAMETHYL-4-PIPERIDINAMINE AND 2,4,6-TRICHLORO-1,3,5-TRIAZINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.60	1,2-Bis(3-aminopropyl)ethylenediamine, polymer with N-butyl-2,2,6,6-tetramethyl-4-piperidinamine and 2,4,6-trichloro-1,3,5-triazine (CAS No. 136504–96–6) (provided for in subheading 3812.30.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1170. MIXTURE OF BARIUM CARBONATE, STRONTIUM CARBONATE, CALCIUM CARBONATE, 1-METHOXY-2-PROPANANOL ACETATE, FOR USE AS EMITTER SUSPENSION CATHODE COATING.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.61	A mixture of barium carbonate, strontium carbonate, calcium carbonate, and 1-methoxy-2-propanol acetate, for use as emitter suspension cathode coating (CAS Nos. 513–77–9, 1633–05–2, 471–34–1, and 108–65–6) (provided for in subheading 3824.90.91)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1171. RESIN CEMENT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.62	Resin cement based on calcium carbonate and silicone resins (CAS Nos. 471–34–1 and 68037–83–2) (provided for in subheading 3214.10.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1172. PHOSPHOR YOX, YTTRIUM OXIDE PHOSPHOR, ACTIVATED BY EUROPIUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.63	Yttrium oxide phosphor, activated by europium of a kind used as a luminophore (CAS No. 68585–82–0) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1173. PHOSPHOR-BAG-BARIUM MAGNESIUM ALUMINATE PHOSPHOR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.64	Compound of barium magnesium aluminate phosphor, activated by europium or manganese, of a kind used as luminophores (CAS Nos. 63774–55–0 and 1308–96–9) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1174. YTTRIUM VANADATE PHOSPHOR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.65	Yttrium vanadate phosphor, of a kind used as a luminophore (CAS No. 6874–82–7) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1175. PHOSPHOR SCAP STRONTIUM CHLOROAPATITE-EUROPIUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.66	Compound of strontium chloroapatite-europium, of a kind used as a luminophore (CAS No. 68784–77–0) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1176. PHOSPHOR ZINC SILICATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.67	Phosphor of zinc silicate, of a kind used as a luminophore (CAS No. 68611–47–2) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1177. STRONTIUM MAGNESIUM PHOSPHATE-TIN DOPED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.68	Strontium magnesium phosphate-tin doped inorganic products of a kind used as luminophores (CAS Nos. 1314–11–0, 1314–56–3, 1309–48–4, and 18282–10–5) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1178. PHOSPHOR-YOF FLU PDR YOX; YTTRIUM OXIDE PHOSPHOR, ACTIVATED BY EUROPIUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.69	Yttrium oxide phosphor, activated by europium used as a luminophore (CAS No. 68585–82–0) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1179. CALCIUM CHLORIDE PHOSPHATE PHOSPHOR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.70	Calcium chloride phosphate phosphor activated by manganese and antimony used as a luminophore (CAS No. 75535–31–8) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1180. CERAMIC FRIT POWDER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.71	A mixture of aluminum oxide, calcium oxide, barium oxide, magnesium oxide, boron oxide, butylmethacrylate resin and C.I. Solvent Red 24 used in the manufacture of ceramic arc tubes (CAS Nos. 1344–28–1, 1305–78–8, 1304–28–5, 1309–48–4, 1303–86–2, 9003–63–8, and 85–83–6) (provided for in subheading 3824.90.91)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1181. PHOSPHOR LITE WHITE AND PHOSPHOR BLUE HALO.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.72	Calcium chloride phosphate phosphor used as a luminophore (CAS No. 75535–31–8) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1182. PHOSPHOR-SCA, STRONTIUM HALOPHOSPHATE DOPED WITH EUROPIUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.73	Strontium halophosphate doped with europium used as a luminophore (CAS Nos. 109037–74–3 and 1312–81–8) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1183. PHOSPHOR-COOL WHITE SMALL PARTICLE CALCIUM HALOPHOSPHATE PHOSPHOR ACTIVATED BY MANGANESE AND ANTIMONY.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.74	Small particle calcium chloride phosphate phosphor activated by manganese and antimony used as a luminophore (CAS No. 75535–31–8) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1184. PHOSPHOR LAP LANTHANUM PHOSPHATE PHOSPHOR, ACTIVATED BY CERIUM AND TERBIUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.75	Lanthanum phosphate phosphor, activated by cerium and terbium, inorganic used as luminophores (CAS Nos. 13778–59–1, 13454–71–2, and 13863–48–4 or 95823–34–0) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1185. KASHMIR.

(a) IN GENERAL.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new headings:

“	9902.22.76	Fine animal hair of Kashmir (cashmere) goats, not processed in any manner beyond the degreased or carbonized condition (provided for in subheading 5102.11.10)	Free	No change	No change	On or before 12/31/2009	
“	9902.22.77	Fine animal hair of Kashmir (cashmere) goats (provided for in subheading 5102.11.90)	Free	No change	No change	On or before 12/31/2009	”.

(b) CONFORMING AMENDMENT.—Subchapter II of chapter 99 is amended by striking headings 9902.51.15 (relating to articles provided for in subheading 5102.11.10) and 9902.51.16 (relating to articles provided for in subheading 5102.11.90).

SEC. 1186. CERTAIN ARTICLES OF PLATINUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.78	Spheres of platinum, containing approximately 18 percent by weight of iridium, of a kind used in manufacturing electrodes for spark plugs (provided for in subheading 7115.90.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1187. NICKEL ALLOY WIRE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.79	Cold-formed wire of nickel alloys containing 0.09 percent or more but not more than 1.6 percent by weight of silicon, certified by the importer to be used in the manufacture of spark plug electrodes, the foregoing either round wire measuring 1.7 mm or more but not over 4.9 mm in cross-sectional diameter or flat wire of rectangular cross section measuring 0.9 mm or more but not over 2.2 mm in thickness and 1.7 mm or more but not over 3.3 mm in width (provided for in subheading 7505.22.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1188. TITANIUM MONONITRIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.80	Titanium mononitride (CAS No. 25583–20–4) (provided for in subheading 2850.00.07)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1189. HIGH ACCURACY, METAL, MARINE SEXTANTS, USED FOR NAVIGATING BY CELESTIAL BODIES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.81	Marine sextants of metal, designed for use in navigating by celestial bodies (provided for in subheading 9014.80.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1190. ELECTRICALLY OPERATED PENCIL SHARPENERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.82	Electrically operated pencil sharpeners (provided for in subheading 8472.90.40)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1191. VALVE ASSEMBLIES (VACUUM RELIEF).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.83	Pedestal assemblies for vacuum relief valves, designed for use in aircraft (provided for in subheading 8481.40.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1192. SEALS, AERODYNAMIC, FIREPROOF.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.84	Seals of polyester fabric bonded over a silicone core, designed for use in airplanes (provided for in subheading 3926.90.00 or 5911.90.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1193. WING ILLUMINATION LIGHTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.85	Wing illumination lights, designed for use on airplanes (provided for in subheading 9405.60.40)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1194. EXTERIOR EMERGENCY LIGHTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.86	Exterior emergency lights, designed for use on airplanes (provided for in subheading 9405.60.40)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1195. MAGNESIUM PEROXIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.87	Magnesium peroxide, minimum 25 percent purity (CAS No. 1335–26–8) (provided for in subheading 2816.10.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1196. CERTAIN FOOTWEAR OTHER THAN FOR MEN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.88	Footwear, other than for men, with outer soles of leather or composition leather and uppers of textile materials, valued not over $2.50 per pair (provided for in subheading 6404.20.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1197. GRASS SHEARS WITH ROTATING BLADE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.89	Grass shears with swiveling heads and with rotating vertical and horizontal cutting blades of steel (provided for in subheading 8201.90.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1198. CERIUM SULFIDE PIGMENTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.90	Cerium sulfide pigments (CAS Nos. 12014–93–6 and 12031–49–1) (provided for in subheading 3206.49.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1199. KRESOXIM METHYL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.91	Mixtures of methyl (E)-methoxyimino-[α-(o-tolyloxy)-o-tolyl]acetate (Kresoxim methyl) (CAS No. 143390–89–0) and application adjuvants (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1200. 4-PIECE OR 5-PIECE FIREPLACE TOOLS OF IRON OR STEEL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.92	Packages containing 4 or 5 different fireplace tools, such tools of iron or steel, intended for sale to the ultimate consumer in such packages (provided for in subheading 8205.51.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1201. RSD 1235.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.93	3-Pyrrolidinol, 1-[(1R,2R)-2-[2-(3,4-dimethoxyphenyl)ethoxy]cyclohexyl]-,hydrochloride, (3R) (CAS No. 748810–28–8) (provided for in subheading 2933.99.53)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1202. MCPB ACID AND MCPB SODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.94	4-(4-Chloro-2-methylphenoxy) butanoic acid (CAS No. 94–81–5); 4-(4-chloro-2-methylphenoxy)butanoic acid, sodium salt (CAS No. 6062–26–6) (provided for in subheading 2918.90.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1203. GIBBERELLIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.95	Gibberellic acid (GA3) (CAS No. 77–06–5) and a mixture of gibberellin A4 (CAS No. 468–44–0) and gibberellin A7 (CAS No. 510–75–8) (provided for in subheading 2932.29.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1204. TRIPHENYLTIN HYDROXIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.96	Triphenyltin hydroxide (CAS No. 76–87–9) (provided for in subheading 2931.00.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1205. BROMOXYNIL OCTONOATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.97	3,5-Dibromo-4-hydroxybenzonitrile octonoate (CAS No. 1689–84–5) (provided for in subheading 2926.90.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1206. METHYL 3-(TRIFLUOROMETHYL)BENZOATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.98	Methyl 3-(trifluoromethyl)benzoate (CAS No. 2557–13–3) (provided for in subheading 2916.39.45)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1207. 4-(TRIFLUOROMETHOXY)PHENYL ISOCYANATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.22.99	4-(Trifluoromethoxy)phenyl isocyanate (CAS No. 35037–73–1) (provided for in subheading 2929.10.55)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1208. 4-METHYLBENZONITRILE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.01	4-Methylbenzonitrile (CAS No. 104–85–8) (provided for in subheading 2926.90.43)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1209. DIAMINODECANE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.02	Diaminodecane (CAS No. 646–25–3) (provided for in subheading 2921.29.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1210. CERTAIN COMPOUNDS OF LANTHANUM PHOSPHATES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.03	Lanthanum phosphate (CAS No. 13778–59–1) (provided for in subheading 2846.90.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1211. CERTAIN COMPOUNDS OF YTTRIUM EUROPIUM OXIDE COPRECIPITATES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.04	Mixtures or coprecipitates of yttrium oxide (CAS No. 1314–36–9) and europium oxide (CAS No. 1308–96–9) having a yttrium oxide content of at least 90 percent (provided for in subheading 2846.90.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1212. CERTAIN COMPOUNDS OF LANTHANUM, CERIUM, AND TERBIUM PHOSPHATES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.05	Mixtures or coprecipitates of lanthanum phosphate, cerium phosphate, and terbium phosphate (CAS Nos. 13778–59–1, 13454–71–2, and 13863–48–4 or 95823–34–0) (provided for in subheadings 2846.10.00 and 2846.90.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1213. CERTAIN COMPOUNDS OF YTTRIUM CERIUM PHOSPHATES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.06	Mixtures or coprecipitates of yttrium phosphate (CAS No. 13990–54–0) and cerium phosphate (CAS No. 13454–71–2) (provided for in subheadings 2846.10.00 and 2846.90.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1214. CANNED, BOILED OYSTERS, NOT SMOKED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.07	Oysters (other than smoked), prepared or preserved (provided for in subheading 1605.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1215. BOOTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.08	Boots constructed by hand of natural rubber, the foregoing with steel toes and incorporating ballistic nylon for cut protection, with self-cleaning lug soles or with ‘‘caulked’’ soles for slip and fall protection (provided for in subheading 6401.10.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1216. VINYLIDENE CHLORIDE-METHYL METHACRYLATE-ACRYLONITRILE COPOLYMER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.09	Vinylidene chloride-methyl methacrylate-acrylonitrile copolymer (CAS No. 25214–39–5) (provided for in subheading 3904.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1217. 1-PROPENE, 1,1,2,3,3,3-HEXAFLUORO-, OXIDIZED, POLYMERIZED, REDUCED HYDROLYZED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.10	1-Propene, 1,1,2,3,3,3-hexafluoro-, oxidized, polymerized, reduced hydrolyzed (CAS No. 161075–14–5) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1218. 1-PROPENE,1,1,2,3,3,3-HEXAFLUORO-, OXIDIZED, POLYMERIZED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.11	1-Propene, 1,1,2,3,3,3-hexafluoro-, oxidized, polymerized (CAS No. 69991–67–9) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1219. 1-PROPENE, 1,1,2,3,3,3-HEXAFLUORO-, TELOMER WITH CHLOROTRIFLUOROETHENE, OXIDIZED, REDUCED, ETHYL ESTER, HYDROLYZED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.12	1-Propene, 1,1,2,3,3,3,-hexafluoro-, telomer with chlorotrifluoroethene, oxidized, reduced, ethyl ester, hydrolyzed (CAS No. 220182–27–4) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1220. INFRARED ABSORBING DYE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.13	1H-Benz[e]indolium, 2-[2-[2-chloro-3-[(1,3-dihydro-1,1,3-trimethyl-2H-benz[e]indol-2-ylidene)ethylidene]-1-cyclohexen-1-yl]ethenyl]-1,1,3-trimethyl-, salt with 4-methylbenzenesulfonic acid (1:1) (CAS No. 134127–48–3) (provided for in subheading 2934.99.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1221. 1,1,2-2-TETRAFLUOROETHENE, OXIDIZED, POLYMERIZED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.14	1,1,2-2-Tetrafluoroethene, oxidized, polymerized (CAS No. 69991–61–3) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1222. METHOXYCARBONYL-TERMINATED PERFLUORINATED POLYOXYMETHYLENE-POLYOXYETHYLENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.15	Methoxycarbonyl-terminated perfluorinated polyoxymethylene-polyoxyethylene (CAS No. 107852–49–3) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1223. ETHENE, TETRAFLUORO, OXIDIZED, POLYMERIZED, REDUCED, DECARBOXYLATED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.16	Ethene, tetrafluoro, oxidized, polymerized, reduced, decarboxylated (CAS No. 161075–02–1) (provided for in subheading 3824.90.91)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1224. ETHENE, TETRAFLUORO, OXIDIZED, POLYMERIZED REDUCED, METHYL ESTERS, REDUCED, ETHOXYLATED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.17	Ethene, tetrafluoro, oxidized, polymerized reduced, methyl esters, reduced, ethoxylated (CAS No. 162492–15–1) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1225. OXIRANEMETHANOL, POLYMERS WITH REDUCED METHYL ESTERS OF REDUCED POLYMERIZED OXIDIZED TETRAFLUOROETHYLENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.18	Oxiranemethanol, polymers with reduced methyl esters of reduced polymerized oxidized tetrafluoroethylene (CAS No. 156559–18–1) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1226. ETHENE, TETRAFLUORO, OXIDIZED, POLYMERIZED REDUCED, METHYL ESTERS, REDUCED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.19	Ethene, tetrafluoro, oxidized, polymerized reduced, methyl esters, reduced (CAS No. 88645–29–8) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1227. CERTAIN LIGHT-ABSORBING PHOTO DYES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.20	Morpholine, 4-[4,5-dihydro-4-[3-[5-hydroxy-1-methyl-3-(4-morpholinylcarbonyl)-1H-pyrazol-4-yl]-2-propenylidene]-1-methyl-5-oxo-1H-pyrazol-3-yl]carbonyl]-, potassium salt (CAS No. 183196–57–8) (provided for in subheading 2934.99.90); 1,4-benzenedisulfonic acid, 2-[4-[5-[1-(2,5-disulfophenyl)-1,5-dihydro-3-[(methylamino)carbonyl]-5-oxo-4H-pyrazol-4-ylidene]-3-(2-oxo-1-pyrrolidinyl)-1,3-pentadienyl]-5-hydroxy-3-[(methylamino)carbonyl]-1H-pyrazol-1-yl]-, pentapotassium salt (CAS No. 202482–44–8) (provided for in subheading 2933.79.08)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1228. CERTAIN SPECIALTY MONOMERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.21	3,4-Dimethylbenzene, 1,1′-[2,2,2-trifluoro-1-(trifluoromethyl)ethylidene]bis- (CAS No. 65294–20–4) (provided for in subheading 2903.69.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1229. SUSPENSION OF DUTY ON EXOFLEX F BX7011.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.22	1,4-Benzenedicarboxylic acid, dimethyl ester, polymer with 1,4-butanediol and hexanedioic acid (CAS No. 55231–08–8) (provided for in subheading 3907.99.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1230. TRIPHENYL PHOSPHINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.23	Triphenyl phosphine (CAS No. 603–35–0) (provided for in subheading 2931.00.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1231. CERTAIN GOLF BAG BODIES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.24	Golf bag bodies made of woven fabrics of nylon or polyester, sewn together with rainhoods, pockets, dividers, and graphite shaft protection (provided for in subheading 6307.90.98)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1232. DICHLORPROP-P ACID, DICHLORPROP-P DIMETHYLAMINE SALT, AND DICHLORPROP-P 2-ETHYLHEXYL ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.25	(+)-(R)-2-(2,4-Dichlorophenoxy) propanoic acid (CAS No. 15165–67–0); (+)-(R)-2-(2,4-dichlorophenoxy) propanoic acid, 2-ethylhexyl ester (CAS No. 79270–78–3) (provided for in subheading 2918.90.20), and (+)-(R)-2-(2,4-dichlorophenoxy)propanoic acid, dimethylamine salt (CAS No. 104786–87–0) (provided for in subheading 2921.19.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1233. 2,4-DB ACID AND 2,4-DB DIMETHYLAMINE SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.26	4-(2,4-Dichlorophenoxy) butyric acid (CAS No. 94–82–6) (provided for in subheading 2918.90.20); and 4-(2,4-dichlorophenoxy)butyric acid, dimethylamine salt (CAS No. 2758–42–1) (provided for in subheading 2921.19.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1234. FILAMENT FIBER TOW OF RAYON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.27	Filament tow of rayon (provided for in heading 5502.00.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1235. PARTS FOR USE IN THE MANUFACTURE OF CERTAIN HIGH-PERFORMANCE LOUDSPEAKERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.28	Parts (provided for in subheading 8518.90.80) certified by the importer as for use exclusively in the manufacture of loudspeakers which (when not mounted in their enclosures) meet a performance standard of not more than 1.5 dB for the average level of 3 or more octave bands when tested in a reverberant chamber	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1236. CERTAIN PLASTIC LAMP-HOLDER HOUSINGS CONTAINING SOCKETS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.29	Lamp-holder housings of plastics, containing sockets (provided for in subheading 8536.61.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1237. CERTAIN PORCELAIN LAMP-HOLDER HOUSINGS CONTAINING SOCKETS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.30	Lamp-holder housings of porcelain, containing sockets (provided for in subheading 8536.61.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1238. CERTAIN ALUMINUM LAMP-HOLDER HOUSINGS CONTAINING SOCKETS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.31	Lamp-holder housings of aluminum, containing sockets (provided for in subheading 8536.61.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1239. CERTAIN BRASS LAMP-HOLDER HOUSINGS CONTAINING SOCKETS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.32	Lamp-holder housings of brass, containing sockets (provided for in subheading 8536.61.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1240. STAPLE FIBERS OF VISCOSE RAYON, NOT CARDED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.33	Staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning, measuring 1.67 to 16.67 decitex and having a fiber length each measuring 20 mm or more but not over 150 mm (provided for in subheading 5504.10.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1241. STAPLE FIBERS OF RAYON, CARDED, COMBED, OR OTHERWISE PROCESSED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.34	Staple fibers of rayon, carded, combed, or otherwise processed for spinning, the foregoing presented in the form of top (provided for in heading 5507.00.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1242. MINI DVD CAMCORDER WITH 680K PIXEL CCD.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.35	Camcorders each capable of recording and reproducing video images on mini-DVD media in all the following formats: DVD–R, DVD–RW, DVD–RAM, or DVD+RW, the foregoing each with 25 power optical zoom and a lens diameter of 34 mm (provided for in subheading 8525.40.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1243. MINI DVD CAMCORDER WITH 20G HDD.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.36	Camcorders each capable of recording and reproducing video images on mini-DVD media in all the following formats: DVD–R, DVD–RW, DVD–RAM, or DVD+RW, the foregoing each with an internal 20 gigabyte (20G) hard disk drive and a USB 2.0 port (provided for in subheading 8525.40.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1244. METAL HALIDE LAMP.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.37	Metal halide lamps designed for use in video projectors (provided for in subheading 8539.32.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1245. HAND-HELD ELECTRONIC CAN OPENERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.38	Hand-held electromechanical can openers, with self-contained electric motor (provided for in subheading 8509.80.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1246. ELECTRIC KNIVES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.39	Electromechanical knives, with self-contained electric motor (provided for in subheading 8509.80.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1247. TOASTER OVENS WITH SINGLE-SLOT TRADITIONAL TOASTER OPENING ON TOP OF OVEN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.40	Electrothermic toaster ovens, each incorporating a single-slot toaster opening on top of the oven (provided for in subheading 8516.72.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1248. ICE SHAVERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.41	Electromechanical ice shavers, with self-contained electric motor (provided for in subheading 8509.40.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1249. DUAL-PRESS SANDWICH MAKERS WITH FLOATING UPPER LID AND LOCK.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.42	Dual-grid electric sandwich grillers, each with lock and floating upper lid (provided for in subheading 8516.60.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1250. ELECTRIC JUICE EXTRACTORS GREATER THAN 300 WATTS BUT LESS THAN 400 WATTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.43	Electromechanical juice extractors, each with a self-contained 2-speed electric motor rated over 300 W but not over 400 W (provided for in subheading 8509.40.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1251. ELECTRIC JUICE EXTRACTORS NOT LESS THAN 800 WATTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.44	Electromechanical juice extractors, each with a self-contained 2-speed electric motor rated at 800 W or higher (provided for in subheading 8509.40.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1252. OPEN-TOP ELECTRIC INDOOR GRILLS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.45	Open-top electric grills designed for indoor use (provided for in subheading 8516.60.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1253. AUTOMATIC DRIP COFFEEMAKERS OTHER THAN THOSE WITH CLOCKS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.46	Electrothermic automatic drip coffeemakers without electronic clock, each with self-contained coffee holding chamber and designed to be used without separate carafe (provided for in subheading 8516.71.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1254. AUTOMATIC DRIP COFFEEMAKERS WITH ELECTRONIC CLOCKS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.47	Electrothermic automatic drip coffeemakers each with electronic clock and with self-contained coffee holding chamber, the foregoing designed to be used without separate carafe (provided for in subheading 8516.71.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1255. ELECTRIC UNDER-THE-CABINET MOUNTING CAN OPENERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.48	Electromechanical can openers, with self-contained electric motor, the foregoing designed to be mounted below kitchen cabinets (provided for in subheading 8509.80.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1256. DIMETHYL MALONATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.49	Dimethyl malonate (CAS No. 108–59–8) (provided for in subheading 2917.19.70)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1257. LIGHTWEIGHT DIGITAL CAMERA LENSES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.50	Lenses designed for digital cameras, the foregoing with focal length 55 mm or more but not over 200 mm and not exceeding 255.2 g in weight (provided for in subheading 9002.11.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1258. DIGITAL ZOOM CAMERA LENSES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.51	Lenses designed for digital cameras, the foregoing with focal length 17 mm or more but not over 55 mm and not exceeding 765.5 g in weight (provided for in subheading 9002.11.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1259. COLOR FLAT PANEL SCREEN MONITORS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.52	Color video monitors each having a flat panel screen, BNC input connection and video loop-thru connector, the foregoing with a video display diagonal of either 41.9 cm or more but not more than 44.5 cm, or 47 cm or more but not more than 49.5 cm (provided for in subheading 8528.21.70)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1260. COLOR MONITORS WITH A VIDEO DISPLAY DIAGONAL OF 35.56 CM OR GREATER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.53	Color video monitors each having a cathode-ray tube and a video display diagonal exceeding 35.56 cm (provided for in subheading 8528.21.39)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1261. COLOR MONITORS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.54	Color video monitors, each having a cathode-ray tube and a video display diagonal of more than 34.29 cm but not more than 35.56 cm (provided for in subheading 8528.21.29)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1262. BLACK AND WHITE MONITORS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.55	Black and white or other monochrome monitors with cathode-ray tubes, the foregoing each with a video display diagonal of either 21.6 cm or more but not more than 24.1 cm, 29.2 cm or more but not more than 31.8 cm or 41.9 cm or more but not more than 44.5 cm (provided for in subheading 8528.22.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1263. 6 V LEAD-ACID STORAGE BATTERIES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.56	6 V lead-acid storage batteries with a maximum length of 8.89 cm, maximum width of 5.08 cm and maximum height of 11.43 cm, rated at less than 10 ampere-hours, certified by the importer as intended for use as the auxiliary source of power for burglar or fire alarms and similar apparatus of subheading 8531.10.00 (provided for in subheading 8507.20.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1264. ZIRCONYL CHLORIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.57	Zirconium oxychloride (zirconyl chloride or zirconium dichloride oxide) (CAS No. 15461–27–5) (provided for in subheading 2827.49.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1265. NAPHTHOL AS-CA.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.58	5′-Chloro-3-hydroxy-2′-methoxy-2-naphthanilide (CAS No. 137–52–0) (provided for in subheading 2924.29.36)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1266. NAPHTHOL AS-KB.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.59	5′-Chloro-3-hydroxy-2′-methyl-2-naphthanilide (CAS No. 135–63–7) (provided for in subheading 2924.29.36)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1267. BASIC VIOLET 1.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.60	Basic Violet 1 (CAS No. 8004–87–3) (provided for in subheading 3204.13.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1268. BASIC BLUE 7.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.61	Basic Blue 7 (CAS No. 2390–60–5) (provided for in subheading 3204.13.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1269. 3-AMINO-4-METHYLBENZAMIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.63	3-Amino-4-methylbenzamide (CAS No. 19406–86–1) (provided for in subheading 2924.29.76)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1270. ACETOACETYL-2,5-DIMETHOXY-4-CHLOROANILIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.64	Acetoacetyl-2,5-dimethoxy-4-chloroanilide (CAS No. 4433–79–8) (provided for in subheading 2924.29.76)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1271. PHENYL SALICYLATE (BENZOIC ACID, 2-HYDROXY-, PHENYL ESTER).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.65	Phenyl salicylate (benzoic acid, 2-hydroxy-, phenyl ester) (CAS No. 118–55–8) (provided for in subheading 2918.23.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1272. SYNTHETIC INDIGO POWDER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.66	Synthetic indigo powder, (3H-indol-3-one, 2-(1,3-dihydro-3-oxo-2H-indol-2-ylidene)-1,2-dihydro-) (CAS No. 482–89–3) (provided for in subheading 3204.15.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1273. 1,3,5-TRIAZINE-2,4-DIAMINE, 6-[2-(2-METHYL-1H-IMIDAZOL-1-YL)ETHYL]-.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.67	1,3,5-Triazine-2,4-diamine, 6-[2-(2-methyl-1H-imidazol-1-yl)ethyl]- (CAS No. 38668–46–1) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1274. 50/50 MIXTURE OF 1,3,5-TRIAZINE-2,4,6(1H,3H,5H)-TRIONE, 1,3,5-TRIS[(2R)-OXIRANYLMETHYL]- AND 1,3,5,-TRIAZINE-2,4,6(1H,3H,5H)-TRIONE, 1,3,5-TRIS[(2S)-OXIRANYLMETHYL]-.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.68	50/50 Mixture of 1,3,5-triazine-2,4,6(1H,3H,5H)-trione, 1,3,5-tris[(2R)-oxiranylmethyl]- and 1,3,5,-triazine-2,4,6(1H,3H,5H)-trione, 1,3,5-tris[(2S)-oxirianylmethyl]- (CAS Nos. 240408–78–0 and 240408–81–5) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1275. 9H-THIOXANTHENE-2-CARBOXALDEHYDE, 9-OXO-, 2-(O-ACETYLOXIME).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.69	9H-Thioxanthene-2-carboxaldehyde, 9-oxo-, 2-(o-acetyloxime) (CAS No. 362624–80–4) (provided for in subheading 2934.99.39)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1276. 1H-IMIDAZOLE, 2-ETHYL-4-METHYL-.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.70	1H-Imidazole, 2-ethyl-4-methyl- (CAS No. 931–36–2) (provided for in subheading 2933.29.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1277. 1H-IMIDAZOLE-4-METHANOL, 5-METHYL-2-PHENYL-.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.71	1H-Imidazole-4-methanol, 5-methyl-2-phenyl- (CAS No. 13682–32–1) (provided for in subheading 2933.29.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1278. 4-CYCLOHEXENE-1,2-DICARBOXYLIC ACID, COMPD. WITH 1,3,5-TRIAZINE-2,4,6-TRIAMINE (1:1).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.72	4-Cyclohexene-1,2-dicarboxylic acid, compd. with 1,3,5-triazine-2,4,6-triamine (1:1) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1279. 1,3,5,-TRIAZINE-2,4-DIAMINE, 6-[2-(2-UNDECYL-1H-IMIDAZOL-1-YL)ETHYL]-.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.73	1,3,5,-Triazine-2,4-diamine, 6-[2-(2-undecyl-1H-imidazol-1-yl)ethyl]- (CAS No. 50729–75–4) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1280. CERTAIN FOOTWEAR VALUED OVER $20 A PAIR WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.74	Footwear (other than for men or women, and other than vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, whose height from the bottom of the outer sole to the top of the upper does not exceed 7 inches (17.78 cm), designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6402.91.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1281. CERTAIN WOMEN’S FOOTWEAR WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.75	Women’s footwear with outer soles and uppers of rubber or plastics (except footwear of vulcanized rubber and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, covering the ankle, whose height from the bottom of the outer sole to the top of the upper does not exceed 8 inches (20.32 cm), such footwear designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6402.91.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1282. CERTAIN MEN’S FOOTWEAR WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.76	Men’s footwear (except vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, whose height from the bottom of the outer sole to the top of the upper does not exceed 8 inches (20.32 cm), designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6402.91.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1283. CERTAIN MEN’S FOOTWEAR VALUED OVER $20 A PAIR WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.77	Men’s footwear (except vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6402.99.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1284. CERTAIN WOMEN’S FOOTWEAR VALUED OVER $20 A PAIR WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.78	Women’s footwear (except vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6402.99.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1285. CERTAIN OTHER FOOTWEAR VALUED OVER $20 A PAIR WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.79	Footwear (other than for men or women, and other than vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6402.99.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1286. CERTAIN FOOTWEAR WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.80	Footwear (other than for men or women and other than vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, not covering the ankle, designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6404.19.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1287. CERTAIN OTHER FOOTWEAR COVERING THE ANKLE WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.81	Footwear (other than for men or women, and other than vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, covering the ankle, whose height from the bottom of the outer sole to the top of the upper does not exceed 7 inches (17.78 cm), designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6404.19.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1288. CERTAIN WOMEN’S FOOTWEAR COVERING THE ANKLE WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.82	Women’s footwear (except vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, covering the ankle, whose height from the bottom of the outer sole to the top of the upper does not exceed 8 inches (20.32 cm), such footwear designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6404.19.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1289. CERTAIN WOMEN’S FOOTWEAR NOT COVERING THE ANKLE WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.83	Women’s footwear (except vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, not covering the ankle, designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6404.19.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1290. FELT-BOTTOM BOOTS FOR USE IN FISHING WADERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.84	Vulcanized rubber felt-bottom boots for actual use in fishing waders (provided for in subheading 6405.90.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1291. LUG BOTTOM BOOTS FOR USE IN FISHING WADERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.85	Vulcanized rubber lug bottom boots for actual use in fishing waders (provided for in subheading 6401.92.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1292. CERTAIN PARTS AND ACCESSORIES FOR MEASURING OR CHECKING INSTRUMENTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.86	Parts or accessories of instruments or apparatus for measuring or checking electrical quantities, such instruments or apparatus specially designed for telecommunications (provided for in subheading 9030.90.88) (but not including subassemblies containing one or more printed circuit assemblies for such instruments or apparatus (provided for in subheading 9030.90.88))	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1293. CERTAIN PRINTED CIRCUIT ASSEMBLIES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.87	Printed circuit assemblies for instruments or apparatus for measuring or checking electrical quantities, such instruments or apparatus specially designed for telecommunications (provided for in subheading 9030.90.68)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1294. CERTAIN SUBASSEMBLIES FOR MEASURING EQUIPMENT FOR TELECOMMUNICATIONS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.88	Subassemblies containing one or more printed circuit assemblies for instruments or apparatus for measuring or checking electrical quantities, such instruments or apparatus specially designed for telecommunications (provided for in subheading 9030.90.88)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1295. CHLORONEB.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.89	1,4-Dichloro-2,5-dimethoxybenzene (Chloroneb) (CAS No. 2675–77–6) (provided for in subheading 2909.30.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1296. P-NITROBENZOIC ACID (PNBA).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.90	p-Nitrobenzoic acid (CAS No. 62–23–7) (provided for in subheading 2916.39.75)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1297. ALLYL PENTAERYTHRITOL (APE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.23.91	Allyl pentaerythritol (CAS No. 91648–24–7) (provided for in subheading 2909.49.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1298. BUTYL ETHYL PROPANEDIOL (BEP).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.23.92	2-Butyl-2-ethylpropane-1,3-diol (CAS No. 115–84–4) (provided for in subheading 2905.39.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1299. BEPD70L.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.23.93	Mixture of 2-butyl-2-ethylpropane-1,3-diol (CAS No. 115–84–4) and neopentyl glycol (CAS No. 126–30–7) (provided for in subheading 3824.90.91)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1300. BOLTORN-1 (BOLT-1).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.23.94	Polymers of propanoic acid, 3-hydroxy-2-(hydroxymethyl)–2-methyl-with 2,2-bis(hydroxymethyl)–1,3-propanediol and oxirane (CAS No. 326794–48–3) (provided for in subheading 3907.99.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1301. BOLTORN-2 (BOLT-2).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.23.95	Polymer of propanoic acid, 3-hydroxy-2-(hydroxymethyl)–2-methyl-polymer with 2,2-bis(hydroxymethyl)–1,3-propanediol and oxirane, decanoate octanoate (CAS No. 326794–49–4) (provided for in subheading 3907.99.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1302. CYCLIC TMP FORMAL (CTF).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.23.96	1,3-Dioxane-5-methanol, 5-ethyl- (CAS No. 5187–23–5) (provided for in subheading 2932.99.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1303. DITMP.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.23.97	Ditrimethylol propane (CAS No. 23235–61–2) (provided for in subheading 2909.49.60)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1304. POLYOL DPP (DPP).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.23.98	Poly(oxy-1,2-ethanediyl), α-hydro-ω-hydroxy-ether with 2,2'-(oxybis(methylene)) bis(2-hydroxymethyl)–1,3-propanediol) (6:1) (CAS No. 50977–32–7) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1305. HYDROXYPIVALIC ACID (HPA).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.23.99	Hydroxypivalic acid (CAS No. 4835–90–9) (provided for in subheading 2918.19.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1306. TMPDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.01	Trimethylolpropane diallyl ether (CAS No. 682–09–7) (provided for in subheading 2909.49.60)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1307. TMPME.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.02	Trimethylolpropane monoallyl ether (CAS No. 682–11–1) (provided for in subheading 2909.49.60)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1308. TMP OXETANE (TMPO).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.03	3-Ethyl-3-oxetanemethanol (trimethylolpropane oxetane) (CAS No. 3047–32–3) (provided for in subheading 2932.99.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1309. TMPO ETHOXYLATE (TMPOE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.04	Poly(oxy-1,2-ethanediyl), α-((3-ethyl-3-oxetanyl) methyl)-ω-hydroxy- (CAS No. 76996–65–1) (provided for in subheading 3907.20.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1310. AMYL-ANTHRAQUINONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.05	9, 10-Anthracenedione, 2 pentyl- (CAS No. 13936–21–5) (provided for in subheading 2914.69.90) or in organic solution (provided for in subheading 3824.90.28)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1311. T-BUTYL ACRYLATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.06	Acrylic acid, tert-butyl ester (CAS No. 1663–39–4) (provided for in subheading 2916.12.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1312. 3-CYCLOHEXENE-1-CARBOXYLIC ACID, 6-[(DI-2-PROPENYLAMINO)CARBONYL]-, REL-(1R,6R)-, REACTION PRODUCTS WITH PENTAFLUOROIODOETHANE-TETRAFLUOROETHYLENE TELOMER, AMMONIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.07	3-Cyclohexene-1-carboxylic acid, 6-[(di-2-propenylamino)carbonyl]-, rel-(1R,6R)-, reaction products with pentafluoroiodoethane-tetrafluoroethylene telomer, ammonium salt (CAS No. 392286–82–7) (provided for in subheading 3809.92.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1313. MIXTURES OF PHOSPHATE AMMONIUM SALT DERIVATIVES OF A FLUOROCHEMICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.08	5,5-Bis[(γ,ω-perfluoro(C4–20)alkylthio)methyl]-2-hydroxy-2-oxo-1,3,2-dioxaphosphorinane, ammonium salt (CAS No. 148240–85–1) and 2,2-bis[(γ,ω-perfluoro(C4–20)alkylthio)methyl]-3-hydroxypropyl phosphate, diammonium salt (CAS No. 148240–87–3) and di-[2,2-bis[(γ,ω-perfluoro(C4–20)alkylthio)methyl]]-3-hydroxypropyl phosphate, ammonium salt (CAS No. 148240–89–5) and 2,2-bis[(γ,ω-perfluoro(C4–20)alkylthio)methyl]-1,3-di-(dihydrogenphosphate)propane, tetraammonium salt (provided for in subheading 3809.92.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1314. 1-(3H)-ISOBENZOFURANONE, 3,3-BIS(2-METHYL-1-OCTYL-1H-INDOL-3-YL)-.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.09	1-(3H)-Isobenzofuranone, 3,3-bis(2-methyl-1-octyl-1H-indol-3-yl)- (CAS No. 50292–95–0) (provided for in subheading 3204.19.40)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1315. MIXTURE OF POLY[[6-[(1,1,3,3-TETRAMETHYLBUTYL)AMINO]-1,3,5-TRIAZINE-2,4-DIYL] [2,2,6,6-TETRAMETHYL-4-PIPERIDINYL)IMINO]-1,6-HEXANEDIYL[(2,2,6,6-TETRAMETHYL-4-PIPERIDINYL)IMINO]]) AND BIS(2,2,6,6-TETRAMETHYL-4-PIPERIDYL) SEBACATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.10	Mixture of poly[[6-[(1,1,3,3-tetramethylbutyl)amino]-1,3,5-triazine-2,4-diyl] [2,2,6,6-tetramethyl-4-piperidinyl)imino]-1,6-hexanediyl[(2,2,6,6-tetramethyl-4-piperidinyl)imino]]) and bis(2,2,6,6-tetramethyl-4-piperidyl) sebacate (CAS Nos. 71878–19–8 and 52829–07–9) (provided for in subheading 3812.30.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1316. CERTAIN BITUMEN-COATED POLYETHYLENE SLEEVES SPECIFICALLY DESIGNED TO PROTECT IN-GROUND WOOD POSTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.11	Bitumen-coated shrink-wrap polyethylene boots for the protection of in-ground wood posts (provided for in subheading 3926.90.98)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1317. NYLON WOOLPACKS USED TO PACKAGE WOOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.12	Sacks and bags, of undyed woven fabric of nylon multifilament yarns not to exceed 10 decitex, used for packing wool for transport, storage, or sale (provided for in subheading 6305.39.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1318. MAGNESIUM ZINC ALUMINUM HYDROXIDE CARBONATE HYDRATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.13	Magnesium zinc aluminum hydroxide carbonate hydrate (CAS No. 169314–88–9) coated with an organic fatty acid (provided for in subheading 3812.30.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1319. C12–18 ALKENES.

(a) IN GENERAL.—Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.14	C12–18 alkenes, polymers (TPX) with 4-methyl-1-pentene (CAS Nos. 25155–83–3, 81229–87–0, and 103908–22–1) (provided for in subheading 3902.90.00)	Free	No change	No change	On or before 12/31/2009	”.

(b) CONFORMING AMENDMENT.—Subchapter II of chapter 99 is amended by striking heading 9902.03.86.

SEC. 1320. ACRYPET UT100.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.15	2-Propenoic acid, 2-methyl-, methyl ester, polymer with 1-cyclohexyl-1*H*-pyrrole-2,5-dione,ethenylbenzene and (1-methylethenyl)benzene (CAS No. 107194–09–2) (provided for in subheading 3906.90.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1321. 5-AMINO-1-[2,6-DICHLORO-4-(TRIFLUOROMETHYL)PHENYL]-4-[(1R,S)–(TRIFLUOROMETHYL)-SULFINYL]-1H-PYRAZOLE-3-CARBONITRILE (FIPRONIL).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.16	5-Amino-1-[2,6-dichloro-4-(trifluoromethyl)phenyl]-4-[(1R,S)–(trifluoromethyl)-sulfinyl]-1H-pyrazole-3-carbonitrile (Fipronil) (CAS No. 120068–37–3) (provided for in subheading 2933.19.23)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1322. 2,3-PYRIDINEDICARBOXYLIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.17	2,3-Pyridinedicarboxylic acid (CAS No. 89–00–9) (provided for in subheading 2933.39.61)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1323. MIXTURES OF 2-AMMINO-2,3-DIMETHYLBUTYLNITRILE AND TOLUENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.18	Mixtures of 2-amino-2,3-dimethylbutanenitrile (CAS No. 13893–53–3) and toluene (provided for in subheading 3824.90.28)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1324. 2,3-QUINOLINEDICARBOXYLIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.19	2,3-Quinolinedicarboxylic acid (CAS No. 643–38–9) (provided for in subheading 2933.49.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1325. 3,5-DIFLUOROANILINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.20	3,5-Difluoroaniline (CAS No. 372–39–4) (provided for in subheading 2921.42.65)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1326. CLOMAZONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.21	2-[(2-Chlorophenyl)methyl]-4,4-dimethyl-3-isoxazolidinone (Clomazone) (CAS No. 81777–89–1) (provided for in subheading 2934.99.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1327. CHLOROPIVALOYL CHLORIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.22	3-Chloropivaloyl chloride (CAS No. 4300–97–4) (provided for in subheading 2915.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1328. N,N′-HEXANE-1,6-DIYLBIS(3-(3,5-DI-TERT-BUTYL-4-HYDROXYPHENYLPROPIONAMIDE)).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.23	N,N′-Hexane-1,6-diylbis(3-(3,5-di-tert-butyl-4-hydroxyphenylpropionamide)) (CAS No. 23128–74–7) (provided for in subheading 2924.29.31)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1329. REACTIVE RED 268.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.24	Reactive Red 268 (CAS No. 152397–21–2) (provided for in subheading 3204.16.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1330. REACTIVE RED 270.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.25	Reactive Red 270 (CAS No. 155522–05–7) (provided for in subheading 3204.16.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1331. CERTAIN GLASS THERMO BULBS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.26	Liquid-filled glass bulbs designed for sprinkler systems and other release devices (provided for in subheading 7020.00.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1332. PYRIPROXYFEN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.27	2-[1-Methyl-2-(4-phenoxyphenoxy) ethoxy]pyridine (Pyriproxyfen) (CAS No. 95737–68–1) (provided for in subheading 2933.39.27)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1333. UNICONAZOLE-P.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.28	(E)–(+)–(S)–1-(4-Chlorophenyl)–4,4-dimethyl-2-(1H-1,2,4-triazol-1-yl)pent-1-en-3-ol (Uniconazole-P) (CAS No. 83657–17–4) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1334. BISPYRIBAC-SODIUM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.29	Sodium 2,6-bis[(4,6-dimethoxypyrimidin-2-yl)oxy]benzoate (Bispyribac-sodium) (CAS No. 125401–92–5) (provided for in subheading 2933.59.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1335. DINOTEFURAN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.30	N-Methyl-N′ -nitro-N″ -[(tetrahydro-3-furanyl)methyl]guanidine (Dinotefuran) (CAS No. 165252–70–0) (provided for in subheading 2932.19.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1336. ETOXAZOLE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.31	2-(2,6-Difluorophenyl)–4-[4-(1,1-dimethylethyl)–2-ethoxyphenyl]-4,5-dihydrooxazole (Etoxazole) (CAS No. 153233–91–1) (provided for in subheading 2934.99.18)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1337. BIOALLETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.32	[1RS-[1α(S*),3β]]-2-Methyl-4-oxo-3-(2-propenyl)–2-cyclopenten-1-yl 2,2-dimethyl-3-(2-methyl-1-propenyl) cyclopropanecarboxylate (Bioallethrin) (CAS No. 584–79–2) (provided for in subheading 2916.20.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1338. S-BIOALLETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.33	[1R-[1a(S*),3b]]-2-Methyl-4-oxo-3-(2-propenyl)–2-cyclopenten-1-yl 2,2-dimethyl-3-(2-methylprop-1-enyl)cyclopropanecarboxylate (S-Bioallethrin) (CAS No. 28434–00–6) (provided for in subheading 2916.20.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1339. TETRAMETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.34	(1,3,4,5,6,7-Hexahydro-1,3-dioxo-2H-isoindol-2-yl)methyl 2,2-dimethyl-3-(2-methylprop-1-enyl)cyclopropanecarboxylate (CAS No. 7696–12–0) (Tetramethrin) (provided for in subheading 2925.19.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1340. TRALOMETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.35	Cyano(3-phenoxyphenyl)methyl 2,2-dimethyl-3-(1,2,2,2-tetrabromoethyl)-cyclopropanecarboxylate (Tralomethrin) (CAS No. 66841–25–6) and application adjuvants (provided for in subheading 3808.10.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1341. FLUMICLORAC-PENTYL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.36	Pentyl [2-chloro-5-(cyclohex-1-ene-1,2-dicarboximido)–4-fluorophenoxy]acetate (Flumiclorac-pentyl) (CAS No. 87547–04–4) (provided for in subheading 2926.90.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1342. 1-PROPENE-2-METHYL HOMOPOLYMER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.37	1-Propene-2-methyl homopolymer (CAS No. 9003–27–4) (provided for in subheading 3902.30.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1343. ACRONAL-S-600.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.38	2-Propenoic acid, polymer with ethenylbenzene and 2-ethylhexyl 2-propenoate (CAS No. 25085–19–2) (provided for in subheading 3903.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1344. LUCIRIN TPO.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.39	Diphenyl (2,4,6-trimethylbenzoyl) phosphine oxide (CAS No. 75980–60–8) (provided for in subheading 2931.00.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1345. SOKALAN PG IME.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.40	1H-Imidazole, polymer with (chloromethyl) oxirane (CAS No. 68797–57–9) (provided for in subheading 3911.90.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1346. LYCOPENE 10 PERCENT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.41	Lycopene 10 percent (CAS No. 502–65–8) (provided for in subheading 2106.90.95)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1347. MIXTURES OF CAS NOS. 181274–15–7 AND 208465–21–8.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.42	Mixtures of methyl 2-(4,5-dihydro-4-methyl-5-oxo-3-propoxy-1H-1,2,4-triazol-1-yl) carboxamidosulfonylbenzoate, sodium salt (Propoxycarbazone-sodium) (CAS No. 181274–15–7), 2-[(4,6-dimethoxypyrimidin-2-ylcarbamoyl)sulfamoyl]-α-(methanesulfonamido)-p-toluic acid, methyl ester (Mesosulfuron-methyl) (CAS No. 208465–21–8), and application adjuvants (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1348. 2-METHYL-1-[4-(METHYLTHIO)PHENYL]-2-(4-MORPHOLINYL)–1-PROPANONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.43	2-Methyl-1-[4-(methylthio)phenyl]-2-(4-morpholinyl)–1-propanone (CAS No. 71868–10–5) (provided for in subheading 2934.99.39)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1349. 1,6-HEXANEDIAMINE, N,N- BIS(2,2,6,6-TETRAMETHYL-4- PIPERIDINYL)-, POLYMER WITH 2,4,6-TRICHLORO-1,3,5-TRIAZINE, REACTION PRODUCTS WITH N-BUTYL-1-BUTANAMINE AND N-BUTYL- 2,2,6,6-TETRAMETHYL-4- PIPERIDINAMINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.44	1,6-Hexanediamine, N,N- bis(2,2,6,6-tetramethyl-4- piperidinyl)-, polymer with 2,4,6-trichloro-1,3,5-triazine, reaction products with N-butyl-1-butanamine and N-butyl- 2,2,6,6-tetramethyl-4- piperidinamine (CAS No. 192268–64–7) (provided for in subheading 3911.90.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1350. VAT BLACK 25.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.45	Vat Black 25 (CAS No. 4395–53–3) (provided for in subheading 3204.15.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1351. ACID ORANGE 162.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.46	Acid Orange 162 (CAS No. 73612–40–5) (provided for in subheading 3204.12.45)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1352. METHYL SALICYLATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.47	Methyl salicylate (CAS No. 119–36–8) (provided for in subheading 2918.23.20)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1353. 1,2-OCTANEDIOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.48	1,2-Octanediol (CAS No. 1117–86–8) (provided for in subheading 2905.39.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1354. MENTHONE GLYCERIN ACETAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.49	Menthone glycerin acetal (CAS No. 63187–91–7) (provided for in subheading 2932.99.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1355. PONTAMINE GREEN 2B.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.50	Dyestuff containing as active ingredient 2,7-naphthalenedisulfonic acid, 3,3'-[carbonylbis(imino-4,1-phenyleneazo)]bis[4-amino-5-hydroxy-6-(phenylazo)-, tetrasodium salt (CAS No. 59262–64–5) (provided for in subheading 3204.14.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1356. BAYDERM BOTTOM 10 UD.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.51	Aqueous polyurethane dispersions containing 29 percent to 31 percent solids content of hexanedioic acid, polymer with N-(2-aminoethyl)–1,2-ethanediamine, 2-butene-1,4-diol, 1,6-diisocyanatohexane, 1,2-ethanediol, 1,3-isobenzofurandione, methyloxirane, oxirane and sodium hydrogen sulfite, 2-(2-butoxyethoxy)ethanol-blocked (CAS No. 100486–94–0) (provided for in subheading 3909.50.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1357. BAYDERM FINISH DLH.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.52	Hexanedioic acid, polymer with 1,4-butanediol, 1,6-diisocyanatohexane and 1,6-hexanediol, 2-((2-aminoethyl)amino) ethanesulfonic acid, of 38 to 42 percent solids content in aqueous dispersion (CAS No. 68037–41–2) (provided for in subheading 3909.50.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1358. LEVAGARD DMPP.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.53	Dimethyl propylphosphonate (CAS No. 18755–43–6) (provided for in subheading 2931.00.90)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1359. BAYDERM BOTTOM DLV.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.54	Aqueous polyurethane dispersions containing 38 percent to 42 percent solids content of propanoic acid, 3-hydroxy-2-(hydroxymethyl)–2-methyl-, polymer with 2-[(2-aminoethyl) amino]ethanesulfonic acid, monosodium salt, 1,6-diisocyanatohexane, diphenyl carbonate, 1,2-ethanediamine, 1,6-hexanediol, hydrazine, methyloxirane, oxirane and 1,2-propanediol, 2-(2-butoxyethoxy)ethanol-blocked (CAS No. 137898–95–4) (provided for in subheading 3909.50.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1360. CERTAIN ETHYLENE-VINYL ACETATE COPOLYMERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.55	Ethylene-vinyl acetate copolymers, other than those in aqueous dispersions, containing 50 percent or more by weight vinyl acetate monomer (CAS No. 24937–78–8) (provided for in subheading 3905.29.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1361. CYAZOFAMID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.56	Mixtures of 4-chloro-2-cyano-N,N-dimethyl-5-(4-methylphenyl)–1H-imidazole-1-sulfonamide (Cyazofamid) (CAS No. 120116–88–3) and application adjuvants (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1362. FLONICAMID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.57	N-(Cyanomethyl)–4-(trifluoromethyl)–3-pyridinecarboxamide (Flonicamid) (CAS No. 158062–67–0) (provided for in subheading 2933.39.27)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1363. ZETA-CYPERMETHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.58	(S)-Cyano-(3-phenoxyphenyl)methyl (+)cis-3-(2,2-dichloroethenyl)–2,2-dimethylcyclopropanecarboxylate and (S)-cyano-(3-phenoxyphenyl)methyl (+)trans-3-(2,2-dichloroethenyl)–2,2-dimethylcyclopropanecarboxylate (Zeta-cypermethrin) (CAS No. 52315–07–8) (provided for in subheading 2926.90.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1364. 2-ETHYLHEXYL 4-METHOXYCINNAMATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.24.60	2-Ethylhexyl 4-methoxycinnamate (CAS No. 5466–77–3) (provided for in subheading 2918.90.43)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1365. CERTAIN FLAME RETARDANT PLASTICIZERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new headings:

“	9902.24.61	Plasticizers containing diphenyl cresyl phosphate (CAS No. 26444–49–5), triphenyl phosphate (CAS No. 115–86–6), tricresyl phosphate (CAS No. 1330–78–5), and phenyl dicresyl phosphate (CAS No. 26446–73–1) (provided for in subheading 3812.20.10)	Free	No change	No change	On or before 12/31/2009	
	9902.24.62	Phosphoric acid, tris (2-ethylhexyl) ester (CAS No. 78–42–2) (provided for in subheading 2919.00.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1366. BAYPURE DS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.63	Polyaspartic acid, sodium salt, in aqueous solution (CAS No. 181828–06–8) (provided for in subheading 3911.90.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1367. BAYOWET C4.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.64	1,1,2,2,3,3,4,4,4-Nonafluorobutanesulfonic acid, potassium salt (CAS No. 29420–49–3) (provided for in subheading 2904.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1368. CERTAIN BICYCLE PARTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

	9902.24.65	Bicycle speedometers (provided for in subheading 9029.20.20)	Free	No change	No change	On or before 12/31/2009	”.
“							

SEC. 1369. OTHER CYCLES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

	9902.24.67	Unicycles (provided for in subheading 8712.00.50)	Free	No change	No change	On or before 12/31/2009	”.
“							

SEC. 1370. CERTAIN BICYCLE PARTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.68	Sets of steel tubing cut to exact length and each set having the number of tubes needed for the assembly (with other parts) into the frame and fork of one bicycle (provided for in subheading 8714.91.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1371. CERTAIN BICYCLE PARTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.71	Brakes designed for bicycles (other than drum brakes, caliper and cantilever brakes, and coaster brakes) and parts thereof (provided in subheading 8714.94.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1372. (2-CHLOROETHYL)PHOSPHONIC ACID (ETHEPHON).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.73	(2-Chloroethyl)phosphonic acid (Ethephon) (CAS No. 16672–87–0) (provided for in subheading 2931.00.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1373. PREPARATIONS CONTAINING 2-(1-(((3-CHLORO-2-PROPENYL)OXY)IMINO)PROPYL)–5-(2-(ETHYLTHIO)PROPYL)–3-HYDROXY-2-CYCLOHEXENE-1-ONE (CLETHODIM).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.74	Preparations containing 2-(1-(((3-chloro-2-propenyl)oxy)imino)propyl)–5-(2-(ethylthio)propyl)–3-hydroxy-2-cyclohexene-1-one (Clethodim) (CAS No. 99129–21–2) and application adjuvants (provided for in subheading 3808.30.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1374. UREA, POLYMER WITH FORMALDEHYDE (PERGOPAK).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.75	Urea, polymer with formaldehyde (Pergopak) (CAS No. 9011–05–6) (provided for in subheading 3909.10.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1375. ORTHO NITROANILINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

	9902.24.76	2-Nitroaniline (CAS No. 88–74–4) (provided for in subheading 2921.42.90)	Free	No change	No change	On or before 12/31/2009	”.
“							

SEC. 1376. 2,2 -(2,5-THIOPHENEDIYL)BIS(5-(1,1-DIMETHYLETHYL)BENZOXAZOLE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.77	2,2 -(2,5-Thiophenediyl)bis(5-(1,1-dimethylethyl)benzoxazole) (CAS No. 7128–64–5) (provided for in subheading 3204.20.80)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1377. CERTAIN CHEMICALS AND CHEMICAL MIXTURES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new headings:

“	9902.24.78	3-[(2-Chloro-5-thiazolyl)methyl]tetrahydro-5-methyl-N-nitro-4H-1,3,5-oxadiazin-4-imine (Thiamethoxam) (CAS No. 153719–23–4) (provided for in subheading 2934.10.90)	Free	No change	No change	On or before 12/31/2009	
	9902.24.79	Mixtures of (±)-(cis and trans)-1-(2-(2,4-Dichlorophenyl)-4-propyl-1,3-dioxalan-2-yl)methyl)-1H-1,2,4-triazole (Propiconazole) (CAS No. 60207–90–1) and 3-iodo-2-propynyl butylcarbamate (CAS No. 55406–53–6), and application adjuvants (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	
	9902.24.80	Mixtures of 4,6-dimethyl-*N*-phenyl-2-pyrimidinamine (Pyrimethanil) (CAS No. 53112–28–0), (±)-1-[2-(2,4-dichlorophenyl)–2-(2-propenyloxy)ethyl]-1-*H*-imidazole sulfate (Imazalil Sulfate) (CAS No. 58595–72–2) and application adjuvants (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	
	9902.24.81	(±)–3-[2-[4-(6-Fluoro-1,2-benzisoxazol-3-yl)–1-piperidinyl]ethyl]-6,7,8,9-tetrahydro-9-hydroxy-2-methyl-4*H*-pyrido[1,2-a]pyrimidin-4-one (CAS No. 144598–75–4) (provided for in subheading 2934.99.39)	Free	No change	No change	On or before 12/31/2009	
	9902.24.82	3-Benzo[b]thien-2-yl-5, 6-dihydro-1,4,2-oxathiazine 4-oxide (Bethoxazin) (CAS No. 163269–30–5) (provided for in subheading 2934.99.12)	Free	No change	No change	On or before 12/31/2009	
	9902.24.83	4-Bromo-2-(4-chlorophenyl)–1-(ethoxymethyl)–5-(trifluoromethyl)–1H-pyrrole-3-carbonitrile (Chlorfenapyr) (CAS No. 122453–73–0) (provided for in subheading 2933.99.17)	Free	No change	No change	On or before 12/31/2009	
	9902.24.84	2-(*p*-Chlorophenyl)–3-cyano-4-bromo-5-trifluoromethylpyrrole (Tralopyril) (CAS No. 122454–29–9) (provided for in subheading 2933.99.22)	Free	No change	No change	On or before 12/31/2009	
	9902.24.85	Mixtures of 4,6-dimethyl-*N*-phenyl-2-pyrimidinamine (Pyrimethanil) (CAS No. 53112–28–0) and application adjuvants (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1378. ACID RED 414.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.86	Acid Red 414 (CAS No. 152287–09–7) (provided for in subheading 3204.12.45)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1379. SOLVENT YELLOW 163.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.87	Solvent Yellow 163 (CAS No. 13676–91–0) (provided for in subheading 3204.19.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1380. 4-AMINO-3,6-BIS[[5-[[4-CHLORO-6-[METHYL[2-(METHYLAMINO)–2-OXOETHYL]AMINO]-1,3,5-TRIAZIN-2-YL]AMINO]-2-SULFOPHENYL]AZO]-5-HYDROXY-2,7-NAPHTHALENEDISULFONIC ACID, LITHIUM POTASSIUM SODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.88	4-Amino-3,6-bis[[5-[[4-chloro-6-[methyl[2-(methylamino)–2-oxoethyl]amino]-1,3,5-triazin-2-yl]amino]-2-sulfophenyl]azo]-5-hydroxy-2,7-naphthalenedisulfonic acid, lithium potassium sodium salt (CAS No. 205764–96–1) (provided for in subheading 3204.16.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1381. REACTIVE RED 123.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.89	Reactive Red 123 (CAS No. 85391–83–9) (provided for in subheading 3204.16.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1382. REACTIVE BLUE 250.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.90	Reactive Blue 250 (CAS No. 93951–21–4) (provided for in subheading 3204.16.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1383. REACTIVE BLACK 5.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.91	Reactive Black 5 (CAS No. 17095–24–8) (provided for in subheading 3204.16.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1384. 5-[(2-CYANO-4-NITROPHENYL)AZO]-2-[[2-(2-HYDROXYETHOXY)ETHYL]AMINO]-4-METHYL-6-(PHENYLAMINO)–3-PYRIDINECARBONITRILE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.93	5-[(2-Cyano-4-nitrophenyl) azo]-2-[[2-(2-hydroxyethoxy) ethyl]amino]-4-methyl-6-(phenylamino)–3-pyridinecarbonitrile (CAS No. 149988–44–3) (provided for in subheading 3204.11.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1385. CYANO[3-[(6-METHOXY-2-BENZOTHIAZOLYL)AMINO]-1H-ISOINDOL-1-YLIDENE]-ACETIC ACID, PENTYL ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.94	Cyano[3-[(6-methoxy-2-benzothiazolyl)amino]-1H-isoindol-1-ylidene]acetic acid, pentyl ester (CAS No. 173285–74–0) (provided for in subheading 3204.11.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1386. [(9,10-DIHYDRO-9, 10-DIOXO-1, 4-ANTHRACENEDIYL)BIS[IMINO[3- (2-METHYLPROPYL)–3,1-PROPANEDIYL]]]BISBENZENESULFONIC ACID, DISODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.95	[(9,10-Dihydro-9,10-dioxo-1,4-anthracenediyl)bis[imino[3-(2-methylpropyl)–3,1-propanediyl]]] bisbenzenesulfonic acid, disodium salt (CAS No. 72749–90–7) (provided for in subheading 3204.12.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1387. [4-(2,6-DIHYDRO-2,6-DIOXO-7-PHENYLBENZO[1,2-B:4,5-B′]DIFURAN-3-YL)PHENOXY]ACETIC ACID, 2-ETHOXYETHYL ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.96	[4-(2,6-Dihydro-2,6-dioxo-7-phenylbenzo[1,2-b:4,5-b′]difuran-3-yl)phenoxy]acetic acid, 2-ethoxyethyl ester (CAS No. 126877–05–2) (provided for in subheading 3204.11.35)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1388. 3-PHENYL-7-(4-PROPOXYPHENYL)BENZO[1,2-B:4,5-B′]DIFURAN-2,6-DIONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.97	3-Phenyl-7-(4-propoxyphenyl)benzo[1,2-b:4,5-b′]difuran-2,6-dione (CAS No. 79694–17–0) (provided for in subheading 3204.11.35)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1389. 2-[[[2, 5-DICHLORO-4-[(2-METHYL-1H-INDOL-3-YL)AZO]PHENYL]SULFONYL]AMINO]-ETHANESULFONIC ACID, MONOSODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.98	2-[[[2, 5-Dichloro-4-[(2-methyl-1H-indol-3-yl)azo]phenyl] sulfonyl]amino]-ethanesulfonic acid, monosodium salt (CAS No. 68959–19–3) (provided for in subheading 3204.12.45)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1390. 2,7-NAPHTHALENEDISULFONIC ACID, 5-[[4-CHLORO-6- [(3-SULFOPHENYL)AMINO]- 1,3,5-TRIAZIN-2 -YL]AMINO]-4 -HYDROXY-3- [[4-[[2-(SULFOXY) ETHYL]SULFONYL] PHENYL] AZO]-, SODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.99	2,7-Naphthalenedisulfonic acid, 5-[[4-chloro-6-[(3-sulfophenyl)amino]-1,3,5-triazin-2-yl]amino]-4-hydroxy-3-[[4-[[2-(sulfoxy)ethyl] sulfonyl]phenyl]azo]-, sodium salt. (CAS No. 78952–61–1) (provided for in subheading 3204.16.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1391. 7-[[2-[(AMINOCARBONYL)AMINO]-4- [[4-[4-[2-[[4-[[3- [(AMINOCARBONYL) AMINO]-4-[(3,6,8- TRISULFO-2- NAPHTHALENYL) AZO] PHENYL]AMINO]- 6-CHLORO-1, 3,5-TRIAZIN-2- YL]AMINO]ETHYL]- 1-PIPERAZINYL]-6- CHLORO-1, 3,5-TRIAZIN-2-YL]AMINO]PHENYL]AZO]-1, 3, 6-NAPHTHALENETRISULFONIC ACID, LITHIUM POTASSIUM SODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.01	7-[[2-[(Aminocarbonyl)amino]-4-[[4-[4-[2-[[4-[[3-[(aminocarbonyl) amino]-4-[(3,6,8-trisulfo-2-naphthalenyl) azo]phenyl]amino]-6-chloro-1,3,5-triazin-2-yl]amino]ethyl]- 1-piperazinyl]-6-chloro-1,3,5-triazin-2-yl]amino] phenyl]azo]-1,3,6-naphthalenetrisulfonic acid, lithium potassium sodium salt (CAS No. 202667–43–4) (provided for in subheading 3204.16.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1392. 4-[[3-(ACETYLAMINO)PHENYL]AMINO]-1-AMINO-9,10-DIHYDRO-9,10-DIOXO-2-ANTHRACENESULFONIC ACID, MONOSODIUM SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.02	4-[[3-(Acetylamino)phenyl]amino]-1-amino-9,10-dihydro-9,10-dioxo-2-anthracenesulfonic acid, monosodium salt (CAS No. 70571–81–2) (provided for in subheading 3204.12.45)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1393. [4-[2,6-DIHYDRO-2,6-DIOXO-7-(4-PROPOXYPHENYL)BENZO[1,2-B:4,5-B]DIFURAN-3-YL]PHENOXY]ACETIC ACID, 2-ETHOXYETHYL ESTER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.03	[4-[2,6-Dihydro-2,6-dioxo-7-(4-propoxyphenyl)benzo[1,2-b:4,5-b]difuran-3-yl]phenoxy]acetic acid, 2-ethoxyethyl ester (CAS No. 126877–06–3) (provided for in subheading 3204.11.35)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1394. BASIC YELLOW 40 CHLORIDE BASED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.04	Basic Yellow 40 chloride based (CAS No. 29556–33–0) (provided for in subheading 3204.13.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1395. DIRECT YELLOW 119.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.05	Direct Yellow 119 (CAS No. 4121–67–9) (provided for in subheading 3204.14.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1396. NAUGARD 412S.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.06	Pentaerythritol tetrakis[3-(dodecylthio)propionate] (CAS No. 29598–76–3) (provided for in subheading 2930.90.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1397. TRIACETONAMINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.07	2,2,6,6-Tetramethyl-4-piperidinone (CAS No. 826–36–8) (provided for in subheading 2933.39.61)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1398. IPCONAZOLE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.08	2-[(4-Chlorophenyl)methyl]-5-(1-methylethyl)–1-(1H-1,2,4-triazol-1-ylmethyl) cyclopentanol (Ipconazole) (CAS No. 125225–28–7) (provided for in subheading 2933.99.22)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1399. OMITE TECH.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.09	2-(4-Tert-butylphenoxy)cyclohexylprop-2-ynyl sulfite (Propargite) (CAS No. 2312–35–8) (provided for in subheading 2920.90.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1400. PANTERA TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.10	(+)-Tetrahydrofurfuryl)-(R)-2-[4-(6-chloroquinoxalin-2-yloxy)phenoxy]propionoate (Quizalofop p-tefuryl) (CAS No. 119738–06–6) (provided for in subheading 2934.99.15) and any formulations containing such compound (provided for in subheading 3808.30.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1401. P-TOLUENESULFONYL CHLORIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.11	p-Toluenesulfonyl chloride (CAS No. 98–59–9) (provided for in subheading 2904.10.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1402. PREFORMED PELLETS OF A MIXTURE OF SODIUM IODIDE, THALLIUM IODIDE, DYSPROSIUM TRI-IODIDE, HOLMIUM TRI-IODIDE, THULIUM TRI-IODIDE, AND SOMETIMES CALCIUM IODIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.12	Preformed pellets of a mixture of sodium iodide, thallium iodide, dysprosium tri-iodide, holmium tri-iodide, thulium tri-iodide, and sometimes calcium iodide (CAS Nos. 7681–82–5, 7790–30–9, 15474–63–2, 13813–41–7, 1381–43–9, or 10102–68–8) (provided for in subheading 2827.60.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1403. P-AMINOBENZAMIDE (4-AMINOBENZAMIDE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.13	p-Aminobenzamide (4-aminobenzamide) (CAS No. 2835–68–9) (provided for in subheading 2924.29.76)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1404. P-CHLOROANILINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.14	p-Chloroaniline (CAS No. 106–47–8) (provided for in subheading 2921.42.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1405. 4-CHLORO-2-NITROANILINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.15	4-Chloro-2-nitroaniline (CAS No. 89–63–4) (provided for in subheading 2921.42.55)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1406. O-CHLORO-P-TOLUIDINE (3-CHLORO-4-METHYLANILINE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.16	o-Chloro-p-toluidine (3-chloro-4-methylaniline) (CAS No. 95–74–9) (provided for in subheading 2921.43.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1407. 2-CHLOROACETOACETANILIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.17	2-Chloroacetoacetanilide (CAS No. 93–70–9) (provided for in subheading 2924.29.76)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1408. P-ACETOACETANISIDIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.18	p-Acetoacetanisidide (CAS No. 5437–98–9) (provided for in subheading 2924.29.71)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1409. 1-HYDROXY-2-NAPHTHOIC ACID.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.19	1-Hydroxy-2-naphthoic acid (CAS No. 86–48–6) (provided for in subheading 2918.29.04)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1410. PIGMENT GREEN 7 CRUDE, NOT READY FOR USE AS A PIGMENT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.20	Copper Phthalocyanine Green 7, Crude (CAS No. 1328–53–6) (provided for in subheading 3204.17.90)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1411. 1,8-NAPHTHALIMIDE (1H-BENZ[DE]ISOQUINOLINE-1,3(2H)-DIONE).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.21	1,8-Naphthalimide (1H-benz[de]isoquinoline-1,3(2H)-dione) (CAS No. 81–83–4) (provided for in subheading 2925.19.42)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1412. DIISOPROPYL SUCCINATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.22	Diisopropyl succinate (CAS No. 924–88–9) (provided for in subheading 2917.19.70)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1413. 2,4-DI-TERT-BUTYL-6-(5-CHLOROBENZOTRIAZOL-2-YL)PHENOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.23	2,4-Di-tert-butyl-6-(5-chlorobenzotriazol-2-yl)phenol (CAS No. 3864–99–1) (provided for in subheading 2933.99.12)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1414. DIRECT BLACK 22.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.25	Direct Black 22 (CAS No. 6473–13–8) (provided for in subheading 3204.14.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1415. METHYLENE BIS-BENZOTRIAZOLYL TETRAMETHYLBUTYLPHENOL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.26	2,2′-Methylenebis[6-(2H-benzotriazol-2-yl)-4-(1,1,3,3-tetramethylbutyl)phenol] (CAS No. 103597–45–1) (provided for in subheading 3824.90.28)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1416. BIS-ETHYLHEXYLOXYPHENOL METHOXYPHENOL TRIAZINE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.27	2,2′-(6-(4-Methoxyphenyl)-1,3,5-triazine-2,4-diyl)bis(5-((2-ethylhexyl)oxy)phenol) (CAS No. 187393–00–6) (provided for in subheading 2933.69.60)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1417. REACTIVE ORANGE 132.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.28	Reactive Orange 132 (CAS No. 149850–31–7) (provided for in subheading 3204.16.30)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1418. ACID BLACK 244.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.29	Acid Black 244 (CAS No. 30785–74–1) (provided for in subheading 3204.12.45)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1419. CERTAIN CORES USED IN REMANUFACTURE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new headings:

“	9902.25.30	Used fuel, lubricating or cooling medium pumps for internal combustion piston engines (provided for in subheading 8413.30.10 or 8413.30.90)	Free	No change	No change	On or before 12/31/2009	...
	9902.25.31	Used compression-ignition internal combustion piston engines to be installed in vehicles of subheading 8701.20 or heading 8704 (provided for in subheading 8408.20.20)	Free	No change	No change	On or before 12/31/2009	...
	9902.25.32	Used gear boxes for the vehicles of subheading 8701.20 or heading 8704 (provided for in subheading 8708.40.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1420. ADTP.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.33	2-Amino-5,8-dimethoxy-(1,2,4)triazolo(1,5-c)pyrimidine (CAS No. 219715–62–5) (provided for in subheading 2933.59.95)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1421. DCBTF.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.34	3,4-Dichlorobenzotrifluoride (CAS No. 328–84–7) (provided for in subheading 2903.69.08)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1422. NOVIFLUMURON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.35	N-[[[3,5-Dichloro-2-fluoro-4-(1,1,2,3,3,3-hexafluoropropoxy) phenyl]amino]carbonyl]-2,6-difluorobenzamide (Noviflumuron) (CAS No. 121451–02–3) (provided for in subheading 2924.29.52)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1423. PARACHLOROBENZOTRIFLUORIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.36	1-Chloro-4-(trifluoromethyl) benzene (CAS No. 98–56–6) (provided for in subheading 2903.69.08)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1424. MIXTURES OF INSECTICIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.37	Mixtures of insecticide containing gamma-cyhalothrin ((S)-α-cyano-3-phenoxybenzyl (Z)–(1R, 3R)–3-(2-chloro-3,3,3-trifluoropropenyl)–2,2-dimethyl cyclopropanecarboxylate) as the active ingredient and application adjuvants (CAS No. 76703–62–3) (provided for in subheading 3808.10.25)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1425. MIXTURE OF FUNGICIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.38	Mixture of quinoxyfen (5,7-dichloro-4-(4-fluorophenoxyquinoline)) and application adjuvants (CAS No. 124495–18–7) (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1426. 1,2-BENZISOTHIAZOL-3(2H)-ONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.39	1,2-Benzisothiazol-3(2H)-one (CAS No. 2634–33–5) (provided for in subheading 3808.40.10)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1427. STYRENE, AR-ETHYL-, POLYMER WITH DIVINYLBENZENE AND STYRENE (6CI) BEADS WITH LOW ASH.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.40	Styrene, ar-ethyl-, polymer with divinylbenzene and styrene beads having low ash content and specifically manufactured for use as a specialty filler in lost wax mold casting applications and in a variety of other specialty filler applications (CAS No. 9052–95–3) (provided for in subheading 3903.90.50)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1428. MIXTURES OF FUNGICIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.41	Mixtures of myclobutanil (α-Butyl-α-(4-chlorophenyl)-1H-1,2,4-triazole-1-propanenitrile, and application adjuvants (CAS No. 88671–89–0) (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1429. 2-METHYL-4-CHLOROPHENOXY-ACETIC ACID, DI-METHYLAMINE SALT.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.42	2-Methyl-4-chlorophenoxy-acetic acid, dimethylamine salt (CAS No. 2039–46–5) (provided for in subheading 2921.11.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1430. CHARGE CONTROL AGENT 7.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.43	Charge control agent 7 Chromate(1-),bis{1-{(5-chloro-2-hydroxyphenyl)azo}-2-napthalenolato(2-)}-hydrogen (provided for in subheading 2942.00.10)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1431. PRO-JET BLACK 820 LIQUID FEED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.44	Substituted naphthalene [[substituted pyridinyl azo] alkoxyphenyl azo]azo, potassium / sodium salt (PMN No. P04–390) (provided for in subheading 3204.14.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1432. PRO-JET MAGENTA M700.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.45	Nickel [substituted naphthenyl azo] substituted triazole, sodium salt (PMN No. P–03–307) (provided for in subheading 3204.14.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1433. PRO-JET FAST BLACK 287 NA LIQUID FEED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.46	Pro-jet fast black 287 NA liquid feed ([(substituted naphthalenylazo) substituted naphthalenyl azo] carboxyphenylene, sodium salt) (PMN No. P–90–391) (provided for in subheading 3204.14.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1434. PRO-JET FAST BLACK 286 STAGE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.47	Pro-jet fast black 286 stage [(substituted naphthalenylazo) substituted naphthalenyl azo] carboxyphenylene, sodium salt (PMN No. P–90–394) (provided for in subheading 3204.14.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1435. PRO-JET CYAN 485 STAGE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.48	Copper phthalocyanine substituted with sulphonic acids and alkyl sulphonoamides, sodium salt (PMN No. P–99–105) (provided for in subheading 3204.14.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1436. PRO-JET BLACK 661 LIQUID FEED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.49	Aryl substituted pyrazonyl [[[substituted phenyl azo]substituted naphthenyl] Azo phenyl]azo, sodium salt (PMN No. P–03–78) (provided for in subheading 3204.14.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1437. PRO-JET BLACK CYAN 854 LIQUID FEED.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.50	Copper phthalocyanine substituted with sulphonic acids and alkyl sulphonoamides, sodium/ammonium salts (PMN No. P02–893) (provided for in subheading 3204.14.30)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1438. ERASERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.51	Erasers of vulcanized rubber other than hard rubber or cellular rubber (provided for in subheading 4016.92.00)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1439. ARTIFICIAL FLOWERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.65	Artificial flowers of man-made fibers (provided for in subheading 6702.90.35)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1440. SUSPENSION SYSTEM STABILIZER BARS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.77	Suspension system stabilizer bars of alloy steel of Japanese JIS grade SCM525S (26CrMo4) or SCM435H (34CrMo4), each weighing approximately 42 kg, comprising one rod measuring approximately 98.8 cm in length at each end of which is welded at approximately right angles to a rod measuring approximately 51 cm in length (provided for in subheading 8708.99.70), the foregoing designed for use in Class 7 and 8 trucks only	Free	No change	No change	On or before 12/31/2009	".

SEC. 1441. RATTAN WEBBING.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.78	Rattan webbing (provided for in subheading 4601.91.20)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1442. TRACTOR BODY PARTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.25.79	Parts and accessories of bodies (including cabs) for tractors for agricultural use (provided for in subheadings 8708.29.10, 8708.29.15, 8708.29.25, or 8708.29.50)	Free	No change	No change	On or before 12/31/2009	".

SEC. 1443. AC ELECTRIC MOTORS OF AN OUTPUT EXCEEDING 74.6 W BUT NOT EXCEEDING 85 W.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.85.06	AC electric motors of an output exceeding 74.6 W but not exceeding 85 W, single phase; each equipped with a capacitor, a speed control mechanism, a motor mount of plastics and a self-contained gear mechanism for oscillation (provided for in subheading 8501.40.40)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1444. AC ELECTRIC MOTORS OF AN OUTPUT EXCEEDING 74.6 W BUT NOT EXCEEDING 105 W.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.85.07	AC electric motors of an output exceeding 74.6 W but not exceeding 105 W, single phase; each equipped with a capacitor, a rotary speed control mechanism, and a motor mounting cooling ring (provided for in subheading 8501.40.40)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1445. AC ELECTRIC MOTORS OF AN OUTPUT EXCEEDING 74.6 W BUT NOT EXCEEDING 95 W.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.85.08	AC electric motors of an output exceeding 74.6 W but not exceeding 95 W, single phase, each equipped with a capacitor and a speed control mechanism (provided for in subheading 8501.40.40)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1446. CERTAIN AC ELECTRIC MOTORS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.85.09	AC electric motors of an output exceeding 37.5 W but not exceeding 72 W, single phase; each equipped with a capacitor, a speed control mechanism, a motor mount of plastics and a self-contained gear mechanism for oscillation (provided for in subheading 8501.40.20)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1447. VISCOSE RAYON YARN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.54.03	Single yarn of viscose rayon, untwisted or with a twist not exceeding 120 turns/m (provided for in subheading 5403.31.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1448. CERTAIN TWISTED YARN OF VISCOSE RAYON.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.54.04	Single yarn of viscose rayon, with a twist exceeding 120 turns/m (provided for in subheading 5403.32.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1449. ALLYL UREIDO MONOMER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.06.02	2-Imidazolidinone, 1-(2-aminoethyl)-, reaction product with oxirane, ((2-propenyloxy)methyl)- (CAS No. 90412–00–3) (provided for in subheading 2933.29.90)	Free	No change	No change	On or before 12/31/2007	”.

SEC. 1450. SYNTHETIC ELASTIC STAPLE FIBER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.55.03	Bi-component staple fibers of elasterell-p, measuring less than 3.5 decitex (provided for in subheading 5503.20.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1451. CERTAIN FIBERGLASS SHEETS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.70.19	Thin smooth nonwoven fiberglass sheets, approximately .0125 inches thick, comprised principally of glass fibers bound together in a polyvinyl alcohol matrix, of a type primarily used as acoustical facing for ceiling panels provided for in subheading 7019.32.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1452. HALOPHOSPHOR CALCIUM DIPHOSPHATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.32.33	Halophosphor calcium diphosphate; inorganic product of a kind used as luminophores (CAS No. 7790–76–3) (provided for in subheading 3206.50.00)	Free	No change	No change	On or before 12/31/2009	”.

SEC. 1453. CERTAIN RAYON STAPLE FIBERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.55.04	Viscose rayon filaments having a decitex of less than 5.0 and a multi-limbed cross-section, the limbs having a length-to-width aspect ratio of at least 2:1 (provided for in subheading 5504.10.00)	Free	No change	No change	On or before 12/31/2008	”.

SEC. 1454. SYNTHETIC QUARTZ OR FUSED SILICA PHOTOMASK SUBSTRATES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.70.60	Synthetic fused silica (100 percent SiO^2) photomask blank substrates in squares having a surface area of 150 cm^2 or more but not over 522 cm^2 and a thickness of 2.2 mm or more but not over 6.45 mm (provided for in subheading 7006.00.40)	Free	No change	No change	On or before 12/31/2008	’’.

SEC. 1455. CERTAIN INTEGRATED MACHINES FOR MANUFACTURING PNEUMATIC TIRES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.84.10	Machines for molding or forming pneumatic tires, the forgoing containing in a single housing both components for processing rubber, for positioning and assembling tire components (including but not limited to belts, cords, and other reinforcing materials) and for curing ‘‘green tires’’ to produce finished pneumatic tires of heading 4011; parts of such machines (including molds); or molds entered separately (provided for in 8477.59.80, 8477.90.85, or 8480.71.80, respectively)	Free	No change	No change	On or before 12/31/2009	’’.

SEC. 1456. TRAMWAY CARS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new headings:

‘‘	9902.26.01	Tramway cars imported pursuant to contract by or on behalf of the City of Seattle (provided for in subheading 8603.10.00)	Free	No change	No change	On or before 12/31/2009	...
	9902.26.02	Parts imported pursuant to contract by or on behalf of the City of Seattle, to be used in the tramway cars described in heading 9902.26.01, whether or not such parts are principally used as parts of such articles and whether or not covered by a specific provision within the meaning of additional United States rule of interpretation 1(c) (however: provided for in the tariff schedule)	Free	No change	No change	On or before 12/31/2009	’’.

SEC. 1457. CERTAIN ARTIFICIAL FILAMENT SINGLE YARN (OTHER THAN SEWING THREAD).

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.26.12	Artificial filament single yarn (other than sewing thread), not put up for retail sale, of viscose rayon, untwisted or with a twist not exceeding 120 turns/m (provided for in subheading 5403.31)	Free	No change	No change	On or before 12/31/2009	’’.

SEC. 1458. CERTAIN ELECTRICAL TRANSFORMERS RATED AT 25VA.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.85.05	120 volt/60 Hz electrical transformers, each with dimensions of 77 mm by 61 mm by 50 mm, containing a layered and uncut round core with two balanced bobbins, the foregoing rated at 25VA (provided for in subheading 8504.31.40)	Free	No change	No change	On or before 12/31/2009	’’.

SEC. 1459. CERTAIN ELECTRICAL TRANSFORMERS RATED AT 40VA.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.85.06	120 volt/60 Hz electrical transformers, each with dimensions of 80 mm by 71 mm by 59 mm, containing a layered and uncut round core with two balanced bobbins, the foregoing rated at 40VA (provided for in subheading 8504.31.40)	Free	No change	No change	On or before 12/31/2009	’’.

CHAPTER 2—REDUCTIONS

SEC. 1461. FLOOR COVERINGS AND MATS OF VULCANIZED RUBBER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.25.54	Floor coverings and mats of vulcanized rubber (provided for in subheading 4016.91.00)	2.17%	No change	No change	On or before 12/31/2009	’’.

SEC. 1462. MANICURE AND PEDICURE SETS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.25.55	Manicure and pedicure sets, and combinations thereof, whether or not shrink-wrapped for retail display, the foregoing other than such sets or combinations in leather cases or other immediate cases or containers (provided for in subheading 8214.20.90)	2.3%	No change	No change	On or before 12/31/2009	’’.

SEC. 1463. NITROCELLULOSE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.25.56	Cellulose nitrate (nitrocellulose) (CAS No. 9004–70–0) (provided for in subheading 3912.20.00)	4.4%	No change	No change	On or before 12/31/2009	’’.

SEC. 1464. SULFENTRAZONE TECHNICAL.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

‘‘	9902.25.57	N-[2,4-Dichloro-5-[4-(difluoromethyl)-4,5-dihydro-3-methyl-5-oxo-1H-1,2,4-triazol-1-yl]phenyl]methanesulfona- mide (Sulfentrazone) (CAS No. 122836–35–5) (provided for in subheading 2935.00.75)	1.2%	No change	No change	On or before 12/31/2009	’’.

SEC. 1465. CLOCK RADIO COMBOS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.58	Radiobroadcast receivers capable of operating without an external source of power, incorporating a clock or clock timer (provided for in subheading 8527.19.50)	0.7%	No change	No change	On or before 12/31/2009	”.

SEC. 1466. THIAMETHOXAM TECHNICAL.

(a) CALENDAR YEARS 2007–2008.—

(1) IN GENERAL.—Heading 9902.03.11 of the Harmonized Tariff Schedule of the United States (relating to Thiamethoxam Technical) is amended—

(A) by striking ‘‘3.0%’’ and inserting ‘‘Free’’; and

(B) by striking ‘‘12/31/2009’’ and inserting ‘‘12/31/2008’’.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2007.

(b) CALENDAR YEAR 2009.—

(1) IN GENERAL.—Heading 9902.03.11, as amended by subsection (a), is further amended—

(A) by striking ‘‘Free’’ and inserting ‘‘1.8%’’; and

(B) by striking ‘‘12/31/2008’’ and inserting ‘‘12/31/2009’’.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on January 1, 2009.

SEC. 1467. STAPLE FIBERS OF VISCOSE RAYON, NOT CARDED, COMBED, OR OTHERWISE PROCESSED FOR SPINNING.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.59	Staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning (provided for in subheading 5504.10.00)	3.4%	No change	No change	On or before 12/31/2009	”.

SEC. 1468. CERTAIN MEN’S FOOTWEAR COVERING THE ANKLE WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.60	Men’s footwear (except vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, covering the ankle, whose height from the bottom of the outer sole to the top of the upper does not exceed 8 inches (20.32 cm), designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6404.19.20)	12.8%	No change	No change	On or before 12/31/2009	”.

SEC. 1469. CERTAIN FOOTWEAR NOT COVERING THE ANKLE WITH COATED OR LAMINATED TEXTILE FABRICS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.61	Men’s footwear (except vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, not covering the ankle, designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided for in subheading 6404.19.20)	15.2%	No change	No change	On or before 12/31/2009	”.

SEC. 1470. ACRYLIC OR MODACRYLIC SYNTHETIC STAPLE FIBERS, NOT CARDED, COMBED, OR OTHERWISE PROCESSED FOR SPINNING.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.62	Acrylic or modacrylic staple fibers, not carded, combed, or otherwise processed for spinning (provided for in subheading 5503.30.00)	3.7%	No change	No change	On or before 12/31/2009	”.

SEC. 1471. CERTAIN WOMEN’S FOOTWEAR.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.63	Footwear for women with outer soles of rubber or plastics and uppers of textile materials other than of vegetable fibers, with open toes or open heels or of the slip-on type (provided for in subheading 6404.19.30)	1.5%	No change	No change	On or before 12/31/2009	”.

SEC. 1472. NUMEROUS OTHER SEALS MADE OF RUBBER OR SILICONE, AND COVERED WITH, OR REINFORCED WITH, A FABRIC MATERIAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.64	Seals of textile material or fabric covering or reinforcing a core of rubber or silicone, the foregoing designed for use in airplanes (provided for in subheading 5911.90.00)	3.0%	No change	No change	On or before 12/31/2009	”.

SEC. 1473. TETRAKIS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.65	Tetrakis(2,4-di-tert-butylphenyl) 4,4’-biphenyldiphosphinate (CAS No. 38613–77–3) (provided for in subheading 2931.00.30)	3.6%	No change	No change	On or before 12/31/2009	”.

SEC. 1474. GLYCINE, N,N-BIS[2-HYDROXY-3-(2-PROPENYLOXY)PROPYL]-, MONOSODIUM SALT, REACTION PRODUCTS WITH AMMONIUM HYDROXIDE AND PENTAFLUOROIODOETHANE-TETRAFLUOROETHYLENE TELOMER.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.66	Glycine, N,N-bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction products with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylene telomer (CAS number 220459–70–1) (provided for in subheading 3809.92.50)	1.1%	No change	No change	On or before 12/31/2009	”.

SEC. 1475. DIETHYL KETONE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.67	Diethyl ketone (CAS No. 96–22–0) (provided for in subheading 2914.19.00)	1.3%	No change	No change	On or before 12/31/2009	”.

SEC. 1476. ACEPHATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.68	*O,S*-Dimethyl acetylphosphoramidothioate (Acephate) (CAS No. 30560–19–1) (provided for in subheading 2930.90.44)	1.8%	No change	No change	On or before 12/31/2009	”.

SEC. 1477. FLUMIOXAZIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.69	2-[7-Fluoro-3,4-dihydro-3-oxo-4-(2-propynyl)–2H-1,4-benzoxazin-6-yl]-4,5,6,7-tetrahydro-1H-isoindole-1,3(2H)-dione (Flumioxazin)(CAS No. 103361–09–7) (provided for in subheading 2934.99.15)	5.3%	No change	No change	On or before 12/31/2009	”.

SEC. 1478. GARENOXACIN MESYLATE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.70	1-Cyclopropyl-8-(difluoromethoxy)–7-[(1R)–1-methyl-2,3-dihydro-1H-5-isoindolyl]-4-oxo-1,4-dihydroquinoline-3-carboxylic acid monoethanesulfonate monohydrate (Garenoxacin mesylate) (CAS No. 223652–90–2) (provided for in subheading 2933.49.26)	3.1%	No change	No change	On or before 12/31/2009	”.

SEC. 1479. BUTYLATED HYDROXYETHYLBENZENE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.71	2,6-Di-*tert*-butyl-4-ethylphenol (CAS No. 4130–42–1) (provided for in subheading 2907.19.20)	2.7%	No change	No change	On or before 12/31/2009	”.

SEC. 1480. CERTAIN AUTOMOTIVE CATALYTIC CONVERTER MATS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.72	Catalytic converter mats of ceramic fibers containing over 65 percent by weight of aluminum oxide, the foregoing 4.7625 mm or more in thickness, in bulk, sheets or rolls and designed for motor vehicles of heading 8703 (provided for in subheading 6806.10.00)	1.5%	No change	No change	On or before 12/31/2009	”.

SEC. 1481. 3,3′-DICHLOROBENZIDINE DIHYDROCHLORIDE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.73	3,3′-Dichlorobenzidine dihydrochloride ([1,1′-biphenyl]-4,4′-diamino, 3,3′-dichloro-) (CAS No. 612–83–9) (provided for in subheading 2921.59.80)	5.9%	No change	No change	On or before 12/31/2009	”.

SEC. 1482. TMC114.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.74	3-[4-Aminobenzensulfonyl)isobutylamino]-1-[benzyl-2-hydroxypropyl]carbamic acid, hexahydrofuro[2,3-b]furan-3-yl ester ethanolate (CAS No. 206361–99–1) (provided for in subheading 2932.99.61)	6.4%	No change	No change	On or before 12/31/2009	”.

SEC. 1483. BIAXIALLY ORIENTED POLYPROPYLENE DIELECTRIC FILM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.75	Biaxially oriented polypropylene film, certified by the importer as intended for use in capacitors and as produced from solvent-washed low ash content (<50 ppm) polymer resin (CAS No. 9003–07–0) (provided for in subheading 3920.20.00)	3.7%	No change	No change	On or before 12/31/2009	”.

SEC. 1484. BIAXIALLY ORIENTED POLYETHYLENE TEREPHTHALATE DIELECTRIC FILM.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.76	Biaxially oriented polyethylene terephthalate film, certified by the importer as intended for use in capacitors and as produced from solvent-washed low ash content (<300 ppm) polymer resin (CAS No. 25038–59–9) (provided for in subheading 3920.62.00)	3.4%	No change	No change	On or before 12/31/2009	”.

SEC. 1485. CERTAIN BICYCLE PARTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.66	Child carriers, chain tension adjustors, chain covers, mechanical grips with 2.223 cm internal diameter, air horns, wide-angle reflectors, saddle covers of plastics, chain tensioners, toe clips, head sets or seat posts, all the foregoing designed for use on bicycles (provided for in subheading 8714.99.80)	9.2%	No change	No change	On or before 12/31/2009	”.

SEC. 1486. CERTAIN BICYCLE PARTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.69	Bicycle wheel rims (provided for in subheading 8714.92.10)	1.8%	No change	No change	On or before 12/31/2009	”.

SEC. 1487. BIFENTHRIN.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.72	(2-Methyl[1,1'-biphenyl]-3-yl)methyl-3-(2-chloro-3,3,3-trifluoro-1-propenyl)–2,2-dimethylcyclopropanecarboxylate (Bifenthrin) (CAS No. 82657–04–3) (provided for in subheading 2916.20.50)	0.7%	No change	No change	On or before 12/31/2009	”.

SEC. 1488. REDUCED VAT 1.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.24.92	Reduced Vat 1 (CAS No. 207692–02–2) (provided for in subheading 3204.15.40)	1.9%	No change	No change	On or before 12/31/2009	”.

SEC. 1489. 4-CHLOROBENZONITRILE.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

“	9902.25.24	p-Chlorobenzonitrile (CAS No. 623–03–0) (provided for in subheading 2926.90.14)	1.5%	No change	No change	On or before 12/31/2009	”.

SEC. 1490. NAIL CLIPPERS AND NAIL FILES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.25.52	Nail nippers and clippers and nail files (provided for in subheading 8214.20.30)	3.2%	No change	No change	On or before 12/31/2009	’’.

SEC. 1491. ELECTRIC AUTOMATIC SHOWER CLEANERS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.98.08	Electromechanical bath or shower cleaner devices, each designed to dispense a dilute solution of bleach substitutes and detergents using a button-activated, battery-powered piston pump controlled by a microchip to release a measured quantity of such solution (provided for in subheading 8509.80.00)	2.1%	No change	No change	On or before 12/31/2009	’’.

SEC. 1492. MESOTRIONE TECHNICAL.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.25.80	2-[4-(Methylsulfonyl)–2-nitrobenzoyl]-1,3-cyclohexanedione (Mesotrione) (CAS No. 104206–82–8) (provided for in subheading 2930.90.10)	6.04%	No change	No change	On or before 12/31/2006	’’.

SEC. 1493. CERTAIN CRANK-GEAR AND OTHER BICYCLE PARTS.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

‘‘	9902.24.70	Crank-gear and parts thereof (other than cotterless-type crank sets and parts thereof) (provided for in subheading 8714.96.90)	6.1%	No change	No change	On or before 12/31/2009	’’.

Subtitle B—Existing Suspensions and Reductions

SEC. 1501. EXTENSIONS OF EXISTING SUSPENSIONS AND OTHER MODIFICATIONS.

(a) EXTENSIONS.—Each of the following headings is amended by striking the date in the effective period column and inserting ‘‘12/31/2009’’:

(1) Heading 9902.02.29 (relating to 10,10′-oxybisphenoxarsine).

(2) Heading 9902.84.88 (relating to certain manufacturing equipment).

(3) Heading 9902.02.48 (relating to 1,5-Naphthalenedisulfonic acid, 2-[[8- [[4-[[3-[[[2-(ethenylsulfonyl)ethyl] amino]carbonyl]phenyl]amino]-6-fluoro-1,3,5-triazin- 2-yl]amino]-1-hydroxy- 3,6-disulfo-2-naphthalenyl]azo]-, tetrasodium salt (CAS No. 116912–36–8) (provided for in subheading 3204.16.30).

(4) Heading 9902.02.47 (relating to cuprate(3-), [2-[[[[3-[[4-[[2-[2- (ethenylsulfonyl)ethoxy]ethyl]amino]-6-fluoro-1,3,5-triazin-2-yl]amino]-2-(hydroxy-κ.o)-5-sulfophenyl]azo-κ.n2]phenylmethyl]azo-κ.n1]-4-sulfobenzoato(5-)-κ.o], trisodium).

(5) Heading 9902.02.44 (relating to 2,7-naphthalenedisulfonic acid, 5-[[4-chloro-6-[[2-[[4-fluoro-6-[[5-hydroxy-6-[(4-methoxy-2-sulfophenyl)azo]-7-sulfo-2-naphthalenyl]amino]-1,3,5-triazin-2-yl] amino]-1-methylethyl]amino]-1,3,5-triazin-2-yl]amino]-3-[[4-(ethenylsulfonyl)phenyl]azo]-4-hydrox′-, sodium salt).

(6) Heading 9902.02.46 (relating to 7,7′-[1,3-propanediylbis[imino(6-fluoro-1,3,5-triazine-4,2-diyl)imino[2-[(aminocarbonyl)amino]-4,1-phenylene]azo]]bis-, sodium salt).

(7) Heading 9902.03.79 (relating to thiophanate-methyl fungicide 70 percent wettable powder).

(8) Heading 9902.84.81 (relating to certain manufacturing equipment).

(9) Heading 9902.84.91 (relating to certain sawing machines).

(10) Heading 9902.84.85 (relating to certain extruders used in the production of radial tires).

(11) Heading 9902.84.83 (relating to certain manufacturing equipment).

(12) Heading 9902.28.20 (relating to ammonium bifluoride).

(13) Heading 9902.05.05 (relating to p-acetanisole).

(14) Heading 9902.04.15 (relating to mixture (1:1) of polyricinoleic acid homopolymer, 3-(dimethylamino)propylamide, dimethylsulfate, quaternized and polyricinoleic acid).

(15) Heading 9902.03.21 (relating to 12-hydroxyoctadecanoic acid, reaction product with *N*,*N*-dimethyl-1,3-propanediamine, dimethyl sulfate, quaternized).

(16) Heading 9902.03.24 (relating to 2-oxepanone, polymer with aziridine and tetrahydro-2H-pyran-2-one, dodecanoate ester).

(17) Heading 9902.02.49 (relating to p-(trifluoromethyl benzaldehyde)).

(18) Heading 9902.32.22 (relating to Pigment Red 187).

(19) Heading 9902.32.72 (relating to Solvent Blue 104).

(20) Heading 9902.29.73 (relating to 4-amino-2,5-dimethoxy-N-phenylbenzene sulfonamide).

(21) Heading 9902.02.25 (relating to electrical radio broadcast receivers not combined with a clock).

(22) Heading 9902.02.24 (relating to electrical radio broadcast receivers combined with a clock).

(23) Heading 9902.02.23 (relating to hand-held radio scanners).

(24) Heading 9902.01.36 (relating to sodium methylate powder).

(25) Heading 9902.01.41 (relating to allyl isosulfocyanate).

(26) Heading 9902.02.87 (relating to asulam sodium salt).

(27) Heading 9902.01.92 (relating to ink jet textile printing machinery).

(28) Heading 9902.04.21 (relating to Cyan 1 special liquid feed).

(29) Heading 9902.04.19 (relating to Fast Yellow 2 Stage).

(30) Heading 9902.29.91 (relating to methyl-4-trifluoromethoxyphenyl-*N*-(chlorocarbonyl)).

(31) Heading 9902.01.85 (relating to certain epoxy molding compounds).

(32) Heading 9902.01.14 (relating to 5-MPDC).

(33) Heading 9902.01.60 (relating to 2-mercaptoethanol).

(34) Heading 9902.01.61 (relating to bifenazate).

(35) Heading 9902.01.59 (relating to terrazole).

(36) Heading 9902.03.89 (relating to artichokes prepared or preserved otherwise than by vinegar or acetic acid, not frozen).

(37) Heading 9902.01.62 (relating to fluoropolymers containing 95 percent or more by weight of the 3 monomer units tetrafluoroethylene, hexafluoropropylene, and vinylidene fluoride).

(38) Heading 9902.33.63 (relating to 3-(ethylsulfonly)-2-pyridinesulfonamide).

(39) Heading 9902.03.22 (relating to 40 percent polymer acid salt/polymer amide 60 percent butyl acetate).

(40) Heading 9902.01.55 (relating to (Z)–(1RS,3RS)–3-(2-chloro-3,3,3-trifluoro-1-propenyl)–2,2-dimethylcyclopropanecarboxylic acid).

(41) Heading 9902.01.57 (relating to (S)-alpha-hydroxy-3-phenoxybenzeneacetonitrile).

(42) Heading 9902.02.98 (relating to polytetramethylene ether glycol).

(43) Heading 9902.02.99 (relating to cis-3-hexen-1-ol).

(44) Heading 9902.01.75 (relating to Acid Black 172).

(45) Heading 9902.01.76 (relating to 9,10-anthracenedione, 1,5-dihydroxy-4-nitro-8-(phenylamino) and 9,10-anthracenedione, 1,8-dihydroxy-4-nitro-5-(phenylamino)-).

(46) Heading 9902.05.22 (relating to fenpropathrin).

(47) Heading 9902.01.64 (relating to 2-azetidinone, 1-(4-fluorophenyl)–3-[(3S)–3-(4-fluorophenyl)–3-hydroxypropyl]-4-(4-hydroxyphenyl)-, (3R,4S)–(ezetimibe)).

(48) Heading 9902.01.38 (relating to p-methylacetophenone).
(49) Heading 9902.01.35 (relating to 2-phenylbenzimidazole-5-sulfonic acid).
(50) Heading 9902.05.04 (relating to methyl cinnamate).
(51) Heading 9902.01.43 (relating to thymol).
(52) Heading 9902.01.40 (relating to menthyl anthranilate).
(53) Heading 9902.01.42 (relating to 5-methyl-2-(methylethyl)cyclohexyl-2-hydroxypropanoate).
(54) Heading 9902.29.25 (relating to 2-phenylphenol).
(55) Heading 9902.38.10 (relating to mixtures of sodium salts).
(56) Heading 9902.01.47 (relating to helium).
(57) Heading 9902.03.87 (relating to certain 12V lead-acid storage batteries).
(58) Heading 9902.01.01 (relating to bitolylene diisocyanate (TODI)).
(59) Heading 9902.04.14 (relating to 1,1'-(methylimino) dipropan-2-ol).
(60) Heading 9902.28.01 (relating to thionyl chloride).
(61) Heading 9902.02.14 (relating to Mondur P).
(62) Heading 9902.02.16 (relating to P-phenylphenol).
(63) Heading 9902.32.12 (relating to DEMT).
(64) Heading 9902.02.15 (relating to Bayowet FT–248).
(65) Heading 9902.29.23 (relating to PNTOSA).
(66) Heading 9902.04.03 (relating to Baysilone Fluid).
(67) Heading 9902.32.62 (relating to iron chloro-5,6-diamino-1,3-naphthalenedisulfonate complexes).
(68) Heading 9902.32.85 (relating to bis(4-fluorophenyl) methanone).
(69) Heading 9902.29.37 (relating to polymethine photo-sensitizing dyes).
(70) Heading 9902.29.07 (relating to 4-hexylresorcinol).
(71) Heading 9902.85.42 (relating to certain cathode ray tubes).
(72) Heading 9902.85.41 (relating to certain cathode ray tubes).
(73) Heading 9902.32.14 (relating to 2-methyl-4,6-bis[(octylthio)methyl]phenol).
(74) Heading 9902.32.30 (relating to 4-[[4,6-bis(octylthio)–1,3,5-traizine-2-yl]amino]-2,6-bis(1,1-dimethylethyl)phenol).
(75) Heading 9902.03.51 (relating to Disperse Blue 77).
(76) Heading 9902.01.65 (relating to p-cresidine sulfonic acid).
(77) Heading 9902.01.66 (relating to 2,4 disulfo benzaldehyde).
(78) Heading 9902.01.68 (relating to benzenesulfonic acid, 3-[(ethylphenylamino) methyl]-).
(79) Heading 9902.01.67 (relating to m-hydroxybenzaldehyde).
(80) Heading 9902.02.38 (relating to 2 amino 5 sulfobenzoic acid).
(81) Heading 9902.02.37 (relating to 2-amino-6-nitrophenol-4-sulfonic acid).
(82) Heading 9902.02.39 (relating to 2,5 bis benzene sulfonic acid).
(83) Heading 9902.02.40 (relating to 4 [(4 amino phenyl) azo] benzene sulfonic acid, monosodium salt).
(84) Heading 9902.02.41 (relating to 4-[(4-aminophenyl) azo] benzenesulfonic acid).
(85) Heading 9902.05.03 (relating to trimethyl cyclo hexanol).
(86) Heading 9902.01.39 (relating to 2,2-dimethyl-3-(3-methylphenyl)proponal).
(87) Heading 9902.29.08 (relating to 3-amino-5-mercapto-1,2,4-triazole).
(88) Heading 9902.32.92 (relating to β-bromo-β-nitrostyrene).
(89) Heading 9902.32.90 (relating to diiodomethyl-*p*-tolylsulfone).
(90) Heading 9902.02.95 (relating to 2-propenoic acid, polymer with diethenylbenzene).
(91) Heading 9902.29.59 (relating to *N*-butyl-*N*-ethyl-α,α,α-trifluoro-2,6-dinitro-*p*-toluidine).
(92) Heading 9902.29.17 (relating to 2,6-dichloroaniline).
(93) Heading 9902.02.85 (relating to 3, 4-dichlorobenzonitrile).
(94) Heading 9902.29.58 (relating to *O*,*O*-diethyl phosphorochlorodothioate).
(95) Heading 9902.02.92 (relating to 1,2-benzenedicarboxaldehyde).
(96) Heading 9902.33.92 (relating to 2,2-dithiobis(8-fluoro-5-methoxy)–1,2,4-triazolo[1,5-*c*] pyrimidine).
(97) Heading 9902.29.26 (relating to 1,3-dimethyl-2-imidazolidinone).
(98) Heading 9902.02.96 (relating to N-[3-(1-ethyl-1-methylpropyl)–5-isoxazolyl]-2,6-dimethoxybenzamide (isoxaben)).
(99) Heading 9902.02.90 (relating to halofenozide).
(100) Heading 9902.02.89 (relating to propanamide, N-(3, 4-dichlorophenyl)-.
(101) Heading 9902.29.61 (relating to quinoline).
(102) Heading 9902.05.17 (relating to tebufenozide).
(103) Heading 9902.02.93 (relating to mixed isomers of 1,3-dichloropropene).
(104) Heading 9902.29.16 (relating to 4,4-dimethoxy-2-butanone).
(105) Heading 9902.02.94 (relating to methacrylamide).
(106) Heading 9902.32.87 (relating to fenbuconazole).
(107) Heading 9902.29.02 (relating to 2-acetylnicotinic acid).
(108) Heading 9902.29.06 (relating to diphenyl sulfide).
(109) Heading 9902.02.12 (relating to difenacanazole).
(110) Heading 9902.84.89 (relating to certain manufacturing equipment.

(b) EXTENSIONS AND OTHER MODIFICATIONS.—

(1) SNOWBOARD BOOTS.—Heading 9902.64.04 is amended—

(A) by striking the article description and inserting the following: ''Ski boots, cross country ski footwear or snowboard boots, the foregoing valued over $12/pair, with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials (provided for in subheading 6404.11.90)'';

(B) by striking ''4%'' and inserting ''Free''; and

(C) by striking ''12/31/2006'' and inserting ''12/31/2009''.

(2) BENTAZON.—Heading 9902.05.10 (relating to Bentazon) is amended—

(A) by striking ''(bentazon, sodium salt)'' and inserting ''(Bentazon, sodium salt)''; and

(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.

(3) METHYL N-(2-[[1-(4-CHLOROPHENYL)-1H-PYRAZOL-3-YL]-OXYMETHYL]PHENYL)-N-METHOXYCARBANOSE (PYRACLOSTROBIN).—Heading 9902.01.21 (relating to methyl *N*-(2-[[1-(4-chlorophenyl)-1H-pyrazol-3-yl]oxymethyl]phenyl)-*N*-methoxycarbanose (Pyraclostrobin)) is amended—

(A) by striking the article description and inserting the following: ''Methyl N-(2-[[1-(4-chlorophenyl)pyrazol-3-yl]oxymethyl]phenyl)-(N-methoxy)carbamate (Pyraclostrobin) (CAS No. 175013-18-0) (provided for in subheading 2933.19.23)'';

(B) by striking ''Free'' and inserting ''6%''; and

(C) by striking ''12/31/2006'' and inserting ''12/31/2009''.

(4) EXTENSION AND MODIFICATION RELATING TO COMBED CASHMERE.—

(A) IN GENERAL.—Heading 9902.03.01 (relating to yarn of combed Kashmir (cashmere) or yarn of camel hair) is amended by striking the date in the effective period column and inserting ''12/31/2009''.

(B) OTHER MODIFICATIONS.—Heading 9902.03.02 is amended—

(i) by striking ''of 6 run or finer (equivalent to 19.35 metric yarn system)'' and inserting ''of 19.35 metric yarn count or finer''; and

(ii) by striking ''12/31/2006'' and inserting ''12/31/2009''.

(5) FLUOROBENZENE.—Heading 9902.03.05 (relating to fluorobenzene) is amended—

(A) by striking ''2903.69.70'' and inserting ''2903.69.80''; and

(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.

(6) CERTAIN NEUTRALIZED PHOSPHATED POLYESTER POLYMER.—Heading 9902.03.25 (relating to 50 percent amine neutralized phosphated polyester polymer) is amended—
(A) by striking ''50 percent solvesso 100'' and inserting ''in solvesso 100'';
(B) by striking ''P–99–1218,''; and
(C) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(7) VINCLOZOLIN.—Heading 9902.01.19 (relating to Vinclozolin) is amended—
(A) by striking ''oxazolidineidione (vinclozolin)'' and inserting ''oxazolidinedione (Vinclozolin)''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(8) FAST YELLOW 746 STAGE.—Heading 9902.04.26 (relating to Fast Yellow 746 Stage) is amended—
(A) by striking ''Bipyridirium'' and inserting ''Bipyridinium'';
(B) by inserting ''(Fast Yellow 746 Stage)'' after ''salt''; and
(C) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(9) YELLOW 1 STAGE.—Heading 9902.04.24 (relating to Yellow 1 Stage) is amended—
(A) by inserting ''(Yellow 1 Stage)'' after ''salt''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(10) MAGENTA 3B–OA STAGE.—Heading 9902.04.28 (relating to magenta 3B–OA stage) is amended—
(A) by inserting ''(Magenta 3B–OA Stage)'' after ''salts''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(11) CERTAIN ARTICHOKES.—Heading 9902.03.90 (relating to artichokes prepared or preserved by vinegar or acetic acid) is amended—
(A) by striking ''7.5%'' and inserting ''7.9%''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(12) TEXTURED ROLLED GLASS SHEETS.—Heading 9902.70.03 (relating to textured rolled glass sheets) is amended—
(A) by striking ''Free'' and inserting ''0.7%''; and
(B) by striking ''12/31/2003'' and inserting ''12/31/2009''.
(13) MAGNESIUM ALUMINUM HYDROXIDE CARBONATE HYDRATE.—Heading 9902.05.32 is amended—
(A) by inserting ''(CAS No. 12539-23-0)'' after ''organic fatty acid''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(14) MIXTURES OF SODIUM SALTS.—Heading 9902.29.83 is amended—
(A) by inserting '', whether or not in water'' after ''iminodisuccinic acid''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(15) A CERTAIN ULTRAVIOLET DYE.—Heading 9902.28.19 is amended—
(A) by inserting ''(CAS No. 313482-99-4)'' after ''-methyl ester''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(16) CARFENTRAZONE.—Heading 9902.01.54 is amended—
(A) by striking ''4.9%''and inserting ''Free''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(17) CERTAIN EDUCATIONAL DEVICES.—Heading 9902.85.43 is amended—
(A) by striking ''1.67%'' and inserting ''0.55%''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(18) CYHALOFOP.—Heading 9902.02.86 is amended—
(A) by striking ''Free'' and inserting ''1.5%''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(19) α,α,α-TRIFLUORO-2,6-DINITRO-*p*-TOLUIDINE.—Heading 9902.05.33 is amended—
(A) by striking ''Free'' and inserting ''2.6%''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(20) CERTAIN MIXTURES OF FLORASULAM.—Heading 9902.02.88 is amended—
(A) by striking ''Free'' and inserting ''1.5%''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(21) METHOXYFENOZIDE.—Heading 9902.32.93 is amended—
(A) by striking ''Free'' and inserting ''1.0%''; and
(B) striking ''12/31/2006'' and inserting ''12/31/2009''.
(22) MYCLOBUTANIL.—Heading 9902.02.91 is amended—
(A) by striking ''1.9%'' and inserting ''3.0%''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(23) FLUOROXYPYR.—Heading 9902.29.77 is amended—
(A) by striking ''1.5%'' and inserting ''2.5%''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(24) PRO-JET BLACK 263 STAGE.—Heading 9902.03.09 is amended—
(A) by striking the article description and inserting ''[[Substituted naphthalenylazol] alkoxyl phenyl azo] carboxyphenylene, lithium salt (PMN No. P–00–351) (provided for in subheading 3204.14.30)''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(25) ETHALFLURALIN.—Heading 9902.30.49 is amended—
(A) by inserting ''(Ethalfluralin)'' after ''benzenamine''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(26) DIRECT BLACK 175.—Heading 9902.03.56 is amended by striking ''subheading 3204.12.50'' and inserting ''subheading 3204.14.50''.
(27) CERTAIN ORGANIC PIGMENTS AND DYES.—Heading 9902.32.07 is amended—
(A) by inserting '', and excluding the dyestuff bearing the CAS No. 6359-10-0'' after ''fluorescent pigments and dyes''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.
(28) COPPER 8-HYDROXYQUINOLINE (OXINE COPPER).—Heading 9902.02.31 is amended—
(A) in the article description, by striking ''Copper 8-quinolinolate (oxine copper)'' and inserting ''Copper 8-hydroxyquinoline (oxine copper)''; and
(B) by striking ''12/31/2006'' and inserting ''12/31/2009''.

Subtitle C—Effective Date

SEC. 1511. EFFECTIVE DATE.

Except as otherwise provided in this title, the amendments made by this title apply to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

TITLE II—RELIQUIDATIONS

SEC. 2001. RELIQUIDATION OF CERTAIN ENTRIES OF CERTAIN SMALL DIAMETER CARBON AND ALLOY SEAMLESS STANDARD, LINE AND PRESSURE PIPE FROM ROMANIA.

(a) RELIQUIDATION OF ENTRIES.—Notwithstanding sections 514 and 520 of the Tariff Act of 1930 (19 U.S.C. 1514 and 1520) or any other provision of law, the Bureau of Customs and Border Protection shall, not later than 90 days after the date of the enactment of this Act—
(1) reliquidate the entries of certain small diameter carbon and alloy seamless standard, line and pressure pipe from Romania produced by S.C. Silcotub S.A. (Silcotub), imported by Duferco Steel, Inc., listed in subsection (b) in accordance with the final results of the antidumping duty administrative review of the Department of Commerce (68 Fed. Reg. 12672 (March 17, 2003)) and Message No. 3087205, dated March 28, 2003, issued by the Bureau of Customs and Border Protection; and
(2) refund any antidumping duties with interest which were previously paid on such entries not later than 90 days after the date of reliquidation.

(b) AFFECTED ENTRIES.—The entries referred to in subsection (a) are the following:

Entry number	Date of entry	Port
558–1171537–8 ..	01/20/01	Houston
558–2014403–2 ..	07/24/00	Mobile

SEC. 2002. CERTAIN ENTRIES OF PASTA.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the Bureau of Customs and Border Protection of the Department of Homeland Security shall, not later than 90 days after the receipt of the request described in subsection (b), liquidate or reliquidate each entry described in subsection (d) in accordance with Department of Commerce case A–475–818 for the period 7/1/2001 through 6/30/2002 under Customs Service message numbered 4068201.

(b) REQUESTS.—Liquidation or reliquidation may be made under subsection (a) with respect to an entry described in subsection (d) only if a request therefor is filed with the Bureau of Customs and Border Protection within 90 days after the date of the enactment of this Act.

(c) PAYMENT OF AMOUNTS OWED.—Any amounts owed by the United States pursuant to the liquidation or reliquidation of an entry under subsection (a) shall be paid not later than 90 days after the date of such liquidation or reliquidation.

(d) ENTRIES.—The entries referred to in subsection (a) are the following:

Entry number	Date of entry	Date of liquidation	Entry number	Date of entry	Date of liquidation	Entry number	Date of entry	Date of liquidation
FD630105373	07/06/2001	11/22/2002	FD630114128	08/15/2001	11/22/2002	FD630133987	11/29/2001	11/22/2002
FD630105399	07/06/2001	11/22/2002	FD630114110	08/21/2001	11/22/2002	FD630134043	12/05/2001	11/22/2002
FD630105415	07/06/2001	11/22/2002	FD630116537	08/22/2001	11/22/2002	FD630136972	12/14/2001	11/22/2002
FD630110282	07/26/2001	11/22/2002	FD630122402	09/26/2001	11/22/2002	FD630136998	12/14/2001	11/22/2002
FD630110274	07/26/2001	11/22/2002	FD630123533	10/03/2001	11/22/2002	FD630136980	12/14/2001	11/22/2002
FD630110860	07/30/2001	11/22/2002	FD630126577	10/17/2001	11/22/2002	FD630137806	12/14/2001	11/22/2002
FD630112338	08/09/2001	11/22/2002	FD630129712	10/31/2001	11/22/2002	FD630137822	12/27/2001	11/22/2002
FD630115208	08/15/2001	11/22/2002	FD630132088	11/20/2001	11/22/2002	FD630137814	12/27/2001	11/22/2002

SEC. 2003. CLARIFICATION OF RELIQUIDATION PROVISION.

(a) INCLUSION OF INTEREST.—The term ''any amounts owed'' in section 1511(b) of the Miscellaneous Trade and Technical Corrections Act of 2004 (118 Stat. 2542; Public Law 108–429), includes interest accrued from the date of deposit of duties made in connection with entries described in section 1511(c) of that Act, to the date of the reliquidation of the entries pursuant to section 1511 of that Act.

(b) RELIQUIDATIONS WITH INTEREST.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, to the extent that the entries listed in section 1511(d) of the Act referred to in subsection (a) were reliquidated by the Bureau of Customs and Border Protection, before the date of the enactment of this Act, without the payment of interest required under subsection (a), the Bureau shall, within 90 days after the date of the enactment of this Act, reliquidate the affected entries with the interest required under subsection (a), calculated at the interest rates provided for in section 505(c) of the Tariff Act of 1930 (19 U.S.C. 1505(c)).

SEC. 2004. RELIQUIDATION OF CERTAIN DRAWBACK CLAIM.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the Bureau of Customs and Border Protection shall, not later than 90 days after the date of the enactment of this Act, liquidate or reliquidate the drawback claim described in subsection (c).

(b) PAYMENT OF AMOUNTS DUE.—Any amounts due pursuant to the liquidation or reliquidation of the claim described in subsection (c) shall be paid not later than 90 days after the date of such liquidation or reliquidation.

(c) DRAWBACK CLAIM.—The drawback claim referred to in subsection (a) is the following: drawback claim number, AA6–0303556–6, filed on December 2, 1997.

SEC. 2005. PAYMENT OF INTEREST ON AMOUNTS OWED PURSUANT TO RELIQUIDATION OF CERTAIN ENTRIES.

(a) AMENDMENTS.—Sections 1404(b), 1405(b), and subsection (c) of each of sections 1408 through 1411 of the Tariff Suspension and Trade Act of 2000 (Public Law 106-476; 19 U.S.C. 1654 note) and subsection (c) of each of sections 1517 through 1536 of the Miscellaneous Trade and Technical Corrections Act of 2004 (Public Law 108-429; 19 U.S.C. 1654 note) are amended by inserting '', with interest provided for by law on the liquidation or reliquidation of the entries,'' after ''under subsection (a)''.

(b) RELIQUIDATION AND PAYMENT OF INTEREST.—Not later than 90 days after the date of the enactment of this Act, the Commissioner of the Bureau of Customs and Border Protection of the Department of Homeland Security shall—

(1) reliquidate each of the entries specified in the provisions of law amended by subsection (a); and

(2) provide payment of interest owed by the United States by reason of the amendments made by subsection (a) for the period beginning on the date of deposit of estimated duties and ending on the date of reliquidation under paragraph (1).

TITLE III—TECHNICAL CORRECTIONS AND OTHER PROVISIONS

Subtitle A—Technical Corrections

SEC. 3001. AMENDMENTS TO THE HTS.

(a) CORRECTIONS TO THE COLUMN 1 SPECIAL RATE OF DUTY COLUMN.—Each of the following headings is amended by striking ''Free'' in the column 1 special rate of duty column and inserting ''No change'':

(1) Heading 9902.01.59.
(2) Heading 9902.01.60.
(3) Heading 9902.01.61.
(4) Heading 9902.01.86.
(5) Heading 9902.01.87.
(6) Heading 9902.01.90.
(7) Heading 9902.01.91.
(8) Heading 9902.03.20.
(9) Heading 9902.03.40.
(10) Heading 9902.03.41.
(11) Heading 9902.03.43.
(12) Heading 9902.04.05.
(13) Heading 9902.04.06.
(14) Heading 9902.04.07.
(15) Heading 9902.05.18.
(16) Heading 9902.05.19.
(17) Heading 9902.05.21.
(18) Heading 9902.05.35.
(19) Heading 9902.28.01.
(20) Heading 9902.29.03.

(b) CORRECTIONS TO THE COLUMN 2 RATE OF DUTY COLUMN.—Each of the following headings is amended by striking ''Free'' in the column 2 rate of duty column and inserting ''No change'':

(1) Heading 9902.03.78.
(2) Heading 9902.05.08.
(3) Heading 9902.05.09.
(4) Heading 9902.05.10.

(c) ADDITIONAL CORRECTIONS.—

(1) The article description for heading 9902.01.12 is amended—

(A) by striking ''32846–21–2), acid red'' and inserting ''66786–14–5), acid red''; and

(B) by striking ''67786–14–5) (provided for'' and inserting ''32846–21–2) (provided for''.

(2) Heading 9902.01.49 is amended to read as follows:

''	9902.01.49	(S)-α,-Cyano-3-phenoxybenzyl (1R,3R)-3-(2,2-dibromovinyl)-2,2-dimethylcyclo- propanecarb- oxylate (Deltamethrin) (CAS No. 52918–63–5) in bulk or unmixed in forms or packings for retail sale (provided for in subheading 2926.90.30 or 3808.10.25).	Free	No change	No change	On or before 12/31/2009	''.

(3) The article description for heading 9902.01.61 is amended by striking ''methoxy-[1,1-'' and inserting ''methoxy-[1,1′-''.

(4) The article description for heading 9902.01.69 is amended—

(A) by striking ''2-8 percent water'' and inserting ''2-8 percent by weight of water''; and

(B) by striking ''denier'' and inserting ''decitex''.

(5) The article description for heading 9902.01.75 is amended—

(A) by striking ''Acid black 194'' and inserting ''Acid Black 172''; and

(B) by striking ''subheading 3204.12.20'' and inserting ''subheading 3204.12.45''.

(6) The article description for heading 9902.01.90 is amended by striking ''between 4 and 68'' and inserting ''from 4 through 68''.

(7) The article description for heading 9902.01.91 is amended by striking ''between 4 and 68'' and inserting ''from 4 through 68''.

(8) Heading 9902.02.17 is amended to read as follows:

"	9902.02.17	Boots with outer soles and uppers of rubber, extending above the ankle but below the knee, specifically designed for horseback riding, and having a spur rest on the heel counter (provided for in subheading 6401.92.90)	Free	No change	No change	On or before 12/31/2009	".

(9) The article description for heading 9902.02.28 is amended—

(A) by striking "polymide" and inserting "polyimide"; and

(B) by striking "3911.90.35 or".

(10) The article description for heading 9902.02.59 is amended by striking "A mixture" and inserting "Mixture".

(11) The article description for heading 9902.02.65 is amended—

(A) by striking "bis(3" and inserting "bis(3′"; and

(B) by striking "4-amino-)" and inserting "4-amino-))".

(12) The article description for headings 9902.84.81, 9902.84.83, 9902.84.85, 9902.84.88, and 9902.84.89 are each amended—

(A) by inserting "4011.62.00," after "4011.61.00,"; and

(B) by striking "or parts thereof" and inserting "and parts thereof".

(13) The article description for heading 9902.03.40 is amended by striking "subheading 2835.29.50" and inserting "subheading 2931.00.30".

(14) Heading 9902.03.60 (relating to acid black 172) is repealed.

(15) The article description for heading 9902.03.99 is amended by striking "subheading 2933.99.12" and inserting "subheading 2933.99.22".

(16) Heading 9902.04.02 is amended to read as follows:

"	9902.04.02	Polysiloxane, dimethyl (CAS No. 63148–62–9) solution, greater than 85 percent, with less than 15 percent paraffin (mineral) oil (CAS No 8042–47–5), less than 5 percent magnesium stearate (CAS No. 557–04–0) and less than 5 percent finely dispersed metal ethoxylated phosphoric ester (provided for in subheading 3910.00.00)	Free	No change	No change	On or before 12/31/2006	".

(17) Heading 9902.05.21 is repealed.

(18) Heading 9902.05.29 is amended to read as follows:

"	9902.05.29	3-[2-Chloro-4-(trifluoromethyl)-phenoxy]benzoic acid, sodium salt (CAS No. 95251–52–8) (provided for in subheading 2918.90.43)	Free	No change	No change	On or before 12/31/2006	".

(19) Heading 9902.29.26 is amended by striking the chemical name in the article description and inserting "1,3-Dimethyl-2-imidazolidinone".

(20) The article description for heading 9902.84.14 (relating to ceiling fans) is amended by striking "8414.51.00" and inserting "8414.51.30".

(21) The article description for heading 9902.86.11 is amended by striking "specifications each, having" and inserting "specifications, each having".

SEC. 3002. TECHNICAL CORRECTION TO THE TARIFF ACT OF 1930.

Section 516A(g)(1)(B) of the Tariff Act of 1930 (19 U.S.C. 151a(g)(1)(B)) is amended by striking "or (vi)" and inserting "(vi), or (vii)".

SEC. 3003. AMENDMENTS TO THE PENSION PROTECTION ACT OF 2006.

(a) IN GENERAL.—Subtitle A of chapter 1 of title XIV of the Pension Protection Act of 2006 (Public Law 109–280) is amended—

(1) in section 1412—

(A) by striking "vehicles provided for in" and inserting "vehicles of"; and

(B) by striking "in that" and inserting "over";

(2) in section 1413, by amending the article description to read as follows: "Acrylic or modacrylic filament tow (provided for in subheading 5501.30.00)";

(3) in section 1414, by amending the article description to read as follows: "Acrylic or modacrylic staple fibers, carded combed or otherwise processed for spinning (provided for in subheading 5506.30.00)";

(4) in section 1418, by striking "vinegar" and inserting "vinegar,";

(5) in section 1420, by striking "vinegar" and inserting "vinegar,";

(6) in section 1433, by striking "90–04–4" and inserting "90–04–0";

(7) in section 1456, by striking "2929.90.20" and inserting "2928.00.25";

(8) in section 1510, by inserting "in solvents" after "Hexane, 1,6-diisocyanato-, homopolymer, 3,5-dimethyl-1H-pyrazole-blocked";

(9) in section 1511, by amending the article description to read as follows: "Polyisocyanate cross linking agent products containing triphenylmethane triisocyanate in solvents (provided for in subheading 3824.90.28)";

(10) in section 1518, by striking "4402.12.80" and inserting "4202.12.80";

(11) in section 1542, by striking "hair" and inserting "hair,";

(12) in section 1548, by striking "10^{7}" and inserting "10^{-7}";

(13) in section 1549, by striking "10^{7}" and inserting "10^{-7}";

(14) in section 1555, by striking "2933.39.91" and inserting "2933.39.20";

(15) in section 1572, by striking ", rubber, or synthetic" and inserting "or rubber";

(16) in section 1597—

(A) in the heading, by striking "**work footwear**" and inserting "**house slippers**"; and

(B) by striking "; Sports footwear; tennis shoes, basketball shoes, gym shoes, training shoes and the like, all the foregoing with outer soles of rubber or plastics and uppers of textile materials for women (provided for in subheading 6404.11.20)";

(17) in section 1598, by striking "50 mm" and inserting "60 mm";

(18) in section 1605—

(A) in the article description, by striking "Device" and inserting "Display"; and

(B) in the heading, by striking "**device**" and inserting "**display**";

(19) in section 1606—

(A) in subsection (a), by striking "facilities" and inserting "facilities,"; and

(B) in subsection (b), by striking "reactors" and inserting "reactors,";

(20) by adding at the end of such subtitle the following:

"SEC. 1607. CERTAIN SPORTS FOOTWEAR FOR WOMEN.

"Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

"	9902.90.01	Sports footwear; tennis shoes, basketball shoes, gym shoes, training shoes and the like, all the foregoing with outer soles of rubber or plastics and uppers of textile materials for women (provided for in subheading 6404.11.20)	Free	No change	No change	On or before 12/31/2009	"

; and

(21) in section 1621, by striking "December 31, 2006" and inserting "March 31, 2007".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply as if included in the enactment of the Pension Protection Act of 2006 (Public Law 109–280).

SEC. 3004. NMSBA

(a) IN GENERAL.—Section 1434 (b) and (c) of the Miscellaneous Trade and Technical Corrections Act of 2004 (Public Law 108–429; 118 Stat. 2524) are amended to read as follows:

"(b) CALENDAR YEAR 2005.—

"(1) IN GENERAL.—Heading 9902.05.30, as added by subsection (a), is amended—

"(A) by striking "0.28%" and inserting "0.16%"; and

"(B) by striking "On or before 12/31/2004" and inserting "On or before 12/31/2005".

"(2) APPLICABILITY.—The amendments made by paragraph (1) shall apply to goods entered on or after January 1, 2005, and before January 1, 2006.

"(c) CALENDAR YEARS 2006 THROUGH 2008.—

"(1) IN GENERAL.—Heading 9902.05.30, as added by subsection (a) and amended by subsection (b), is further amended—

"(A) by striking "0.16%" and inserting "1.1%"; and

"(B) by striking "On or before 12/31/2005" and inserting "on or before 12/31/2008".

"(2) APPLICABILITY.—The amendments made by paragraph (1) shall apply to goods entered on or after January 1, 2006.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall take effect as if included in the enactment of section 1434 of the Miscellaneous Trade and Technical Corrections Act of 2004 (Public Law 108–429).

(2) RETROACTIVE APPLICATION.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Bureau of Customs and Border Protection before the 90th day after the date of the enactment of this Act, any entry, or withdrawal from warehouse for consumption, of any good—

(A) that was made on or after January 1, 2005 and before the date of the enactment of this Act; and

(B) with respect to which there would have been a lower rate of duty if the amendment made by this subsection applied to such entry or withdrawal, shall be liquidated or reliquidated as if such amendment applied to such entry or withdrawal.

SEC. 3005. CERTAIN MONOCHROME GLASS ENVELOPES.

(a) AMENDMENT TO SUBHEADING 7011.20.40.—The article description of subheading 7011.20.40 is amended to read as follows: ''Monochrome glass envelopes, the foregoing certified by the importer as being for actual use in automatic data processing machine data or graphic display cathode ray tubes''.

(b) CONFORMING AMENDMENTS.—(1) Subheading 7011.20.40, as amended by subsection (a), is redesignated as subheading 7011.20.45.

(2) Subheading 7011.20.80 is redesignated as subheading 7011.20.85.

(3) Heading 9902.02.97 is amended in the article description column by striking ''7011.20.80'' and inserting ''7011.20.85''.

(c) STAGED RATE REDUCTIONS.—Any staged rate reduction of a rate of duty proclaimed by the President before the date of the enactment of this Act, that—

(1) would take effect on or after such date of enactment; and

(2) would, but for the amendment made by subsection (b)(2), apply to subheading 7011.20.80,

applies to the corresponding rate of duty set forth in subheading 7011.20.85 (as added by subsection (b)(2)).

SEC. 3006. FLEXIBLE MAGNETS AND COMPOSITE GOODS CONTAINING FLEXIBLE MAGNETS.

(a) IN GENERAL.—Chapter 85 is amended by striking subheadings 8505.19.10, 8505.19.20, and 8505.19.30 and inserting the following new subheadings, with the article description for subheading 8505.19 having the same degree of indentation as the article description for subheading 8505.11.00:

''	8505.19	Other:				
	8505.19.10	Flexible magnets	4.9%	Free (A, AU, BH, CA, CL, E, IL, J, JO, MA, MX, P, SG)	45%	
	8505.19.20	Composite goods containing flexible magnets	4.9%	Free (A, AU, BH, CA, CL, E, IL, J, JO, MA, MX, P, SG)	45%	
	8505.19.30	Other	4.9%	Free (A, AU, BH, CA, CL, E, IL, J, JO, MA, MX, P, SG)	45%	''.

(b) STAGED RATE REDUCTIONS.—Any staged reduction of a rate of duty proclaimed by the President before the date of the enactment of the Miscellaneous Trade and Technical Corrections Act of 2004 (Public Law 108–429), that—

(1) takes effect on or after such date of enactment; and

(2) would, but for the amendment made by this section, apply to subheading 8505.19, applies to the corresponding rate of duty set forth in subheadings 8505.19.10, 8505.19.20, and 8505.19.30 of such Schedule (as added by subsection (a)).

(c) APPLICABILITY.—The amendments made by this section shall take effect as if included in the enactment of the Miscellaneous Trade and Technical Corrections Act of 2004 (Public Law 108–429).

SEC. 3007. CELLAR TREATMENT OF WINE.

Section 5382(a)(1)(A) of the Internal Revenue Code of 1986 (relating to cellar treatment of natural wine) is amended by striking ''stabilize'' and inserting ''correct or stabilize''.

Subtitle B—Other Provisions

SEC. 3011. CONSIDERATION OF CERTAIN CIVIL ACTIONS DELAYED BECAUSE OF THE TERRORIST ATTACKS OF SEPTEMBER 11, 2001.

(a) IN GENERAL.—Notwithstanding any period of limitations, lapse of time, or any other provision of law, the United States Court of International Trade shall treat any civil action contesting the denial of a protest described in subsection (b) as having been filed in accordance with section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) and within the time limit provided in section 2636 of title 28, United States Code.

(b) AFFECTED PROTESTS.—The protests referred to in subsection (a) are as follows:

Entry Number	Protest Number	Protest Date	Denial Date
2704-442-1562415-4	2704.01.100001	12/22/00	03/23/01
2704-442-1559965-3	2704.00.103269	12/12/00	03/23/01
2704-442-1561096-3	2704.00.103270	12/12/00	03/23/01
2704-442-1562411-3	2704.01.100002	12/22/00	03/23/01
2704-442-1562408-9	2704.01.100003	12/22/00	03/23/01
2704-442-1562416-2	2704.01.100009	12/22/00	03/23/01
2704-442-1564132-3	2704.01.100033	01/03/01	03/23/01
2704-442-1564387-3	2704.01.100034	01/03/01	03/23/01
2704-442-1564389-9	2704.01.100035	01/03/01	03/23/01
2704-442-1564390-7	2704.01.100036	01/03/01	03/23/01
2704-442-1564870-8	2704.01.100038	01/03/01	03/23/01
2704-442-1565099-3	2704.01.100039	01/03/01	03/23/01
2704-442-1563549-9	2704.01.100042	01/03/01	03/23/01
2704-442-1554152-3	2704.01.100043	12/22/00	03/23/01
2704-442-1562418-8	2704.01.100072	12/22/00	03/27/01
2704-442-1562419-6	2704.01.100073	12/22/00	03/27/01
2704-442-1562872-6	2704.01.100074	12/22/00	03/27/01
2704-442-1570239-8	2704.01.100392	02/09/01	03/23/01
2704-442-1570423-8	2704.01.100400	02/06/01	03/27/01
2704-442-1570431-1	2704.01.100401	02/06/01	03/27/01
2704-442-1571191-0	2704.01.100403	02/06/01	04/05/01
2704-442-1565424-3	2704.01.100411	02/05/01	03/27/01
2704-442-1565513-3	2704.01.100422	02/05/01	03/26/01
2704-442-1565516-6	2704.01.100423	02/05/01	03/23/01
2704-442-1565518-2	2704.01.100424	02/05/01	03/23/01
2704-442-1566265-9	2704.01.100425	02/05/01	03/23/01
2704-442-1567197-3	2704.01.100427	02/05/01	03/23/01
2704-442-1573049-8	2704.01.100723	03/13/01	04/05/01
2704-442-1572011-9	2704.01.100725	03/13/01	04/05/01

Entry Number	Protest Number	Protest Date	Denial Date
2704-442-1572003-6	2704.01.100726	03/13/01	04/05/01
2704-442-1572000-2	2704.01.100727	03/13/01	04/05/01
2704-442-1571470-8	2704.01.100728	03/13/01	04/05/01

SEC. 3012. EFFECTIVE DATE OF MODIFICATIONS TO THE HARMONIZED TARIFF SCHEDULE.

Section 1206(c) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3006(c)) is amended by striking ''15th'' and inserting ''30th''.

TITLE IV—EXTENSION OF NONDISCRIMINATORY TREATMENT (NORMAL TRADE RELATIONS TREATMENT) TO THE PRODUCTS OF VIETNAM

SEC. 4001. FINDINGS.

Congress finds the following:

(1) In July 1995, President Bill Clinton announced the formal normalization of diplomatic relations between the United States and Vietnam.

(2) Vietnam has taken cooperative steps with the United States under the United States Joint POW/MIA Accounting Command (formerly the Joint Task Force-Full Accounting) established in 1992 by President George H.W. Bush to provide the fullest possible accounting of MIA and POW cases.

(3) In 2000, the United States and Vietnam concluded a bilateral trade agreement that included commitments on goods, services, intellectual property rights, and investment. The agreement was approved by joint resolution enacted pursuant to section 405(c) of the Trade Act of 1974 (19 U.S.C. 2435(c)), and entered into force in December 2001.

(4) Since 2001, normal trade relations treatment has consistently been extended to Vietnam pursuant to title IV of the Trade Act of 1974.

(5) Vietnam has undertaken significant market-based economic reforms, including the reduction of government subsidies, tariffs and nontariff barriers, and extensive legal reform. These measures have dramatically improved Vietnam's business and investment climate.

(6) Vietnam has completed its negotiations to join the World Trade Organization (WTO). On May 31, 2006, the United States and Vietnam signed a comprehensive bilateral agreement providing greater market access for goods and services and other trade liberalizing commitments. On November 7, 2006, the WTO General Council approved Vietnam's membership. Vietnam's National Assembly ratified Vietnam's WTO accession commitments on November 28, 2006, and Vietnam will become the 150th Member of the WTO 30 days thereafter.

(7) On November 13, 2006, the Department of State removed Vietnam from its list of Countries of Particular Concern (CPC) for severe violations of religious freedom. In reaching this determination, the Department of State cited significant improvements in Vietnam toward advancing religious freedom, though problems remain that merit immediate attention and important work remains to be done to fully protect religious freedom in Vietnam.

SEC. 4002. TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO VIETNAM.

(a) PRESIDENTIAL DETERMINATIONS AND EXTENSION OF NON-DISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

(1) determine that such title should no longer apply to Vietnam; and

(2) after making a determination under paragraph (1) with respect to Vietnam, proclaim the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of that country.

(b) TERMINATION OF THE APPLICABILITY OF TITLE IV.—On and after the effective date of the extension of nondiscriminatory treatment to the products of Vietnam under subsection (a), title IV of the Trade Act of 1974 shall cease to apply to that country.

SEC. 4003. PROCEDURE FOR DETERMINING PROHIBITED SUBSIDIES BY VIETNAM.

(a) AUTHORITY OF TRADE REPRESENTATIVE.—The Trade Representative may conduct proceedings under this section to determine whether the Government of Vietnam is providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry, if such proceedings are begun, and consultations under section 4004 are initiated, during the 1-year period beginning on the date on which Vietnam accedes to the World Trade Organization.

(b) PETITIONS.—

(1) FILING.—Any interested person may file a petition with the Trade Representative requesting that the Trade Representative make a determination under subsection (a). The petition shall set forth the allegations in support of the request.

(2) REVIEW BY TRADE REPRESENTATIVE.—The Trade Representative shall review the allegations in any petition filed under paragraph (1) and, not later than 20 days after the date on which the Trade Representative receives the petition, shall determine whether to initiate proceedings to make a determination under subsection (a).

(3) PROCEDURES.—

(A) DETERMINATION TO INITIATE PROCEEDINGS.—If the Trade Representative makes an affirmative determination under paragraph (2) with respect to a petition, the Trade Representative shall publish a summary of the petition in the Federal Register and notice of the initiation of proceedings under this section.

(B) DETERMINATION NOT TO INITIATE PROCEEDINGS.—If the Trade Representative determines not to initiate proceedings with respect to a petition, the Trade Representative shall inform the petitioner of the reasons therefor and shall publish notice of the determination, together with a summary of those reasons, in the Federal Register.

(c) INITIATION OF PROCEEDINGS BY OTHER MEANS.—If the Trade Representative determines, in the absence of a petition, that proceedings should be initiated under this section, the Trade Representative shall publish in the Federal Register that determination, together with the reasons therefor, and notice of the initiation of proceedings under this section.

SEC. 4004. CONSULTATIONS UPON INITIATION OF INVESTIGATION.

If the Trade Representative initiates a proceeding under subsection (b)(3)(A) or (c) of section 4003, the Trade Representative, on behalf of the United States, shall, on the day on which notice thereof is published under the applicable subsection, so notify the Government of Vietnam and request consultations with that government regarding the subsidy.

SEC. 4005. PUBLIC PARTICIPATION AND CONSULTATION.

(a) PUBLIC PARTICIPATION.—In the notice published under subsection (b)(3)(A) or (c) of section 4003, the Trade Representative shall provide an opportunity to the public for the presentation of views concerning the issues—

(1) within the 30-day period beginning on the date of the notice (or on a date after such period if agreed to by the petitioner), or

(2) at such other time if a timely request therefor is made by the petitioner or by any interested person,

with a public hearing if requested by an interested person.

(b) CONSULTATION.—The Trade Representative shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and with the appropriate advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155), with respect to whether to initiate proceedings under section 4003 and, if proceedings are conducted, with respect to making the determination under subsection (c).

(c) DETERMINATION.—After considering all comments submitted, and within 30 days after the close of the comment period under subsection (a), the Trade Representative shall determine whether the Government of Vietnam is providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry. The Trade Representative shall publish that determination in the Federal Register, together with the justification for the determination.

(d) RECORD.—The Trade Representative shall make available to the public a complete record of all nonconfidential information presented in proceedings conducted under this section, together with a summary of confidential information so submitted.

SEC. 4006. ARBITRATION AND IMPOSITION OF QUOTAS.

(a) ARBITRATION.—If, within 60 days after consultations are requested under section 4004, in a case in which the Trade Representative makes an affirmative determination under section 4005(c), the matter in dispute is not resolved, the Trade Representative shall request arbitration of the matter under the Dispute Settlement Understanding.

(b) IMPOSITION OF QUOTAS.—

(1) IN GENERAL.—The Trade Representative shall impose, for a period of not more than 1 year, the quantitative limitations described in paragraph (2) on textile and apparel products of Vietnam—

(A) if, pursuant to arbitration under subsection (a), the arbitrator determines that the Government of Vietnam is providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry; or

(B) if the arbitrator does not issue a decision within 120 days after the request for arbitration, in which case the limitations cease to be effective if the arbitrator, after such limitations are imposed, determines that the Government of Vietnam is not providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry.

(2) LIMITATIONS DESCRIBED.—The quantitative limitations referred to in paragraph (1) are those quantitative limitations that were in effect under the Bilateral Textile Agreement during the most recent full calendar year in which the Bilateral Textile Agreement was in effect.

(c) DETERMINATION OF COMPLIANCE.—If, after imposing quantitative limitations under subsection (b) because of a prohibited subsidy, the Trade Representative determines that the Government of Vietnam is not providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or

apparel industry, the quantitative limitations shall cease to be effective on the date on which that determination is made.

SEC. 4007. DEFINITIONS.

In this title:

(1) BILATERAL TEXTILE AGREEMENT.—The term ''Bilateral Textile Agreement'' means the Agreement Relating to Trade in Cotton, Wool, Man-Made Fiber, Non-Cotton Vegetable Fiber and Silk Blend Textiles and Textile Products Between the Governments of the United States of America and the Socialist Republic of Vietnam, entered into on July 17, 2003.

(2) DISPUTE SETTLEMENT UNDERSTANDING.—The term ''Dispute Settlement Understanding'' means the Understanding on Rules and Procedures Governing the Settlement of Disputes referred to in section 101(d)(16) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(16)).

(3) INTERESTED PERSON.—The term ''interested person'' includes, but is not limited to, domestic firms and workers, representatives of consumer interests, United States product exporters, and any industrial user of any goods or services that may be affected by action taken under section 4006(b).

(4) PROHIBITED SUBSIDY.—

(A) IN GENERAL.—The term ''prohibited subsidy'' means a subsidy described in article 3.1 of the Agreement on Subsidies and Countervailing Measures.

(B) SUBSIDY.—The term ''subsidy'' means a subsidy within the meaning of article 1.1 of the Agreement on Subsidies and Countervailing Measures.

(C) AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES.—The term ''Agreement on Subsidies and Countervailing Measures'' means the Agreement on Subsidies and Countervailing Measures referred to in section 101(d)(12) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(12)).

(5) TEXTILE OR APPAREL PRODUCT.—The term ''textile or apparel product'' means a good listed in the Annex to the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(6) TRADE REPRESENTATIVE.—The term ''Trade Representative'' means the United States Trade Representative.

TITLE V—HAITI

SEC. 5001. SHORT TITLE.

This title may be cited as the ''Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006'' .

SEC. 5002. TRADE BENEFITS FOR HAITI.

(a) IN GENERAL.—The Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.) is amended by inserting after section 213 the following new section:

''SEC. 213A. SPECIAL RULES FOR HAITI.

''(a) DEFINITIONS.—In this section:

''(1) APPLICABLE 1-YEAR PERIOD.—

''(A) IN GENERAL.—The term ''applicable 1-year period'' means each of the 1-year periods described in subparagraphs (B) through (F).

''(B) INITIAL APPLICABLE 1-YEAR PERIOD.—The term 'initial applicable 1-year period' means the 1-year period beginning on the date of the enactment of the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006.

''(C) SECOND APPLICABLE 1-YEAR PERIOD.—The term 'second applicable 1-year period' means the 1-year period beginning on the day after the last day of the initial applicable 1-year period.

''(D) THIRD APPLICABLE 1-YEAR PERIOD.—The term 'third applicable 1-year period' means the 1-year period beginning on the day after the last day of the second applicable 1-year period.

''(E) FOURTH APPLICABLE 1-YEAR PERIOD.—The term 'fourth applicable 1-year period' means the 1-year period beginning on the day after the last day of the third applicable 1-year period.

''(F) FIFTH APPLICABLE 1-YEAR PERIOD.—The term 'fifth applicable 1-year period' means the 1-year period beginning on the day after the last day of the fourth applicable 1-year period.

''(2) ENTER; ENTRY.—The terms 'enter' and 'entry' refer to the entry, or withdrawal from warehouse for consumption, in the customs territory of the United States.

''(b) APPAREL ARTICLES.—

''(1) IN GENERAL.—In addition to any other preferential treatment under this title, apparel articles described in paragraph (2) of a producer or entity controlling production that are imported directly from Haiti shall enter the United States free of duty during an applicable 1-year period, subject to the limitations set forth in paragraphs (2) and (3), if Haiti has met the requirements of subsections (d) and (e).

''(2) APPAREL ARTICLES DESCRIBED.—

''(A) IN GENERAL.—In any applicable 1-year period, apparel articles described in this paragraph are apparel articles that are wholly assembled, or are knit-to-shape, in Haiti from any combination of fabrics, fabric components, components knit-to-shape, and yarns, only if, for each entry in the applicable 1-year period, the sum of—

''(i) the cost or value of the materials produced in Haiti or one or more countries described in subparagraph (C), or any combination thereof, plus

''(ii) the direct costs of processing operations (as defined in section 213(a)(3)) performed in Haiti or one or more countries described in subparagraph (C), or any combination thereof,

is not less than the applicable percentage (as defined in subparagraph (E)(i)) of the declared customs value of such apparel articles.

''(B) DEDUCTIONS.—In calculating cost or value under subparagraph (A)(i), there shall be deducted the cost or value of—

''(i) any foreign materials that are used in the production of the apparel articles in Haiti; and

''(ii) any foreign materials that are used in the production of the materials described in subparagraph (A)(i).

''(C) COUNTRIES DESCRIBED.—The countries referred to in subparagraph (A) are the following:

''(i) The United States.

''(ii) Any country that is a party to a free trade agreement with the United States that is in effect on the date of the enactment of the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006, or that enters into force under the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3801 et seq.).

''(iii) Any country designated as a beneficiary country under section 213(b)(5)(B) of this Act.

''(iv) Any country designated as a beneficiary country under section 506A(a)(1) of the Trade Act of 1974 (19 U.S.C. 2466a(a)(1)), if a finding has been made by the President or the President's designee, and published in the Federal Register, that the country has satisfied the requirements of section 113 of the African Growth and Opportunity Act (19 U.S.C. 3722).

''(v) Any country designated as a beneficiary country under section 204(b)(6)(B) of the Andean Trade Preference Act (19 U.S.C. 3203(b)(6)(B)).

''(D) ANNUAL AGGREGATION.—

''(i) INITIAL APPLICABLE 1-YEAR PERIOD.—In the initial applicable 1-year period, the requirements under subparagraph (A) relating to applicable percentage may also be met for articles of a producer or an entity controlling production that enter during the initial applicable 1-year period by aggregating—

''(I) the cost or value of materials under clause (i) of subparagraph (A), and

''(II) the direct costs of processing operations under clause (ii) of subparagraph (A),

of all apparel articles of that producer or entity controlling production that are wholly assembled, or are knit-to-shape, in Haiti and are entered during the initial applicable 1-year period.

''(ii) OTHER APPLICABLE 1-YEAR PERIODS.—In each of the second, third, fourth, and fifth applicable 1-year periods, the requirements under subparagraph (A) relating to applicable percentage may also be met for articles of a producer or an entity controlling production that enter during the applicable 1-year period by aggregating—

''(I) the cost or value of materials under clause (i) of subparagraph (A), and

''(II) the direct costs of processing operations under clause (ii) of subparagraph (A),

of all apparel articles of that producer or entity controlling production that are wholly assembled, or are knit-to-shape, in Haiti and are entered during the preceding applicable 1-year period.

''(iii) DEDUCTIONS.—In calculating cost or value under clause (i)(I) or (ii)(I), there shall be deducted the cost or value of—

''(I) any foreign materials that are used in the production of the apparel articles in Haiti; and

''(II) any foreign materials that are used in the production of the materials described in clause (i)(I) or (ii)(I) (as the case may be).

''(iv) INCLUSION IN CALCULATION OF OTHER ARTICLES RECEIVING PREFERENTIAL TREATMENT.—(I) The entry of a woven apparel article receiving preferential treatment under paragraph (4) is not included in an annual aggregation under clause (i) or (ii).

''(II) Entries of articles receiving preferential treatment under paragraph (5) are not included in an annual aggregation under clause (i) or (ii) unless the producer or entity controlling production elects, at the time the annual aggregation calculation is made, to include such entries in such aggregation.

''(III) Entries of apparel articles that receive preferential treatment under any provision of law other than this subsection or are subject to the 'General' column 1 rate of duty under the HTS are not included in an annual aggregation under clause (i) or (ii) unless the producer or entity controlling production elects, at the time the annual aggregation calculation is made, to include such entries in such aggregation.

''(E) DEFINITIONS.—In this paragraph:

''(i) APPLICABLE PERCENTAGE.—The term ''applicable percentage'' means—

''(I) 50 percent or more during the initial applicable 1-year period, the second applicable 1-year period, and the third applicable 1-year period;

''(II) 55 percent or more during the fourth applicable 1-year period; and

''(III) 60 percent or more during the fifth applicable 1-year period.

''(ii) FOREIGN MATERIAL.—The term 'foreign material' means a material produced in a country other than Haiti or any country described in subparagraph (C).

''(F) DEVELOPMENT OF PROCEDURE TO ENSURE COMPLIANCE.—

''(i) IN GENERAL.—The Bureau of Customs and Border Protection of the Department of Homeland Security shall develop and implement methods and procedures to ensure ongoing compliance with the requirements set forth in subparagraphs (A) and (D).

''(ii) NONCOMPLIANCE.—If the Bureau of Customs and Border Protection finds that a producer or an entity controlling production has not satisfied such requirements in any applicable 1-year period, either for individual entries entered pursuant to subparagraph (A) or for entries entered in aggregate pursuant to subparagraph (D), then apparel articles described in subparagraph (A) of that producer or entity shall be ineligible for preferential treatment under paragraph (1) during any succeeding applicable 1-year period until—

''(I) the cost or value of materials under clause (i) of subparagraph (A), plus

''(II) the direct costs of processing operations under clause (ii) of subparagraph (A),

of that producer or entity controlling production, is not less than the applicable percentage under subparagraph (E)(i), plus 10 percent, of the aggregate declared customs value of all apparel articles of that producer or entity controlling production that are wholly assembled, or are knit-to-shape, in Haiti and are entered during the preceding applicable 1-year period.

''(iii) RETROACTIVE APPLICATION OF DUTY-FREE TREATMENT.—If—

''(I) a producer or an entity controlling production is ineligible for preferential treatment under paragraph (1) in an applicable 1-year period because that producer or entity controlling production did not satisfy the requirements of subparagraph (A) or (D), and

''(II) that producer or entity controlling production satisfies the requirements of clause (ii) of this subparagraph in that applicable 1-year period,

then, notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Bureau of Customs and Border Protection before the 90th day after the Bureau of Customs and Border Protection determines that subclause (II) applies, the entry of any articles—

''(aa) that was made during that applicable 1-year period, and

''(bb) with respect to which there would have been preferential treatment under paragraph (1) if the producer or entity controlling production had satisfied the requirements in subparagraph (A) or (D) (as the case may be),

shall be liquidated or reliquidated as though such preferential treatment under paragraph (1) applied to such entry.

''(G) FABRICS NOT AVAILABLE IN COMMERCIAL QUANTITIES.—

''(i) IN GENERAL.—For purposes of determining the applicable percentage under subparagraph (A) or (D), there may be included in that percentage—

''(I) the cost of fabrics or yarns to the extent that apparel articles of such fabrics or yarns would be eligible for preferential treatment, without regard to the source of the fabrics or yarns, under Annex 401 of the NAFTA; and

''(II) the cost of fabrics or yarns that are designated as not being available in commercial quantities for purposes of—

''(aa) section 213(b)(2)(A)(v) of this Act,

''(bb) section 112(b)(5) of the African Growth and Opportunity Act,

''(cc) section 204(b)(3)(B)(i)(III) or (ii) of the Andean Trade Preference Act, or

''(dd) any other provision, relating to determining whether a textile or apparel article is an originating good eligible for preferential treatment, of a law that implements a free trade agreement that enters into force under the Bipartisan Trade Promotion Authority Act of 2002,

without regard to the source of the fabrics or yarns.

''(ii) REMOVAL OF DESIGNATION OF FABRICS OR YARNS NOT AVAILABLE IN COMMERCIAL QUANTITIES.—If the President determines that—

''(I) any fabric or yarn described in clause (i)(I) was determined to be eligible for preferential treatment, or

''(II) any fabric or yarn described in clause (i)(II) was designated as not being available in commercial quantities,

on the basis of fraud, the President is authorized to remove the eligibility or designation (as the case may be) of that fabric or yarn with respect to articles entered after such removal.

''(3) QUANTITATIVE LIMITATIONS.—The preferential treatment described in paragraph (1) shall be extended, during each of the applicable 1-year periods set forth in the following table, to not more than the corresponding percentage of the aggregate square meter equivalents of all apparel articles imported into the United States in the most recent 12-month period for which data are available:

	''During the:	**the corresponding percentage is:**
.....	''initial applicable 1-year period.	1 percent.
.....	''second applicable 1-year period.	1.25 percent.
.....	''third applicable 1-year period.	1.5 percent.
.....	''fourth applicable 1-year period.	1.75 percent.
.....	''fifth applicable 1-year period.	2 percent.

No preferential treatment shall be provided under paragraph (1) after the last day of the fifth applicable 1-year period.

''(4) SPECIAL RULE FOR WOVEN APPAREL.—In the case of apparel articles classifiable under chapter 62 of the HTS (other than articles classifiable under subheading 6212.10 of the HTS), as in effect on the date of the enactment of the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006, that do not qualify for preferential treatment under paragraph (1) because they do not meet the percentage requirements under paragraph (2)(A), (2)(B), or (2)(D), the preferential treatment under paragraph (1)—

''(A) shall be extended, in addition to the quantities permitted under paragraph (3) to—

''(i) not more than 50,000,000 square meter equivalents of such apparel articles for the initial applicable 1-year period;

''(ii) not more than 50,000,000 square meter equivalents of such apparel articles for the second applicable 1-year period; and

''(iii) not more than 33,500,000 square meter equivalents for the third applicable 1-year period; and

''(B) may not be extended to such apparel articles after the last day of the third applicable 1-year period.

''(5) SPECIAL RULE FOR BRASSIERES.—The preferential treatment under paragraph (1) shall, subject to the limitations under paragraph (3), be extended to any article classifiable under heading 6212.10 of the HTS, if the article is both cut and sewn or otherwise assembled in Haiti or the United States, or both, without regard to the source of the fabric or components from which the article is made, and if Haiti has met the requirements of subsections (d) and (e).

''(c) SPECIAL RULE FOR CERTAIN WIRE HARNESS AUTOMOTIVE COMPONENTS.—

(1) IN GENERAL.—Any wire harness automotive component that is the product or manufacture of Haiti and is imported directly from Haiti into the customs territory of the United States shall enter the United States free of duty, during the 5-year period beginning on the date of the enactment of the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006, if Haiti has met the requirements of subsection (d) and if the sum of—

''(A) the cost or value of the materials produced in Haiti or one or more countries described in subsection (b)(2)(C), or any combination thereof, plus

''(B) the direct costs of processing operations (as defined in section 213(a)(3)) performed in Haiti or the United States, or both,

is not less than 50 percent of the declared customs value of such wire harness automotive component.

''(2) WIRE HARNESS AUTOMOTIVE COMPONENT.—For purposes of this subsection, the term ''wire harness automotive component'' means any article provided for in subheading 8544.30.00 of the HTS, as in effect on the date of the enactment of the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006.

''(d) ELIGIBILITY REQUIREMENTS.—

''(1) IN GENERAL.—Haiti shall be eligible for preferential treatment under this section if the President determines and certifies to Congress that Haiti—

''(A) has established, or is making continual progress toward establishing—

''(i) a market-based economy that protects private property rights, incorporates an open rules-based trading system, and minimizes government interference in the economy through measures such as price controls, subsidies, and government ownership of economic assets;

''(ii) the rule of law, political pluralism, and the right to due process, a fair trial, and equal protection under the law;

''(iii) the elimination of barriers to United States trade and investment, including by—

''(I) the provision of national treatment and measures to create an environment conducive to domestic and foreign investment;

''(II) the protection of intellectual property; and

''(III) the resolution of bilateral trade and investment disputes;

''(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, promote the development of private enterprise, and encourage the formation of capital markets through microcredit or other programs;

''(v) a system to combat corruption and bribery, such as signing and implementing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; and

''(vi) protection of internationally recognized worker rights, including the right of association, the right to organize and bargain collectively, a prohibition on the use of any form of forced or compulsory labor, a minimum age for the employment of children, and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

''(B) does not engage in activities that undermine United States national security or foreign policy interests; and

''(C) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities.

''(2) TIME LIMIT FOR DETERMINATION..—The President shall determine whether Haiti meets the requirements of paragraph (1) not later than 90 days after the date of the enactment of the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006.

''(3) CONTINUING COMPLIANCE.—If the President determines that Haiti is not making continual progress in meeting the requirements described in paragraph (1)(A), the President shall terminate the preferential treatment under this section.

''(e) CONDITIONS REGARDING ENFORCEMENT OF CIRCUMVENTION.—

''(1) IN GENERAL.—The preferential treatment under subsection (b)(1) shall not apply unless the President certifies to Congress that Haiti is meeting the following conditions:

''(A) Haiti has adopted an effective visa system, domestic laws, and enforcement procedures applicable to articles described in subsection (b) to prevent unlawful transshipment of the articles and the use of counterfeit documents relating to the importation of the articles into the United States.

''(B) Haiti has enacted legislation or promulgated regulations that would permit the Bureau of Customs and Border Protection verification teams to have the access necessary to investigate thoroughly allegations of transshipment through such country.

''(C) Haiti agrees to report, on a timely basis, at the request of the Bureau of Customs and Border Protection, on the total exports from and imports into that country of articles described in subsection (b), consistent with the manner in which the records are kept by Haiti.

''(D) Haiti agrees to cooperate fully with the United States to address and take action necessary to prevent circumvention as provided in Article 5 of the Agreement on Textiles and Clothing.

''(E) Haiti agrees to require all producers and exporters of articles described in subsection (b) in that country to maintain complete records of the production and the export of such articles, including materials used in the production, for at least 5 years after the production or export (as the case may be).

''(F) Haiti agrees to report, on a timely basis, at the request of the Bureau of Customs and Border Protection, documentation establishing the country of origin of articles described in subsection (b) as used by that country in implementing an effective visa system.

''(2) DEFINITION OF TRANSSHIPMENT.—Transshipment within the meaning of this subsection has occurred when preferential treatment for a textile or apparel article under this section has been claimed on the basis of material false information concerning the country of origin, manufacture, processing, or assembly of the article or any of its components. For purposes of this paragraph, false information is material if disclosure of the true information would mean or would have meant that the article is or was ineligible for preferential treatment under this section.

''(f) REGULATIONS.—The President shall issue regulations to carry out this section not later than 180 days after the date of the enactment of the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006. The President shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate in preparing such regulations.''.

SEC. 5003. ITC STUDY.

The International Trade Commission shall, not later than 18 months after the date of the enactment of this Act, submit a report to Congress on the effects of the amendments made by this Act on the trade markets and industries, involving textile and apparel articles, of Haiti, the countries described in clauses (ii) and (iii) of section 213A(b)(2)(C) of the Caribbean Basin Economic Recovery Act (as added by section 5002 of this Act), and the United States.

SEC. 5004. SENSE OF CONGRESS ON INTERPRETATION OF TEXTILE AND APPAREL PROVISIONS FOR HAITI.

It is the sense of the Congress that the executive branch, particularly the Committee for the Implementation of Textile Agreements (CITA), the Bureau of Customs and Border Protection of the Department of Homeland Security, and the Department of Commerce, should interpret, implement, and enforce the provisions of section 213A(b) of the Caribbean Basin Economic Recovery Act, as added by section 5002 of this Act, relating to preferential treatment of textile and apparel articles, broadly in order to expand trade by maximizing opportunities for imports of such articles from Haiti.

SEC. 5005. TECHNICAL AMENDMENTS.

(a) CBI.—Section 213(b)(2)(A)(v) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)(2)(A)(v)) is amended by adding at the end the following new subclause:

''(III) If the President determines that any fabric or yarn was determined to be eligible for preferential treatment under subclause (I) on the basis of fraud, the President is authorized to remove that designation from that fabric or yarn with respect to articles entered after such removal.''.

(b) ATPA.—Section 204(b)(3)(B) of the Andean Trade Preference Act (19 U.S.C. 3202(b)(3)(B)) is amended by adding at the end the following new clause:

''(viii) REMOVAL OF DESIGNATION OF FABRICS OR YARNS NOT AVAILABLE IN COMMERCIAL QUANTITIES.—If the President determines that any fabric or yarn was determined to be eligible for preferential treatment under clause (i)(III) or (ii) on the basis of fraud, the President is authorized to remove that designation from that fabric or yarn with respect to articles entered after such removal.''.

SEC. 5006. EFFECTIVE DATE.

This title and the amendments made by this title apply to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

TITLE VI—AFRICAN GROWTH AND OPPORTUNITY ACT

SEC. 6001. SHORT TITLE.

This title may be referred to as the ''Africa Investment Incentive Act of 2006''.

SEC. 6002. PREFERENTIAL TREATMENT OF APPAREL PRODUCTS OF LESSER DEVELOPED COUNTRIES.

(a) IN GENERAL.—Section 112 of the African Growth and Opportunity Act (19 U.S.C. 3721) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g);

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''The'' and inserting ''Subject to subsection (c), the'' ; and

(B) by striking subparagraph (B) and redesignating subparagraph (C) as subparagraph (B); and

(3) by inserting after subsection (b) the following new subsection:

''(c) LESSER DEVELOPED COUNTRIES.—

''(1) PREFERENTIAL TREATMENT OF PRODUCTS THROUGH SEPTEMBER 30, 2012.—

''(A) PRODUCTS COVERED.—In addition to the products described in subsection (b), and subject to paragraph (2), the preferential treatment described in subsection (a) shall apply through September 30, 2012, to apparel articles wholly assembled, or knit-to-shape and wholly assembled, or both, in one or more lesser developed beneficiary sub-Saharan African countries, regardless of the country of origin of the fabric or the yarn used to make such articles, in an amount not to exceed the applicable percentage of the aggregate square meter equivalents of all apparel articles imported into the United States in the preceding 12-month period for which data are available.

''(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the term 'applicable percentage' means—

''(i) 2.9285 percent for the 1-year period beginning on October 1, 2005; and

''(ii) 3.5 percent for the 1-year period beginning on October 1, 2006, and each 1-year period thereafter through September 30, 2012.

''(2) SPECIAL RULES FOR PRODUCTS IN COMMERCIAL QUANTITIES IN AFRICA.—

''(A) PETITION PROCESS.—Upon a petition filed by an interested party (which may include a foreign manufacturer), the Commission shall determine whether a fabric or yarn produced in beneficiary sub-Saharan African countries is available in commercial quantities for use by lesser developed beneficiary sub-Saharan African countries.

''(B) EFFECT OF AFFIRMATIVE DETERMINATION.—

''(i) DETERMINATION OF QUANTITY AVAILABLE.—If the Commission determines under subparagraph (A) that a fabric or yarn produced in beneficiary sub-Saharan African countries is available in commercial quantities for use by lesser developed beneficiary sub-Saharan African countries, the Commission shall determine the quantity of the fabric or yarn that will be so available in lesser developed beneficiary sub-Saharan African countries in the applicable 1-year period beginning after the determination is made.

''(ii) DETERMINATIONS.—In each case in which the Commission determines that a fabric or yarn is available in commercial quantities under subparagraph (A) for an applicable 1-year period, the Commission shall determine, before the end of that applicable 1-year period—

''(I) whether the fabric or yarn produced in beneficiary sub-Saharan African countries will be available in commercial quantities in the succeeding applicable 1-year period; and

''(II) if so, the quantity of the fabric or yarn that will be so available in that succeeding 1-year period, subject to clause (iii).

''(iii) DETERMINATION REGARDING IMPORTED ARTICLES.—After the end of each applicable 1-year period for which a determination under clause (i) is in effect, the Commission shall determine to what extent the quantity of the fabric or yarn determined under clause (i) to be available in commercial quantities for use by lesser developed beneficiary sub-Saharan African countries was used in the production of apparel articles receiving preferential treatment under paragraph (1) that were entered in that applicable 1-year period. To the extent that the quantity so determined was not so used, then the Commission shall add to the quantity of that fabric or yarn determined to be available in the next applicable 1-year period the quantity not so used in the preceding applicable 1-year period.

''(C) DENIM.—Denim articles provided for in subheading 5209.42.00 of the Harmonized Tariff Schedule of the United States shall be deemed to have been determined to be in abundant supply under subparagraph (A) in an amount of 30,000,000 square meter equivalents for the 1-year period beginning October 1, 2006.

''(D) PRESIDENTIAL AUTHORITY TO RESTRICT IMPORTS.—

''(i) IN GENERAL.—Subject to clause (ii), the President may by proclamation provide that apparel articles otherwise eligible for preferential treatment under paragraph (1) that contain a fabric or yarn determined to be available in commercial quantities under subparagraph (A) may not receive such preferential treatment in an applicable 1-year period unless—

''(I) the fabric or yarn in such articles was produced in 1 or more beneficiary sub-Saharan African countries; or

''(II) the Commission has determined that the quantity of the fabric or yarn determined under subparagraph (B) (or (C), as the case may be) to be available in lesser developed beneficiary sub-Saharan African countries for that applicable 1-year period has already been used in the production of apparel articles receiving preferential treatment under paragraph (1) that were entered in that applicable 1-year period.

''(ii) MANDATORY RESTRICTION.—If a fabric or yarn is determined to be available in commercial quantities under subparagraph (A) in an applicable 1-year period, and for 2 consecutive applicable 1-year periods the quantities determined to be so available are not used in the production of apparel articles receiving preferential treatment under paragraph (1) that were entered during those 2 applicable 1-year periods, then beginning in the succeeding applicable 1-year period, apparel articles containing that fabric or yarn are ineligible for preferential treatment under paragraph (1) in any succeeding applicable 1-year period unless the Commission has determined that the quantity of the fabric or yarn determined under subparagraph (B) (or (C), as the case may be) to be available in lesser developed beneficiary sub-Saharan African countries for that applicable 1-year period has already been used in the production of apparel articles receiving preferential treatment under paragraph (1) that were entered in that applicable 1-year period.

''(E) PROCEDURES.—The Commission shall use the procedures prescribed in subsection (b)(3)(C)(iv) for the Secretary of Commerce in making determinations under this paragraph.

''(3) REMOVAL OF DESIGNATION OF FABRICS OR YARNS NOT AVAILABLE IN COMMERCIAL QUANTITIES.—If the President determines that—

''(A) any fabric or yarn described in paragraph (2)(A) was determined to be eligible for preferential treatment, or

''(B) any fabric or yarn described in paragraph (2)(B) was designated as not being available in commercial quantities,

on the basis of fraud, the President may remove the eligibility or designation (as the case may be) of that fabric or yarn with respect to articles entered after such removal.

''(4) APPLICABILITY OF OTHER PROVISIONS.—Subsection (b)(3)(C) applies to apparel articles eligible for preferential treatment under this subsection to the same extent as that subsection applies to apparel articles eligible for preferential treatment under subsection (b)(3).

''(5) DEFINITIONS.—In this subsection:

''(A) APPLICABLE 1-YEAR PERIOD.—The term 'applicable 1-year period' means each of the 12-month periods beginning on October 1 of each year and ending on September 30 of the following year.

''(B) COMMISSION.—The term 'Commission' means the United States International Trade Commission.

''(C) ENTER; ENTRY.—The terms 'enter' and 'entry' refer to the entry, or withdrawal from warehouse for consumption, in the customs territory of the United States.

''(D) LESSER DEVELOPED BENEFICIARY SUB-SAHARAN AFRICAN COUNTRY.—The term 'lesser developed beneficiary sub-Saharan African country' means—

''(i) a beneficiary sub-Saharan African country that had a per capita gross national product of less than $1,500 in 1998, as measured by the International Bank for Reconstruction and Development;

''(ii) Botswana; and

''(iii) Namibia.''.

(b) ADDITIONAL PREFERENTIAL TREATMENT.—Section 112(b) of the African Growth and Opportunity Act (19 U.S.C. 3721(b)) is amended by adding at the end the following new paragraph:

''(8) TEXTILE ARTICLES ORIGINATING ENTIRELY IN ONE OR MORE LESSER DEVELOPED BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Textile and textile articles classifiable under chapters 50 through 60 or chapter 63 of the Harmonized Tariff Schedule of the United States that are products of a lesser developed beneficiary sub-Saharan African country and are wholly formed in one or more such countries from fibers, yarns, fabrics, fabric components, or components knit-to-shape that are the product of one or more such countries.''.

(c) TECHNICAL AMENDMENT.—Section 112(e)(3) of the African Growth and Opportunity Act (as redesignated by subsection (a)(1) of this section) is amended by striking ''subsection (b)'' and inserting ''subsections (b) and (c)''.

SEC. 6003. TECHNICAL CORRECTIONS.

Section 112 of the African Growth and Opportunity Act (19 U.S.C. 3721) is amended as follows:

(1) Subsection (b)(5) is amended by adding at the end the following new subparagraph:

''(C) REMOVAL OF DESIGNATION OF FABRICS OR YARNS NOT AVAILABLE IN COMMERCIAL QUANTITIES.—If the President determines that any fabric or yarn was determined to be eligible for preferential treatment under subparagraph (A) on the basis of fraud, the President is authorized to remove that designation from that fabric or yarn with respect to articles entered after such removal.''.

(2) Subsection (f), as redesignated by section 6002(a)(1), is amended by adding at the end the following:

''(5) ENTER; ENTERED.—The terms 'enter' and 'entered' refer to the entry, or withdrawal from warehouse for consumption, in the customs territory of the United States.''.

SEC. 6004. EFFECTIVE DATE FOR AGOA.

Subsection (g) of section 112 of the African Growth and Opportunity Act (19 U.S.C. 3721), as redesignated by section 6002(a)(1), is amended by striking ''2008'' and inserting ''2015''.

TITLE VII—ANDEAN TRADE PREFERENCE ACT

SEC. 7001. SHORT TITLE.

This title may be cited as the ''Andean Trade Preferences Extension Act''.

SEC. 7002. ATPA EXTENSION.

(a) TEMPORARY EXTENSION.—Section 208 of the Andean Trade Preference Act (19 U.S.C. 3206) is amended by striking ''December 31, 2006'' and inserting ''June 30, 2007''.

(b) CONDITIONAL EXTENSIONS.—Section 208 of the Andean Trade Preference Act (19 U.S.C. 3206), as amended by subsection (a), is further amended—

(1) by striking ''No'' and inserting ''(a) TERMINATION.—Subject to subsection (b), no''; and

(2) by adding at the end the following:

''(b) CONDITIONAL EXTENSIONS.—Duty-free treatment and other preferential treatment under this title shall remain in effect with respect to a beneficiary country, during the period beginning on July 1, 2007, and ending on December 31, 2007, only if on or before June 30, 2007—

''(1) an implementing bill with respect to a trade agreement with that country has been enacted into law pursuant to the Bipartisan Trade Promotion Authority Act of 2002; and

''(2) the President determines that the legislature of that country has approved such trade agreement.''.

SEC. 7003. TECHNICAL AMENDMENTS.

Section 204(b)(3)(B) Andean Trade Preference Act (19 U.S.C. 3203(b)(3)(B)) is amended—

(1) in clause (iii)(II), by striking ''The preferential'' and inserting ''Subject to section 208, the preferential''; and

(2) in clause (v)(II), by striking ''During'' and inserting ''Subject to section 208, during''.

TITLE VIII—GENERALIZED SYSTEM OF PREFERENCES (GSP) PROGRAM

SEC. 8001. LIMITATIONS ON WAIVERS OF COMPETITIVE NEED LIMITATION.

Section 503(d)(4)(B) of the Trade Act of 1974 (19 U.S.C. 2463(d)(4)(B)) is amended—

(1) by striking ''The President'' and inserting ''(i) The President'';

(2) by striking ''(i) had'' and inserting ''(I) had'' and by striking ''(ii) had'' and inserting ''(II) had''; and

(3) by adding at the end the following new clause:

''(ii) Not later than July 1 of each year, the President should revoke any waiver that has then been in effect with respect to an article for 5 years or more if the beneficiary developing country has exported to the United States (directly or indirectly) during the preceding calendar year a quantity of the article—

''(I) having an appraised value in excess of 1.5 times the applicable amount set forth in subsection (c)(2)(A)(ii) for that calendar year; or

''(II) exceeding 75 percent of the appraised value of the total imports of that article into the United States during that calendar year.''.

SEC. 8002. EXTENSION OF GSP PROGRAM.

Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended by striking ''December 31, 2006'' and inserting ''December 31, 2008''.

The SPEAKER pro tempore. Pursuant to House Resolution 1100, the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California.

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

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

Mr. THOMAS. Mr. Speaker, today the House will consider H.R. 6406. This is the companion bill which will be combined with the tax and trade bill to be sent back to the Senate. It was originally structured as H.R. 6406, and it approves several trade measures that really are important to the livelihoods of millions of people, both in developing countries and in the U.S. and affects the global marketplace.

Mr. Speaker, today the House is considering H.R. 6406 to approve several trade measures that are vitally important to the livelihoods of millions of people in developing countries or are necessary to keep U.S. manufacturers and exporters competitive in the global marketplace.

This bill would extend several existing trade preferences for developing countries. The

longstanding Generalized System of Preferences, or GSP, which expires at the end of this year, provides duty-free treatment to nonsensitive products from developing countries. This bill extends GSP, adjusting it to ensure that benefits are targeted toward countries that are not competitive. It's important to note that the GSP extension applies the same rules to all countries equally.

The bill would also extend and enhance the African Growth and Opportunities Act, or AGOA, which provides trade preferences to sub-Saharan Africa. This bill would extend the current duty-free benefits on African apparel using third-country fabric through 2012.

The bill grants a six-month extension of preferences to the Andean countries, and allows another six-month extension for each country if a trade promotion agreement with that country is approved. This approach keeps our democratic allies whole while creating an incentive to complete the transition to a mature trading relationship by implementing the trade agreements that have been negotiated and concluding agreements with the other Andean countries.

The bill would also provide modest new trade preferences for Haiti to create jobs in that desperately poor country by encouraging Haiti to use more U.S. and hemispheric inputs. Haiti's poverty is equivalent to the poorest countries in Africa, and yet Haiti has never received U.S. trade preferences like the AGOA benefits.

The second major component of the bill grants permanent normal trade relations, or PNTR, to Vietnam. The bill also creates a mechanism to ensure that Vietnam abides by its obligations to end all prohibited subsidies to its textile sector. Vietnam has completed all the steps necessary to become a member of the World Trade Organization. The Vietnamese National Assembly ratified the implementing package, and the country will officially become a member at the end of the month. A majority of House members supported identical language granting PNTR to Vietnam last month.

Lastly, the bill includes 500 Miscellaneous Trade Bill provisions that went through the usual rigorous vetting process to ensure they are noncontroversial. These provisions suspend duties on products that are not produced in the United States and are usually traded in small volumes. This bill helps lower costs for U.S. manufacturers, retailers, and consumers.

This bill is responsible, bipartisan legislation that deserves support. Providing assistance to these poor countries not only helps to create stronger trading partners in the future but is also our responsibility as one of the world's strongest economies to create humanitarian opportunities through trade. I urge passage of this legislation.

Mr. Speaker, I ask unanimous consent that the remainder of my time until I reclaim my time be provided to the gentleman from Florida who I would usually describe as the chairman of the Trade Subcommittee. Mr. SHAW, however, deserves a bit fuller description.

He came to Congress in 1981. He joined the Ways and Means Committee in the 100th Congress. He joined in 1988 and then became chairman of the Trade Subcommittee in January of 2005. He is the author of the Haiti Economic Opportunity Act. He was chairman of the Human Resources Subcommittee from 1995 until 1998, and one of his major achievements, as far as I am concerned, was the 1996 welfare reform bill, historic and unprecedented. He was chairman and is chairman of the Florida delegation since 1996. And as the proud grandfather of two, I am amazed to say he is the father of four and the grandfather of 15; and I cannot imagine if my two were 15. And so it is my pleasure to turn the time over to the gentleman from Florida (Mr. SHAW).

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

There was no objection.

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

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

Mr. Speaker, I rise in support of this bill. I really think that trade, if done right, is so important to our great country and to the world. The people expect us to be able to use our technology to assist them in improving their quality of life.

And I think that is possible, regardless of whether we are Republicans or Democrats, to remove those impediments that keep us apart because they think in the interest of protecting American jobs, increasing American jobs, helping developing countries, that those are the basic things that, whether you are Democrat or Republican, that you have to believe in.

We have some countries that are in deep trouble in these bills, and in each of these cases we have been able to work out the language so not only are we concerned that we have sound trading policies, but we also protect the environment and protect the rights of workers that live in these developing countries.

□ 1745

For some of these countries, the African Growth and Opportunity bill has provided new and great opportunities that people in Sub-Saharan Africa never dreamed that could happen. The Indian countries, of course, have been successful in getting their people to concern itself with agriculture and fighting the drug trade.

But most of you know, notwithstanding all of the countries that are going to be affected, that all of us have in our hearts a little compassion for the pain that for decades the poor people in Haiti have been suffering. It really amazes me how there has been concern from the textile industry about this little country, Haiti. And I said that God should be so good to the people in Haiti that their exports could be a threat to the United States of America. That is not going to happen. I know that there are concerns that people have, but if there is any country in the world that has suffered, it has been the people in Haiti, the poorest country that we have in this continent and one that the international community has ignored.

It is not just that we hope that this country will be able to pick up the pieces and maintain this democracy, but we hope by showing the United States has an interest and is willing to invest in this country, it might serve as a signal for other industrialized countries to come to the assistance and, indeed, maintain the trade with Haiti that has not only suffered in poverty but has really suffered as demons and military people have exploited them and denied them the opportunity to live in a democracy.

They are on their way back. We hope that the new government will be able to fulfill all the dreams and promises that they have talked about.

But right now I would like to yield the balance of my time to a person who has dedicated his life to public service. He has served this Congress so well over the years. We on the Ways and Means Committee have depended on his wisdom and his guidance not only in trade but in so many other subjects. And now he moves on to the other body, and as I said earlier, his presence in the other body can only increase their prestige and the intellect as he has served us so well here.

Mr. Speaker, with the permission of the Members and the Chair, I yield the balance of my time to the distinguished gentleman from Maryland, the Honorable BEN CARDIN, and I ask unanimous consent that he be allowed to control that time.

The SPEAKER pro tempore (Mr. KIRK). Without objection, the gentleman from Maryland will control the time.

There was no objection.

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

Mr. SHAW. Mr. Speaker, at this time I yield 2 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in strong opposition to H.R. 6406. And while I believe in free trade between free people, this bill would extend trading rights to the dictatorship of Vietnam and other questionable countries.

Why are we doing this? We are told that, of course, increasing commerce with such dictatorships will eventually lead that dictatorship to evolve into a more docile or a more democratic society. That has not worked. It has created a monster in China. Why is there any reason for us to think it won't do the same in Vietnam?

The Vietnamese themselves have been pleading with us not to grant Most Favored Nation status; basically permanent normal trade status is what we are talking about tonight.

I include this letter in the RECORD. It is a letter to the President of the United States from 28 leading Vietnamese, who probably will end up in prison, discussing how their country is not free, that the people there have none of the liberties that we are talking about and that such trade would go

in the opposite direction rather than making the leadership of the dictatorship more open to reforms.

A CALL FOR DEMOCRACY—OPEN LETTER TO PRESIDENT GEORGE W. BUSH ON THE OCCASION OF HIS TRIP TO VIETNAM TO ATTEND THE APEC SUMMIT IN NOVEMBER 2006

VIETNAM,
November 14, 2006.

DEAR MR. PRESIDENT: On behalf of all Vietnamese people who struggle for democracy and freedom in Vietnam we warmly welcome you to our country on the occasion of your trip to Hanoi to attend the Asian Pacific Economic Cooperation (APEC) Summit.

When arriving in Vietnam, you will see, in addition to the natural beauty of our country, many high-rise buildings and splendid mansions belonging to the elite of the Vietnamese Communist Party and wealthy businessmen. However, you won't see the poverty of the majority of Vietnamese people who live in the countryside or in suburban areas. You will not be allowed to see the impoverished farmers who keep on coming to Hanoi to protest against the confiscation of their land year after year, their plight unheard.

Mr. President:

The Vietnamese people have no free elections. In Vietnam, the Communist Party chooses all candidates prior to an election, and people who are not chosen by the Communist system cannot run in an election. Since all candidates are nominated by the Party, from the People's Committee at the village level to the National Assembly, elections are only a ploy used by the regime to disguise their intentions. This is the reason why people's legitimate complaints are never addressed.

The Vietnamese people have no freedom of the press, and therefore freedom of speech is severely limited. Although Vietnam currently has more than 600 newspapers, all are owned and controlled by the Party. Until now, no private newspaper has ever been allowed to appear. Vietnam has one of the strictest systems of control over public use of the Internet in the world. Many web sites with information on freedom and democracy are not available in Vietnam.

The Vietnamese people do not have freedom of religion and worship. Religious organizations which were not established by the state, such as the Unified Buddhist Church of VietNam, the Hoa Hao Buddhist Church, the Cao Dai Congregation and the Mennonite Church of Vietnam, are all prohibited from operating. Many Buddhist monks and Christian priests are placed under ''administrative restrictions,'' i.e. under detention in their own pagodas or churches.

Recently, due to pressure from the United States, the European Union, and other countries and international organizations, the Vietnamese government released some prisoners of conscience. Nevertheless, hundreds of political dissidents are still detained or placed under ''administrative restriction'' based on Decree 31–CP which allows anyone to be detained up to two years without a court order.

Corruption in the Communist Party of Vietnam is at an epidemic level. Vietnam is classified as one of the most corrupt countries in the world but nobody within Vietnam dares to point that out because we don't have freedom of the press. The most corrupt people are high-ranking members of the Vietnamese Communist Party themselves.

Despite legal restrictions, the Vietnamese people still seek real democracy and freedom. Among the appeals is the ''Call for Democracy for Vietnam'' issued by the Unified Vietnamese Buddhist Congregation in 2001, the ''Nine Steps towards Democracy in Vietnam'' by the Non-Violent Movement for Human Rights in 2005, and most recently the ''Declaration for Democracy and Freedom'' courageously released on April 8, 2006 by 118 private citizens inside Vietnam.

Mr. President:

You have said many times that spreading democracy is one of your great goals. We found it very encouraging when you said that you always side with those who fight for freedom in the world and will support them in this effort. We hope, therefore, that you will use your forthcoming visit to encourage the Communist leaders of Vietnam to adopt real democracy. In order to implement this policy, first and foremost they would have to discard Article 4 of the Vietnam constitution which gives absolute power to the Vietnam Communist Party, repeal the 31–CP Decree, release all political dissidents currently detained in prisons or under house arrest, and move resolutely in restoring the freedom of the press, freedom of religion, and freedom to form organizations and political parties, and freedom to stand for election.

With our best wishes for a successful trip and for good health and happiness to you and Mrs. Bush, we remain,

Yours most respectfully,

Engineer Nguyen Phuong Anh (Hanoi).
Retired Colonel Pham Que Duong (Hanoi).
Engineer Bach Ngoc Duong (Hanoi).
Lawyer Nguyen Van Dai (Hanoi).
Catholic Father Nguyen Huu Giai (Thua Thien).
Mr. Nguyen Thanh Giang, Ph.D. (Hanoi).
Engineer Do Nam Hai (Saigon).
Mr. Tran Van Hoa (Quang Ninh).
Mr. Nguyen Ho (Former Labor Union Leader, Saigon).
Professor Nguyen Chinh Ket (Saigon).
Professor Tran Khue (Saigon).
Retired Major Colonel Tran Anh Kim (Thai Binh).
Mr. Le Quang Liem (Hoa Hao Buddhist Leader, Saigon).
Catholic Father Phan Van Loi (Hue).
Catholic Father Nguyen Van Ly (Hue).
Mr. Cao Van Nham (Hai Phong).
Lawyer Le Thi Cong Nhan (Hanoi).
Pastor Ngo Hoai No (Evangelical Missionary League, Saigon).
Technician Nguyen Phong (Hue).
Pastor Nguyen Hong Quang (Mennonite Church of Vietnam, Saigon).
Retired Army Officer Vu Cao Quan (Hai Phong).
Mr. Nguyen Dan Que, MD (Saigon).
Mr. Pham Hong Son, MD (Hanoi).
Venerable Thich Nu Dam Thoa (Senior Buddhist Nun, Bac Giang).
Writer Tran Khai Thanh Thuy (Hanoi).
Writer Hoang Tien (Hanoi).
Catholic Father Chan Tin (Saigon).
Journalist Nguyen Khac Toan (Hanoi).

Also let me note this: If not for the cause of freedom and justice, which we are supposedly fighting for in Iraq right now, we at least should back up our own military troops who gave their lives in Vietnam. The Vietnamese have never come clean with us on the POW issue. Ask SAM JOHNSON, who is one of our own colleagues. Yes, they have given us us the right to dig, but they have kept from us all of the prison records of those POWs who we knew were alive and in captivity. They have refused time and again. Until they come clean on POWs, until there is some reform that shows they are going in the right direction, it is wrong, it is morally wrong for us to extend this Permanent Normal Trading Status for this type of dictatorship.

And, in fact, we know what it is all about. It is not trying to evolve Vietnam into a more democratic society. It is about our big businessmen sacrificing the interests of American workers by chasing cheap labor, cheap labor under dictatorships where they don't have a right to stand up for their own rights.

I ask that this bill be defeated.

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

Mr. Speaker, I rise in support of this legislation. This legislation would extend permanent normal trade relations to Vietnam. That is necessary for the United States to be able to benefit from Vietnam's entering the World Trade Organization, and Vietnam is entering the World Trade Organization. It will give U.S. manufacturers and producers more access to the market in Vietnam, which is the fastest growing economy in Southeast Asia. It also provides stronger protection for American companies in regards to intellectual property rights.

But I want to make it clear no one should interpret the passage of Permanent Normal Trade Relations for Vietnam as a clean bill of health on their human rights. Vietnam has a long way to go in dealing with human rights issues. Yes, we are pleased that the State Department has removed them from a country of particular concern as it relates to religious freedom. That is an important step forward. But when you look at the list of issues that still remain in Vietnam on human rights, it is a matter of concern for our country.

Vietnam fails to provide its citizens with any meaningful vote, and the government censors domestic media sources, blocks foreign radio broadcasts and Web sites, and denies its people the right to form independent organizations, including independent unions representing working people. The government also routinely cracks down harshly on antigovernment protesters.

We cannot let these shortcomings go unchallenged. PNTR should not be stopped. That is not the right tool for us to deal with those issues. Vietnam is entering the World Trade Organization. We need to be part of that. We need to engage Vietnam. We need to look for new ways in which we can have Vietnam deal with these human rights issues. It is a good step that Vietnam is entering the World Trade Organization. That is going to be helpful for us in dealing with the human rights issues.

I think we need to take note that Vietnam has taken some important steps in the right direction and that we need to make sure that they continue with their entry into the WTO, that more is expected, and that they will adhere to the rule of law. And countries with open economies are more likely to have more open societies.

I also support the provisions in this bill that deal with trade preferences for Haiti and Africa. Haiti is the poorest country in our hemisphere. We have a moral obligation to do all that we can to raise the standard of living of its

people, our neighbors in the Caribbean, and to support the fragile democracy. The administration of Haiti offers a hope of an improved standard of living for the Haitian people, but only if the United States is prepared to engage with trade and investment and support Haiti with assistance. We have a chance with this legislation to do exactly that.

The countries of Sub-Saharan Africa also merit and need stronger trade and investment relationship and our support. The AGOA program has had wide support in this Congress and has been highly successful since its inception more than 6 years ago. Since its passage in the spring of 2000, U.S. imports from eligible African countries have increased by more than 300 percent, AGOA has attracted over $340 million in new investment, and it has helped to create thousands of new jobs in Africa. Thirty-seven African countries now participate in AGOA. I hope that others, including Liberia, will soon be eligible. African exports to the United States under AGOA totaled $38 billion in 2005, an increase of more than 300 percent since 2002. The list goes on and on and on where we have been able to see economic progress through AGOA.

The problem is that we can do more and should do more. This bill includes a 6-year extension of the third-country fabric provision, the longest extension for this provision in the history of the AGOA program. It also extends other benefits in the textile and apparel sector from 2008 to 2015, a major improvement.

Mr. Speaker, these provisions will help the African workers and businesses compete against China and other competitors, including competitors who suppress their workers' rights and provide subsidies to their industries. That is in the interest of the United States and our manufacturers and producers to have that type of competition from Sub-Saharan Africa.

It is for all these reasons that this is a well-balanced bill that will advance U.S. interests, and I urge my colleagues to support the legislation.

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

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

I think it is very clear that we clarify exactly what we are talking about with Vietnam. We are simply making what we have been doing every year as a permanent-type position so we don't have to come back and vote on it every year. And what do we get for it? We get access to their markets. So this is something that is to the benefit of the United States, and it is not giving any free trade agreement or any special deal to Vietnam. And I think people that are watching this debate tonight should be very much aware of that.

Mr. Speaker, at this time I yield 3 minutes to a valued member of the Ways and Means Committee, the gentleman from Minnesota (Mr. RAMSTAD).

Mr. RAMSTAD. Mr. Speaker, I thank Chairman SHAW for yielding.

I rise in strong support of H.R. 6406, which includes the legislation I introduced to extend permanent normal trade relations to Vietnam.

Mr. Speaker, the bottom line here is economic growth and jobs. Fully 95 percent of the world's population lives outside the United States, and the global economy is projected to grow at three times the rate of the U.S. economy. We must, we must, continue to take steps to make sure that American farmers, businesses, and service providers remain leaders in the international marketplace and that our products have fair and open access to foreign markets.

As was said by Mr. CARDIN, Vietnam is the fastest growing economy in Southeast Asia. It continues to grow in significance as a United States trading partner. By giving Vietnam PNTR status, our businesses and farmers will be able to take advantage of increased market access opportunities that the Vietnamese have offered in return. And increased market access in Vietnam will also help provide our companies a competitive sourcing counterbalance to China in this region.

Without passage of this legislation, U.S. companies will not be able to take advantage of the Vietnamese concessions. And the United States will not be able to engage in dispute settlement cases with Vietnam in the World Trade Organization. So not to pass this legislation with respect to Vietnam, extending PNTR to Vietnam, is a lose-lose situation.

Mr. Speaker, I would like to thank Chairman THOMAS and Chairman SHAW for their leadership and key efforts in crafting this package and also for including Vietnam PNTR. The House is truly losing two legislative giants, and it has been a great privilege to serve with Chairman THOMAS and Chairman SHAW on the Ways and Means Committee.

I also want to thank my friends on the other side of the aisle, Ranking Member RANGEL and Mr. CARDIN, for working on this important package in a bipartisan way. It has also been a great privilege to serve with you, and we are going to miss you, BEN, when you move to the other body.

I also want to thank Representative THOMPSON for his bipartisan support, his steadfast support, and hard work on this important legislation.

Mr. Speaker, I urge my colleagues to support passage of H.R. 6406.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 7 minutes to the gentleman from Michigan (Mr. LEVIN), one of the senior members of the Ways and Means Committee and one of the most active on trade issues.

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

Mr. LEVIN. Mr. Speaker, I want to join in congratulating the three mentioned Members for their service. I also want to try to give this bill some perspective. It is going to be a bit different than expressed before this.

I just want to assure everybody in terms of process that as far as I am concerned, and I know Mr. RANGEL joins me and I think many others, we are not going to bring legislation to the floor the way this has been brought to this floor tonight. Some of these bills have not had any hearings. This is a last-minute effort and we are under the gun because there is a need to extend or at least consider the extension of some of the provisions. Otherwise, they go out of operation, and that would be unfortunate. So in terms of process, I want to assure everybody there is going to be a more open procedure, and, indeed, I think that can lead to a more bipartisan procedure on key trade issues.

□ 1800

There is also going to be a very clear approach by the majority to these trade issues.

I want to talk about a few of the details because we haven't had much discussion of them on the floor. Three of these components involve extension of present programs. The GSP program has a 2-year extension. If we don't act, it goes out of existence. It has been in existence for decades. It has worked to our mutual benefit. There are within the GSP structures a core labor standard provision and it has been invoked in petitions by various people. So we are going to extend it. By the way, there is a waiver provision here and it is very possible that the administration will decide to no longer grant the waiver. But this legislation doesn't affect that, really. It simply expresses the opinion here that they should. They don't have to, and our committee, I am sure, is going to look into the merits of this, including as it might affect India.

The second is AGOA, the African Growth and Opportunity Act. We are extending it. I think most people believe it has worked on both sides, for African countries and by and large for us, not that there are no problems, but as a result of the fabric provision, Africa can now compete more than anything else with China. And if we don't give Africa that chance because of the end of the system that regulated fabrics, the Chinese would continue and increase their role in terms of that. There is a cap on the apparel provision. Everybody should understand that. There is some increase in it, not very large over it historically, and Africa has not met the cap.

So when you balance these provisions relating to this extension, I think it makes sense to extend the AGOA act, and it passed the last time it was up by voice vote.

Thirdly, the Andean preference, also under GSP. What this legislation does is to create a kind of a linkage that we will not allow as a majority. I think I can say that safely. It links it to the enactment, to the putting together and the passage of an FTA with four Andean countries. Many of us don't agree

with what was put together for Peru and for Colombia, and I want that very clear. We don't agree with the Peruvian and Colombia-U.S. FTA as it was negotiated. It cannot pass in my judgment and in the judgment of many others as it was negotiated. It is going to have to be renegotiated. So this effort to put a little leverage on this Congress and the other countries under this new majority is simply not going to work.

So I urge support of this bill because I think the three preferences, if you want to call it, the three provisions, need to be extended, the GSP, the African and also the Andean.

Let me spend just a couple of minutes, because we need to talk about details, about Haiti and about Vietnam. Briefly about Vietnam. They are going into the WTO without Permanent Normal Trade Relations with the U.S. We can't stop that as I understand it, and I think that is true. So we are not going to help out, in my judgment, on balance by simply saying that they go in without us and we will not get the provisions of their entry into the WTO. It is not two-sided in this respect.

Lastly, let me say a word about Haiti. There is some controversy over it. But, look, it has been carefully crafted. A lot of people have worked very hard on this, taking into account the needs of Haiti and the needs of our workers and our companies. There is in there a cap. Right now Haiti, their imports here represent a small part of our apparel industry. It is very small. In order for Haiti to get on its feet, it is going to have to be able to have a larger export industry. The people have worked on this and this has been bipartisan, have tried to balance this, and I want to finish by pointing this out. Under this agreement, the core labor standard provisions that we worked hard to elevate over the years remain. And so if there is exploitation of workers in Haiti, there will be an ability of us to get at that problem, either by petition or, as I remember it, we can initiate that.

So it is important in terms of our relationships and our economic development, both Haitian and Americans, on balance that we pass this Haiti bill. We need to move this ball forward, and I close with this assurance. Processwise, it is going to be much more open, much more in advance, and I hope bipartisan. And substantively, there is going to be a new day.

Mr. SHAW. Mr. Speaker, at this time, I am pleased to yield 2 minutes to the gentleman from California (Mr. HERGER), a distinguished member of the Ways and Means Committee.

Mr. HERGER. Mr. Speaker, economic growth through increased trade and investment is one of our most effective tools in our arsenal for fighting poverty around the world. It also creates opportunity at home by opening foreign markets to U.S. agriculture, goods and services. The legislation before us today extends several trade preference programs which benefit millions of workers in African, Andean and developing countries around the world. It also extends Permanent Normal Trade Relations to Vietnam which will officially join the World Trade Organization later this month. Vietnam's membership in the WTO will bring substantial economic benefits to American consumers, farmers, businesses and workers only if we approve this measure. Without PNTR, farmers, firms and consumers in the U.S. will not be able to take full advantage of Vietnam's WTO commitments. U.S. agricultural exports to Vietnam exceeded $192 million last year and represented nearly 17 percent of our total exports to the country. PNTR will reduce tariffs to 15 percent or less on most agricultural exports. Vietnam has also agreed to allow imports of all U.S. beef from animals under 30 months of age. Today's legislation paves the way for greater economic and strategic cooperation between our Nation and the many countries that will benefit from a broader trade relationship.

Mr. Speaker, I would also like to thank Chairman THOMAS for his work on this legislation. I urge its passage.

Mr. CARDIN. Mr. Speaker, I am pleased to yield 2 minutes to the gentlewoman from California, MAXINE WATERS.

Ms. WATERS. Mr. Speaker and Members, I thank the gentleman from Maryland and the Senator-elect for this time.

I rise reluctantly to support this trade bill. I say ''reluctantly'' because the bill includes several different trade provisions, each of which deserves to be considered on its own merit. These provisions should not be lumped together as a single bill and brought to the floor with no opportunity for meaningful debate or amendments. However, I strongly support the HOPE bill which provides duty-free treatment for apparel imports from Haiti, the most impoverished country in the Western Hemisphere.

On May 14, Rene Preval was sworn in as the democratically elected President of Haiti following a period of political instability and violence that lasted over 2 years. Now President Preval needs to provide economic opportunity for the Haitian people.

The HOPE bill will enable Haiti to manufacture apparel products for export to the United States. These trade benefits would only apply as long as Haitian apparel products do not exceed 2 percent of U.S. apparel imports. While these benefits are small by American standards, they will create jobs and promote economic development in this very small, impoverished country.

I would urge my colleagues to support the bill, given all of the questions they may have about the bill. I have worked very closely with the problems of Haiti and I think that we need to give them a chance. I, too, am concerned about whether or not workers will be exploited, but we can keep a close eye on that. Some of us are involved in a CODEL to Haiti as soon as we close down this floor and leaving tomorrow morning where we will be talking with President Preval and parliamentarians. Their greatest hope and their greatest desire is to get support of this trade bill tonight and to give them this HOPE program. Let's just give them a chance, again, despite whatever questions we may have.

Mr. SHAW. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from North Carolina (Mr. HAYES).

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

Mr. HAYES. Mr. Speaker, first let me thank the gentleman from Florida for his incredibly distinguished service over the years. We will miss him so, so much.

Mr. Speaker, today I rise in strong opposition to the Haiti trade bill which is included in the package. Folks, if you want to see more ''made in China'' labels in your clothes, this bill is for you. It is clearly a bill that will help China and their textile industry take advantage of Haiti at the expense of the U.S. industry and the Haitians, I might add.

Mr. Speaker, the U.S. textile industry has been raising alarms about Asia in general and China in particular. Last year we succeeded in getting new limits on Chinese imports. But this harmful bill would allow Haiti to ship millions of dollars; worth of textile and apparel products to the U.S. duty-free from China, products made with Chinese fabrics and Chinese yarns. Not only does the bill increase the legal duty-free import limits for Chinese goods, it vastly increases loopholes that give the Chinese more incentive to transship illegal textile goods through Haiti into the U.S. duty-free. There is no doubt in my mind that this places at risk many of the 700,000 textile and apparel jobs we have remaining in our country.

U.S. Customs have repeatedly told us they have strong concerns with the rule of origin proposal. They know it cannot be enforced. Again, the benefits will go to China rather than Haiti. Last year alone, U.S. Customs seized over $100 million in illegal textile goods. Our Customs officials are catching more and more transshipments. If we are seizing $100 million in illegal goods, think how many we have not been able to catch and how this Haiti bill will vastly increase the number of goods getting into the country.

Let's think about it for a minute. We are considering legislation that includes a dramatic change in the yarn-forward rule of origin that U.S. Customs tell us they cannot enforce, which means more illegal textile goods will enter the U.S. No congressional hearings have been held on the bill. The U.S. industry has not even had an opportunity to provide input or feedback

on the proposal. Why in the world would we bring this up for a vote when the problems with this bill are strikingly apparent?

The U.S. textile and apparel industry is vital to the economic security and national security of our Nation. The industry has contributed $120 billion to our GDP and supplied more than 8,000 products to our Nation's military.

□ 1815

U.S. textile sector is also one of the Nation's most competitive manufacturing industries that has invested more than $30 billion in new plants and equipment over 10 years. If you care about preserving the strong manufacturing sector in the future, an industry that provides good-paying jobs to American citizens, no way you can support the bill.

Folks, this is a simple choice. It is about doing the right thing. It is about preserving American textile jobs and American textile businesses. We cannot and must not allow these flawed policies. We want to help Haiti, but we are helping China.

The SPEAKER pro tempore (Mr. KUHL of New York). The time of the gentleman has expired.

Mr. HAYES. May I ask for an additional 20 seconds?

Mr. SHAW. I don't have it.

Mr. CARDIN. Mr. Speaker, I will be glad to give my friend the 20 seconds he wanted.

The SPEAKER pro tempore. The gentleman from North Carolina is recognized for 20 seconds.

Mr. HAYES. I thank the gentleman for his courtesy. Again, I thank Chairman SHAW.

This does not help Haitians. This helps Chinese. We want to help the Haitians, but by giving more jobs to China and allowing more goods to come in, the well-intentioned folks, and I applaud their support because I support their desire to help the Haitians, they do not accomplish it with this bill.

Again I thank Mr. SHAW, Chairman THOMAS, and Senator CARDIN for their courtesy.

Mr. SHAW. Mr. Speaker, I yield myself such time in order to read a paragraph into the RECORD. This is a letter dated December 8 from the United States Customs and Border Protection.

Mr. Speaker, the commissioner in this letter says: ''As the customs and border protection official ultimately charged with our trade facilitation and enforcement efforts, including protecting United States industry against unfairly traded textile imports, we can and will enforce this legislation, if enacted. I was disturbed to learn that some interests are characterizing the Customs and Border Protection's position as opposed to the package of legislation. That is not the case.''

Of course, he was referring to the legislation that is before the body at this time.

U.S. DEPARTMENT OF HOMELAND SECURITY,
Washington, DC, December 8, 2006.

Hon. BILL THOMAS,
Chairman, Committee on Ways and Means, Washington, DC.

DEAR CHAIRMAN THOMAS: Thank you for contacting us with an opportunity to clarify the views of U.S. Customs and Border Protection (CBP) on H.R. 6346 and its predecessor H.R. 6142 which contain various free trade agreement provisions related to Permanent Normal Trade Relations (PNTR) for Vietnam, Generalized System of Preferences (GSP), the Andean Trade Promotion and Drug Eradication Act (ATPDEA), the African Growth and Opportunity Act (AGOA), the Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act, and various tariff measures.

As the CBP official ultimately charged with our trade facilitation and enforcement efforts, including protecting U.S. industry against unfairly traded textile imports, we can and will enforce this legislation, if enacted. I was disturbed to learn that some interests are characterizing CBP's position as opposed to the package of legislation. That is not the case.

Every major change to trade laws poses enforcement challenges for our agency, and this legislation is no different. Simply acknowledging these challenges however does not constitute agency opposition to the legislation as a whole nor to the underlying agreements nor do they pose insurmountable obstacles to textile enforcement. I want to assure you that CBP remains committed to enforcing all textile trade laws that impact the domestic industry.

I appreciate the opportunity to respond and clarify the agency's position, please do not hesitate to contact me if I may be of further assistance.

Sincerely,

W. RALPH BASHAM,
Commissioner.

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

Mr. BRADY of Texas. Mr. Speaker, I wanted to take a minute to thank Chairman SHAW for his leadership, not only in opening markets around the world to American products and services, but his leadership over the years on key issues like Social Security and others.

I think it is appropriate for Mr. HAYES to raise the issues of enforcement. If there is a common ground among Republicans and Democrats in this body, it is to strongly enforce free trade agreements and the benefits programs, and we, I know, can work together on that in this next session. I strongly support this bill.

America is the world's largest consumer of goods. We are also the largest seller of goods. It gives us an opportunity to open new markets and the power also to help other countries be lifted out of poverty.

This bill extends to our neighbors and friends in sub-Saharan Africa, Haiti, the Andean region of Latin America trade benefits to help stimulate economic growth and provide jobs for their people. It supports businesses and workers here in the United States by giving them a break on a necessary tariff so we are able to pass more of their dollars back to their employers and customers. It helps ensure American companies won't be left behind while our competitors overseas benefit from Vietnam's recent entry into the global trading system.

As a Representative of the 8th District of Texas, I tell you we see billions of dollars of cargo and goods come into our State, as well as shipping. It creates tens of thousands of jobs. It is key to our livelihood. Under a long-standing bipartisan program, our Latin American neighbors Peru, Colombia, Bolivia and Ecuador currently receive trade benefits that have reached many, many thousands of jobs in the region, meaningful jobs. They offer an alternative to the drug trade and guerrilla warfare and contribute to the stabilization and economic growth in the region, all of which are in America's interests.

We must continue the Andean program over the short term to encourage approval of already negotiated trade promotion agreements with Peru and Colombia that are critical to our region.

I strongly support this measure.

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

Mr. SHAW. I yield 2 minutes to the gentleman from Georgia (Mr. DEAL).

Mr. DEAL of Georgia. I thank the gentleman and also for his years of dedicated service to this institution. He will truly be missed.

Mr. Speaker, regrettably I rise to oppose this legislation, in particular the portion that would grant permanent trade relationship with Vietnam. I do so for one very particular reason. According to the National League of POW/MIA families, there are currently 1,798 personnel missing, still missing, from a Vietnam war that ended about 35 years ago.

These families have continued to meet with resistance from the communist Vietnamese Government and have failed to allow them to adequately search for their loved ones. Yet today, this legislation will reward that country and that government. I believe that is unacceptable. I think we should be talking about how to reward Vietnam for its good conduct if they were to cooperate fully with the efforts to recover these individuals.

We have within the Department of Defense an office that is called the Defense POW Missing Personnel Office, whose sole purpose is to help account for these missing personnel that we lost during that conflict. Yet of the hundreds of individuals that accompanied President Bush on his visit to Vietnam last month, the director of that organization was excluded from the visit. What does this say to the Vietnamese Government? I think it says we are not serious about the issue.

Today, I think we can honestly say that if we intend to honor those who gave their lives and their sacrifice for our country, we should be willing to confront the Government of Vietnam

concerning these missing POW/MIAs. Until Vietnam fully cooperates in that effort with these families to recover their loved ones, I cannot support the normalization on a permanent basis of trade relations with that country, and I would urge my colleagues to do likewise.

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

Mr. SHAW. Mr. Speaker, I yield to the gentleman from Connecticut (Mr. SIMMONS), who will certainly be missed next year.

Mr. SIMMONS. I thank the gentleman for his courtesy. I rise in support of extending permanent trade relations to Vietnam. I do this as somebody, who as a Vietnam veteran, served in that country for almost 4 years, and who 3 years ago returned to Vietnam with the assistance of the Vietnamese Government to look for the crash site and remains of Captain Arnold Holm from Waterford, Connecticut, who went down in 1972.

We spent a week with the Vietnamese looking for the crash site, did not find it. But just this year, with continued effort, located the crash site 200 meters from the location in the jungle where my wife and I and others were looking. This legislation is about more than just economics, although the economics are important. This legislation is about working with the Vietnamese to heal the wounds of the war that ended 30 years ago.

I personally have experienced the support of the Vietnamese Government in this initiative. I know that support will continue. As a Vietnam veteran, I urge my colleagues to support this legislation.

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

Mr. Speaker, if I might first start by saying, the past 2 years I have had the honor of being the ranking Democrat on the Trade Subcommittee of the Ways and Means Committee. I want to thank Mr. SHAW for his help and cooperation during these past 2 years. I think that we have acted responsibly on many initiatives, but, more importantly, we have had an opportunity to talk directly with trade representatives from many other countries in an effort to move forward trade with the United States.

I want to thank Tim Reif, the staff director on the Democratic side, for his help during all this period of time. It was a new subcommittee for me, and I can tell you I could not have done it without the help of our staff, Mr. Reif and the others.

On a personal note, this will be my last opportunity to speak on the floor of this body, and I want to thank my constituents in the Third Congressional District of Maryland for giving me the opportunity to serve in this body during the past 20 years; 18 of those years I have served on the Ways and Means Committee. The voters of Maryland have now given me the opportunity to move to the other body.

I want to thank all of the Members that I have served with over these past 20 years. This is an incredible body of the people's House in which the Members truly are concerned about the traditions of this body and the work that we do.

I have had a chance to serve with many Members on the Ways and Means Committee, and we don't always agree on issues. I know that BILL THOMAS will be leaving and CLAY SHAW will be leaving this body also. Both carried the tradition of the Ways and Means Committee in this body of doing what they thought was right, not only to advance a policy for this Nation, but to make sure that anything that came out of our committee lived up to the highest standards of the Ways and Means Committee and was drafted properly, and there was no misunderstanding of the intentions of what we were trying to do.

Many times that was difficult to be done, and I just want to congratulate Mr. THOMAS for carrying out that awesome responsibility as Chair of the Ways and Means Committee. I can tell you that I have enjoyed every moment in this body, even those difficult evenings. This is truly a unique opportunity, to be given the opportunity to serve in this great body.

Once again, I want to thank the courtesies that I have received from each of the Members, and, again, thank the people from Maryland for giving me this opportunity.

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

Mr. SHAW. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, at this time I do rise in very strong support of H.R. 6406, which is a shining example of how international trade can help the world's poorest people by creating jobs in impoverished nations, also bettering the lives of Americans by reducing costs, creating export opportunities for United States business, and offering United States consumers more choices at lower prices.

Living in Florida, I am especially sensitive to the plight of the Haitian people. This legislation includes the Haitian Hemispheric Opportunity through Partnership Encouragement, also known as the HOPE Act, which is aimed at helping our desperately poor neighbors. This is an act that was created in a bipartisan way with many Members on each side of the aisle participating, and I was very, very pleased to be a part of that.

This HOPE Act contains modest provisions to allow Haiti's struggling apparel sector to create jobs and to better integrate the United States and other hemispheric textile industries, such as in Central America. This legislation is critical to help Haiti build an economy to sustain its very young and very fragile democracy and give the Haitian people hope and purpose to cease conflict and embrace a better tomorrow.

In this way, the benefits included in the HOPE Act could have a tangible and meaningful impact on the people of Haiti, but would have a very minimal, even, I might say, trivial impact on the United States markets.

For example, Haiti's benefit in the first year capped at 1 percent of the United States apparel imports, 1 percent of the imports, a level less than the current 1 percent of the current apparel imports from Haiti. I think one thing is abundantly clear, and we can see it all over the globe, whether you look in Haiti. You cannot sustain a democracy without an economy. That is black letter law as far as I am concerned. In order for this democracy to flourish, it is going to be absolutely necessary that we do help them as best we can to build their economy.

I also draw the Members' attention to the short-term extension of unilateral trade benefits for Peru, Colombia, Ecuador, yes, and even Bolivia. The United States signed bilateral trade promotion agreements with Peru and Colombia, and I would greatly prefer that we were approving these bilateral agreements today rather than simply extending the current benefits. But the administration did not submit the implementing packages for these agreements for congressional consideration before the preferences expired, so we must ensure that our allies are not harmed economically while the Congress completes its process, and, hopefully, this will be early next year.

This bill provides a seamless tradition for extending the trade preferences for 6 months, yet it maintains an incentive for everyone to quickly approve and implement the trade agreements by providing an additional 6 months of benefits only if the legislatures here and there approve their respective agreements. This approach also encourages Ecuador and Bolivia to follow the lead of Peru and Colombia to include comprehensive and commercially meaningful trade promotion agreements within that year.

I certainly support this bill, and if I may, as a point of personal privilege, want to thank all that I have had the privilege of working with throughout so many years on the Ways and Means Committee. It has been an honor, not only to serve in this body, but particularly to serve on this particular committee.

□ 1830

The gentleman from Maryland and I have been close friends for many, many years, as I have with soon-to-be Chairman RANGEL on the other side of the aisle. We have had our differences here on the floor, but never off of the floor, and it has been a tremendous, tremendous opportunity for me to be able to work. And also to watch the skilful work of Chairman THOMAS. Sometimes he gets a little prickly and a little hard to work with, but he always ends up doing the right thing, and it has been a privilege to serve with him too.

This will be the last time that I will be able to appear on this floor, but thank you for the great opportunity to serve the people of the 22nd Congressional District of Florida and the people of the United States of America, the greatest country on the face of this Earth.

Mr. Speaker, I yield the balance of my time to the gentleman from California, Chairman THOMAS.

Mr. THOMAS. Mr. Speaker, unaccustomedly, the gentleman from Florida has handled the substance of the bill, so I am not going to talk about the substance, which means I normally don't have very much to talk about if I don't talk about the substance.

This is kind of unique, because normally at the end of a session and at the end of a committee's legislative responsibilities, one or two people may be retiring, but, frankly, six members of the Ways and Means Committee will not be in the 110th Congress. Some have left willingly, some unwillingly. Here we are with three of us at the end of this particular bill, which will be the last legislative responsibility of the committee.

I, too, I want to thank the gentleman from Maryland. Based upon my knowing him and the extremely difficult position he found himself in, moving over to the Senate, if anyone is walking close to him, I wouldn't be surprised to hear him humming, ''free at last, free at last.'' He is going to be able to go over and completely exercise his legislative beliefs and structure. I know how difficult it has been for him in this constraint, because he has been, in words that I think are significant compliments, a legislator, as best he could be in the environment. I look forward to watching him continue his career over in the Senate.

My colleague from Florida, who became the chairman of the Trade Subcommittee, I was on the Trade Subcommittee for a long time but I was never chair, so I envied him in that role, has a number of opportunities in front of him.

It is always customary to thank those people that everyone sees, obviously Angela Ellard, chief counsel on the Trade Subcommittee, and Alex Brill, chief counsel for the committee. But I want to just take a minute, because people don't realize that there are a lot of people who even a lot of the Members never see, who are absolutely essential to make this place work.

One of them is in Leg Counsel. His name is Ed Grossman. He has made it possible for this committee to work, year after year after year. Ed Grossman told his wife-to-be that they would have their honeymoon after he finished a Ways and Means bill, and she still married him.

Tom Barthold over at the Joint Committee on Taxation, Reggie Greene, who helps the Ways and Means Committee work, and a long list of others. I just want to indicate that the people who are in front of the cameras and who do the talking could not do the job without all those people that you can't see.

So, it comes to a point now where I say this willingly, but I do say it with mixed emotions:

Mr. Speaker, I relinquish my time, forever.

CALL OF THE HOUSE

Mr. THOMAS. Mr. Speaker, pursuant to clause 7 of rule XX, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 538]

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Berkley
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeGette
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Ehlers
Emanuel
Emerson
Engel
English (PA)
Etheridge
Farr
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris Rodgers
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Northup
Nunes
Obey
Olver
Ortiz
Osborne
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Sires
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Sodrel
Solis
Spratt
Stearns
Stupak
Sullivan
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watt
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

□ 1904

The SPEAKER pro tempore (Mr. BOEHNER). On this rollcall, 373 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

GENERAL LEAVE

Mr. SHAW. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the subject of the bill presently under consideration.

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

There was no objection.

TRADE LAWS MODIFICATION

Mr. SHAW. Mr. Speaker, it is now my privilege to yield the balance of my time to the Speaker of the House, the gentleman from Illinois (Mr. HASTERT).

The SPEAKER. I thank the gentleman from Florida.

Mr. Speaker, later tonight I expect that this House will adjourn sine die. This is the last day that we will be together on this floor during my Speakership, and so with your indulgence I

would like to make a few brief comments.

Eight years ago, you elected me as your Speaker. I said at the time that it was not a job which I sought, but it was one which I would embrace with enthusiasm and determination. Each day since then, I have tried to do my best. The challenges have been great, but so too has been the honor of serving this institution and each of you.

At this time of transition I have been reflecting upon the many things for which I am deeply grateful. First of all, for my wonderful wife Jean, for her encouragement and for accepting the sacrifices that have allowed me to run for public office. I don't think she ever got quite used to the attention that the Speakership has brought, but she handled every moment with certainly grace and good cheer. And I also thank my son Josh and my son Ethan and my daughter-in-law Heidi, and I thank all of them for their love and support.

I am grateful to the unbelievable people of the 14th District of Illinois for the trust that they have placed in me over these many years. They are the most down-to-earth, honest, and wonderful people I have ever known, and I am honored to serve them in this great House.

I thank all the Members, all of you, for the countless courtesies that you have extended to me over the years, and for electing me to be your Speaker. I am immensely proud of this House of Representatives, and I am grateful for what we have accomplished.

Together, we reformed welfare, we cut taxes, and small businesses grew all over this Nation, and we expanded trade and we saw the Dow Jones break record after record as the economy grew to new heights. And our policies yielded near record low unemployment and near record low interest rates.

And we mourned on 9/11 when our country was savagely attacked; but then I remember we stood together shoulder to shoulder on the steps of the front of this Capitol, and we promised to the American people to protect this Nation as best we could from further attack. And then from somewhere in the back broke out a verse of God Bless America, and everybody joined in song. And I will never forget that moment, and chills went down my back, and I knew that this country's greatness would survive. And by the grace of God and the leadership and help of our President, we have been successful.

During my tenure we have challenged the Washington notion that government has a claim to the earnings of all Americans, and I believe as I did when I came here 20 years ago that government should work for the people and not the other way around.

As a body we have gathered together in celebration to award Congressional Gold Medals to giants like Pope John Paul II and Rosa Parks and Billy Graham. And we have gathered together in the great Rotunda of this building in mourning to pay our respects to a great leader, Ronald Reagan. I am proud to have been a part of this unique time in the history of our country.

Few people understand what support it takes to run this House of Representatives, and I am grateful for the legions of dedicated individuals who serve the House day in and day out. The Speaker has a huge core of people, mostly behind the scenes, who make this institution run. I could have not done this job without the officers of the House, the staff who serves them, and those who have served in Members' offices and committee offices and leadership offices, and the Speaker's Office. And I want to personally highlight a few who make this institution work.

Bill Livingood is the longest serving officer today in this House.

I also want to thank the U.S. Capitol Police for their daily diligence in protecting us. Some of us remember that day in July in 1998 when somebody broke into this Capitol, and in an action right outside the office that my family happened to be in, that I served in at that time, that two of our police officers were shot and killed, and to protect us. I will never forget that day.

Jay Eagen, the Chief Administrative Officer of the House, has done an incredible job in managing the financial and operational affairs here.

Father Dan Coughlin, the Chaplain of the House, has been a healer and has led us in a quiet way. Father Dan arrived at a time of turmoil, some of you may remember. A reporter asked him whether or not he was prepared to step into this lion's den. He looked at them and quietly responded and he said, ''Well, my name is Daniel.''

Karen Haas, the Clerk of the House, loves this institution and has inspired countless people to have the same respect for this Chamber and the legislative operations as she does.

John Sullivan, the Parliamentarian, has given us wise and steady guidance with an even temperament.

And Admiral John Eisold, our attending physician, whose leadership during the anthrax crisis calmed the fears of anxious Members and staff.

Alan Hantman, the Architect of the Capitol, and his staff who are responsible for maintaining this beautiful monument, the place that we work in, but the epitome of freedom to the world.

During my tenure as Speaker, we created the Office of Interparliamentary Affairs, ably headed by Martha Morrison, so that we could more effectively interact with our legislative colleagues around the world as together we try and share the blessings of democracy with those who have been oppressed by tyranny, and are only now enjoying the fruits of freedom.

We also reinstituted the Office of the Historian, headed by Dr. Remini and his deputy, Fred Beuttler, and they are commended for their hard work.

And I want to especially thank Pope Barrow and his staff in the Legislative Counsel's Office; Peter LeFevre and his staff in the Law Revision Counsel's Office. You didn't even know we had that office, did you? Geraldine Gennet and her staff in the House General Counsel's Office have helped us negotiate through some difficult constitutional issues and have been our legal guardians.

□ 1915

And Curt Coughlin and his staff in the Office of Emergency Planning who have become so important to us in the post-9/11 world.

I am especially grateful to the dedicated individuals who served me so well over the years. I have been so blessed to have a dedicated and talented team, from my Illinois district offices, my 14th District Office here in Washington, and to the staff in the Office of Speaker. And while they are not employees of the House, I also want to thank those over at the NRCC who have helped me fulfill my responsibilities as a party leader.

I hope each of them knows of my personal gratitude for their service. They have spent many long days and many long nights working to make this a better country, and I know they have sacrificed time with their family and friends to do so. On behalf of a grateful Speaker, I want to thank them all for their service.

In particular, I want to thank my chief of staff, Scott Palmer. Scott has been with me since 1986 when I first came to Congress. Scott, you and Mike Stokke and Sam Lancaster and Bill Hughes and so many others have given so much of your time. I am so proud of what we have accomplished together.

Next month we will begin a new Congress. Power will change without a shot being fired, peacefully, as the Founding Fathers envisioned. Those of us on this side of the aisle will become the loyal opposition, and the gentlewoman from California (Ms. PELOSI) will assume the duties as our Speaker. I know she will do so with skill and grace and that she will bring honor to this institution.

In a few short months, the Capitol Visitor's Center will be completed. In that center the work of this Congress will be described to future generations. Visitors will view an introductory film entitled, ''Out of Many, One. E Pluribus Unum.''

In my first speech as your Speaker, I said that solutions to problems cannot be found in a pool of bitterness. The framers expected the floor of this House to be a place of passionate debate, a place where competing ideas and philosophies clash, a crucible where many ideas can be blended together to forge a strong Nation. But this floor should also be a place of civility and mutual respect and a place where statesmanship and not just electoral politics guide our decisions. President Reagan is right: ''There is no limit to what can be accomplished if you don't mind who gets the credit.''

Eight years ago I broke with tradition and gave my inaugural speech from this microphone in the well of the House and not from the Speaker's chair. I did so because I said ''my legislative home is here on this floor with so many of you, and so is my heart.''

Sitting in the Speaker's chair is an honor I will always cherish. But I believe there is actually an even greater honor.

It is one that each of you shares with me. It is bestowed upon us by the citizens of this country, one by one, as they go into the voting booth and elect us with their sacred ballot. It is the honor of raising our hands and taking the oath as a Member of this House of Representatives and then to sit on one of these benches.

So on January 4, I will be privileged to rejoin you on these benches, where my heart is, here on the floor of this great House.

May God bless each of you, may God bless this People's House, and may God bless the United States of America.

Mr. Speaker, I yield to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Thank you very much, Mr. Speaker.

Mr. Speaker, I rise tonight to salute DENNIS HASTERT, Speaker DENNIS HASTERT, the longest serving Republican Speaker in history.

And long may that record stand.

This record is a testament to DENNIS HASTERT's leadership within the Republican Conference, in this Congress and in this country.

But DENNIS's public service began long ago. He spent 16 years as a teacher and a coach at Yorkville High School in Illinois, and that is the best kind of public service, shaping the minds of our young people. Then he went into politics, and after 6 years in the Illinois State House, he came to the U.S. House of Representatives in 1986. In 1999, DENNIS HASTERT's colleagues elected him Speaker of the House, the third highest official in the United States of America.

While we have often, from time to time, disagreed on issues, we agree on the importance of public service, the kind of public service that has been the hallmark of Speaker HASTERT's career, whether in the classroom or in the House.

Mr. Speaker, I know I speak for many people in this room and across the country when I thank you for one thing in particular: Rosa Parks made history a long time ago and changed America. She also made history when she was the first African American woman to lie in state in the Capitol of the United States. That honor would not have been possible without your leadership, and we are very, very grateful.

I, too, want to join the Speaker in acknowledging the Hastert family, Jean and Ethan and Joshua, and the entire family for sharing DENNIS with us. We know the sacrifices are great, and I want to acknowledge them as well.

My colleagues in Congress, we hold the title of ''Honorable'' because we serve in Congress. We hold the title of ''Honorable'' by virtue of our office. DENNIS HASTERT holds it by virtue of his character. I salute him for service to our Nation and look forward to many more opportunities. Happily, he is staying with us for us all to work together.

In your remarks, Mr. Speaker, you referenced that very sad evening when we joined together on the steps of the Capitol and sang ''God Bless America.'' Among God's many blessings to this country, to America, is the service and leadership of Speaker DENNIS HASTERT.

Thank you, Mr. Speaker.

Mr. UDALL of Colorado. Mr. Speaker, I rise in support of H.R. 6406, the Omnibus Trade Act. Overall I believe the bill provides many important benefits for consumers and businesses in the United States.

While Vietnam has not fully evolved into the kind of free society I would like to see, the improvement of relations between the United States and Vietnam is a welcome development. That is why I support the extension of presidential authority to grant permanent normal trade relations with Vietnam. Implementing normal trade relations is an important step toward ensuring that American business and agriculture will be able to benefit from a full and open market—a goal that is enhanced by Vietnam's inclusion into the World Trade Organization (WTO). It will also ensure that Congress and the Bush administration have the ability to enforce important commitments, including intellectual property protections and the elimination of trade distorting subsidies that ultimately do injury to American producers and consumers alike.

I have supported a number of efforts to expand access to foreign markets for exports as part of a long-term strategy to strengthen our domestic economy. While expanding markets for businesses and farmers is critical, it needs to be carefully monitored and responsibly implemented. As structured, I believe the agreement with Vietnam largely meets this test.

With respect to extending trade benefits to Andean countries, I have some concerns with the approach taken in this legislation. It puts important assistance programs at risk and is another example of the current Congressional leadership engaging in partisan political posturing instead of legislating in the very best interests of the American people and the governments and peoples affected by this bill. If the version of the bill is passed into law, I think it likely will be necessary to revisit this issue in the upcoming Congress.

While this bill is largely about the liberalized exchange of goods and services, it is also about building a stronger relationship with countries around the globe. Expanding our commercial relationships can help the United States gain support for initiatives in other areas, such as conflict resolution and reduction of poverty. I urge passage of this legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, despite my reservations regarding the lack of deliberation and transparency in how this bill has come to the floor, I nevertheless rise in support of H.R. 6406, however, I believe there are serious concerns regarding the process and the fairness of this administration trade bill.

This bill includes several important provisions which promote the competitiveness of the United States in the global economy, ensure greater economic opportunities for the United States, and to foster broader U.S. national interests, especially in helping the people of Haiti overcome the poverty with which many of them are afflicted. Indeed, the inclusion of the provisions relating to Haiti is the main reason I support this bill.

This legislation includes several key trade measures, such as crucial provisions to expand trade with Haiti, the poorest country in the Western Hemisphere. Without the increased economic engagement with Haiti that this legislation provides, Haiti's situation will undoubtedly worsen, undermining broader U.S. goals for the region.

This legislation also renews several expiring longstanding U.S. trade programs that are important for promoting economic opportunities in the United States, as well as in developing countries in Africa and elsewhere. The programs include the Generalized System of Preferences (GSP), the Andean Trade Preference Act (ATPA), and provisions of the African Growth and Opportunity Act (AGOA).

This legislation would also authorize Permanent Normal Trade Relations (PNTR) with Vietnam, which is critical to ensure that U.S. companies, farmers and workers will be able to benefit fully from the market-opening commitments that U.S. negotiators secured from Vietnam. It will also ensure that the U.S. Government has the ability to enforce Vietnam's WTO commitments. Without this legislation, the United States would be put at a severe competitive disadvantage and would be denied rights to enforce Vietnam's WTO commitments when it joins the WTO in early January 2007.

The Haitian HOPE Act encourages hemispheric integration and promotes the use of U.S. and other trade bill inputs in apparel assembled in Haiti. The Haitian HOPE Act will help Haiti while expanding opportunities for U.S. textile interests. Just over two-thirds of Haitian apparel exports to the United States are assembled from U.S. and CBI fabric, made from U.S. yarn. The Haitian HOPE Act encourages this partnership to continue to thrive, rather than to switch to China. President Preval needs our help and this bill can do a lot for the struggling people of Haiti.

Put simply, H.R. 6406 would provide new economic opportunities for the world's poorest people. H.R. 6406 is one of the most important humanitarian steps that Congress can take for some of the poorest countries in the world, including some of the nations of sub-Saharan Africa, Haiti, and the Andean countries. One of the best ways to lift people out of poverty is to promote economic activity through increased trade and investment.

There are 314 million sub-Saharan Africans living in poverty, which is nearly half the African population. Likewise, Haiti is the poorest country in the Western Hemisphere, with over 80 percent of its population living in abject poverty.

The textile provisions for sub-Saharan Africa and Haiti will bring economic opportunities to these least developed countries and, in the case of Haiti, also expand opportunities for U.S. textile and apparel interests.

The Haiti/AGOA provisions will greatly benefit those countries while having a minimal impact on overall U.S. imports of apparel and

U.S. domestic markets. Apparel imports from Africa and Haiti barely register in U.S markets while millions of workers in Peru, Colombia, Bolivia and Ecuador owe their livelihoods to the Andean trade preferences.

In addition to Haiti, other nations in Latin America will also benefit from this bill. Peru and Colombia have extended their hands in economic cooperation by negotiating comprehensive, commercially meaningful trade promotion agreements. However, the Administration did not submit for Congressional consideration these two agreements with democratically elected governments before the expiration of preferences. It would add insult to injury if Congress does not provide a short-term extension of preferences until the agreements can be considered early next year.

Similarly, extending trade preferences to Ecuador and Bolivia will encourage those countries to follow the lead of Peru and Colombia and act quickly to conclude trade promotion agreements with the United States.

Furthermore, granting PNTR to Vietnam furthers bilateral relations, fosters economic growth, and will serve as a catalyst for much needed political reforms in Vietnam. Granting permanent normal trade relations (PNTR) status to Vietnam represents a significant milestone in our efforts to mend the wounds of one of the most divisive conflicts in our nation's history .

Vietnam's membership in the World Trade Organization (WTO) will serve as a catalyst for continued economic and political reform in Vietnam. The State Department's 2005 Human Rights report notes that economic developments in Vietnam are a ''major influence on the human rights situation, and economic reforms and the rising standard of living continue to reduce ''government control over, and intrusion into, daily life'' in that country. However, I do continue to express grave concern about Vietnam's continuing Human Rights Violations.

Vietnam will officially join the WTO later this month, and its membership will bring substantial economic benefits to American businesses, farmers, workers, and consumers. However, if PNTR is not granted before Vietnam joins the WTO, the United States would not be able to take full advantage of many of Vietnam's WTO commitments until PNTR is approved.

For all of these reasons, and especially for the benefit of the people of Haiti, I rise in support of H.R. 6406.

Mr. BLUMENAUER. Mr. Speaker, I support H.R. 6406 and the various trade bills it includes. Unfortunately, I cannot be present to vote in favor of it because of a prior engagement in my district. However, this legislation is a good example of how honest trade can help American consumers, workers, and businesses and promote growth in poor countries at the same time.

Honest and fair trade will help the U.S. and other countries grow more prosperous and stable. Trade barriers, quotas, and restrictions hurt all but a select few by raising prices for consumers, limiting efficiency, and restricting the ability of developing countries to improve their economies. I am pleased that this legislation moves us toward more open markets in a number of significant areas.

Extending the Generalized System of Preferences, the Andean Trade Preference Act, and the AGOA third party fabric rule, as well as establishing trade preferences for Haiti, promotes jobs and growth in some of the world's poorest countries, part of a strategy to help move countries toward self-sufficiency and giving workers more options and bargaining power. At the same time, preferences support and preserve manufacturing jobs here in the United States as it makes many of their inputs cheaper. So too are consumer products from these countries less expensive, giving Americans more purchasing power. I recognize the concerns that many people have expressed over changes being made to these programs and I look forward to working with Chairman RANGEL in the upcoming Congress to strengthen them to ensure that they are as effective and fair as possible

I spoke the first time we considered the Vietnam bill about the benefits of granting permanent normal trade relations to Vietnam. Vietnam has agreed to open their markets to U.S. manufactured goods, services, and agricultural commodities, including key Oregon products such as beef and pears, while imports from Vietnam are also important to supporting many jobs in Oregon at companies like Nike and Intel. Perhaps most importantly, this bill will contribute to reform in Vietnam and the process of U.S.-Vietnam normalization.

Finally, this legislation includes important tariff relief provisions for the bike industry, allowing the duty-free import of certain specialty bicycle parts not produced in the United States, and for my hometown of Portland, Oregon, facilitating the import of streetcars for our local public transit system, at a time when there's no domestic supplier, saving money for Portland taxpayers. I particularly appreciate the help of Jennifer McCadney of the Ways and Means staff for making the inclusion of these provisions possible.

For too many Americans, trade has been a source of insecurity and inequality, instead of growth. For too long, critical questions of how the United States engages in an increasingly global economy have been used as partisan and political wedges. We must develop an honest trade policy that can be broadly supported by Americans of all political stripes and that reflects the concerns that I hear from Oregonians. While this will be a long-term process, this legislation meets that basic test and moves us in the right direction. I urge my colleagues to support it.

Mr. WOLF. Mr. Speaker, I reluctantly rise in opposition to this omnibus trade bill, which includes a provision to grant permanent normal trade relations for the government of Vietnam.

While I support this trade bill's important benefits to the people of developing countries such as Haiti and those affected by the African Growth Opportunity Program, I deeply regret the decision to extend permanent normalization of trade relations to Vietnam, a country which continues to violate the human rights of its own citizens.

I believe it is a grave error to include this PNTR provision within the trade bill. The Vietnam government has failed to prove to the world that it values democracy and the freedom of its own citizens.

The government of Vietnam is one of the most egregious human rights abusers in the world. According to the 2005 State Department human rights report, here are just some of the human rights problems reported at the hands of the Vietnamese government:

Police abuse of suspects during arrest, detention, and interrogation; harsh prison conditions; arbitrary detention or restriction of the movement of persons for peaceful expression of political and religious views; denial of the right to fair and expeditious trials; imprisonment of persons for political and religious activities; restrictions on freedoms of speech, press, assembly, and association; restrictions on religious freedom; restrictions on freedom of movement; prohibition of the establishment and operation of human rights organizations; violence and discrimination against women; trafficking in women and children; and child labor abuse.

The State Department's report says that Vietnam's ''human rights record remained unsatisfactory.''

I receive reports almost daily confirming that these human rights abuses are continuing to occur. I am contacted every week by Vietnamese-Americans in my congressional district who are concerned for their families and friends in Vietnam who face repression and torture as they stand up for democracy and freedom.

The government of Vietnam also continues its harassment of people of faith.

For Catholics, Vietnam retains the ability to choose all bishops and screen all seminarians. Charitable and educational activities are severely restricted.

For Protestants, individual churches affiliated with Mennonite, Baptist, and 7th Day Adventist denominations have been allowed to register. However, churches with dissident pastors are not allowed to register nor are churches outside Ho Chi Minh City.

In the Central Highlands in 2001, authorities closed 1,250 religious sites in this region. As reported by Human Rights Watch, Protestants who refuse to affiliate with the Southern Evangelical Church of Vietnam and seek independent status are accused of ''sowing division.'' Individuals are harassed, literature confiscated, leaders are detained and interrogated and pressured to give up their faith tradition.

In the Northwest Provinces, forced renunciations of faith continued in the last year. Hmong Protestants in the Northwest Provinces have encountered the most problems in seeking legal recognition, as Vietnamese authorities have refused to acknowledge the legal existence of a reported 1,110 Protestant churches in the region. Approximately 200 Hmong churches have applied for registration under the new law, but they have encountered numerous obstacles, including some overt harassment.

For the Unified Buddhist Church of Vietnam, UBCV leaders Thich Quang Do and Thich Huyen Quang are still restricted in their contacts and movement. At least 13 other senior UBCV monks remain under some form of administration probation or actual ''pagoda arrest.''

At the time that the report was printed, the State Department estimates that there were six religious prisoners and 15 other individuals being held in some form of administrative detention on account of their religious beliefs. According to experts this number is likely to be higher.

While pressure on the government of Vietnam has begun to move the government to change its abusive practices, life for the average person in Vietnam continues to be grim.

I am extremely disappointed to hear that the issues of human rights and international religious freedom were not a priority during the

President's trip to Vietnam in November despite ongoing and widespread human rights abuses.

The people of Vietnam deserve our support. It is a tragic error to reward the government of Vietnam with normal trade relations while the people of Vietnam continue to be exploited.

Mr. MARIO DIAZ-BALART of Florida. Mr. Speaker, I strongly support free trade with free nations. I can not in good conscience support free trade with a totalitarian regime like Vietnam which imprisons political dissidents, suppresses religious freedom and violates even the most basic of human rights.

I will continue to strongly advocate for an Andean Free Trade Agreement, and I will continue to voice my support for free trade with the impoverished nation of Haiti, which desperately needs the economic opportunities the United States can provide.

Although I would have eagerly voted to extend the trade agreements with Andean nations and Haiti, I am very disappointed that the Vietnam trade agreement was attached to this vote. Economic opportunities with the United States should be with nations who uphold some basic human rights.

Mr. HASTINGS of Washington. Mr. Speaker, I am disappointed to have to speak against this trade proposal today. I am from one of the most trade dependent states in the country and I have always supported the expansion of trade opportunities and fair trade agreements. I am well aware of how complex and interrelated the global economy is today and how important it is that we remain engaged with our trading partners to bring down trade barriers. I support Permanent Normal Trade Relations for Vietnam and many other provisions in this package.

However, I have a duty to speak out against this bill, because it proposes to continue unfair trade concessions to select Andean nations in exchange for absolutely nothing. I am speaking of the extension of the Andean Trade Preferences Act, which has been rolled into this package. ATPA is not a trade agreement—it is a one-sided proposition that writes off the interests of American farmers under the false premise that South American drug lords are going to give up lucrative cocaine production if they simply had the opportunity to export legitimate products duty free into the United States. It is fundamentally unfair for American farmers and has had dramatic repercussions in my district in Central Washington state.

One of the Peruvian products that have benefited most from the ATPA windfall is asparagus, which grows in the sandy coastal areas of Peru—not the mountain highlands where coca is produced. Since the implementation of the Andean Trade Preferences Act in 1991, imports of fresh Peruvian asparagus have soared from 2,800 metric tons to well over 55,631 metric tons. Similarly, imports of frozen asparagus from Peru have increased more than twenty times. This flood of duty-free imports has been devastating for American asparagus growers in the major production areas of Washington, Michigan, and California. It has also decimated much of the domestic asparagus processing capacity. In fact, facing a flood of inexpensive Peruvian imports, many asparagus processors simply closed their U.S. operations and reopened down in Peru.

Perhaps if you are not from an asparagus production area in this country, you may think this trade-off is worth it if it results in less narcotics production. The unfortunate reality is that this policy has failed. According to the White House Office of National Drug Policy, coca cultivation in Peru has increased to 94,000 acres—the highest level in eight years. The International Trade Commission noted that any impact to narcotics trade from ATPA is "small" and "indirect." Yet the impact to the American asparagus producer is the exact opposite. Nevertheless, here we are, asking American farmers to sacrifice their livelihoods for another six to twelve months under this bill to pursue a wholly unrelated anti-narcotics strategy.

Mr. Speaker, I regret that we are once again putting the interests of a handful of large industrial asparagus exporters in Peru ahead of our own fanners in Washington, Michigan, and California. It is an unfair policy that sends the wrong message at a time when we need to revive momentum for expanding global trade opportunities. I must therefore oppose this flawed legislation.

Mr. MEEK of Florida. Mr. Speaker, I rise today in support of H.R. 6406, a comprehensive trade package that has great potential to create tens of thousands of new jobs in the Haitian textile industry.

While the provisions in this bill are not as strong as in the legislation I introduced, I am relieved that after years of empty promises and delay that the Republican-controlled Congress finally has allowed a bill to come to the House floor that helps Haiti.

I have traveled to Haiti a half dozen times since entering the Congress. And on these trips I have met with Haitian business leaders who have told me time and again that the textile industry has suffered greatly and is inching closer to collapse.

The Haitian garment industry currently employs a mere 12,000 people—a tiny fraction of what it once was. In Port-au-Prince, the capital, 15 factories have closed in the last 2 years. By failing to act, Congress and the Bush Administration have enabled Haiti's miserable situation.

This bill is significant because one tenth of Haiti's national income comes from its textile exports. While the vast majority of Haitians live off less than $2 a day, the average Haitian garment worker earns twice that. Bread-winners in Haiti often support large extended families; grandparents, aunts and uncles, cousins, children, and their children's children often live under one roof.

Industry analysts estimate that the HOPE Act could generate as many as 30,000 new jobs. Haitians working in these textile jobs would not only possess the buying power to help stimulate the national economy, but the trickle down would directly impact the lives of tens of thousands of other people in this hemisphere's poorest country. Haitians need to return to work, and that's why I've supported granting Haiti preferential trade status for years.

The HOPE bill has the potential to revive this vital sector of the Haitian economy by allowing apparel assembled in Haiti using third-country fabrics duty-free access to the United States market. It is a scaled down version of The Haiti Economy Recovery Opportunity (HERO) bill, H.R. 4211, which I introduced in the House in 109th Congress.

It has taken this Congress far too long to act, but perhaps, at long last, help for Haiti is finally on the way.

Mr. THOMPSON of California. Mr. Speaker, as a combat Vietnam veteran, I have a strong personal understanding of why granting Permanent Normal Trade Relations status to Vietnam is so important for both our country and theirs. Reconciliation with our former adversary has been a long and on-going effort, and today we are taking a long step toward furthering that process.

This process began more than a decade ago when we lifted the trade embargo on Vietnam in recognition of the cooperation received from Vietnam in POW/MIA accounting. In May, the United States and Vietnam signed a bilateral WTO accession agreement, which was required as part of Vietnam's bid to join the WTO.

For the United States to participate in this trade agreement, Congress must pass legislation granting PNTR to Vietnam.

Mr. Speaker, it's important to understand that congressional approval of PNTR for Vietnam is a necessary step toward maintaining our competitive edge in the 21st century global economy.

By passing PNTR, farmers, ranchers, businesses, manufacturers and consumers will be able to take full advantage of Vietnam's rapidly expanding economy.

The facts speak for themselves: Vietnam has become our fastest growing export market in Asia. In just the last five years, trade between the U.S. and Vietnam has increased more than 400 percent, going from under $1 billion a year to $7.8 billion.

If we fail to pass PNTR, we are putting ourselves at a distinct disadvantage because we will be the only WTO member country that will not have access to Vietnam's booming economy.

Foreign competitors will get the benefit of lower trade barriers—benefits we negotiated—as U.S. farmers, manufacturers and businesses watch from the sidelines.

Also, granting PNTR status to Vietnam advances our interests in areas other than trade.

PNTR will promote ongoing internal reforms within Vietnam. WTO membership will require Vietnam to adhere to WTO rules of law and provide greater transparency where trade matters are concerned. Vietnam's laws and regulations that affect foreign trade and investment will need to be published and made publicly available.

In addition, Vietnam has been cooperative with our efforts to achieve full accounting of U.S. soldiers missing in action.

Enactment of PNTR will further this good working relationship.

Mr. Speaker, today, we have an opportunity to expand our economy and improve American prosperity. We also have an opportunity to eliminate the remnants from a war that ended more than three decades ago.

I urge my colleagues to support H.R. 6406.

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today in opposition to this bill which includes establishing permanent normal trade relations with Vietnam.

I have serious concerns about establishing PNTR with Vietnam without mandating essential human rights protections.

Despite the fact that the President removed Vietnam from the list of "Countries of Particular Concern, which happened to coincide with his trip to Vietnam, reports from people inside the country continue to cite ongoing harassment by the government on the basis of religion and political beliefs.

In addition to the Government of Vietnam's human rights violations against its own people, in August, the Government of Vietnam arrested and held a U.S. citizen, Cong Thanh Do—on false charges. Only with the efforts of many U.S. officials was Mr. Do released.

The Government of Vietnam arrested and imprisoned Mr. Do, a U.S. citizen, on false charges even when it was trying to convince the U.S. Congress to grant it permanent normal trade relations.

What practices will the Government of Vietnam engage in when they are not trying to convince the U.S. Congress to pass PNTR?

I think it would be irresponsible for this Congress to establish permanent normal trade relations with the Government of Vietnam at this time, without including critical human rights protections.

There is concern on both sides of the aisle about the continued human rights violations by the Government of Vietnam.

I urge my colleagues to oppose this bill until critical human rights protections are included.

Ms. ZOE LOFGREN of California. Mr. Speaker, unfortunately the Republican Chairman of the Ways and Means Committee introduced a 259-page trade bill that was delivered too late for most of us to really study. Many of us have not had a chance to thoroughly read the bill, let alone participate in committee hearings or a markup on the bill.

Even though we are on the House floor tonight getting ready to vote on a bill we know very little about.

Tucked away on page 74 of this 259-page bill is what appears to be a small provision on extending permanent normal trade relations (PNTR) with Vietnam, a bill that failed in the House last month.

Although I support some provisions in the bill before us, I am voting against H.R. 6406 because the PNTR provision does not do anything to improve human rights conditions in Vietnam.

We have a unique opportunity to significantly affect the state of human rights and political and religious freedom in Vietnam. It is a mistake not to use the leverage of PNTR to begin to gain these improvements in Vietnam.

Just two months ago, the Vietnamese government arrested my constituent, a U.S. citizen, Cong Thanh Do. Mr. Do had posted comments on the internet while at home in San Jose, California advocating that Vietnam undergo a peaceful transition to a multi-party democracy. For exercising his U.S. Constitutional right of free speech, the Vietnamese arrested him and held him in prison for 38 days in Vietnam without charges.

Other U.S. citizens have been imprisoned in Vietnam for what appear to be political reasons, including the sister of another one of my constituents, Thuong Nguyen ''Cuc'' Foshee, who was also released after pressure from U.S. legislators in the time before consideration of PNTR.

These Americans were freed, not because Vietnam had a sudden change of heart on human rights in their country, but precisely because they care so deeply about gaining permanent normal trade relations with the U.S. Given this experience, we know Vietnam is willing to make changes on human rights if we demand it in exchange for PNTR.

Sadly, although both Mr. Do and Ms. Foshee are free today and back in America, I am concerned about hundreds of Vietnamese nationals as well as other U.S. citizens imprisoned in Vietnam.

The Vietnamese government has repeatedly violated human rights. Hundreds of Vietnamese have been imprisoned, put under house arrest, or placed under intense surveillance for simply practicing their religion or speaking out about democracy and human rights in Vietnam.

Following his return to the U.S., Mr. Do provided me a disturbing list of over 130 Vietnamese nationals and U.S. citizens he believes are currently imprisoned in Vietnam as prisoners of conscience or harassed by the government for simply speaking about democracy and human rights.

In addition, groups such as the Human Rights Watch have published reports of 355 Montagnard prisoners of conscience currently imprisoned in Vietnam.

I am not alone in my concerns about Vietnam's human rights record. The Department of State, the U.S. Commission on International Religious Freedom, Amnesty International, the Committee to Protect to Journalists, and various Vietnamese-American groups have documented egregious violations of religious freedom, human rights, and free speech in Vietnam.

I have been a supporter of international trade. But I also know that the Vietnamese Government would correct their behavior in order to perfect a trading relationship with the United States. Given the alarming human rights violations currently underway in Vietnam, it seems a mistake for our country to grant PNTR to Vietnam without requiring that the Vietnamese government make significant improvements in respecting human rights, free speech, and freedom of religion.

The United States of America has a long and honorable tradition of safeguarding freedom and human rights throughout the world, especially with our trading partners. We should not make an exception for Vietnam.

At a time when we are spending 8 to 10 billion dollars a month and shedding the blood of our American servicemen and women proclaiming the cause to be democracy for Iraq, how is it that we can fail to use our mere economic leverage to try to achieve human rights in Vietnam?

With Vietnam's strong interest in PNTR, Congress has a unique opportunity to bring about substantive improvements in human rights. We should not pass up this one-time opportunity by sneaking through PNTR in a 259-page bill that was just introduced yesterday in the last week of a lame duck Congress.

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, today, I am voting in opposition to H.R. 6406. This legislation addresses multiple trade issues which will have an important impact on the rights of workers.

I strongly support extending the benefits of the Andean Trade Preferences program, and I would like to vote for its renewal. However, H.R. 6406 only extends the Andean Trade Preferences program for 6 months and then holds any future extension hostage to the passage of the Colombia and Peru free trade agreements. The model used to draft these free trade agreements has failed to protect workers, and any trade agreement with either nation will require substantial review.

Additionally, H.R. 6406 includes an extension of Permanent Normal Trade Relations to Vietnam. Workers in Vietnam are denied basic human and labor rights, including the freedom of association and the right to form independent unions. Vietnam should meet all of the core international labor standards before it receives an extension of Permanent Normal Trade Relations.

Sadly, this legislation mixes good ideas with bad ones. For example, we ought to have the opportunity to cast a clear up or down vote on the Andean Trade Preferences, rather than be forced to vote against it because it is tied to flawed trade agreements. This bill was hastily written and given inadequate time for debate. While I support trade, we must ensure that our trade policy benefits working families, increases exports, decreases our trade deficit, and guarantees basic labor rights. Because this bill endangers these goals, I cannot support it.

The SPEAKER pro tempore (Mr. HAYES). All time for debate has expired.

Pursuant to House Resolution 1100, the bill is considered read, and the previous question is ordered.

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 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. SHAW. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 212, noes 184, not voting 37, as follows:

[Roll No. 539]

AYES—212

Ackerman
Baird
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Biggert
Bilbray
Bishop (GA)
Bishop (NY)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boren
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown-Waite, Ginny
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Case
Castle
Chabot
Chocola
Clay
Cole (OK)
Cooper
Costa
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (KY)
Davis, Tom
DeGette
Delahunt
Dent
Dicks
Doggett
Drake
Dreier
Ehlers
Emanuel
Emerson
Engel
Eshoo
Farr
Feeney
Ferguson
Flake
Fossella
Frelinghuysen
Garrett (NJ)
Gilchrest
Gonzalez
Goodlatte
Granger
Graves
Harman
Harris
Hart
Hastert
Hastings (FL)
Hensarling
Herger
Herseth
Hinojosa
Hobson
Hooley
Hoyer
Hulshof
Hyde
Inslee
Israel
Issa
Istook
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Jones (OH)
Keller
Kennedy (MN)
Kilpatrick (MI)
Kind
King (IA)
Kirk
Kline
Knollenberg
Kuhl (NY)
LaHood
Larsen (WA)
Larson (CT)
Latham
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lowey
Lungren, Daniel E.

Mack
Maloney
Manzullo
Marchant
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McDermott
McGovern
McKeon
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Moore (KS)
Moran (KS)
Moran (VA)
Musgrave
Neal (MA)
Northup
Nunes
Olver
Ortiz
Osborne
Oxley
Pearce
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Ramstad
Rangel
Rehberg
Reichert
Renzi
Reynolds
Royce
Ruppersberger
Rush
Ryan (WI)
Sabo
Salazar
Schiff
Schmidt
Schwartz (PA)
Scott (VA)
Sekula Gibbs
Serrano
Sessions
Shadegg
Shaw
Shays
Shimkus
Simmons
Skelton
Smith (WA)
Snyder
Sullivan
Tanner
Tauscher
Terry
Thomas
Thompson (CA)
Thornberry
Tiberi
Towns
Udall (CO)
Upton
Van Hollen
Walden (OR)
Wasserman Schultz
Waters
Weiner
Weldon (FL)
Weller
Wexler
Wicker
Wilson (NM)
Young (AK)

NOES—184

Abercrombie
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baldwin
Barrett (SC)
Barrow
Berry
Bilirakis
Bishop (UT)
Bonner
Boswell
Boucher
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Butterfield
Carson
Carter
Chandler
Cleaver
Clyburn
Coble
Conaway
Costello
Davis (IL)
Davis (TN)
Deal (GA)
DeFazio
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Doolittle
Doyle
Duncan
Edwards
Etheridge
Everett
Filner
Fitzpatrick (PA)
Forbes
Fortenberry
Foxx
Frank (MA)
Franks (AZ)
Gerlach
Gingrey
Gohmert
Goode
Gordon
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Hastings (WA)
Hayes
Hayworth
Hefley
Higgins
Hinchey
Hoekstra
Holden
Holt
Honda
Hostettler
Hunter
Inglis (SC)
Jackson (IL)
Jenkins
Jindal
Johnson, Sam
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
King (NY)
Kingston
Kucinich
Langevin
Lantos
LaTourette
Lee
Lewis (GA)
Lipinski
LoBiondo
Lofgren, Zoe
Lucas
Lynch
Markey
Marshall
McCotter
McHenry
McHugh
McIntyre
McKinney
McNulty
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (WI)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neugebauer
Owens
Pallone
Pascrell
Pastor
Payne
Peterson (MN)
Pitts
Platts
Poe
Pombo
Radanovich
Rahall
Regula
Reyes
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ryan (OH)
Ryun (KS)
Sánchez, Linda T.
Sanders
Saxton
Schakowsky
Schwarz (MI)
Scott (GA)
Sherman
Sherwood
Shuster
Sires
Slaughter
Smith (NJ)
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Stupak
Tancredo
Taylor (MS)
Thompson (MS)
Tiahrt
Tierney
Turner
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Watt
Weldon (PA)
Westmoreland
Whitfield
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—37

Baker
Berman
Blumenauer
Burton (IN)
Conyers
Cubin
Davis, Jo Ann
English (PA)
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Jefferson
Johnson (IL)
Jones (NC)
Kolbe
McCrery
McMorris Rodgers
Melancon
Miller, Gary
Norwood
Nussle
Oberstar
Obey
Otter
Paul
Sanchez, Loretta
Sensenbrenner
Simpson
Smith (TX)
Strickland
Sweeney
Taylor (NC)
Watson
Waxman

□ 1945

Mr. BACHUS and Mr. FRANK of Massachusetts changed their 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. JONES of North Carolina. Mr. Speaker, due to a preexisting commitment with constituents in my district, I missed two rollcall votes this evening. I ask that the CONGRESSIONAL RECORD show that had I been present:

For rollcall No. 536—Adoption of the Rule for H.R. 6406, a bill to modify temporarily certain rates of duty and make other technical amendments to the trade laws, and to extend certain trade preference programs—I would have voted ''no'';

For rollcall No. 539—Adoption of the Rule for H.R. 6406, a bill to modify temporarily certain rates of duty and make other technical amendments to the trade laws, and to extend certain trade preference programs—I would have voted ''no.''

The SPEAKER pro tempore (Mr. REHBERG). Pursuant to section 2 of House Resolution 1100, the text of H.R. 6406, as passed by the House, will be appended to the engrossment of the House amendment to the Senate amendment to H.R. 6111.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 6338. An act to amend title 18, United States Code, to prevent and repress the misuse of the Red Crescent distinctive emblem and the Third Protocol (Red Crystal) distinctive emblem.

H.R. 6334. An act to reauthorize the Office of National Drug Control Policy Act.

H.R. 6345. An act to make a conforming amendment to the Federal Deposit Insurance Act with respect to examinations of certain insured depository institutions, and for other purposes.

The message also announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 4115. An act to amend the Controlled Substances Act to increase the effectiveness of physician assistance for drug treatment.

CONFERENCE REPORT ON H.R. 5682, HENRY J. HYDE UNITED STATES-INDIA PEACEFUL ATOMIC ENERGY COOPERATION ACT OF 2006

Mr. HYDE. Mr. Speaker, pursuant to the rule, I call up the conference report on the bill (H.R. 5682) to exempt from certain requirements of the Atomic Energy Act of 1954 a proposed nuclear agreement for cooperation with India.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. REHBERG). Pursuant to House Resolution 1101, the conference report is considered read.

(For conference report and statement, see proceedings of the House of December 7, 2006, at page H8934.)

The SPEAKER pro tempore. The gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) each will control 30 minutes.

Mr. MARKEY. Mr. Speaker, I would like to claim the time in opposition to the bill.

The SPEAKER pro tempore. Does the gentleman from California oppose the conference report?

Mr. LANTOS. Mr. Speaker, I do not oppose the bill.

The SPEAKER pro tempore. Pursuant to clause 8(d) of rule XXII, the gentleman from Illinois (Mr. HYDE), the gentleman from California (Mr. LANTOS), and the gentleman from Massachusetts (Mr. MARKEY) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include any extraneous material on the conference report to H.R. 5682.

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

There was no objection.

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

Mr. Speaker, the President has said that legislation to permit the establishment of civil nuclear trade with India is essential to establishing a new global partnership between the United States and India. The conference report before this House is the product of more than a year of effort by Members and staff of the House International Relations Committee and the Senate Foreign Relations Committee. It is based on the separate bills passed overwhelmingly in the House and the Senate and preserves the key provisions of both.

The conferees believe that this report represents a judicious balancing of competing priorities that encompass a broad range of subjects from U.S. policy in South Asia to the highly technical and complex world of nuclear export licenses. It is the product of months of discussions with the administration regarding virtually every section, and the conferees have gone to great lengths to accommodate the administration on its issues of concern.

I would like to express my appreciation for the cooperation of the Committee on Science, the Judiciary, Energy, Government Reform, Armed Services and Rules in helping expedite

the consideration of this conference report. Their cooperation should not be interpreted as having any impact on their rights under the jurisdictional rules and precedents of the House.

I insert for the RECORD some correspondence related to this issue.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, December 5, 2006.

Hon. HENRY J. HYDE,
Chairman, Committee on International Relations, House of Representatives, Washington, DC.

DEAR CHAIRMAN HYDE: I write concerning H.R. 5682, the Henry J. Hyde United States and India Nuclear Cooperation Promotion Act of 2006, as amended. As you know, the Committee on Energy and Commerce has jurisdiction over Title II of the amended text.

I recognize your desire to bring this legislation before the House in an expeditious manner. Accordingly, I will not exercise my Committee's right to a full referral on the bill. By agreeing to waive its consideration of the bill, however, the Committee on Energy and Commerce does not waive its jurisdiction over H.R. 5682.

Thank you for your attention to these matters.

Sincerely,

JOE BARTON,
Chairman.

COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, December 5, 2006.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding H.R. 5682, relating to nuclear energy cooperation between the United States and India. I agree that the Committee on Armed Services has valid jurisdictional claims to certain provisions in this important legislation, and I am most appreciative of your decision not to seek appointment of conferees in the interest of concluding the conference on H.R. 5682. I agree that by foregoing the appointment of conferees, the Committee on Armed Services is not waiving its jurisdiction. Further, this exchange of letters will be included in the Congressional Record during consideration of the conference report on the House floor.

Sincerely,

HENRY HYDE,
Chairman.

COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, December 5, 2006.

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

DEAR CHAIRMAN BARTON: I write concerning H.R. 5682, the Henry J. Hyde United States and India Nuclear Cooperation Promotion Act of 2006, as amended.

I appreciate the fact that, although the Committee on Energy and Commerce has jurisdiction over substantial parts of Title II, you have been gracious enough not to exercise your Committee's right to a full referral on the bill, in order to expedite its consideration in the House consideration.

I acknowledge that by agreeing to waive its consideration of the bill, the Energy and Commerce Committee is not waiving any of its jurisdiction over the bill.

Thank you for your cooperation in this matter.

Sincerely,

HENRY J. HYDE,
Chairman.

COMMITTEE ON ARMED SERVICES,
Washington, DC, December 5, 2006.

Hon. HENRY HYDE,
Chairman, Committee on International Relations, Washington, DC.

DEAR MR. CHAIRMAN: On November 16, 2006, the Senate passed by unanimous consent S. 3709, the United States-India Peaceful Atomic Energy Cooperation Act. As you know certain provisions in S. 3709 fall within the jurisdiction of the Committee on Armed Services.

Our Committee recognizes the importance of S. 3709 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over certain provisions and would otherwise be entitled to the appointment of conferees, the Committee on Armed Services will not seek appointment on S. 3709 given the time constraints.

I would appreciate the inclusion of this letter and a copy of your response in the Congressional Record during consideration of the conference report on the House floor.

With best wishes.

Sincerely,

DUNCAN HUNTER,
Chairman.

COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, December 8, 2006.

Hon. HENRY. J. HYDE,
Chairman, Committee on International Relations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The House is scheduled to consider today the conference report on H.R. 5682, the ''United States-India Peaceful Atomic Energy Cooperation Act.'' Thank you for consulting with the Committee on Government Reform regarding section 231 regarding the protection of confidentiality of information.

While I am unable to support the policy set forth in section 231, I will not object to H.R. 5682 moving to the floor. I do so only with the understanding that this procedural route will not prejudice the Committee's jurisdictional interest and its prerogatives in this bill or similar legislation in the future.

I request that you include our exchange of letters on this matter in the Congressional Record during consideration, of this bill on the House floor. Thank you for your attention to these matters.

Sincerely,

TOM DAVIS,
Chairman.

COMMITTEE ON INTERNATIONAL RELATIONS,
December 8, 2006.

Hon. TOM DAVIS,
Chairman, House Committee on Government Reform, Washington, DC.

Dear Mr. Chairman: I am writing to you concerning the conference report for H.R. 5682, the ''United States-India Peaceful Atomic Energy Cooperation Act.'' Section 231, regarding the protection of confidentiality of information, is within the jurisdiction of your Committee.

In the interest of permitting this House to proceed expeditiously to consider the conference report for H.R. 5682, I appreciate your willingness to support this conference report moving to the floor. I understand that such a waiver only applies to this language in this bill, and not to the underlying subject matter.

I appreciate you willingness to allow us to proceed. I will insert this exchange of letters into the Congressional Record during the debate on this bill.

Sincerely,

HENRY J. HYDE,
Chairman.

COMMITTEE ON SCIENCE
Washington, DC, December 8, 2006.

Hon. HENRY J. HYDE,
Chairman, Committee on International Relations, Washington, DC.

DEAR MR. CHAIRMAN: I am writing regarding the jurisdictional interest of the Science Committee in H.R. 5682 as amended by the Senate, and the Conference Report to the Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act of 2006 (H. Rpt. 109–721). The Science Committee has jurisdiction over Title II, United States Additional Protocol Implementation.

The Science Committee recognizes the importance of H.R. 5682 and the Conference Report and the need for the legislation to move expeditiously. Therefore, I will not stand in the way of floor consideration. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to allow the bill to come to the floor waives, reduces or otherwise affects the jurisdiction of the Science Committee, and that a copy of this letter and your letter in response will be included in the Congressional Record when the Conference Report is considered on the House Floor.

Thank you for your attention to this matter.

Sincerely,

SHERWOOD BOEHLERT,
Chairman.

COMMITTEE ON INTERNATIONAL RELATIONS,
December 8, 2006.

Hon. SHERWOOD BOEHLERT,
Chairman, Committee on Science, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding the jurisdictional interest of the Science Committee in H.R. 5682 as amended by the Senate, and the Conference Report to the Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act of2006 (H. Rpt. 109–721). I appreciate your willingness to work with me so that is important legislation can move expeditiously.

By allowing the Conference Report to be scheduled for floor consideration, I agree that the Committee on Science has not waived, reduced or otherwise affected the jurisdiction of the Science Committee, nor should this action be taken as precedent for other bills. I further agree that a copy of our exchange of letters will be included in the Congressional Record when the Conference Report is considered on the House Floor.

Thank you for your attention to this matter.

Sincerely,

HENRY HYDE,
Chairman.

Mr. Speaker, this legislation provides the President with the authority he requires to permit the establishment of civil nuclear cooperation with India while also protecting the traditional congressional prerogatives in approving agreements of this type. It also strengthens the global nonproliferation regime by ensuring that India will become a full and active participant in efforts to prevent the spread of nuclear weapons capability, especially regarding Iran.

The conferees believe this conference report will pass overwhelmingly in both houses and quickly be signed by the President. Upon signing, the President will be able to proceed with the negotiation of a civil nuclear cooperation agreement with India that will become the cornerstone of a new and cooperative partnership between the U.S.

and India, the world's two largest democracies.

Mr. Speaker, I strongly support this legislation and urge my colleagues to vote for its passage.

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

Mr. LANTOS. Mr. Speaker, I rise in strong support of this conference report, and I yield myself such time as I may consume.

Mr. Speaker, India today is the preeminent state in South Asia. It is becoming a political and economic powerhouse of over 1.1 billion people with a thriving economy and a vibrant democracy. By these and other measures, India is a state that should be at the very center of our foreign policy and our attention. Regrettably, during the Cold War our two countries were unnaturally estranged by the dynamics of the international system. Slowly, during the 1990s our countries' interests began to converge and our relationship warmed.

Then, Mr. Speaker, 6½ years ago President Clinton made a historic trip to India and ushered in a new era of cooperation between our two great democratic nations. Washington and New Delhi have wisely built upon the foundations that President Clinton laid. Today they expand this mighty architecture of cooperation and friendship by approving, on a strongly bipartisan basis, the Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act of 2006.

With this legislation, the House of Representatives steps forth into the spotlight to offer its judgment on one critical element of this new relationship, civilian nuclear cooperation, and it establishes the process by which Congress will in the near future review and vote on the final agreement to implement such cooperation. This expansion of peaceful nuclear trade with India will usher in a new partnership between India and the United States based on our shared objective of preventing the spread of dangerous nuclear technology to countries and groups that would use it for evil purposes.

This is not the administration's bill, Mr. Speaker. Their original proposal sought to give the President complete authority to waive all restrictions under current law that would have complicated implementation of the U.S.-India nuclear trade and to severely limit congressional oversight by securing a preapproval for whatever agreement the U.S. and India conclude. There would have been no effective subsequent review by the Congress. By contrast, at our insistence, this legislation strikes the right balance between giving the President the necessary flexibility to negotiate the best agreement possible with New Delhi while at the same time preserving congressional oversight and the right of consent to the resulting agreement.

Mr. Speaker, this conference report follows the model laid out in the Hyde-Lantos legislation overwhelmingly approved by the House last July. It ensures that Congress will have the final word on whether or not the final agreement for cooperation with India can become law. This conference report will provide the President with only partial authority to waive current provisions of U.S. law to allow peaceful nuclear-related trade with India to take place. But cooperation could only take place after Congress has approved the agreement of cooperation itself.

Mr. Speaker, the legislation will help fashion a partnership with India to further U.S. nonproliferation goals. The passage of the conference report will also adopt the implementing legislation for the U.S.–IAEA additional protocol. That legislation will finally allow us to bring that protocol in force which will promote the U.S. goal of all states adopting the enhanced safeguards contained in the additional protocol.

Mr. Speaker, this is a historic day for this House and for the United States. I urge all of my colleagues to give their full support to this conference report and to help usher in a new day in U.S.-India relations.

Mr. Speaker, it is only fitting that on the last day of this session of Congress, Chairman HYDE is chairing a bipartisan agreement done with cooperation in both Chambers. H.R. 5682 represents the right way of legislating, ample preparation, consideration of all ideas, bipartisan cooperation, cordial relations with the other body, and keen attention to institutional prerogatives. It is especially fitting that it will be forever identified with the outgoing chairman of the House International Relations Committee. And if it weren't for his astonishing array of accomplishments, the Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act could easily become known as the crowning achievement of the gentleman from Illinois.

□ 2000

But the fact is, Mr. Speaker, this groundbreaking legislation is but one of the innumerable milestones in HENRY HYDE's impressive record of public service. HENRY is retiring from Congress after choosing not to seek a 17th consecutive term. He would have loved to stay with us longer, but as he recently told an interviewer, Father Time and Mother Nature have a way of beating up on me.

By contrast, Mr. Speaker, I am confident that history will be kind to HENRY HYDE. A member of the International Relations Committee since 1982, HENRY has been a key figure in crucial debates and decisions about war and peace, international arms control, the expansion of NATO, United Nation's reform, and halting the spread of HIV/AIDS, which he has astutely compared to the bubonic plague in its tragic scope.

HENRY has also served with great distinction on the Judiciary and the Intelligence Committees, but I will let another speak to his achievements there, and of course the continued, devoted support by his constituents through 16 terms in Congress speak volumes about his work on behalf of his district.

It was in the political caldron of Chicago that HENRY HYDE became entranced with politics early in life. He grew up as an Irish Catholic Democrat, but strayed from the faith in time to vote for Dwight David Eisenhower for President, so he became a Republican sometime in the 1940s.

But, Mr. Speaker, I prefer not to dwell on the things that divide me from my dear friend, HENRY HYDE. Rather, I would like to point out that both of us came of age during the Second World War, and this has formed our world views and forged our common value, and it is on this basis that we have often seen eye to eye and found ourselves shoulder to shoulder in struggles that consistently have been of service to our national security from the intricacies of key institutional agreements to the staggeringly complex issues involved in the fight against global terrorism.

HENRY has held a firm grip on the gavel in the International Relations Committee these past 6 years, through some of the most pivotal and riveting challenges of our times. He wielded his authority with fairness, intellectual honesty and no small amount of wit. As The Washington Post noted in 1998, he has managed to maintain a reputation for evenhandedness, for patience and restraint, a remarkable feat for someone known both for his savagely held beliefs and for his keen sense which way the wind blows.

Mr. Speaker, the International Relations Committee flourished under HENRY HYDE's direction. It will be daunting for me to take up the gavel as HENRY HYDE leaves us, Mr. Speaker. Anyone who knows him will understand how much HENRY will be missed in our committee and in this House.

Earlier this week, we commemorated HENRY's contributions by lending his name to a room in this very building of the Capitol. He will, therefore, always have a place here, and what is far more important, he will have a place in the hearts of his colleagues.

Some of us may disagree with some of his policies, but he is one of the institutional treasures around here, a true gentleman of the House.

Mr. Speaker, section 104(b)(2) requires that the President determine that India and the IAEA have completed all legal steps required prior to signature for an IAEA–India safeguards. That agreement must apply safeguards in perpetuity in accordance with IAEA standards, principles and practices. It references IAEA Board of Governors Document GOV/1621 (1973) as one of the IAEA guiding documents relating to standards for perpetuity of safeguards. I attach that document for the RECORD.

SAFEGUARDS

(b) THE FORMULATION OF CERTAIN PROVISIONS IN AGREEMENTS UNDER THE AGENCY'S SAFEGUARDS SYSTEM (1965, AS PROVISIONALLY EXTENDED IN 1966 AND 1968)

MEMORANDUM BY THE DIRECTOR GENERAL

(1) A substantial number of Governors have urged that there should be a greater degree of standardization than in the past with respect to the duration and termination of such agreements as henceforth be concluded under the Agency's Safeguards System (1965, as Provisionally Extended in 1966 and 1968) for the application of safeguards in connection with nuclear material, equipment, facilities or non-nuclear material supplied to States by third parties. To achieve this, it is recommended that the following two concepts should be reflected in these agreements:

(a) That the duration of the agreement should be related to the period of actual use of the items in the recipient State; and

(b) That the provisions for terminating the agreement should be formulated in such a way that the rights and obligations of the parties continue to apply in connection with supplied nuclear material and with special fissionable material produced, processed or used in or in connection with supplied nuclear material, equipment, facilities or non-nuclear material, until such time as the Agency has terminated the application of safeguards thereto, in accordance with the provisions of paragraph 26 or 27 of the Agency's Safeguards System.

A short exposition with respect to the application of these concepts is annexed hereto.

(2) The proposed standardization would appear likely to facilitate the uniform application of safeguards measures. It is furthermore to be noted that the combined operation of the two concepts would be consistent with the application of the general principle embodied in paragraph 16 of the Agency's Safeguards System.

REQUESTED ACTION BY THE BOARD

(3) In bringing this matter to the Board's attention, the Director General seeks the views of the Board as to whether it concurs with the two concepts set out in paragraph 1 above.

ANNEX

(1) In the case of receipt by a State of source or special fissionable material, equipment, facilities or non-nuclear material from a supplier outside that State, the duration of the relevant agreement under the Agency's Safeguards System would be related to the actual use in the recipient State of the material or items supplied. This may be accomplished by requiring, in accordance with present practice, that the material or items supplied be listed in the inventory called for by the agreement.

(2) The primary effect of termination of the agreement, either by act of the parties or effluxion of time, would be that no further supplied nuclear material, equipment, facilities or non-nuclear material could be added to the inventory. On the other hand, the rights and obligations of the parties, as provided for in the agreement, would continue to apply in connection with any supplied material or items and with any special fissionable material produced, processed or used in or in connection with any supplied material or items which had been included in the inventory, until such material or items had been removed from the inventory.

(3) With respect to nuclear material, conditions for removal are those set out in paragraph 26 or 27 of the Agency's Safeguards System; with respect to equipment, facilities and non-nuclear material, conditions for removal could be based on paragraph 26. A number of agreements already concluded have prescribed such conditions in part, by providing for deletion from the inventory of nuclear material, equipment, and facilities which are returned to the supplying State or transferred (under safeguards) to a third State. The additional provisions contemplated would stipulate that items or non-nuclear material could be removed from the preview of the agreement if they had been consumed, were no longer usable for any nuclear activity relevant from the point of view of safeguards or had become practicably irrecoverable.

(4) The effect of reflecting the two concepts in agreements would be that special fissionable material which had been produced, processed or used in or in connection with supplied material or items before they were removed from the scope of the agreement, would remain or be listed in the inventory, and such special fissionable material, together with any supplied nuclear material remaining in the inventory, would be subject to safeguards until the Agency had terminated safeguards on that special fissionable and nuclear material in accordance with the provisions of the Agency's Safeguards System. Thus, the actual termination of the operation of the provisions of the agreement would take place only when everything had been removed from the inventory.

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

Mr. MARKEY. Mr. Speaker, I yield myself as much time as I may consume.

First, let me begin by complimenting the gentleman from Illinois, Mr. HYDE. Like Mr. HYDE, I was born a Democrat and baptized a Catholic just 7 days later. So I know how big a decision it must have been to have abandoned that Democratic birthright. But he has been a historic figure in this institution. I want to associate myself with everything that the gentleman from California said about you.

But I do believe that this bill is a historic mistake. The world is looking at this institution this evening. It is wondering what in the world the United States is thinking in giving an exemption to the Nuclear Nonproliferation Act to a country which is a nonsignatory to the Nuclear Nonproliferation Treaty.

What is the signal that that will send to Pakistan? What is the signal that that will send to Iran, to Syria, to Egypt, to Venezuela, to North Korea? What is the signal that we are sending with regard to the entire nuclear nonproliferation regime which has served this world well since the 1960s?

I think that the message they are receiving is that there is going to be a double standard, and a double standard which, unfortunately, from my perspective, is going to lead to a rapid escalation of the development of nuclear weapons programs in country after country around the world.

Right now, India has a nuclear weapons program that experts estimate produces approximately 7 per year. Because the nuclear fuel, which this bill will make possible, frees up the domestic uranium supply in India, experts estimate that it will increase to 40 to 50 the number of nuclear weapons which India can produce per year, because we, the United States, in passing this legislation, will ensure the supply of their civilian nuclear energy needs.

Why should we care about that? Well, the reason that we should care about that is that Pakistan is now developing and building their own nuclear material production facility, which experts indicate will increase from two to three nuclear bombs per year to 40 to 50 nuclear bombs per year. That is what a nuclear arms race looks like. That is what the nuclear arms race between the United States and Soviet Union looked like in the 1950s, in the 1960s and in the 1970s, and what we are doing out here is pouring fuel onto this fire, rather than calling an international conference to bring together these parties and others in order to put in place a real nuclear weapons control regime. Instead we are turning a blind eye to the reality of what is going on in the South Asian continent.

So, ladies and gentlemen, this is a historic moment, a moment that we will look back on, not perhaps tomorrow, or next week, but 5 years from now, 10 years from now. People will point back to this night, this last night of the Republican control of Congress, this last night when the Republican-controlled House and Senate can produce for President Bush this anti-nuclear weapons control policy that he has been engaging in for the last 6 years and say this was the moment that crossed the line where ever country said to themselves, why should we, as signatories of the Nuclear Nonproliferation Treaty, abide by those rules when the United States selectively gives exemptions to countries that are not signatories to the nuclear nonproliferation policy.

You cannot preach temperance from a bar stool. The hypocrisy coefficient is at historic heights when the United States believes that the rest of the world will listen to us as we preach that they should not be interested in nuclear weapons, even as they are helping to facilitate the Indians in developing an ever greater capacity to produce nuclear weapons inspect that country.

Why should we care? We should care because A. Q. Khan, the nuclear Johnny Appleseed, the nuclear Pied Piper, who spread nuclear weapons from North Korea through the Middle East, is still living in Pakistan, living in a palace, still not in prison. His associates, his men, still walking the streets of Pakistan. Al Qaeda is headquartered in Pakistan, still unapprehended.

What is the message that we are sending? We are sending a message that the nuclear arms sellers are back on the road, selling to anyone who will purchase. That is the message that we are sending.

So tonight is a historic vote. It is a vote that will be looked back at as one of the most important that we have ever cast here in Congress. Sadly, it is

not going to receive even a fraction of the attention which it deserves.

But I tell you this, ladies and gentlemen, when and if this nuclear war breaks out, we will look back. At least we should be able to say we tried, we really tried to put an end to the nuclear arms race on the South Asian continent. This is what this debate tonight is all about.

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

Mr. HYDE. Mr. Speaker, I yield 4 minutes to the incoming ranking Republican on the International Relations Committee, the gentlewoman from Florida (Ms. ROS-LEHTINEN).

Ms. ROS-LEHTINEN. Mr. Speaker, I thank my chairman for his leadership and for his time.

Mr. Speaker, as an original cosponsor of this legislation, Mr. Speaker, and as cochair of the Congressional Caucus on India and Indian Americans, I rise in support of H.R. 5682, the Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act of 2006. I would like to thank Chairman HYDE, as well as Ranking Member LANTOS, for their dedicated work on this issue and for their willingness to work with me and so many members of our House International Relations Committee, as well as the House as a whole, to ensure that the conference report before us tonight achieves the difficult balance of expanding cooperation with our democratic ally, India, while also promoting U.S. global nonproliferation policy.

Because the conference report closely tracks the bill which was passed overwhelmingly by the House in July, I need not list its specific provisions, other than to say that it preserves the central features of the House text, such as ensuring that Congress retains its traditional role in approving nuclear cooperation agreements.

□ 2015

Also in reinforcing the indispensable role of the nuclear suppliers' club in preventing proliferation and encouraging India's cooperation in stopping Iran's efforts to develop their nuclear weapons capability. It has been significantly strengthened by the inclusion of many important sections from the companion legislation approved by the Senate.

Let me address the larger and more important context in which this legislation should be viewed. By providing the legal foundation for civilian nuclear cooperation between the United States and India, it achieves a key step of the global partnership with India that was announced on July 18 of last year by President Bush and Prime Minister Singh. This far-sighted and historic initiative is a long-delayed recognition that the two largest democracies share an extraordinary array of common interests and that a closer and increasingly cooperative relationship between them holds enormous potential to promote the strategic partnerships and interests of both. If allowed to grow, it will undoubtedly produce a major realignment of the international system as a whole and an entirely positive one.

India and the United States have already traveled a long way toward building that new relationship. India stands alongside the United States in the effort to confront and eliminate the scourge of global terrorism and to reduce the instability and the conflict in South Asia and elsewhere. We look forward to expanding the areas of common interest and joint action. Nowhere is that cooperation more important, Mr. Speaker, than in stopping the spread of nuclear weapons.

I should note that this legislation affirms that India is a country that has demonstrated responsible behavior with respect to nonproliferation of technology related to weapons of mass destruction programs and the means to deliver them and that it is working with the United States in key foreign policy initiatives related to nonproliferation.

To further that goal, this legislation establishes as U.S. policy securing India's participation in the Proliferation Security Initiative, which is a cooperative arrangement among the world's powers to intercept the illicit movement of nuclear materials and other dangerous items by sea or air. India's cooperation would be a major addition to the world's efforts in this difficult but essential task. I am confident that her government will move quickly to assume a more prominent position among the initiative's growing ranks.

Lastly, Mr. Speaker, I am glad that this historic bill carries the name of HENRY HYDE; a leader of great proportions, a mentor to so many of us, a man of principles, a living legend, our friend, HENRY HYDE.

Mr. LANTOS. Mr. Speaker, I am very pleased to yield 5 minutes to the gentleman from New York (Mr. ACKERMAN), a senior distinguished member of the International Relations Committee and one of our outstanding experts on U.S.-India relations.

Mr. ACKERMAN. Mr. Speaker, I thank Mr. LANTOS, our soon-to-be chairman of the committee.

Mr. Speaker, today is truly a historic day for U.S.-India relations. Chairman HYDE, who deserves all of the accolades that he received today, has worked very hard, and, together with Ranking Member LANTOS, they have done extraordinary work to bring before us a conference report that will transform our relationship with India and bring reality to the process of nuclear nonproliferation. I congratulate them both for their tremendous efforts and for their tremendous and enormous achievement.

Mr. Speaker, if you liked this bill in January, and you overwhelmingly did, then you are going to love this conference report. If you were worried about seeing the agreement before it was final, then you will love this conference report, because it gives Congress another chance to scrutinize and vote on approving the final deal.

If you wanted the IAEA to be able to inspect India's nuclear facilities, then you are for this conference report, because two-thirds of all of India's nuclear facilities will now be under IAEA safeguards. It is a no-brainer. Without this, we get to inspect zero; with this, two-thirds of India's nuclear facilities.

If you wanted India for the first time ever to commit to the MTCR guidelines, then you get that in this conference report.

If you wanted India for the first time ever to adhere to the Nuclear Suppliers Group guidelines, you get that in this conference report.

If you wanted to send a clear message to nuclear rogue states about how to behave, then you are for this conference report. You are for it because it shows that responsible nuclear powers are welcomed by the international community and not sanctioned.

If you wanted a broad, deep, enduring strategic relationship with India, then you are for this conference report.

For 30 years, U.S. policy towards India has been defined and constrained by our insistence on punishing India for its sovereign decision not to sign the Nuclear Nonproliferation Treaty. Truth be told, if India had conducted its nuclear tests a little earlier, it would have been treated the way we treat China and Russia and France and Britain and ourselves; in short, as a grandfathered member of the nuclear weapons club. But they did not test earlier, and nothing we have tried over the last 3 decades has convinced them to give up their nuclear weapons program, and nothing we say over the next 3 decades will convince them either.

India is a responsible nuclear power and deserves to be treated that way. The conference report before us does just that.

Critics have expressed concerns regarding the bill's impact on our nonproliferation policy, and clearly Iran and Pakistan and North Korea are looking for clues about what this deal means for them and their nuclear programs. Let them understand the message. If you want to be treated like India, be like India. Be responsible. Be a good international actor with regard to weapons of mass destruction technology. Be like India. Don't sell your technology to the highest bidder. Be like India. Don't provide it to terrorists. Be a democracy, a real democracy, such as India, and work with us on important foreign policy objectives, and not against us.

That is the message that we are going to send today.

Does it warm your heart and make you comfortable that Iran and North Korea signed the NPT, but they are now running away from their fully accepted and freely accepted obligations and away from IAEA inspections? India

didn't sign the NPT, and yet it is embracing the IAEA and embracing nonproliferation norms and is a democracy. India's attitude should be recognized and commended, not criticized and condemned.

Practically speaking, there are only two options, and they are before us today: One is to vote ''no'' and continue the status quo, which means India goes on pursuing its national interests as it has been doing outside of the nonproliferation mainstream, and we get to inspect nothing. The other is to vote ''yes,'' make the deal with India and get for the United States and the international community a window in perpetuity into two-thirds of India's existing nuclear facilities and all of its future civilian nuclear facilities.

The choice is clear. The conference report brings India into the nonproliferation mainstream and gets the United States and international community access to India's civilian nuclear facilities.

Mr. Speaker, it is time for a 21st century policy toward India, one that supports and encourages India's emergence as a responsible global power and solidifies the U.S.-India bilateral relationship for decades to come.

Not that it needs it, but the bill gives a great name, that of HENRY HYDE, to this remarkable piece of legislation. We salute you, Mr. Chairman.

I urge a ''yes'' vote on H.R. 5632.

Mr. HYDE. Mr. Speaker, I thank Mr. ACKERMAN for a brilliant statement, as well as his cordial sentiments.

Mr. Speaker, I am delighted to yield 4 minutes to the gentleman from California (Mr. ROYCE), the chairman of the Subcommittee on International Terrorism and Nonproliferation, who has an awful lot to do with the ultimate product that we are voting on today.

Mr. ROYCE. Mr. Speaker, I rise in support of the Henry J. Hyde bill.

I want to address a concern raised earlier by the gentleman from California. I share his concern about A.Q. Khan. But Dr. Khan is in Pakistan, and we would not do this deal for Pakistan, because Pakistan proliferates. India does not. The nuclear fuel and materials we and the world may sell India will be for the civilian sector only, not the military, and will be under strict international safeguards and inspections by the International Atomic Energy Agency.

While nuclear energy is controversial to us in the United States, it is not controversial in India. As in several other countries, nuclear energy is viewed as a critical technology, one that is central to uplifting hundreds of millions of impoverished Indians, because they need the electricity for their grid. So India will develop its nuclear energy sector, not as easily or quickly as without this deal, but it will nonetheless, and India will not relinquish its nuclear weapons at this point in time, which is understandable given its security situation.

Right now, because of existing restrictions, many Indians view the U.S. as blocking India's technological and developmental aspirations by opposing their acquiring nuclear material and technology for clean energy. This position does not make for a strong partnership.

With its growing economy, India is consuming more and more oil. It is competing on the world market, competing with American consumers, for limited hydrocarbon resources. This gives Americans an interest in helping India expand its nuclear power industry, which this legislation does. It also encourages India to move away from burning its highly polluting coal.

By passing this conference report, we take a big step towards internationalizing India's nuclear industry, which I believe would make it safer. Young Indian scientists and engineers in the nuclear field are interested in collaborating with their American counterparts. Today they are isolated. I would rather know more about India's nuclear work than less.

We have two options: either continue to try to box in India and hope for the best, and, as I mentioned, India will not relinquish its nuclear weapons now; or we make this move, engage India, and use our influence to move this increasingly important country in our direction, making India a true partner as we enter what will be a decades-long struggle against Islamic terrorism.

This is not an ideal agreement and the administration should be more aggressively pursuing an international fissile material cutoff, but it is a very good agreement, one that works through a very difficult nonproliferation situation to strengthen an important relationship.

So I urge my colleagues to support the conference report. I would also mention that during the course of the committee's five hearings on this agreement, Members closely scrutinized India's relationship with Iran, and I think it is fair to say that our committee helped influence India's thinking on Iran. We got India's support for two IAEA votes, voting twice at the IAEA to find Iran in noncompliance with its safeguard obligations and to report Iran to the Security Council.

Importantly, this bill preserves congressional oversight, and that was not the administration's preferred approach, and gives Congress another bite at the apple, requiring a joint resolution of approval of the nuclear cooperation agreement. So India knows that Congress is continuing to watch.

Mr. Speaker, I thank the gentleman for yielding me time. I again commend Chairman HYDE. We honor him tonight with the title of this bill.

Mr. MARKEY. Mr. Speaker, I yield 3⅙ minutes to the gentlelady from California (Ms. LEE).

Ms. LEE. Mr. Speaker, I thank the gentleman for yielding, and also for his very clear presentation tonight as to why this is such a bad bill and bad conference report.

First of all, let me just say, Mr. Speaker, that I had the privilege to visit India a few years ago with my distinguished colleague from New York (Mr. CROWLEY) and our distinguished colleague from Maryland (Mr. HOYER).

□ 2030

I witnessed firsthand the brilliance and the spirit and the commitment to democracy of the Indian people, and like many of my colleagues, I strongly believe that it is in our country's interests to strengthen our relationship with India economically, politically and culturally.

But to suggest that we can do so only at the expense of the international nonproliferation standards, as this conference report for the India nuclear deal before us would, is really both dishonest and it is dangerous.

Mr. Speaker, as far as I am concerned, there is no country, and I mean no country, for which it should be acceptable to sacrifice our international standards.

The problem with this deal as it is currently written is that it will do lasting harm to more than 30 years of international efforts to stop the spread of nuclear weapons. This deal creates a double standard which undermines our efforts to stop countries like Iran and North Korea from developing nuclear weapons.

This deal creates incentives for withdrawing from the Nuclear Nonproliferation Treaty. Why have countries like Brazil and South Korea spend all these years playing by the rules and not building nuclear weapons in exchange for civilian technology when India gets both?

This deal sets a dangerous precedent. In explaining Beijing's rationale for potentially pursuing a deal with Pakistan, Professor Shen Dingli of China's Fudan University has already argued and said, if the U.S. can violate nuclear rules, then we can violate them also.

We should be fighting to save what is left of the international nonproliferation framework, not discarding it. There is no need to rush through with this conference report on the last day of this 109th Congress. We must go back to the drawing board and make sure this proposed nuclear cooperation agreement maintains international nonproliferation goals, and we can do this when the 110th Congress begins in January.

Ideally, India should formally commit to the goals and restrictions on the international nonproliferation framework and sign the Nuclear Nonproliferation Treaty. Short of that, we must insist on specific nonproliferation safeguards as specified in an amendment if you remember which I offered in this bill when it was considered in July.

This amendment basically would have required India to commit to the basic principles consistent with the NPT. Unfortunately, the amendment was not made in order.

The world is a dangerous place, Mr. Speaker. Nuclear weapons are pointed in all directions. Compliance with the Nuclear Nonproliferation Treaty is a basic standard that we should require in all nuclear deals and arrangements. This bill goes in the opposite direction. Without these commitments, we should reject this nuclear deal.

Finally, Mr. Speaker, I would just like to thank the chairman, Mr. HYDE, for his leadership and his fairness as chair of the International Relations Committee and specifically as it relates to HIV and AIDS and orphans and moms with children and the respect you have shown the minority. I wish you happiness and good luck and good health in this next chapter of your life.

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

Mr. LANTOS. Mr. Speaker, I am very pleased to yield 3½ minutes to the gentleman from New York (Mr. CROWLEY), a distinguished member of the International Relations Committee, my good friend, a recognized expert on U.S.-India relations.

Mr. CROWLEY. Mr. Speaker, I thank my friend and colleague from California (Mr. LANTOS) for yielding me this time.

I, too, want to rise in strong support of the Henry Hyde India Nuclear Energy Cooperation Act.

I want to commend my friend and chairman, who I have deep respect for, Chairman HYDE, and my soon-to-be Chair of the International Relations Committee, Mr. LANTOS, for their work they put into crafting this bipartisan conference report.

I would also like to commend the staff of both the House International Relations Committee and the Senate Foreign Relations Committee for the work they have done to reach a compromise on this deal before we end this 109th Congress.

We here in Congress are not the only ones who have been engaged in pushing forward this important cooperation agreement or this bilateral relationship. I must also recognize the work of the Indian American community for the incredible advocacy they have demonstrated and the incredible support they have demonstrated for this legislation.

This legislation creates a two-step process, and by passing the conference report today, we will have taken that very important first step.

The second step rests upon negotiations between the United States and India, as well as India and the International Atomic Energy Agency and with the Nuclear Suppliers Group.

I would like to be clear that this vote sets the stage for allowing cooperation, but the actual exchange of civilian nuclear cooperation will not take place until Congress is provided with the details of those relevant negotiations and takes a second up or down vote.

I urge my colleagues to end India's nuclear isolation and allow them to be brought into the nonproliferation tent with the rest of the responsible states who seek safe and efficient civilian nuclear technology. I have held the belief that this bill is not about nuclear weapons as much as it is about nuclear energy.

I urge my colleagues to begin building a pathway of cooperation in energy with India that will help the economy of India grow and help American business opportunities prosper.

India's booming and growing economy needs fuel, and plenty of it, to uplift the lives of hundreds of millions who live in abject poverty. There is not enough wood, enough gas or enough oil in this world to sustain that growth. The greenhouse gases which have been produced by expending those fuels would be an unwelcome byproduct.

Passing this legislation opens up a new pathway of opportunity for energy development that will lower greenhouse gases, provide reliable electricity and, strengthen India's economy.

I am proud that the U.S. will work with India to see India and the Indian people reach their full potential. If we expect India to be our ally in the 21st century, we must treat them as an equal, which is what the cooperation will demonstrate.

I trust my colleagues will recognize what our future with India holds and vote for final passage of this legislation.

I just want to point out to my good friend, the gentlewoman from California (Ms. LEE), who spoke about her amendment, it is impossible for India to sign the Nonproliferation Treaty because she has already detonated that weapon in the early 1970s. She would have to put those weapons away and say she would never develop them again and put them beyond use and verifiable use before she can sign the treaty. It simply is not going to happen.

They have demonstrated that they are a good player in this field, as Mr. ACKERMAN said. If you want to be like India and get this deal, act like India.

Mr. MARKEY. Mr. Speaker, I yield 3½ minutes to the gentleman from Oregon (Mr. WU).

Mr. WU. Mr. Speaker, I rise in strong opposition to this legislation.

Let the record show that if or when a mushroom cloud ever erupts over an American city, it will be traced back to this unwise vote in the United States Congress and to the bone-headed policy of this administration towards treaty obligations for Nunn-Lugar safeguards and the sale of nuclear materials to India.

When I was a boy, this country sold F–15s to Iran so that Iran could offset Soviet power in South Asia. Because we sold F–15s and other arms to Iran, we wound up selling chemical weapon precursor materials to Iraq to offset Iranian power in the Middle East. Today, we have 135,000 troops in Iraq, in part because of that string of bad decisions.

Now we are told that to offset Chinese power in Asia, we should sell nuclear materials to India which would free up Indian nuclear reactors to produce many more nuclear weapons for the Indian nuclear weapons program.

If we approve this deal with India, it would encourage China to increase its nuclear arsenal. I submit to you that we Americans are one of the potential targets of that enhanced Chinese nuclear arsenal.

Even more worrisome is that an Indian nuclear buildup would further accelerate the Pakistani nuclear buildup.

While I have strong confidence in the stability of the Indian Government and in the stability of Indian democracy, I have much less faith in the stability of the Pakistani Government and of Pakistani democracy, especially of the Pakistani Government's ability to keep under control those nuclear weapons which it already has and the additional weapons it would build because of this Indian nuclear buildup.

If there is a military coup in Pakistan, we should be very, very concerned, not only about the stability of South Asia, but of the whole world. There have been three military coups in Pakistan since its independence in 1947.

Rather than approving nonsignatory states in violation of the nonproliferation treaties, the better course of action is to respect international agreements and to immediately bring to the Senate a total ban on nuclear testing and comprehensive treaties to curtail nuclear proliferation.

On the last night before our July recess, there were only 68 of us in this House who voted against approving the legislation to permit sales of nuclear materials to India. Tonight, on the last night of the 109th Congress, we are voting on the House-Senate conference report.

I ask, I implore more of my colleagues to join me to prevent adding fuel to the fire of nuclear proliferation in South Asia. This legislation, and the following sale of nuclear materials to India, blows out of the water any hope we have of treaty constraints on the proliferation of nuclear weapons.

I want to make it clear in this record and for history that the actions of this administration in containing nuclear proliferation have been patently irresponsible. This administration has underfunded the Nunn-Lugar legislation, which takes nuclear materials out of the open market which would otherwise have been available for sale to terrorists.

This administration has failed to support international treaties limiting nuclear weapons proliferation, and now it has proposed treaties with India that would sell India nuclear materials that would result in a nuclear arms race between India and China and India and Pakistan.

Compared to this, the resolution to go to war in Iraq was a piker. Let us

pull back from the brink of this nuclear precipice.

Mr. HYDE. Mr. Speaker, I would ask Mr. LANTOS if he needs some additional time.

Mr. LANTOS. Yes, we do.

Mr. HYDE. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from California (Mr. LANTOS), if that will help, for purposes of control.

Mr. LANTOS. We are very grateful for your gesture. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE), my friend.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished ranking member of the committee, and I thank the distinguished chairman of the committee, and I believe this may be Mr. HYDE's last time as chairman on the International Relations Committee, and I want to offer to him my sincerest appreciation for his service to America. I have had the honor and privilege of serving with him on the Judiciary Committee, and I thank him for his service.

I thank Mr. LANTOS for the cooperative spirit that has been evidenced by this conference report and certainly congratulate him on his ascending to be Chair in this next Congress of the International Relations Committee.

I listened to Lee Hamilton and Jim Baker as they began to try to bridge the gap and the schism in the Iraq war. One of the most, or more stranger, recommendations for many was the engagement of Syria and Iran, for many were aghast that we would talk to those who have been so reckless in their relationship with the United States. I believe in engagement, but is it not interesting that a democracy, the largest, a nation that has embedded itself in democracy since its birth, India, is a friend of the United States, and yet we are hesitant to engage India.

□ 2045

That is what this legislation represents. It is an engagement of a friend, working with them on the civilian use of nuclear power, addressing the concerns of enormous population and enormous poverty. Although the middle class of India is growing, this legislation will begin the engagement of a friend, and it will provide a fixture in the South Asian community that has both the capabilities to use nuclear materials in a friendly way and it will be an engagement of a friend with the United States.

I happen to be, of course, engaged with the people of Pakistan, and I am grateful that my amendment remained in this legislation that said that we continue to engage in the South Asian region with India and Pakistan. For even though there may be citing of the inequities or the issues as it relates to Pakistan, they too should be engaged with.

But what we are doing today is a start. And I am very grateful, Mr. LANTOS, that there are bridges and firewalls in this legislation. This legislation allows the vetting of India to begin. It allows the International Atomic Energy Agency to vet this program. And before the President goes forward, he must be convinced or she must be convinced that this is an appropriate step to make. If we can engage with Iran and Syria, though it is a difficult proposition for many, why not engage with a democracy and a friend who will benefit by the utilization of nuclear power? And so I would hope that we would look at this in a manner that says this is a good step for there is control over what is being utilized, unlike so many of those who have the access to nuclear power. I hope my colleagues will support this forward step and that they will see the checks and balances that are so necessary and continue to support the South Asia region that includes not only India but Pakistan.

Mr. MARKEY. Mr. Speaker, could you advise us how much time is remaining?

The SPEAKER pro tempore (Mr. HAYES). The gentleman has 6¼ minutes.

Mr. MARKEY. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. A nuclear sword of Damocles hangs over the world. Fear and ignorance have placed it there. Separation from our brothers and sisters holds it there. Separation of our heads from our hearts leaves it there.

We have a moral responsibility to our children, our grandchildren, and the entire world to create a world free of nuclear weapons. We have moral obligations to lead the way towards total nuclear disarmament and nuclear abolition, to wrest from the unsteady hand of crass casualty that nuclear sword of Damocles, and save this planet as a place where we work out our destiny.

Only we can dissipate the advancing mushroom clouds by saying ''no'' to this bill, ''no'' to proliferation, ''no'' to nuclear testing, ''no'' to nuclear weapons, ''no'' to nuclear war, ''no'' to the destruction of our planet.

The spirit of the Founders which inhabits this institution was a spirit that believed in unity. We must believe in human unity as firmly as we believe in the unity of the United States. We must believe in the imperative of human unity as we believe in the imperative of our next breath, the imperative of the first breath which issues from all new life to come. And we do this by pursuing international cooperation towards abandoning nuclear ambitions, not furthering them. For God's sake, stop this sleepwalk into the nuclear valley of shadows. Wake up and vote against this bill.

Mr. MARKEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman from Massachusetts, and I join my colleagues in extending best wishes to Mr. HYDE on the new phase of his life.

If we really believe that nuclear proliferation and loose nukes are the greatest threat to world peace and security, as I do, as many of us do, then we should be holding on to every tool that we can find to prevent that threat. We should be working with India to strengthen the nuclear nonproliferation regime, not collaborating to destroy it.

There will be a time when the history of the spread of nuclear weapons of mass destruction is written, and we will look back and see when the last thread of the nuclear nonproliferation regime was shredded with this agreement.

We can talk at length about the details of this cooperative agreement, we can talk about what a good friend India is and how responsible they have been. We can talk about whether nuclear power is environmentally benign. But history will say, mark my words, with this agreement the world lost the last bit of an international tool to control the spread of nuclear weapons of mass destruction. The regime will have been killed. All we will have left is our ability to jaw-bone with our allies and to threaten our enemies. Countries will work out whatever deals they can, two by two. That is the future of the control of nuclear weapons of mass destruction. Countries will work out whatever deals they can, two by two. This is a very dangerous moment.

Mr. MARKEY. Could we get a final review here of where we are, Mr. Speaker?

The SPEAKER pro tempore (Mr. LAHOOD). There are 3½ minutes remaining.

Mr. MARKEY. I am the last speaker, so I reserve my time.

Mr. HYDE. Mr. Speaker, I believe I have the right to close the debate, so I am reserving my time. I have no further requests, so I will close.

Mr. LANTOS. Mr. Speaker, I yield myself the balance of our time.

I share my opponent's concern about the danger of nuclear proliferation. This legislation is the exact opposite of nuclear proliferation. It opens up for the first time in history all of India's current civilian nuclear plants and all future nuclear plants to international control. This is a control measure. It is a measure which will dramatically enhance the historic strategic cooperation between the democratic state of India and the United States of America. When historians will look at this historic vote we are about to take, they will view this as the most significant vote for democracy, peace, and control of nuclear weapons in the 21st century.

The Senate voted 85 to 15 for this legislation. It passed the House on a bipartisan basis, overwhelmingly. Tonight we have an opportunity to reaffirm that vote, and I urge all of my colleagues to vote for this legislation.

I yield back the balance of my time.

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

This is an historically bad deal. President Bush has done a far better job in negotiating with the Congress to gain acceptance for this deal than he did with the Indians and getting them to accept the essentials of a real nuclear nonproliferation agreement.

In this agreement, as we send nuclear materials to India and free up so that the Russians and others can do so as well, here is what is not inspected: Six of India's plutonium-producing reactors will not be inspected. Their heavy-water production facets, not inspected. Plutonium separation facilities, not inspected. Uranium mines, not inspected. Uranium enrichment facilities, not inspected. In other words, their nuclear weapons program, not inspected.

This is the deal which we are cutting. This is the deal which the Congress is being asked tonight to bless. Do you know who would accept a deal like that? A.Q. Kahn would accept a deal like that for Pakistan. In fact, President Musharraf of Pakistan said to President Bush on his visit to Pakistan right after his visit to India, he said to President Bush, ''I too would like that deal that you are offering to India.'' President Bush said, ''We cannot give you that deal.''

What are we going to say when China offers that deal to Pakistan? Because they will, ladies and gentlemen. What will we say when all of those plutonium-producing reactors are not inspected? What will we say in 2 years when the Russians offer that same deal to the Iranians? What will we say to the Russians, to the Iranians?

If we don't set the standard for nuclear nonproliferation here in the United States in our negotiations with our allies, do not expect there to be higher standards in the negotiations between the Chinese and their allies or the Russians and their allies. Wherever we set the standard, that is going to be the global standard. And when we turn to these other countries and we tell them, no, your standards are not high enough, they are going to call us hypocrites.

Ladies and gentlemen, it is an historic night, it is an historic vote. People will look back at this as the moment when the nuclear nonproliferation regime of the world was destroyed. Vote ''no''. Vote ''no'' for history. Vote ''no'' for your conscience. When you look back, this will be one of those moments when you are glad that you voted ''no.''

Mr. HYDE. Mr. Speaker, the arguments that have been made so ably by the gentleman from Massachusetts have been anticipated and, in my judgment, well met by Mr. ACKERMAN, Mr. LANTOS, Mr. CROWLEY, Ms. ROS-LEHTINEN, Mr. ROYCE, and others, so I will not consume the few moments we have left repeating them; suffice to say this is an excellent step forward. It recognizes the reality, the nuclear reality of India, and is a very progressive step. It is the conference report of the House bill and the Senate bill, both of which passed overwhelmingly, and so it is truly bipartisan and is something that ought to pass.

I would like to take this final opportunity to express, inadequately, I am afraid, my respect and admiration for Mr. LANTOS. I congratulate the Democratic Party in selecting him to head the International Relations Committee, because foreign policy is going to be critical in the coming months and the coming years, and the Congress could not be in better hands in that area than it is with Mr. LANTOS as chairman of the committee. He brings a grasp of history that is unequaled because he has lived through so much of it, as well as studied with high scholarship. So it is an honor and privilege and experience and an adventure to have served with him for so long and learned so much about foreign policy at his hand.

□ 2100

I also want to say the staffs, both the Democratic and Republican staffs, are superior people.

In Camelot, King Arthur once said we are all of us tiny drops in a vast ocean, but some of them sparkle. Well, we have a lot of sparklers who are staffs of both Republicans and Democrats. Mr. Mooney, Tom Mooney, who is not only my friend and my chief of staff, but a brilliant administrator and student of foreign policy, has been especially helpful. I couldn't begin to express my appreciation to him.

Horace Mann, a great educator, once said a man should be ashamed to die until he has won some victory for humanity. I think every Member of Congress attains a victory for humanity every time Congress is in session and a vote is cast. Democracy is more than simply a set of rules as to how we elect people or how we litigate against each other; it ascribes individual worth to every human being, every member of the human family, and you in Congress are custodians of democracy. That is a very high calling.

To be in Washington as a representative of well over half a million people and to stand in the shadow of Jefferson and Lincoln and Washington is no small thing. I am proud to have had the honor and the privilege to serve with so many people who are so dedicated to the success and the flourishing of this great country.

I thank God for each one of you. My wish is that you all live to be a thousand years old and the last voice you hear will be mine.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding. I thank the Rules Committee for making consideration of the conference report to accompany H.R. 5682, the ''United States and India Nuclear Cooperation Promotion Act of 2006'' in order.

The United States' relationship with India and Pakistan is of paramount importance to our Nation's political and economic future. With the receding of the Cold War's global divisions and the new realities of globalization and trans-national terrorism, we have embarked on a new era of promise, possibility and uncertainty. This means the United States, the world's only superpower, bears an especially heavy responsibility to remain engaged in all regions of the world, with all nation-states. It is in the national interest for the United States to continue our policy of engagement, collaboration, and exchange which has served the Nation well in the past, particularly in the South Asia region.

It is important that we are considering this conference report today. I also want to thank my colleagues for adopting my amendment to H.R. 5682. My bipartisan amendment, which was endorsed and co-sponsored by Congressman BURTON, simply stated that the ''South Asia region is so important that the United States should continue its policy of engagement, collaboration, and exchanges with and between India and Pakistan.''

Pakistan has been a critical ally in the global war on terror. Pakistan has been a good friend to the people of the United States. Although H.R. 5682 signals no change in this country's relationship with Pakistan, it is not difficult to understand why it may give pause to some supporters of Pakistan. This is another reason why it is vital for the United States to continue to engage both Pakistan and India in ongoing political engagement, economic and technological collaborations, and personal exchanges, which will bring the United States closer to these two vitally important democracies in the South Asia region and will bring India and Pakistan closer to each other.

Peaceful nuclear cooperation with India can serve multiple U.S. foreign policy objectives so long as it is undertaken in a manner that minimizes potential risks to the nonproliferation regime. This will be best achieved by sustained and active engagement and cooperation between the India and the United States.

This landmark legislation serves both our strategic interests and our long-standing nonproliferation objectives. We should heed the sage words of the Iraq Study Group which recommends engaging rather than abandoning the possibilities dialogue offers. Our engagement and subsequent abandonment of Iran has resulted in their current pursuit of nuclear technology. We should not make the same mistake in South Asia. We need to remain engaged with India and Pakistan so that they remain our most important allies rather than our adversaries.

We are on the path to fostering an enduring relationship of mutually beneficial cooperation with India. The new realities of globalization and interdependence have brought a convergence of interests between the world's largest democracy and the world's most powerful one. I accompanied President Clinton in his groundbreaking trip to India marking a new phase in the bonds that bind our two countries. This conference report builds on this relationship by permitting an invigorated relationship in the field of nuclear cooperation, an area of critical importance given India's increasing energy demands.

This conference report incorporates a host of important nonproliferation measures that will anchor India in the international nonproliferation framework by including: safeguards between India and the International Atomic Energy Agency (IAEA); end use monitoring of

U.S. exports to India; and strengthening the Nuclear Suppliers Group, which are the group of countries that restrict nuclear proliferation throughout the world.

In addition, this conference report maintains Congressional oversight over the ongoing relationship of nuclear cooperation between U.S.-India. By implementing this legislation, we are furthering our critical nonproliferation objectives of advancing the IAEA's Additional Protocol by allowing the U.S. to become a party to this critical nonproliferation arrangement. We will enhance our nonproliferation policy and bolster our argument that the rest of the world should agree to this robust inspection regime.

In conclusion, I support the United States and India Nuclear Cooperation Promotion Act of 2006 with my Amendment, and this conference report. I urge my colleagues to do the same.

Mr. BARTON of Texas. Mr. Speaker, the conference report on H.R. 5682 includes language implementing the ''Additional Protocol'' to the U.S. nuclear safeguards agreement with the International Atomic Energy Agency (IAEA). The other Body gave its advice and consent for the Additional Protocol in 2004, but without enactment passage of this implementing legislation the Additional Protocol cannot enter into force.

Following the 1991 Gulf War, IAEA member states took steps to strengthen the nuclear safeguards system. This led to the development of a model ''Additional Protocol'' to supplement safeguards agreements and amend verification arrangements. It is designed to improve the ability of the IAEA to detect clandestine nuclear weapons programs in non-nuclear-weapons states by providing the IAEA with increased information and expanded inspection access. As of March of 2006, 110 countries had signed additional protocols, including all the nuclear weapons states, and 78 countries have them in force.

The U.S. is not obligated to accept safeguards under the Nuclear Non-Proliferation Treaty or the Additional Protocol. However, the U.S. already allows safeguards to be placed on certain facilities and materials under a voluntary agreement with the IAEA. This underscores our support for the Nonproliferation Treaty. The U.S. signing the Additional Protocol demonstrates that adherence will not commercially disadvantage non-nuclear-weapons states. Under both the voluntary agreement and the Additional Protocol, the U.S. maintains a national security exclusion and the right to manage IAEA access to facilities or information of direct national security significance.

Enactment of this implementing legislation provides the President with authority to permit IAEA inspectors, accompanied by U.S. representatives, access to certain facilities and to information on activities in the U.S. It also authorizes the Department of Commerce and the Nuclear Regulatory Commission to develop implementing regulations and conduct training and trial inspections. Finally, the legislation sets forth procedures for the inspections, similar to those for the Chemical Weapons Convention, and establishes civil and criminal penalties for the failure of U.S. entities to provide such information.

Mr. Speaker, this legislation will strengthen our Nation's ability to advance the cause of universal acceptance of increased safeguards and for that reason I urge both Bodies to adopt the conference report and send it on to the President for his signature.

Among the many tributes to our beloved colleague, HENRY HYDE, this bill and what it can do for global nuclear security is among the most worthy.

Mr. BERMAN. Mr. Speaker, I'd like to commend Chairman HYDE, Ranking Member LANTOS and their excellent staffs for their hard work on his legislation.

I'd like to offer special thanks for their efforts to ensure that the conference agreement retains a provision I suggested, which would halt nuclear cooperation if the Indian government exports sensitive technologies that violate the guidelines of the Nuclear Suppliers Group and Missile Technology Control Regime.

This conference agreement—and the underlying nuclear deal with India—are far from perfect. I believe the Administration could have and should have pressed for a much better deal.

But having said that, it's important to keep in mind that this agreement is a major improvement over the Administration's original legislative proposal.

That bill would have cut Congress out of the process and put the nuclear deal with India on auto-pilot.

Among other things, this agreement preserves the right of Congress to vote on the final nuclear cooperation agreement with India—which is still under negotiation—before it goes into effect.

While I wish this conference agreement included some stronger nonproliferation provisions—including an amendment on fissile material I offered on the floor—I intend to vote ''yes'' because I believe the U.S.-India relationship is extremely important, and rejecting the bill at this point would be a major setback.

Mr. UDALL of New Mexico. Mr. Speaker, I rise today in opposition to this legislation and I do so because I believe this bill undermines the nuclear Non-Proliferation Treaty (NPT), lacks sufficient safeguards to prevent India from continuing to produce nuclear weapons, and threatens the stability of the region.

Mr. Speaker, there is no question that India is an important relationship for the United States to cultivate. India's booming economy, efforts to combat terrorism, and commitment to democracy means they will be a key strategic partner of ours for years to come. However, I do not believe the proper way to cultivate this relationship is by lifting the moratorium on nuclear trade with India.

We all know that India is not a signatory to the NPT, and yet we stand on the verge of rewarding a country operating outside the parameters of this vitally important treaty. This agreement loosens export control laws and clears the way to provide nuclear assistance. It does so without requiring India to limit its fissile material production and without establishing restrictions on the number of weapons they plan to produce. Also under the framework, 8 of India's 22 nuclear plants would be protected from inspection. These 8 plants just so happen to be the military facilities that will remain out of the purview of international inspection.

The Administration maintains that nuclear proliferation and the fear that terrorist organizations could acquire nuclear weapons, is the greatest threat to our Nation's security. But Mr. Speaker, passing this legislation today to allow the President to waive portions of the Atomic Energy Act will shred the NPT, the most successful agreement we have to guard against proliferation. If India, a nation operating their nuclear programs outside the NPT, can strike an agreement of this magnitude, allowing them this much flexibility and holding them to so few hard and fast standards, why would any other nation not currently party to the NPT wish to join?

Passing this legislation today sends the wrong signal. It makes very real the threat of an arms race between Pakistan and India, an already extremely fragile relationship between two long-time adversaries. Mr. Speaker, passing this legislation today is an enormous step backwards for global nonproliferation efforts and I urge my colleagues to reject it.

Ms. WOOLSEY. Mr. Speaker, we are here to debate the India Nuclear Bill. However, there seems to be something missing from the debate today. It's like the elephant in the room no one wants to talk about. Whatever happened to the United States' own commitment to nonproliferation?

When the House considered its own version, I tried to submit an amendment that was quite simple. It stated that until the President has implemented and observed all of our NPT obligations and revised its own policies relating to them, no nuclear-related item may be transferred to India.

Unfortunately, my amendment was not included.

And yet another closed rule from the Republican leadership precludes any compromise today.

As many of my colleagues have stated, this is not about the deal or our alliances with India. This is about how the Bush administration has made a mockery of the NPT and encouraged other countries to go around the treaty. Basically, the bill says that if a country ignores the NPT, the U.S. will cut a deal with them.

Where is our commitment to nonproliferation?

If anything, with this treaty the U.S. will contribute to global nuclear proliferation.

In a world that is becoming more—not less—violent by the day, we must face the facts: Until the U.S. lives up to its own nonproliferation, obligations, we can't possibly ask others to do so.

Today, I will vote against this misguided bill and urge my colleagues to do the same.

Mr. HYDE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

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

Mr. LANTOS. 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.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2007

Mr. LEWIS of California. Mr. Speaker, pursuant to House Resolution 1105, I

call up the joint resolution (H.J. Res. 102) making further continuing appropriations for the fiscal year 2007, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The text of the joint resolution is as follows:

H.J. RES. 102

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Continuing Appropriations Resolution, 2007 (Public Law 109–289, div. B) is further amended by striking the date specified in section 106(3) and inserting ''February 15, 2007''.

SEC. 2. Section 102(c) of the Continuing Appropriations Resolution, 2007 (Public Law 109–289, div. B) is amended by adding at the end the following new paragraph:

''(5) Activities under the 'Chemical Demilitarization Construction, Defense-Wide' account.''.

SEC. 3. Section 114(b) of the Continuing Appropriations Resolution, 2007 (Public Law 109–289, div. B) is amended by striking ''and December 1, 2006,'' and inserting ''December 1, 2006, January 1, 2007, February 1, 2007, and March 1, 2007,''.

SEC. 4. Section 125 of the Continuing Appropriations Resolution, 2007 (Public Law 109–289, div. B) is amended by striking ''Partner Purchases'' and inserting ''Partnership Purchases and International Space Station/Multi-User System Support''.

SEC. 5. Section 126 of the Continuing Appropriations Resolution, 2007 (Public Law 109–289, div. B) is amended by inserting ''(1)'' after ''except that'', and by inserting before the period at the end the following: '', and (2) amounts made available under section 101 for departments and agencies that have been apportioned pursuant to this section prior to November 17, 2006, may be at a rate for operations not exceeding the current rate''.

SEC. 6. Section 101 of the Continuing Appropriations Resolution, 2007 (Public Law 109–289, div. B) is amended by striking ''as of October 1, 2006'' each place it appears in subsections (b) through (e) and inserting ''as of November 15, 2006''.

SEC. 7. The Continuing Appropriations Resolution, 2007 (Public Law 109–289, div. B) is amended by adding after section 132 the following new sections:

''SEC. 133. (a) Section 44302(f)(1) of title 49, United States Code, shall be applied by substituting the date specified in section 106(3) of this division for 'August 31, 2006, and may extend through December 31, 2006'.

''(b) Section 44303(b) of title 49, United States Code, shall be applied by substituting the date specified in section 106(3) of this division for 'December 31, 2006'.

''SEC. 134. The authority provided by H. Res. 135 (109th Congress), as adopted on March 14, 2005, shall continue in effect through the date specified in section 106(3) of this division.

''SEC. 135. The rule referenced in section 126 of Public Law 109–54 shall continue in effect for the 2006–2007 winter use season through the date specified in section 106(3) of this division.

''SEC. 136. In addition to any other transfer authority of the Department of Veterans Affairs, up to $683,970,000 of the funds made available to the Department by this division may be transferred to 'Veterans Health Administration—Medical Services' during the period covered by this division.''.

''SEC. 137. Notwithstanding any other provision of this division and notwithstanding section 601(a)(2) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31), the percentage adjustment scheduled to take effect under such section for 2007 shall not take effect until February 16, 2007.''.

The SPEAKER pro tempore (Mr. HAYES). Pursuant to House Resolution 1105, the gentleman from California (Mr. LEWIS) and the gentleman from Wisconsin (Mr. OBEY) each will control 30 minutes.

The Chair recognizes the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I bring before the House a continuing resolution for fiscal year 2007. This CR, which is clean, runs through February 15, 2007. Only necessary technical anomalies are included.

This CR will fund the agencies in the nine remaining bills awaiting conference at the lower rate the House passed, Senate passed, or current fiscal year 2006 level.

We have been working closely with both leadership and Chairman COCHRAN on this CR to ensure that all essential functions of the government continue without interruption.

With regard to veterans medical care funding, the VA presently has approximately $600 million left over from fiscal year 2006. However, should the VA need additional resources between now and February 15, we are providing the VA and the Secretary with the authority to transfer funds from within other Veterans Affairs accounts.

When we passed this CR the last time, my hope was it would provide a strong motivation for Congress to complete its work in regular order. I was hopeful that our colleagues in the Senate would complete their work on the floor so we could move the remaining individual conference reports before the end of this legislative session.

I want the body to know that the Appropriations Committee has been strongly committed to bringing to this floor individual conference reports. That has not occurred. Each and every individual bill should have come to the floor and gone to conference with the Senate and been sent to the President. From the beginning of our process, Chairman COCHRAN and I pledged to pass funding bills in regular order. We also stated publicly we would not, I repeat, not, support an omnibus bill in any form.

The House Appropriations Committee passed each of the 11 subcommittee bills out of the full committee by June 30, and with the exception of the Labor-HHS bill, all of the bills off the House floor by the July 4 break.

Similarly, the Senate passed each of its bill out of the full committee to ensure timely consideration on the Senate floor.

The Appropriations Committee has remained committed to moving these bills individually and within the framework of the budget resolution.

My colleagues, the Appropriations Committee has kept its word. The breakdown of regular order this cycle, indeed the failure to get our bills done, should be fairly placed at the feet of the departing Senate majority leader who failed to schedule floor time for the consideration of appropriations bills.

Senator COCHRAN and I were convinced that moving bills individually was the only way for us to get back to regular order. Lacking regular order, there is a tendency for the remaining bills to become Christmas trees and for spending to grow out of control, having individual Members do with a Christmas tree what they might. In our view, that is simply not acceptable.

Let me make one personal comment aside: my appropriations colleague, Senator THAD COCHRAN of Mississippi, could not have been a better partner as we attempted to bringing regular order to the appropriations process. The Senator of Mississippi was poorly served by his own leadership.

I would prefer to return to Congress in January as chairman of the Appropriations Committee but look forward to working with the new chairman of the committee, the gentleman from Wisconsin (Mr. OBEY).

Until then, I urge my colleagues to support this CR and I would like to close my remarks by wishing all of my friends a Merry Christmas and a happy new year.

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

Mr. OBEY. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this resolution tonight is a blatant admission of abject failure by the most useless Congress in modern times. That we do not have a budget before us is certainly not the fault of the gentleman from California, the distinguished chairman of the committee.

This House passed every single appropriation bill except the Labor-Health appropriation bill, before the July 4 recess.

The problem is that the budget resolution which defined what would be contained in those appropriation bills was so wildly unrealistic that moderate Republicans in this House rebelled and would not, for instance, agree to support the budget resolution until a promise was made that $3 billion in additional funding would be found in order to correct some of the shortfalls in education and health and worker protection programs.

In addition, as the gentleman from California has said, when these bills went over to the other end of the Capitol, the United States Senate, they ran into the decision of the Republican majority leader to avoid having the Senate take votes on any controversial issues in the domestic portion of the budget.

As a result, we are here tonight with not a single dollar having been appropriated to any government program that has anything whatsoever to do with the domestic operations of this government. That is a disgraceful performance. And so we are left with the

choice of passing this continuing resolution or having the government shut down.

I want to contrast that with the condition that we left the government in when the Democrats lost the majority in 1994. In 1994 I was chairman of the Appropriations Committee and when we lost the election, we had still managed to complete every single appropriation before the end of the fiscal year. We did that because we had reached a bipartisan agreement between the then-majority Democrats and the then-minority Republicans on the allocation of appropriated dollars to each of the subcommittees. And it was that bipartisan cooperation which allowed us to pass every single bill in the allotted time.

Now we are here with Governors unable to plan, State legislatures unable to plan, mayors being unable to plan, families being unable to plan, because they do not know what the final disposition of the entire domestic budget is going to be.

And so now the Congress is going to leave town and when the Democrats assume control next January, we are going to have to pass 2 years of appropriation bills in 1 year. We will do our best to do that; but I must say to my majority party friends that I think that by this act of abdication, they have given up any right to criticize in any way whatever devices we have to use in order to dispose of the unfinished business of this Congress come next January.

□ 2115

We will do our best, but we have very few decent options. And I find it ironic, as the gentleman from California at least obliquely referenced, I find it ironic that the Senate majority leader found time to publicly diagnose Terri Schiavo's case from the Senate floor. I find it ironic that the majority leader in the Senate found the time to insert 40 pages of language into the defense bill last year indemnifying the entire pharmaceutical industry. He insisted on having that language inserted, although it had never been cleared by anyone in the conference and the conference had already finished its work before that was inserted. So he had plenty of time to do that, but he didn't manage to find the time to schedule the appropriation bills on the Senate floor, and as a result, we are here with this mess tonight.

The most fundamental obligation of the Congress under the Constitution of the United States is to decide what activities the government needs to engage in and to provide the financing for those activities. That is the purpose of appropriation bills. And when the Congress fails to pass that legislation, it fails in its principal obligation to the taxpayers.

So I simply want to say that Senator BYRD and I expect to have an announcement next week on how we will attempt to deal with the leftovers from this congressional session.

But I would simply ask one thing of my friends on the majority side of the aisle: Please spare me. Don't have the gall to go to the American public 2 years from now and ask once again to be put in charge of handling the Nation's budget when the decision has been made at the highest levels of the Republican Party tonight to walk away from our collective responsibility to pass this legislation before we adjourn.

The President is entitled to have his new budget considered anew. He is entitled to have the decks wiped clean so that he can start fresh; and with all due respect, I think we are also entitled to be able to start fresh so that come January, we can consider the President's new budget and not have to turn to last year's problems. We are not going to be given that opportunity, and the President isn't going to be given that opportunity. That is a shame. But at this point we have no choice but to support this resolution.

I do want to say one thing. Speaking of unfinished business, I am pleased to see that this resolution at this point does contain the suspension of the congressional COLA until such time as the minimum wage is increased. I know the distinguished minority leader, Ms. PELOSI, had asked that that be done. This resolution does not complete the linkage, but it does suspend that COLA until February 17, I believe the date is, which gives us an opportunity to pass the minimum wage bill in January before it goes into effect. I hope we meet that obligation so that we can see to it that as Congress receives its COLA, the lowest-paid workers in this country also get a benefit.

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

Mr. LEWIS of California. Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the gentleman from Wisconsin, who has done such an extraordinary job in trying to bring fairness and coherence in this process. Unfortunately, he will soon be in the business to do so, although carrying the burden that he has to get out from under.

I first want to join him in saying that I am glad to see we finally recognize the incongruity of pay raises for ourselves and no minimum wage increase. Many of us tried to argue that on logical grounds and on moral grounds. It is interesting to see that the loss of 30 seats apparently succeeded, where morality and logic was less persuasive. But I will take it any way I can get it.

Then I also want to congratulate my colleagues on the other side for their consistency because they end this Congress governing in the same way in which they carried on for 2 years: frankly, incompetently, without respect for democratic procedures, and with a willingness to inflict harm on the most vulnerable members of our society.

Earlier today we voted on packages of things that in a Democratic legislature, for example, Iraq, we would not have had all lumped together. Members who opposed some and supported others would have had a chance to say so. Today we got have one continuing resolution, as the gentleman from Wisconsin said, we have no choice but to vote ''yes'' so that the government does not stop acting.

But let us take a look at what they have done. I have a particular responsibility in my committee for housing. The one housing program that the Republican Party has not undone is the section 8 program. But we have today a resolution that substantially and deliberately provides fewer dollars for the section 8 program than the housing authorities of this country need to meet their existing commitments. This is a budget that goes into, what, January of this current fiscal year. Months will have gone by in this current fiscal year, and you are funding section 8 at significantly less than your president asked for for this fiscal year, significantly less than is needed to meet commitments. And in January housing authorities will be faced with dilemmas. They may be told by HUD that they cannot continue to service what they are now doing.

There is section 8 project-based assistance you put forward in a bill here which is $636 million below what your President asked for just to meet existing commitments. And housing authorities that have jurisdiction over projects which house elderly people and disabled people may be in turmoil and there will be uncertainty. We will probably be able come to their rescue; but why should we have to? Why should we create, Mr. Speaker, you and your colleagues, a situation in which this difficulty exists and we have to come to the rescue? Why such little regard for the poorest people in this country, the most vulnerable? Why are they going to be treated this way, as pawns, so you can avoid having to make difficult decisions, Mr. Speaker?

So I just want to echo what the gentleman from Wisconsin said about the inappropriateness of this. I do want to point out in particular what happens here. And let me say to those Members on the other side who supported this rule and supported this approach, I will predict now, Mr. Speaker, that many of them will be hearing from the housing authorities and from section 8 residents in January complaining of the uncertainty, complaining of the difficulty. You will have no justification in claiming that it wasn't your fault, those of you who voted to send this procedure. So please be ready to explain to people in January why you so callously, Mr. Speaker, disregarded once again the interests of the poorest people in the country.

Mr. LEWIS of California. Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, in closing, I just want to congratulate the gentleman from California for doing his dead-level best to fulfill his duties in getting all of these bills through, even though he received precious little cooperation from many other key players on Capitol Hill. I would simply point out that it is not his fault that the budget resolution which was adopted by the majority party was so highly unrealistic that, in the end, the majority party in this House could not convince their Senate brethren to vote for the same legislation that was required by that budget resolution. And I want to simply say that I think the Record demonstrates that both of us on both sides of the aisle did everything that we could procedurally to get these bills through the House. We reached time agreements on amendment after amendment, on bill after bill. Sometimes time agreements were so tight that Members were significantly angered by how little time they had to debate these bills. But even though we often opposed the content of the bills, we worked together to move them because we recognized that we had a responsibility to make decisions and to finish the job, whether we won or lost. Unfortunately, the gentleman did not have enough allies on his side of the aisle, and so we are stuck with this leftover mess. We will do our best in January and February to clean it up, but it is not going to be a very pleasant couple of months.

Mr. OBERSTAR. Mr. Speaker, when Congress passed SAFETEA–LU—the legislation that reauthorizes the Federal surface transportation programs—in 2005, it recognized the need to significantly increase Federal investment for highway, highway safety, and transit programs. In fact, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, SAFETEA–LU, increased the overall investment in surface transportation programs by more than 40 percent, with a significant part of that increase guaranteed to take effect in fiscal year 2007.

Earlier this year, the House passed H.R. 5576, the Transportation, Treasury, and Housing and Urban Development, TTHUD, appropriations bill, which meets SAFETEA–LU's funding guarantees. It provides an increase of $3.4 billion for the Federal-aid highway programs and an additional $474 million for the transit programs over the fiscal year 2006 SAFETEA–LU funding levels.

It is now more than 2 months since the start of fiscal year 2007, and the Republican-led Congress has not enacted the TTHUD appropriations bill. Instead, H.J. Res. 102 provides funding for the highway, highway safety, and transit programs through February 15, 2007. The resolution funds these programs at the fiscal year 2006 level. Thus, all of the highway and transit investment increases guaranteed by SAFETEA–LU are put on hold. If this approach is continued and the continuing resolution is extended through fiscal year 2007, SAFETEA–LU's guaranteed highway funding will be cut by $3.4 billion and its transit investment slashed by $474 million.

Under a long-term continuing resolution, the National Highway Traffic Safety Administration, NHTSA, and the Federal Motor Carrier Safety Administration, FMCSA, safety programs will be funded at substantially lower levels than guaranteed in SAFETEA–LU. NHTSA stands to lose up to $21.7 million. At a time when more than 43,000 people are dying in roadway crashes each year, we simply cannot afford to shortchange an agency tasked with making our roadways safer. Likewise, FMCSA could lose almost $27 million that would be spent on motor carrier safety programs and grants. It is essential that we properly fund these critical programs.

The highway, highway safety, and transit programs differ from most other Federal programs in that they are supported by user fees. Motorists who drive on our highways pay the fees when they pump gas. They willingly pay the fees because they rely on a commitment by the Federal Government to use the money so collected to finance our highway and transit programs. In other words, users have already paid for the investments authorized in SAFETEA–LU and funded in the House-passed TTHUD appropriations bill. However, the Republican-led Congress's failure to enact this legislation in a timely manner will shortchange funding for critical transportation projects.

Transportation projects are usually high-cost undertakings that take several years to complete. Certainty in funding—especially Federal funding—is critical to their success. Relying on short-term, stopgap measures, such as continuing resolutions, does not provide the certainty that State departments of transportation need to plan for their construction projects in the upcoming season. And for northern-tier States, where construction seasons are short, delays in providing adequate Federal funding can severely disrupt their process for contract bidding, directly affecting next year's construction season.

Continuing resolutions also provide great uncertainty for transit programs. The Federal Transit Administration, FTA, has delayed the release of transit formula apportionments and other new grants until a final TTHUD appropriations act is enacted. The continuing resolution, coupled with FTA's policy, is resulting in many transit agencies being unable to advance badly needed transit projects.

According to the Federal Reserve, housing construction is currently very weak throughout the country. Congress should do everything within its power to ensure that transportation infrastructure investment is not disrupted through congressional inaction, placing an additional burden on this sector of the economy. Hundreds of our small businesses and thousands of our workers could be put at risk as a result. I urge Congress to fulfill its responsibilities in passing appropriations acts and to honor the funding guarantees established in SAFETEA–LU.

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HAYES). All time for debate has expired.

The joint resolution is considered read for amendment, and pursuant to House Resolution 1105, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

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

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

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

Mr. LAHOOD. 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.

PROVIDING FOR PRINTING OF REVISED RULES AND MANUAL OF HOUSE OF REPRESENTATIVES

Mr. GUTKNECHT. Mr. Speaker, I offer a resolution (H. Res. 1107) providing for the printing of a revised edition of the Rules and Manual of the House of Representatives for the One Hundred Tenth Congress, and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1107

Resolved, That a revised edition of the Rules and Manual of the House of Representatives for the One Hundred Tenth Congress be printed as a House document, and that three thousand additional copies shall be printed and bound for the use of the House of Representatives, of which nine hundred copies shall be bound in leather with thumb index and delivered as may be directed by the Parliamentarian of the House.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR SINE DIE ADJOURNMENT OF THE TWO HOUSES

Mr. GUTKNECHT. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 503) and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the concurrent resolution.

The Clerk read as follows:

H. CON. RES. 503

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Friday, December 8, 2006, or Saturday, December 9, 2006, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned sine die, or until the time of any reassembly pursuant to section 2 of this concurrent resolution; and that when the Senate adjourns on any day from Friday, December 8, 2006, through Wednesday, December 13, 2006, on a motion offered pursuant to this concurrent resolution by its

Majority Leader or his designee, it stand adjourned sine die, or until the time of any reassembly pursuant to section 2 of this concurrent resolution.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate if, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will now resume on questions previously postponed.

Votes will be taken in the following order:

House Joint Resolution 102, by the yeas and nays.

Conference report on H.R. 5682, by the yeas and nays.

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

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2007

The SPEAKER pro tempore. The pending business is the vote on passage of House Joint Resolution 102, on which the yeas and nays are ordered.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The vote was taken by electronic device, and there were—yeas 370, nays 20, not voting 43, as follows:

[Roll No. 540]

YEAS—370

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (SC)
Brown, Corrine
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carnahan
Carson
Carter
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
Eshoo
Etheridge
Everett
Farr
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutknecht
Hall
Harman
Harris
Hart
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kuhl (NY)
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McDermott
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris Rodgers
McNulty
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Northup
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (WI)
Ryun (KS)
Salazar
Sánchez, Linda T.
Sanders
Saxton
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Stupak
Sullivan
Tancredo
Tanner
Tauscher
Taylor (MS)
Terry
Thomas
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—20

Burgess
Capuano
Castle
Doolittle
Frank (MA)
Gutierrez
King (IA)
Kucinich
LaHood
LaTourette
Lee
McGovern
Meehan
Moran (KS)
Rogers (AL)
Sabo
Schakowsky
Tiahrt
Upton
Watt

NOT VOTING—43

Baker
Blumenauer
Brown (OH)
Brown-Waite, Ginny
Burton (IN)
Case
Cubin
Davis, Jo Ann
Deal (GA)
English (PA)
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Inglis (SC)
Jefferson
Johnson (IL)
Jones (NC)
Kolbe
McCrery
Meek (FL)
Miller, Gary
Norwood
Nussle
Otter
Paul
Peterson (PA)
Putnam
Reynolds
Ryan (OH)
Sanchez, Loretta
Sensenbrenner
Simpson
Smith (TX)
Strickland
Sweeney
Taylor (NC)
Thompson (CA)
Watson
Waxman
Wexler

□ 2154

Ms. LEE, Mr. UPTON and Mr. MEEHAN changed their vote from ''yea'' to ''nay.''

Mr. NEAL of Massachusetts, Ms. McKINNEY, Ms. VELÁZQUEZ, and Ms. SLAUGHTER changed their vote from ''nay'' to ''yea.''

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. PUTNAM. Mr. Speaker, on rollcall No. 540, I was unavoidably detained. Had I been present, I would have voted "yea."

Mr. THOMPSON of California. Mr. Speaker, on rollcall No. 540, I was speaking with Speaker-elect PELOSI. Had I been present, I would have voted "yea."

HENRY J. HYDE UNITED STATES-INDIA PEACEFUL ATOMIC ENERGY COOPERATION ACT OF 2006

The SPEAKER pro tempore (Mr. CAMP of Michigan). The pending business is the question of adoption of the conference report on the bill, H.R. 5682, on which the yeas and nays are ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the conference report.

The vote was taken by electronic device, and there were—yeas 330, nays 59, not voting 44, as follows:

[Roll No. 541]

YEAS—330

Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Beauprez
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Castle
Chabot

Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeGette
Delahunt
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
Eshoo
Etheridge
Everett
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutierrez
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (FL)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holden
Honda
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kuhl (NY)
LaHood
Lantos
Larsen (WA)
Latham
LaTourette
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McGovern
McHenry
McHugh
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Mollohan
Moore (KS)
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Neal (MA)
Neugebauer
Northup
Nunes
Ortiz
Oxley
Pallone
Pearce
Pelosi
Pence
Peterson (MN)
Pickering
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Saxton
Schakowsky
Schiff
Schmidt
Schwarz (MI)
Scott (GA)
Scott (VA)
Sekula Gibbs
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Sires
Skelton
Smith (WA)
Snyder
Sodrel
Souder
Spratt
Stearns
Stupak
Sullivan
Tancredo
Tanner
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Upton
Van Hollen
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Watt
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—59

Abercrombie
Baldwin
Becerra
Burgess
Capps
Conyers
Costello
Cummings
DeFazio
DeLauro
Dingell
Doggett
Farr
Goode
Grijalva
Harman
Hinchey
Holt
Hooley
Kaptur
Kilpatrick (MI)
Kucinich
Langevin
Larson (CT)
Leach
Lee
Lewis (GA)
Markey
Matsui
McDermott
McNulty
Miller, George
Moore (WI)
Nadler
Napolitano
Oberstar
Obey
Olver
Owens
Pascrell
Pastor
Payne
Pitts
Rothman
Sanders
Schwartz (PA)
Serrano
Slaughter
Smith (NJ)
Solis
Stark
Tauscher
Taylor (MS)
Thompson (CA)
Udall (NM)
Velázquez
Waters
Woolsey
Wu

NOT VOTING—44

Baker
Bass
Blumenauer
Brown (OH)
Burton (IN)
Case
Cubin
Davis, Jo Ann
Deal (GA)
English (PA)
Evans
Fattah
Ford
Gallegly
Gibbons
Gillmor
Hastings (WA)
Jefferson
Johnson (IL)
Johnson, Sam
Jones (NC)
Kolbe
McCrery
McKinney
McMorris Rodgers
Miller, Gary
Murtha
Norwood
Nussle
Osborne
Otter
Paul
Peterson (PA)
Petri
Reynolds
Sanchez, Loretta
Sensenbrenner
Simpson
Smith (TX)
Strickland
Sweeney
Taylor (NC)
Watson
Waxman

□ 2205

Mr. TAYLOR of Mississippi changed his vote from ''yea'' to ''nay.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CORRECTING ENROLLMENT OF H.R. 5682, HENRY J. HYDE UNITED STATES-INDIA PEACEFUL ATOMIC ENERGY COOPERATION ACT OF 2006

Mr. ROYCE. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 502) to correct the enrollment of the bill H.R. 5682, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. CAMP of Michigan). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 502

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill, H.R. 5682, the Clerk of the House of Representatives shall make the following correction in section 110(10): Strike ''point'' and insert ''pound''.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

POSTAL ACCOUNTABILITY AND ENHANCEMENT ACT

Mr. TOM DAVIS of Virginia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6407) to reform the postal laws of the United States, as amended.

The Clerk read as follows:

H.R. 6407

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Postal Accountability and Enhancement Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—DEFINITIONS; POSTAL SERVICES

Sec. 101. Definitions.
Sec. 102. Postal Services.

TITLE II—MODERN RATE REGULATION

Sec. 201. Provisions relating to market-dominant products.
Sec. 202. Provisions relating to competitive products.
Sec. 203. Provisions relating to experimental and new products.
Sec. 204. Reporting requirements and related provisions.
Sec. 205. Complaints; appellate review and enforcement.
Sec. 206. Clerical amendment.

TITLE III—MODERN SERVICE STANDARDS

Sec. 301. Establishment of modern service standards.
Sec. 302. Postal service plan.

TITLE IV—PROVISIONS RELATING TO FAIR COMPETITION

Sec. 401. Postal Service Competitive Products Fund.
Sec. 402. Assumed Federal income tax on competitive products income.
Sec. 403. Unfair competition prohibited.
Sec. 404. Suits by and against the Postal Service.
Sec. 405. International postal arrangements.

TITLE V—GENERAL PROVISIONS

Sec. 501. Qualification and term requirements for Governors.
Sec. 502. Obligations.
Sec. 503. Private carriage of letters.
Sec. 504. Rulemaking authority.
Sec. 505. Noninterference with collective bargaining agreements.
Sec. 506. Bonus authority.

TITLE VI—ENHANCED REGULATORY COMMISSION

Sec. 601. Reorganization and modification of certain provisions relating to the Postal Regulatory Commission.
Sec. 602. Authority for Postal Regulatory Commission to issue subpoenas.
Sec. 603. Authorization of appropriations from the Postal Service Fund.
Sec. 604. Redesignation of the Postal Rate Commission.
Sec. 605. Inspector General of the Postal Regulatory Commission.

TITLE VII—EVALUATIONS

Sec. 701. Assessments of ratemaking, classification, and other provisions.
Sec. 702. Report on universal postal service and the postal monopoly.
Sec. 703. Study on equal application of laws to competitive products.
Sec. 704. Report on postal workplace safety and workplace-related injuries.
Sec. 705. Study on recycled paper.
Sec. 706. Greater diversity in Postal Service executive and administrative schedule management positions.
Sec. 707. Contracts with women, minorities, and small businesses.
Sec. 708. Rates for periodicals.
Sec. 709. Assessment of certain rate deficiencies.

Sec. 710. Assessment of future business model of the Postal Service.
Sec. 711. Provisions relating to cooperative mailings.
Sec. 712. Definition.
TITLE VIII—POSTAL SERVICE RETIREMENT AND HEALTH BENEFITS FUNDING
Sec. 801. Short title.
Sec. 802. Civil Service Retirement System.
Sec. 803. Health insurance.
Sec. 804. Repeal of disposition of savings provision.
Sec. 805. Effective dates.
TITLE IX—COMPENSATION FOR WORK INJURIES
Sec. 901. Temporary disability; continuation of pay.
TITLE X—MISCELLANEOUS
Sec. 1001. Employment of postal police officers.
Sec. 1002. Obsolete provisions.
Sec. 1003. Reduced rates.
Sec. 1004. Sense of Congress regarding Postal Service purchasing reform.
Sec. 1005. Contracts for transportation of mail by air.
Sec. 1006. Date of postmark to be treated as date of appeal in connection with the closing or consolidation of post offices.
Sec. 1007. Provisions relating to benefits under chapter 81 of title 5, United States Code, for officers and employees of the former Post Office Department.
Sec. 1008. Hazardous matter.
Sec. 1009. ZIP codes and retail hours.
Sec. 1010. Technical and conforming amendments.

TITLE I—DEFINITIONS; POSTAL SERVICES

SEC. 101. DEFINITIONS.

Section 102 of title 39, United States Code, is amended by striking ''and'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting a semicolon, and by adding at the end the following:

''(5) 'postal service' refers to the delivery of letters, printed matter, or mailable packages, including acceptance, collection, sorting, transportation, or other functions ancillary thereto;

''(6) 'product' means a postal service with a distinct cost or market characteristic for which a rate or rates are, or may reasonably be, applied;

''(7) 'rates', as used with respect to products, includes fees for postal services;

''(8) 'market-dominant product' or 'product in the market-dominant category of mail' means a product subject to subchapter I of chapter 36; and

''(9) 'competitive product' or 'product in the competitive category of mail' means a product subject to subchapter II of chapter 36; and

''(10) 'year', as used in chapter 36 (other than subchapters I and VI thereof), means a fiscal year.''.

SEC. 102. POSTAL SERVICES.

(a) IN GENERAL.—Section 404 of title 39, United States Code, is amended—

(1) in subsection (a), by striking paragraph (6) and by redesignating paragraphs (7) through (9) as paragraphs (6) through (8), respectively; and

(2) by adding at the end the following:

''(c)(1) In this subsection, the term ''nonpostal service'' means any service that is not a postal service defined under section 102(5).

''(2) Nothing in this section shall be considered to permit or require that the Postal Service provide any nonpostal service, except that the Postal Service may provide nonpostal services which were offered as of January 1, 2006, as provided under this subsection.

''(3) Not later than 2 years after the date of enactment of the Postal Accountability and Enhancement Act, the Postal Regulatory Commission shall review each nonpostal service offered by the Postal Service on the date of enactment of that Act and determine whether that nonpostal service shall continue, taking into account—

''(A) the public need for the service; and

''(B) the ability of the private sector to meet the public need for the service.

''(4) Any nonpostal service not determined to be continued by the Postal Regulatory Commission under paragraph (3) shall terminate.

''(5) If the Postal Regulatory Commission authorizes the Postal Service to continue a nonpostal service under this subsection, the Postal Regulatory Commission shall designate whether the service shall be regulated under this title as a market dominant product, a competitive product, or an experimental product.''.

(b) CONFORMING AMENDMENTS.—Section 1402(b)(1)(B)(ii) of the Victims of Crime Act of 1984 (98 Stat. 2170; 42 U.S.C. 10601(b)(1)(B)(ii)) is amended by striking ''404(a)(8)'' and inserting ''404(a)(7)''.

TITLE II—MODERN RATE REGULATION

SEC. 201. PROVISIONS RELATING TO MARKET-DOMINANT PRODUCTS.

(a) IN GENERAL.—Chapter 36 of title 39, United States Code, is amended by striking sections 3621 and 3622 and inserting the following:

''§ 3621. Applicability; definitions

''(a) APPLICABILITY.—This subchapter shall apply with respect to—

''(1) first-class mail letters and sealed parcels;

''(2) first-class mail cards;

''(3) periodicals;

''(4) standard mail;

''(5) single-piece parcel post;

''(6) media mail;

''(7) bound printed matter;

''(8) library mail;

''(9) special services; and

''(10) single-piece international mail,

subject to any changes the Postal Regulatory Commission may make under section 3642.

''(b) RULE OF CONSTRUCTION.—Mail matter referred to in subsection (a) shall, for purposes of this subchapter, be considered to have the meaning given to such mail matter under the mail classification schedule.

''§ 3622. Modern rate regulation

''(a) AUTHORITY GENERALLY.—The Postal Regulatory Commission shall, within 18 months after the date of enactment of this section, by regulation establish (and may from time to time thereafter by regulation revise) a modern system for regulating rates and classes for market-dominant products.

''(b) OBJECTIVES.—Such system shall be designed to achieve the following objectives, each of which shall be applied in conjunction with the others:

''(1) To maximize incentives to reduce costs and increase efficiency.

''(2) To create predictability and stability in rates.

''(3) To maintain high quality service standards established under section 3691.

''(4) To allow the Postal Service pricing flexibility.

''(5) To assure adequate revenues, including retained earnings, to maintain financial stability.

''(6) To reduce the administrative burden and increase the transparency of the ratemaking process.

''(7) To enhance mail security and deter terrorism.

''(8) To establish and maintain a just and reasonable schedule for rates and classifications, however the objective under this paragraph shall not be construed to prohibit the Postal Service from making changes of unequal magnitude within, between, or among classes of mail.

''(9) To allocate the total institutional costs of the Postal Service appropriately between market-dominant and competitive products.

''(c) FACTORS.—In establishing or revising such system, the Postal Regulatory Commission shall take into account—

''(1) the value of the mail service actually provided each class or type of mail service to both the sender and the recipient, including but not limited to the collection, mode of transportation, and priority of delivery;

''(2) the requirement that each class of mail or type of mail service bear the direct and indirect postal costs attributable to each class or type of mail service through reliably identified causal relationships plus that portion of all other costs of the Postal Service reasonably assignable to such class or type;

''(3) the effect of rate increases upon the general public, business mail users, and enterprises in the private sector of the economy engaged in the delivery of mail matter other than letters;

''(4) the available alternative means of sending and receiving letters and other mail matter at reasonable costs;

''(5) the degree of preparation of mail for delivery into the postal system performed by the mailer and its effect upon reducing costs to the Postal Service;

''(6) simplicity of structure for the entire schedule and simple, identifiable relationships between the rates or fees charged the various classes of mail for postal services;

''(7) the importance of pricing flexibility to encourage increased mail volume and operational efficiency;

''(8) the relative value to the people of the kinds of mail matter entered into the postal system and the desirability and justification for special classifications and services of mail;

''(9) the importance of providing classifications with extremely high degrees of reliability and speed of delivery and of providing those that do not require high degrees of reliability and speed of delivery;

''(10) the desirability of special classifications for both postal users and the Postal Service in accordance with the policies of this title, including agreements between the Postal Service and postal users, when available on public and reasonable terms to similarly situated mailers, that—

''(A) either—

''(i) improve the net financial position of the Postal Service through reducing Postal Service costs or increasing the overall contribution to the institutional costs of the Postal Service; or

''(ii) enhance the performance of mail preparation, processing, transportation, or other functions; and

''(B) do not cause unreasonable harm to the marketplace.

''(11) the educational, cultural, scientific, and informational value to the recipient of mail matter;

''(12) the need for the Postal Service to increase its efficiency and reduce its costs, including infrastructure costs, to help maintain high quality, affordable postal services;

(13) the value to the Postal Service and postal users of promoting intelligent mail and of secure, sender-identified mail; and

''(14) the policies of this title as well as such other factors as the Commission determines appropriate.

''(d) REQUIREMENTS.—

''(1) IN GENERAL.—The system for regulating rates and classes for market-dominant products shall—

''(A) include an annual limitation on the percentage changes in rates to be set by the Postal Regulatory Commission that will be equal to the change in the Consumer Price Index for All Urban Consumers unadjusted for seasonal variation over the most recent available 12-month period preceding the date the Postal Service files notice of its intention to increase rates;

''(B) establish a schedule whereby rates, when necessary and appropriate, would change at regular intervals by predictable amounts;

''(C) not later than 45 days before the implementation of any adjustment in rates under this section, including adjustments made under subsection (c)(10)—

''(i) require the Postal Service to provide public notice of the adjustment;

''(ii) provide an opportunity for review by the Postal Regulatory Commission;

''(iii) provide for the Postal Regulatory Commission to notify the Postal Service of any noncompliance of the adjustment with the limitation under subparagraph (A); and

''(iv) require the Postal Service to respond to the notice provided under clause (iii) and describe the actions to be taken to comply with the limitation under subparagraph (A);

''(D) establish procedures whereby the Postal Service may adjust rates not in excess of the annual limitations under subparagraph (A); and

''(E) notwithstanding any limitation set under subparagraphs (A) and (C), and provided there is not sufficient unused rate authority under paragraph (2)(C), establish procedures whereby rates may be adjusted on an expedited basis due to either extraordinary or exceptional circumstances, provided that the Commission determines, after notice and opportunity for a public hearing and comment, and within 90 days after any request by the Postal Service, that such adjustment is reasonable and equitable and necessary to enable the Postal Service, under best practices of honest, efficient, and economical management, to maintain and continue the development of postal services of the kind and quality adapted to the needs of the United States.

''(2) LIMITATIONS.—

''(A) CLASSES OF MAIL.—Except as provided under subparagraph (C), the annual limitations under paragraph (1)(A) shall apply to a class of mail, as defined in the Domestic Mail Classification Schedule as in effect on the date of enactment of the Postal Accountability and Enhancement Act.

''(B) ROUNDING OF RATES AND FEES.—Nothing in this subsection shall preclude the Postal Service from rounding rates and fees to the nearest whole integer, if the effect of such rounding does not cause the overall rate increase for any class to exceed the Consumer Price Index for All Urban Consumers.

''(C) USE OF UNUSED RATE AUTHORITY.—

''(i) DEFINITION.—In this subparagraph, the term 'unused rate adjustment authority' means the difference between—

''(I) the maximum amount of a rate adjustment that the Postal Service is authorized to make in any year subject to the annual limitation under paragraph (1); and

''(II) the amount of the rate adjustment the Postal Service actually makes in that year.

''(ii) AUTHORITY.—Subject to clause (iii), the Postal Service may use any unused rate adjustment authority for any of the 5 years following the year such authority occurred.

''(iii) LIMITATIONS.—In exercising the authority under clause (ii) in any year, the Postal Service—

''(I) may use unused rate adjustment authority from more than 1 year;

''(II) may use any part of the unused rate adjustment authority from any year;

''(III) shall use the unused rate adjustment authority from the earliest year such authority first occurred and then each following year; and

''(IV) for any class or service, may not exceed the annual limitation under paragraph (1) by more than 2 percentage points.

''(3) REVIEW.—Ten years after the date of enactment of the Postal Accountability and Enhancement Act and as appropriate thereafter, the Commission shall review the system for regulating rates and classes for market-dominant products established under this section to determine if the system is achieving the objectives in subsection (b), taking into account the factors in subsection (c). If the Commission determines, after notice and opportunity for public comment, that the system is not achieving the objectives in subsection (b), taking into account the factors in subsection (c), the Commission may, by regulation, make such modification or adopt such alternative system for regulating rates and classes for market-dominant products as necessary to achieve the objectives.

''(e) WORKSHARE DISCOUNTS.—

''(1) DEFINITION.—In this subsection, the term 'workshare discount' refers to rate discounts provided to mailers for the presorting, prebarcoding, handling, or transportation of mail, as further defined by the Postal Regulatory Commission under subsection (a).

''(2) SCOPE.—The Postal Regulatory Commission shall ensure that such discounts do not exceed the cost that the Postal Service avoids as a result of workshare activity, unless—

''(A) the discount is—

''(i) associated with a new postal service, a change to an existing postal service, or with a new work share initiative related to an existing postal service; and

''(ii) necessary to induce mailer behavior that furthers the economically efficient operation of the Postal Service and the portion of the discount in excess of the cost that the Postal Service avoids as a result of the workshare activity will be phased out over a limited period of time;

''(B) the amount of the discount above costs avoided—

''(i) is necessary to mitigate rate shock; and

''(ii) will be phased out over time;

''(C) the discount is provided in connection with subclasses of mail consisting exclusively of mail matter of educational, cultural, scientific, or informational value; or

''(D) reduction or elimination of the discount would impede the efficient operation of the Postal Service.

''(3) LIMITATION.—Nothing in this subsection shall require that a work share discount be reduced or eliminated if the reduction or elimination of the discount would—

''(A) lead to a loss of volume in the affected category or subclass of mail and reduce the aggregate contribution to the institutional costs of the Postal Service from the category or subclass subject to the discount below what it otherwise would have been if the discount had not been reduced or eliminated; or

''(B) result in a further increase in the rates paid by mailers not able to take advantage of the discount.

''(4) REPORT.—Whenever the Postal Service establishes a workshare discount rate, the Postal Service shall, at the time it publishes the workshare discount rate, submit to the Postal Regulatory Commission a detailed report that—

''(A) explains the Postal Service's reasons for establishing the rate;

''(B) sets forth the data, economic analyses, and other information relied on by the Postal Service to justify the rate; and

''(C) certifies that the discount will not adversely affect rates or services provided to users of postal services who do not take advantage of the discount rate.

''(f) TRANSITION RULE.—For the 1-year period beginning on the date of enactment of this section, rates and classes for market-dominant products shall remain subject to modification in accordance with the provisions of this chapter and section 407, as such provisions were last in effect before the date of enactment of this section. Proceedings initiated to consider a request for a recommended decision filed by the Postal Service during that 1-year period shall be completed in accordance with subchapter II of chapter 36 of this title and implementing regulations, as in effect before the date of enactment of this section.''.

(b) REPEALED SECTIONS.—Sections 3623, 3624, 3625, and 3628 of title 39, United States Code, are repealed.

(c) REDESIGNATION.—Chapter 36 of title 39, United States Code (as in effect after the amendment made by section 601, but before the amendment made by section 202) is amended by striking the heading for subchapter II and inserting the following:

''SUBCHAPTER I—PROVISIONS RELATING TO MARKET-DOMINANT PRODUCTS''.

SEC. 202. PROVISIONS RELATING TO COMPETITIVE PRODUCTS.

Chapter 36 of title 39, United States Code, is amended by inserting after section 3629 the following:

''SUBCHAPTER II—PROVISIONS RELATING TO COMPETITIVE PRODUCTS

''§ 3631. Applicability; definitions and updates

''(a) APPLICABILITY.—This subchapter shall apply with respect to—

''(1) priority mail;

''(2) expedited mail;

''(3) bulk parcel post;

''(4) bulk international mail; and

''(5) mailgrams;

subject to subsection (d) and any changes the Postal Regulatory Commission may make under section 3642.

''(b) DEFINITION.—For purposes of this subchapter, the term 'costs attributable', as used with respect to a product, means the direct and indirect postal costs attributable to such product through reliably identified causal relationships.

''(c) RULE OF CONSTRUCTION.—Mail matter referred to in subsection (a) shall, for purposes of this subchapter, be considered to have the meaning given to such mail matter under the mail classification schedule.

''§ 3632. Action of the Governors

''(a) AUTHORITY TO ESTABLISH RATES AND CLASSES.—The Governors, with the concurrence of a majority of all of the Governors then holding office, shall establish rates and classes for products in the competitive category of mail in accordance with the requirements of this subchapter and regulations promulgated under section 3633.

''(b) PROCEDURES.—

''(1) IN GENERAL.—Rates and classes shall be established in writing, complete with a statement of explanation and justification, and the date as of which each such rate or class takes effect.

''(2) RATES OR CLASSES OF GENERAL APPLICABILITY.—In the case of rates or classes of general applicability in the Nation as a whole or in any substantial region of the Nation, the Governors shall cause each rate and class decision under this section and the record of the Governors' proceedings in connection with such decision to be published in

the Federal Register at least 30 days before the effective date of any new rates or classes.

''(3) RATES OR CLASSES NOT OF GENERAL APPLICABILITY.—In the case of rates or classes not of general applicability in the Nation as a whole or in any substantial region of the Nation, the Governors shall cause each rate and class decision under this section and the record of the proceedings in connection with such decision to be filed with the Postal Regulatory Commission by such date before the effective date of any new rates or classes as the Governors consider appropriate, but in no case less than 15 days.

''(4) CRITERIA.—As part of the regulations required under section 3633, the Postal Regulatory Commission shall establish criteria for determining when a rate or class established under this subchapter is or is not of general applicability in the Nation as a whole or in any substantial region of the Nation.

''(c) TRANSITION RULE.—Until regulations under section 3633 first take effect, rates and classes for competitive products shall remain subject to modification in accordance with the provisions of this chapter and section 407, as such provisions were as last in effect before the date of enactment of this section.

''§ 3633. Provisions applicable to rates for competitive products

''(a) IN GENERAL.—The Postal Regulatory Commission shall, within 18 months after the date of enactment of this section, promulgate (and may from time to time thereafter revise) regulations to—

''(1) prohibit the subsidization of competitive products by market-dominant products;

''(2) ensure that each competitive product covers its costs attributable; and

''(3) ensure that all competitive products collectively cover what the Commission determines to be an appropriate share of the institutional costs of the Postal Service.

''(b) REVIEW OF MINIMUM CONTRIBUTION.—Five years after the date of enactment of this section, and every 5 years thereafter, the Postal Regulatory Commission shall conduct a review to determine whether the institutional costs contribution requirement under subsection (a)(3) should be retained in its current form, modified, or eliminated. In making its determination, the Commission shall consider all relevant circumstances, including the prevailing competitive conditions in the market, and the degree to which any costs are uniquely or disproportionately associated with any competitive products.''.

SEC. 203. PROVISIONS RELATING TO EXPERIMENTAL AND NEW PRODUCTS.

Subchapter III of chapter 36 of title 39, United States Code, is amended to read as follows:

''SUBCHAPTER III—PROVISIONS RELATING TO EXPERIMENTAL AND NEW PRODUCTS

''§ 3641. Market tests of experimental products

''(a) AUTHORITY.—

''(1) IN GENERAL.—The Postal Service may conduct market tests of experimental products in accordance with this section.

''(2) PROVISIONS WAIVED.—A product shall not, while it is being tested under this section, be subject to the requirements of sections 3622, 3633, or 3642, or regulations promulgated under those sections.

''(b) CONDITIONS.—A product may not be tested under this section unless it satisfies each of the following:

''(1) SIGNIFICANTLY DIFFERENT PRODUCT.—The product is, from the viewpoint of the mail users, significantly different from all products offered by the Postal Service within the 2-year period preceding the start of the test.

''(2) MARKET DISRUPTION.—The introduction or continued offering of the product will not create an unfair or otherwise inappropriate competitive advantage for the Postal Service or any mailer, particularly in regard to small business concerns (as defined under subsection (h)).

''(3) CORRECT CATEGORIZATION.—The Postal Service identifies the product, for the purpose of a test under this section, as either market-dominant or competitive, consistent with the criteria under section 3642(b)(1). Costs and revenues attributable to a product identified as competitive shall be included in any determination under section 3633(3) (relating to provisions applicable to competitive products collectively). Any test that solely affects products currently classified as competitive, or which provides services ancillary to only competitive products, shall be presumed to be in the competitive product category without regard to whether a similar ancillary product exists for market-dominant products.

''(c) NOTICE.—

''(1) IN GENERAL.—At least 30 days before initiating a market test under this section, the Postal Service shall file with the Postal Regulatory Commission and publish in the Federal Register a notice—

''(A) setting out the basis for the Postal Service's determination that the market test is covered by this section; and

''(B) describing the nature and scope of the market test.

''(2) SAFEGUARDS.—For a competitive experimental product, the provisions of section 504(g) shall be available with respect to any information required to be filed under paragraph (1) to the same extent and in the same manner as in the case of any matter described in section 504(g)(1). Nothing in paragraph (1) shall be considered to permit or require the publication of any information as to which confidential treatment is accorded under the preceding sentence (subject to the same exception as set forth in section 504(g)(3)).

''(d) DURATION.—

''(1) IN GENERAL.—A market test of a product under this section may be conducted over a period of not to exceed 24 months.

''(2) EXTENSION AUTHORITY.—If necessary in order to determine the feasibility or desirability of a product being tested under this section, the Postal Regulatory Commission may, upon written application of the Postal Service (filed not later than 60 days before the date as of which the testing of such product would otherwise be scheduled to terminate under paragraph (1)), extend the testing of such product for not to exceed an additional 12 months.

''(e) DOLLAR-AMOUNT LIMITATION.—

''(1) IN GENERAL.—A product may only be tested under this section if the total revenues that are anticipated, or in fact received, by the Postal Service from such product do not exceed $10,000,000 in any year, subject to paragraph (2) and subsection (g). In carrying out the preceding sentence, the Postal Regulatory Commission may limit the amount of revenues the Postal Service may obtain from any particular geographic market as necessary to prevent market disruption (as defined under subsection (b)(2)).

''(2) EXEMPTION AUTHORITY.—The Postal Regulatory Commission may, upon written application of the Postal Service, exempt the market test from the limit in paragraph (1) if the total revenues that are anticipated, or in fact received, by the Postal Service from such product do not exceed $50,000,000 in any year, subject to subsection (g). In reviewing an application under this paragraph, the Postal Regulatory Commission shall approve such application if it determines that—

''(A) the product is likely to benefit the public and meet an expected demand;

''(B) the product is likely to contribute to the financial stability of the Postal Service; and

''(C) the product is not likely to result in unfair or otherwise inappropriate competition.

''(f) CANCELLATION.—If the Postal Regulatory Commission at any time determines that a market test under this section fails, with respect to any particular product, to meet 1 or more of the requirements of this section, it may order the cancellation of the test involved or take such other action as it considers appropriate. A determination under this subsection shall be made in accordance with such procedures as the Commission shall by regulation prescribe.

''(g) ADJUSTMENT FOR INFLATION.—For purposes of each year following the year in which occurs the deadline for the Postal Service's first report to the Postal Regulatory Commission under section 3652(a), each dollar amount contained in this section shall be adjusted by the change in the Consumer Price Index for such year (as determined under regulations of the Commission).

''(h) DEFINITION OF A SMALL BUSINESS CONCERN.—The criteria used in defining small business concerns or otherwise categorizing business concerns as small business concerns shall, for purposes of this section, be established by the Postal Regulatory Commission in conformance with the requirements of section 3 of the Small Business Act.

''(i) EFFECTIVE DATE.—Market tests under this subchapter may be conducted in any year beginning with the first year in which occurs the deadline for the Postal Service's first report to the Postal Regulatory Commission under section 3652(a).

''§ 3642. New products and transfers of products between the market-dominant and competitive categories of mail

''(a) IN GENERAL.—Upon request of the Postal Service or users of the mails, or upon its own initiative, the Postal Regulatory Commission may change the list of market-dominant products under section 3621 and the list of competitive products under section 3631 by adding new products to the lists, removing products from the lists, or transferring products between the lists.

''(b) CRITERIA.—All determinations by the Postal Regulatory Commission under subsection (a) shall be made in accordance with the following criteria:

''(1) The market-dominant category of products shall consist of each product in the sale of which the Postal Service exercises sufficient market power that it can effectively set the price of such product substantially above costs, raise prices significantly, decrease quality, or decrease output, without risk of losing a significant level of business to other firms offering similar products. The competitive category of products shall consist of all other products.

''(2) EXCLUSION OF PRODUCTS COVERED BY POSTAL MONOPOLY.—A product covered by the postal monopoly shall not be subject to transfer under this section from the market-dominant category of mail. For purposes of the preceding sentence, the term 'product covered by the postal monopoly' means any product the conveyance or transmission of which is reserved to the United States under section 1696 of title 18, subject to the same exception as set forth in the last sentence of section 409(e)(1).

''(3) ADDITIONAL CONSIDERATIONS.—In making any decision under this section, due regard shall be given to—

''(A) the availability and nature of enterprises in the private sector engaged in the delivery of the product involved;

''(B) the views of those who use the product involved on the appropriateness of the proposed action; and

''(C) the likely impact of the proposed action on small business concerns (within the meaning of section 3641(h)).

''(c) TRANSFERS OF SUBCLASSES AND OTHER SUBORDINATE UNITS ALLOWABLE.—Nothing in this title shall be considered to prevent transfers under this section from being made by reason of the fact that they would involve only some (but not all) of the subclasses or other subordinate units of the class of mail or type of postal service involved (without regard to satisfaction of minimum quantity requirements standing alone).

''(d) NOTIFICATION AND PUBLICATION REQUIREMENTS.—

''(1) NOTIFICATION REQUIREMENT.—The Postal Service shall, whenever it requests to add a product or transfer a product to a different category, file with the Postal Regulatory Commission and publish in the Federal Register a notice setting out the basis for its determination that the product satisfies the criteria under subsection (b) and, in the case of a request to add a product or transfer a product to the competitive category of mail, that the product meets the regulations promulgated by the Postal Regulatory Commission under section 3633. The provisions of section 504(g) shall be available with respect to any information required to be filed.

''(2) PUBLICATION REQUIREMENT.—The Postal Regulatory Commission shall, whenever it changes the list of products in the market-dominant or competitive category of mail, prescribe new lists of products. The revised lists shall indicate how and when any previous lists (including the lists under sections 3621 and 3631) are superseded, and shall be published in the Federal Register.

''(e) PROHIBITION.—Except as provided in section 3641, no product that involves the physical delivery of letters, printed matter, or packages may be offered by the Postal Service unless it has been assigned to the market-dominant or competitive category of mail (as appropriate) either—

''(1) under this subchapter; or

''(2) by or under any other provision of law.''.

SEC. 204. REPORTING REQUIREMENTS AND RELATED PROVISIONS.

(a) REDESIGNATION.—Chapter 36 of title 39, United States Code (as in effect before the amendment made by subsection (b)) is amended—

(1) by striking the heading for subchapter IV and inserting the following:

''SUBCHAPTER V—POSTAL SERVICES, COMPLAINTS, AND JUDICIAL REVIEW''; and

(2) by striking the heading for subchapter V and inserting the following:

''SUBCHAPTER VI—GENERAL''.

(b) REPORTS AND COMPLIANCE.—Chapter 36 of title 39, United States Code, is amended by inserting after subchapter III the following:

''SUBCHAPTER IV—REPORTING REQUIREMENTS AND RELATED PROVISIONS

''§ 3651. Annual reports by the Commission

''(a) IN GENERAL.—The Postal Regulatory Commission shall submit an annual report to the President and the Congress concerning the operations of the Commission under this title, including the extent to which regulations are achieving the objectives under sections 3622 and 3633, respectively.

''(b) ADDITIONAL INFORMATION.—

''(1) IN GENERAL.—In addition to the information required under subsection (a), each report under this section shall also include, with respect to the period covered by such report, an estimate of the costs incurred by the Postal Service in providing—

''(A) postal services to areas of the Nation where, in the judgment of the Postal Regulatory Commission, the Postal Service either would not provide services at all or would not provide such services in accordance with the requirements of this title if the Postal Service were not required to provide prompt, reliable, and efficient services to patrons in all areas and all communities, including as required under the first sentence of section 101(b);

''(B) free or reduced rates for postal services as required by this title; and

''(C) other public services or activities which, in the judgment of the Postal Regulatory Commission, would not otherwise have been provided by the Postal Service but for the requirements of law.

''(2) BASIS FOR ESTIMATES.—The Commission shall detail the basis for its estimates and the statutory requirements giving rise to the costs identified in each report under this section.

''(c) INFORMATION FROM POSTAL SERVICE.—The Postal Service shall provide the Postal Regulatory Commission with such information as may, in the judgment of the Commission, be necessary in order for the Commission to prepare its reports under this section.

''§ 3652. Annual reports to the Commission

''(a) COSTS, REVENUES, RATES, AND SERVICE.—Except as provided in subsection (c), the Postal Service shall, no later than 90 days after the end of each year, prepare and submit to the Postal Regulatory Commission a report (together with such nonpublic annex to the report as the Commission may require under subsection (e))—

''(1) which shall analyze costs, revenues, rates, and quality of service, using such methodologies as the Commission shall by regulation prescribe, and in sufficient detail to demonstrate that all products during such year complied with all applicable requirements of this title; and

''(2) which shall, for each market-dominant product provided in such year, provide—

''(A) product information, including mail volumes; and

''(B) measures of the quality of service afforded by the Postal Service in connection with such product, including—

''(i) the level of service (described in terms of speed of delivery and reliability) provided; and

''(ii) the degree of customer satisfaction with the service provided.

The Inspector General shall regularly audit the data collection systems and procedures utilized in collecting information and preparing such report (including any annex thereto and the information required under subsection (b)). The results of any such audit shall be submitted to the Postal Service and the Postal Regulatory Commission.

''(b) INFORMATION RELATING TO WORKSHARE DISCOUNTS.—The Postal Service shall include, in each report under subsection (a), the following information with respect to each market-dominant product for which a workshare discount was in effect during the period covered by such report:

''(1) The per-item cost avoided by the Postal Service by virtue of such discount.

''(2) The percentage of such per-item cost avoided that the per-item workshare discount represents.

''(3) The per-item contribution made to institutional costs.

''(c) MARKET TESTS.—In carrying out subsections (a) and (b) with respect to experimental products offered through market tests under section 3641 in a year, the Postal Service shall—

''(1) report data on the costs, revenues, and quality of service by market test, which may be reported in summary form; and

''(2) report such data as the Postal Regulatory Commission requires.

''(d) SUPPORTING MATTER.—The Postal Regulatory Commission shall have access, in accordance with such regulations as the Commission shall prescribe, to the working papers and any other supporting matter of the Postal Service and the Inspector General in connection with any information submitted under this section.

''(e) CONTENT AND FORM OF REPORTS.—

''(1) IN GENERAL.—The Postal Regulatory Commission shall, by regulation, prescribe the content and form of the public reports (and any nonpublic annex and supporting matter relating to the report) to be provided by the Postal Service under this section. In carrying out this subsection, the Commission shall give due consideration to—

''(A) providing the public with timely, adequate information to assess the lawfulness of rates charged;

''(B) avoiding unnecessary or unwarranted administrative effort and expense on the part of the Postal Service; and

''(C) protecting the confidentiality of commercially sensitive information.

''(2) REVISED REQUIREMENTS.—The Commission may, on its own motion or on request of an interested party, initiate proceedings (to be conducted in accordance with regulations that the Commission shall prescribe) to improve the quality, accuracy, or completeness of Postal Service data required by the Commission under this subsection whenever it shall appear that—

''(A) the attribution of costs or revenues to products has become significantly inaccurate or can be significantly improved;

''(B) the quality of service data has become significantly inaccurate or can be significantly improved; or

''(C) such revisions are, in the judgment of the Commission, otherwise necessitated by the public interest.

''(f) CONFIDENTIAL INFORMATION.—

''(1) IN GENERAL.—If the Postal Service determines that any document or portion of a document, or other matter, which it provides to the Postal Regulatory Commission in a nonpublic annex under this section or under subsection (d) contains information which is described in section 410(c) of this title, or exempt from public disclosure under section 552(b) of title 5, the Postal Service shall, at the time of providing such matter to the Commission, notify the Commission of its determination, in writing, and describe with particularity the documents (or portions of documents) or other matter for which confidentiality is sought and the reasons therefor.

''(2) TREATMENT.—Any information or other matter described in paragraph (1) to which the Commission gains access under this section shall be subject to paragraphs (2) and (3) of section 504(g) in the same way as if the Commission had received notification with respect to such matter under section 504(g)(1).

''(g) OTHER REPORTS.—The Postal Service shall submit to the Postal Regulatory Commission, together with any other submission that the Postal Service is required to make under this section in a year, copies of its then most recent—

''(1) comprehensive statement under section 2401(e);

''(2) performance plan under section 2803; and

''(3) program performance reports under section 2804.

''§ 3653. Annual determination of compliance

''(a) OPPORTUNITY FOR PUBLIC COMMENT.—After receiving the reports required under section 3652 for any year, the Postal Regulatory Commission shall promptly provide

an opportunity for comment on such reports by users of the mails, affected parties, and an officer of the Commission who shall be required to represent the interests of the general public.

''(b) DETERMINATION OF COMPLIANCE OR NONCOMPLIANCE.—Not later than 90 days after receiving the submissions required under section 3652 with respect to a year, the Postal Regulatory Commission shall make a written determination as to—

''(1) whether any rates or fees in effect during such year (for products individually or collectively) were not in compliance with applicable provisions of this chapter (or regulations promulgated thereunder); or

''(2) whether any service standards in effect during such year were not met.

If, with respect to a year, no instance of noncompliance is found under this subsection to have occurred in such year, the written determination shall be to that effect.

''(c) NONCOMPLIANCE WITH REGARD TO RATES OR SERVICES.—If, for a year, a timely written determination of noncompliance is made under subsection (b), the Postal Regulatory Commission shall take appropriate action in accordance with subsections (c) and (e) of section 3662 (as if a complaint averring such noncompliance had been duly filed and found under such section to be justified).

''(d) REVIEW OF PERFORMANCE GOALS.—The Postal Regulatory Commission shall also evaluate annually whether the Postal Service has met the goals established under sections 2803 and 2804, and may provide recommendations to the Postal Service related to the protection or promotion of public policy objectives set out in this title.

''(e) REBUTTABLE PRESUMPTION.—A timely written determination described in the last sentence of subsection (b) shall, for purposes of any proceeding under section 3662, create a rebuttable presumption of compliance by the Postal Service (with regard to the matters described under paragraphs (1) and (2) of subsection (b)) during the year to which such determination relates.

''§ 3654. Additional financial reporting

''(a) ADDITIONAL FINANCIAL REPORTING.—

''(1) IN GENERAL.—The Postal Service shall file with the Postal Regulatory Commission beginning with the first full fiscal year following the effective date of this section—

''(A) within 40 days after the end of each fiscal quarter, a quarterly report containing the information required by the Securities and Exchange Commission to be included in quarterly reports under sections 13 and 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m, 78*o*(d)) on Form 10–Q, as such Form (or any successor form) may be revised from time to time;

''(B) within 60 days after the end of each fiscal year, an annual report containing the information required by the Securities and Exchange Commission to be included in annual reports under such sections on Form 10–K, as such Form (or any successor form) may be revised from time to time; and

''(C) periodic reports within the time frame and containing the information prescribed in Form 8–K of the Securities and Exchange Commission, as such Form (or any successor form) may be revised from time to time.

''(2) REGISTRANT DEFINED.—For purposes of defining the reports required by paragraph (1), the Postal Service shall be deemed to be the 'registrant' described in the Securities and Exchange Commission Forms, and references contained in such Forms to Securities and Exchange Commission regulations are incorporated herein by reference, as amended.

''(3) INTERNAL CONTROL REPORT.—For purposes of defining the reports required by paragraph (1)(B), the Postal Service shall comply with the rules prescribed by the Securities and Exchange Commission implementing section 404 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7262), beginning with the annual report for fiscal year 2010.

''(b) FINANCIAL REPORTING.—

''(1) The reports required by subsection (a)(1)(B) shall include, with respect to the Postal Service's pension and post-retirement health obligations—

''(A) the funded status of the Postal Service's pension and postretirement health obligations;

''(B) components of the net change in the fund balances and obligations and the nature and cause of any significant changes;

''(C) components of net periodic costs;

''(D) cost methods and assumptions underlying the relevant actuarial valuations;

''(E) the effect of a one-percentage point increase in the assumed health care cost trend rate for each future year on the service and interest costs components of net periodic postretirement health cost and the accumulated obligation;

''(F) actual contributions to and payments from the funds for the years presented and the estimated future contributions and payments for each of the following 5 years;

''(G) the composition of plan assets reflected in the fund balances; and

''(H) the assumed rate of return on fund balances and the actual rates of return for the years presented.

''(2) The Office of Personnel Management shall provide the data listed under paragraph (1) to the Postal Service not later than 30 days after the end of each fiscal year.

''(3)(A) Beginning with reports for the fiscal year 2010, for purposes of the reports required under subparagraphs (A) and (B) of subsection (a)(1), the Postal Service shall include segment reporting.

''(B) The Postal Service shall determine the appropriate segment reporting under subparagraph (A) after consultation with the Postal Regulatory Commission.

''(c) TREATMENT.—For purposes of the reports required by subsection (a)(1)(B), the Postal Service shall obtain an opinion from an independent auditor on whether the information listed in subsection (b) is fairly stated in all material respects, either in relation to the basic financial statements as a whole or on a stand-alone basis.

''(d) SUPPORTING MATTER.—The Postal Regulatory Commission shall have access to the audit documentation and any other supporting matter of the Postal Service and its independent auditor in connection with any information submitted under this section.

''(e) REVISED REQUIREMENTS.—The Postal Regulatory Commission may, on its own motion or on request of an interested party, initiate proceedings (to be conducted in accordance with regulations that the Commission shall prescribe) to improve the quality, accuracy, or completeness of Postal Service data required under this section whenever it shall appear that—

''(1) the data have become significantly inaccurate or can be significantly improved; or

''(2) those revisions are, in the judgment of the Commission, otherwise necessitated by the public interest.

''(f) CONFIDENTIAL INFORMATION.—

''(1) IN GENERAL.—If the Postal Service determines that any document or portion of a document, or other matter, which it provides to the Postal Regulatory Commission in a nonpublic annex under this section or pursuant to subsection (d) contains information which is described in section 410(c) of this title, or exempt from public disclosure under section 552(b) of title 5, the Postal Service shall, at the time of providing such matter to the Commission, notify the Commission of its determination, in writing, and describe with particularity the documents (or portions of documents) or other matter for which confidentiality is sought and the reasons therefor.

''(2) TREATMENT.—Any information or other matter described in paragraph (1) to which the Commission gains access under this section shall be subject to paragraphs (2) and (3) of section 504(g) in the same way as if the Commission had received notification with respect to such matter under section 504(g)(1).''.

SEC. 205. COMPLAINTS; APPELLATE REVIEW AND ENFORCEMENT.

Chapter 36 of title 39, United States Code, is amended by striking sections 3662 and 3663 and inserting the following:

''§ 3662. Rate and service complaints

''(a) IN GENERAL.—Any interested person (including an officer of the Postal Regulatory Commission representing the interests of the general public) who believes the Postal Service is not operating in conformance with the requirements of the provisions of sections 101(d), 401(2), 403(c), 404a, or 601, or this chapter (or regulations promulgated under any of those provisions) may lodge a complaint with the Postal Regulatory Commission in such form and manner as the Commission may prescribe.

''(b) PROMPT RESPONSE REQUIRED.—

''(1) IN GENERAL.—The Postal Regulatory Commission shall, within 90 days after receiving a complaint under subsection (a)—

''(A) either—

''(i) upon a finding that such complaint raises material issues of fact or law, begin proceedings on such complaint; or

''(ii) issue an order dismissing the complaint; and

''(B) with respect to any action taken under subparagraph (A) (i) or (ii), issue a written statement setting forth the bases of its determination.

''(2) TREATMENT OF COMPLAINTS NOT TIMELY ACTED ON.—For purposes of section 3663, any complaint under subsection (a) on which the Commission fails to act in the time and manner required by paragraph (1) shall be treated in the same way as if it had been dismissed pursuant to an order issued by the Commission on the last day allowable for the issuance of such order under paragraph (1).

''(c) ACTION REQUIRED IF COMPLAINT FOUND TO BE JUSTIFIED.—If the Postal Regulatory Commission finds the complaint to be justified, it shall order that the Postal Service take such action as the Commission considers appropriate in order to achieve compliance with the applicable requirements and to remedy the effects of any noncompliance (such as ordering unlawful rates to be adjusted to lawful levels, ordering the cancellation of market tests, ordering the Postal Service to discontinue providing loss-making products, or requiring the Postal Service to make up for revenue shortfalls in competitive products).

''(d) AUTHORITY TO ORDER FINES IN CASES OF DELIBERATE NONCOMPLIANCE.—In addition, in cases of deliberate noncompliance by the Postal Service with the requirements of this title, the Postal Regulatory Commission may order, based on the nature, circumstances, extent, and seriousness of the noncompliance, a fine (in the amount specified by the Commission in its order) for each incidence of noncompliance. Fines resulting from the provision of competitive products shall be paid from the Competitive Products Fund established in section 2011. All receipts from fines imposed under this subsection shall be deposited in the general fund of the Treasury of the United States.

''§ 3663. Appellate review

''A person, including the Postal Service, adversely affected or aggrieved by a final

order or decision of the Postal Regulatory Commission may, within 30 days after such order or decision becomes final, institute proceedings for review thereof by filing a petition in the United States Court of Appeals for the District of Columbia. The court shall review the order or decision in accordance with section 706 of title 5, and chapter 158 and section 2112 of title 28, on the basis of the record before the Commission.

"§ 3664. Enforcement of orders

''The several district courts have jurisdiction specifically to enforce, and to enjoin and restrain the Postal Service from violating, any order issued by the Postal Regulatory Commission.''.

SEC. 206. CLERICAL AMENDMENT.

Chapter 36 of title 39, United States Code, is amended by striking the heading and analysis for such chapter and inserting the following:

"CHAPTER 36—POSTAL RATES, CLASSES, AND SERVICES

''SUBCHAPTER I—PROVISIONS RELATING TO MARKET-DOMINANT PRODUCTS

''Sec.
''3621. Applicability; definitions.
''3622. Modern rate regulation.
''[3623. Repealed.]
''[3624. Repealed.]
''[3625. Repealed.]
''3626. Reduced Rates.
''3627. Adjusting free rates.
''[3628. Repealed.]
''3629. Reduced rates for voter registration purposes.

''SUBCHAPTER II—PROVISIONS RELATING TO COMPETITIVE PRODUCTS

''3631. Applicability; definitions and updates.
''3632. Action of the Governors.
''3633. Provisions applicable to rates for competitive products.
''3634. Assumed Federal income tax on competitive products.

''SUBCHAPTER III—PROVISIONS RELATING TO EXPERIMENTAL AND NEW PRODUCTS

''3641. Market tests of experimental products.
''3642. New products and transfers of products between the market-dominant and competitive categories of mail.

''SUBCHAPTER IV—REPORTING REQUIREMENTS AND RELATED PROVISIONS

''3651. Annual reports by the Commission.
''3652. Annual reports to the Commission.
''3653. Annual determination of compliance.
''3654. Additional financial reporting.

''SUBCHAPTER V—POSTAL SERVICES, COMPLAINTS, AND JUDICIAL REVIEW

''3661. Postal Services.
''3662. Rate and service complaints.
''3663. Appellate review.
''3664. Enforcement of orders.

''SUBCHAPTER VI—GENERAL

''3681. Reimbursement.
''3682. Size and weight limits.
''3683. Uniform rates for books; films, other materials.
''3684. Limitations.
''3685. Filing of information relating to periodical publications.
''3686. Bonus authority.

''SUBCHAPTER VII—MODERN SERVICE STANDARDS

''3691. Establishment of modern service standards.''.

TITLE III—MODERN SERVICE STANDARDS

SEC. 301. ESTABLISHMENT OF MODERN SERVICE STANDARDS.

Chapter 36 of title 39, United States Code, as amended by this Act, is further amended by adding at the end the following:

''SUBCHAPTER VII—MODERN SERVICE STANDARDS

"§ 3691. Establishment of modern service standards

''(a) AUTHORITY GENERALLY.—Not later than 12 months after the date of enactment of this section, the Postal Service shall, in consultation with the Postal Regulatory Commission, by regulation establish (and may from time to time thereafter by regulation revise) a set of service standards for market-dominant products.

''(b) OBJECTIVES.—

''(1) IN GENERAL.—Such standards shall be designed to achieve the following objectives:

''(A) To enhance the value of postal services to both senders and recipients.

''(B) To preserve regular and effective access to postal services in all communities, including those in rural areas or where post offices are not self-sustaining.

''(C) To reasonably assure Postal Service customers delivery reliability, speed and frequency consistent with reasonable rates and best business practices.

''(D) To provide a system of objective external performance measurements for each market-dominant product as a basis for measurement of Postal Service performance.

''(2) IMPLEMENTATION OF PERFORMANCE MEASUREMENTS.—With respect to paragraph (1)(D), with the approval of the Postal Regulatory Commission an internal measurement system may be implemented instead of an external measurement system.

''(c) FACTORS.—In establishing or revising such standards, the Postal Service shall take into account—

''(1) the actual level of service that Postal Service customers receive under any service guidelines previously established by the Postal Service or service standards established under this section;

''(2) the degree of customer satisfaction with Postal Service performance in the acceptance, processing and delivery of mail;

''(3) the needs of Postal Service customers, including those with physical impairments;

''(4) mail volume and revenues projected for future years;

''(5) the projected growth in the number of addresses the Postal Service will be required to serve in future years;

''(6) the current and projected future cost of serving Postal Service customers;

''(7) the effect of changes in technology, demographics, and population distribution on the efficient and reliable operation of the postal delivery system; and

''(8) the policies of this title and such other factors as the Postal Service determines appropriate.

''(d) REVIEW.—The regulations promulgated pursuant to this section (and any revisions thereto), and any violations thereof, shall be subject to review upon complaint under sections 3662 and 3663.''.

SEC. 302. POSTAL SERVICE PLAN.

(a) IN GENERAL.—Within 6 months after the establishment of the service standards under section 3691 of title 39, United States Code, as added by this Act, the Postal Service shall, in consultation with the Postal Regulatory Commission, develop and submit to Congress a plan for meeting those standards.

(b) CONTENTS.—The plan under this section shall—

(1) establish performance goals;

(2) describe any changes to the Postal Service's processing, transportation, delivery, and retail networks necessary to allow the Postal Service to meet the performance goals;

(3) describe any changes to planning and performance management documents previously submitted to Congress to reflect new performance goals; and

(4) describe the long-term vision of the Postal Service for rationalizing its infrastructure and workforce, and how the Postal Service intends to implement that vision.

(c) POSTAL FACILITIES.—

(1) FINDINGS.—Congress finds that—

(A) the Postal Service has more than 400 logistics facilities, separate from its post office network;

(B) as noted by the President's Commission on the United States Postal Service, the Postal Service has more facilities than it needs and the streamlining of this distribution network can pave the way for the potential consolidation of sorting facilities and the elimination of excess costs;

(C) the Postal Service has always revised its distribution network to meet changing conditions and is best suited to address its operational needs; and

(D) Congress strongly encourages the Postal Service to—

(i) expeditiously move forward in its streamlining efforts; and

(ii) keep unions, management associations, and local elected officials informed as an essential part of this effort and abide by any procedural requirements contained in the national bargaining agreements.

(2) IN GENERAL.—The Postal Service plan shall include a description of—

(A) the long-term vision of the Postal Service for rationalizing its infrastructure and workforce; and

(B) how the Postal Service intends to implement that vision.

(3) CONTENT OF FACILITIES PLAN.—The plan under this subsection shall include—

(A) a strategy for how the Postal Service intends to rationalize the postal facilities network and remove excess processing capacity and space from the network, including estimated timeframes, criteria, and processes to be used for making changes to the facilities network, and the process for engaging policy makers and the public in related decisions;

(B) a discussion of what impact any facility changes may have on the postal workforce and whether the Postal Service has sufficient flexibility to make needed workforce changes;

(C) an identification of anticipated costs, cost savings, and other benefits associated with the infrastructure rationalization alternatives discussed in the plan; and

(D) procedures that the Postal Service will use to—

(i) provide adequate public notice to communities potentially affected by a proposed rationalization decision;

(ii) make available information regarding any service changes in the affected communities, any other effects on customers, any effects on postal employees, and any cost savings;

(iii) afford affected persons ample opportunity to provide input on the proposed decision; and

(iv) take such comments into account in making a final decision.

(4) ANNUAL REPORTS.—

(A) IN GENERAL.—Not later than 90 days after the end of each fiscal year, the Postal Service shall prepare and submit a report to Congress on how postal decisions have impacted or will impact rationalization plans.

(B) CONTENTS.—Each report under this paragraph shall include—

(i) an account of actions taken during the preceding fiscal year to improve the efficiency and effectiveness of its processing, transportation, and distribution networks while preserving the timely delivery of postal services, including overall estimated costs and cost savings;

(ii) an account of actions taken to identify any excess capacity within its processing,

transportation, and distribution networks and implement savings through realignment or consolidation of facilities including overall estimated costs and cost savings;

(iii) an estimate of how postal decisions related to mail changes, security, automation initiatives, worksharing, information technology systems, excess capacity, consolidating and closing facilities, and other areas will impact rationalization plans;

(iv) identification of any statutory or regulatory obstacles that prevented or will prevent or hinder the Postal Service from taking action to realign or consolidate facilities; and

(v) such additional topics and recommendations as the Postal Service considers appropriate.

(5) EXISTING EFFORTS.—Effective on the date of enactment of this Act, the Postal Service may not close or consolidate any processing or logistics facilities without using procedures for public notice and input consistent with those described under paragraph (3)(D).

(d) ALTERNATE RETAIL OPTIONS.—The Postal Service plan shall include plans to expand and market retail access to postal services, in addition to post offices, including—

(1) vending machines;

(2) the Internet;

(3) postage meters;

(4) Stamps by Mail;

(5) Postal Service employees on delivery routes;

(6) retail facilities in which overhead costs are shared with private businesses and other government agencies;

(7) postal kiosks; or

(8) any other nonpost office access channel providing market retail access to postal services.

(e) REEMPLOYMENT ASSISTANCE AND RETIREMENT BENEFITS.—The Postal Service plan shall include—

(1) a comprehensive plan under which reemployment assistance shall be afforded to employees displaced as a result of automation of any of its functions, the closing and consolidation of any of its facilities, or such other reasons as the Postal Service may determine; and

(2) a plan, developed in consultation with the Office of Personnel Management, to offer early retirement benefits.

(f) CONTINUED AUTHORITY.—Nothing in this section shall be construed to prohibit the Postal Service from implementing any change to its processing, transportation, delivery, and retail networks under any authority granted to the Postal Service for those purposes.

TITLE IV—PROVISIONS RELATING TO FAIR COMPETITION

SEC. 401. POSTAL SERVICE COMPETITIVE PRODUCTS FUND.

(a) PROVISIONS RELATING TO POSTAL SERVICE COMPETITIVE PRODUCTS FUND AND RELATED MATTERS.—

(1) IN GENERAL.—Chapter 20 of title 39, United States Code, is amended by adding at the end the following:

"§ 2011. Provisions relating to competitive products

''(a)(1) In this subsection, the term 'costs attributable' has the meaning given such term by section 3631.

''(2) There is established in the Treasury of the United States a revolving fund, to be called the Postal Service Competitive Products Fund, which shall be available to the Postal Service without fiscal year limitation for the payment of—

''(A) costs attributable to competitive products; and

''(B) all other costs incurred by the Postal Service, to the extent allocable to competitive products.

''(b) There shall be deposited in the Competitive Products Fund, subject to withdrawal by the Postal Service—

''(1) revenues from competitive products;

''(2) amounts received from obligations issued by Postal Service under subsection (e);

''(3) interest and dividends earned on investments of the Competitive Products Fund; and

''(4) any other receipts of the Postal Service (including from the sale of assets), to the extent allocable to competitive products.

''(c) If the Postal Service determines that the moneys of the Competitive Products Fund are in excess of current needs, the Postal Service may request the investment of such amounts as the Postal Service determines advisable by the Secretary of the Treasury in obligations of, or obligations guaranteed by, the Government of the United States, and, with the approval of the Secretary, in such other obligations or securities as the Postal Service determines appropriate.

''(d) With the approval of the Secretary of the Treasury, the Postal Service may deposit moneys of the Competitive Products Fund in any Federal Reserve bank, any depository for public funds, or in such other places and in such manner as the Postal Service and the Secretary may mutually agree.

''(e)(1)(A) Subject to the limitations specified in section 2005(a), the Postal Service is authorized to borrow money and to issue and sell such obligations as the Postal Service determines necessary to provide for competitive products and deposit such amounts in the Competitive Products Fund.

''(B) Subject to paragraph (5), any borrowings by the Postal Service under subparagraph (A) shall be supported and serviced by—

''(i) the revenues and receipts from competitive products and the assets related to the provision of competitive products (as determined under subsection (h)); or

''(ii) for purposes of any period before accounting practices and principles under subsection (h) have been established and applied, the best information available from the Postal Service, including the audited statements required by section 2008(e).

''(2) The Postal Service may enter into binding covenants with the holders of such obligations, and with any trustee under any agreement entered into in connection with the issuance of such obligations with respect to—

''(A) the establishment of reserve, sinking, and other funds;

''(B) application and use of revenues and receipts of the Competitive Products Fund;

''(C) stipulations concerning the subsequent issuance of obligations or the execution of leases or lease purchases relating to properties of the Postal Service; and

''(D) such other matters as the Postal Service, considers necessary or desirable to enhance the marketability of such obligations.

''(3) Obligations issued by the Postal Service under this subsection—

''(A) shall be in such forms and denominations;

''(B) shall be sold at such times and in such amounts;

''(C) shall mature at such time or times;

''(D) shall be sold at such prices;

''(E) shall bear such rates of interest;

''(F) may be redeemable before maturity in such manner, at such times, and at such redemption premiums;

''(G) may be entitled to such relative priorities of claim on the assets of the Postal Service with respect to principal and interest payments; and

''(H) shall be subject to such other terms and conditions, as the Postal Service determines.

''(4) Obligations issued by the Postal Service under this subsection—

''(A) shall be negotiable or nonnegotiable and bearer or registered instruments, as specified therein and in any indenture or covenant relating thereto;

''(B) shall contain a recital that such obligations are issued under this section, and such recital shall be conclusive evidence of the regularity of the issuance and sale of such obligations and of their validity;

''(C) shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of any officer or agency of the Government of the United States, and the Secretary of the Treasury or any other officer or agency having authority over or control of any such fiduciary, trust, or public funds, may at any time sell any of the obligations of the Postal Service acquired under this section;

''(D) shall not be exempt either as to principal or interest from any taxation now or hereafter imposed by any State or local taxing authority; and

''(E) except as provided in section 2006(c), shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the Government of the United States, and the obligations shall so plainly state.

''(5) The Postal Service shall make payments of principal, or interest, or both on obligations issued under this section out of revenues and receipts from competitive products and assets related to the provision of competitive products (as determined under subsection (h)), or for purposes of any period before accounting practices and principles under subsection (h) have been established and applied, the best information available, including the audited statements required by section 2008(e). For purposes of this subsection, the total assets of the Competitive Products Fund shall be the greater of—

''(A) the assets related to the provision of competitive products as calculated under subsection (h); or

''(B) the percentage of total Postal Service revenues and receipts from competitive products times the total assets of the Postal Service.

''(f) The receipts and disbursements of the Competitive Products Fund shall be accorded the same budgetary treatment as is accorded to receipts and disbursements of the Postal Service Fund under section 2009a.

''(g) A judgment (or settlement of a claim) against the Postal Service or the Government of the United States shall be paid out of the Competitive Products Fund to the extent that the judgment or claim arises out of activities of the Postal Service in the provision of competitive products.

''(h)(1)(A) The Secretary of the Treasury, in consultation with the Postal Service and an independent, certified public accounting firm and other advisors as the Secretary considers appropriate, shall develop recommendations regarding—

''(i) the accounting practices and principles that should be followed by the Postal Service with the objectives of—

''(I) identifying and valuing the assets and liabilities of the Postal Service associated with providing competitive products, including the capital and operating costs incurred by the Postal Service in providing such competitive products; and

''(II) subject to subsection (e)(5), preventing the subsidization of such products by market-dominant products; and

''(ii) the substantive and procedural rules that should be followed in determining the assumed Federal income tax on competitive

products income of the Postal Service for any year (within the meaning of section 3634).

''(B) Not earlier than 6 months after the date of enactment of this section, and not later than 12 months after such date, the Secretary of the Treasury shall submit the recommendations under subparagraph (A) to the Postal Regulatory Commission.

''(2)(A) Upon receiving the recommendations of the Secretary of the Treasury under paragraph (1), the Commission shall give interested parties, including the Postal Service, users of the mails, and an officer of the Commission who shall be required to represent the interests of the general public, an opportunity to present their views on those recommendations through submission of written data, views, or arguments with or without opportunity for oral presentation, or in such other manner as the Commission considers appropriate.

''(B)(i) After due consideration of the views and other information received under subparagraph (A), the Commission shall by rule—

''(I) provide for the establishment and application of the accounting practices and principles which shall be followed by the Postal Service;

''(II) provide for the establishment and application of the substantive and procedural rules described under paragraph (1)(A)(ii); and

''(III) provide for the submission by the Postal Service to the Postal Regulatory Commission of annual and other periodic reports setting forth such information as the Commission may require.

''(ii) Final rules under this subparagraph shall be issued not later than 12 months after the date on which recommendations are submitted under paragraph (1) (or by such later date on which the Commission and the Postal Service may agree). The Commission is authorized to promulgate regulations revising such rules.

''(C)(i) Reports described under subparagraph (B)(i)(III) shall be submitted at such time and in such form, and shall include such information, as the Commission by rule requires.

''(ii) The Commission may, on its own motion or on request of an interested party, initiate proceedings (to be conducted in accordance with such rules as the Commission shall prescribe) to improve the quality, accuracy, or completeness of Postal Service information under subparagraph (B)(i)(III) whenever it shall appear that—

''(I) the quality of the information furnished in those reports has become significantly inaccurate or can be significantly improved; or

''(II) such revisions are, in the judgment of the Commission, otherwise necessitated by the public interest.

''(D) A copy of each report described under subparagraph (B)(i)(III) shall be submitted by the Postal Service to the Secretary of the Treasury and the Inspector General of the United States Postal Service.

''(i)(1) The Postal Service shall submit an annual report to the Secretary of the Treasury concerning the operation of the Competitive Products Fund. The report shall address such matters as risk limitations, reserve balances, allocation or distribution of moneys, liquidity requirements, and measures to safeguard against losses.

''(2) A copy of the most recent report submitted under paragraph (1) shall be included in the annual report submitted by the Postal Regulatory Commission under section 3652(g).''.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 20 of title 39, United States Code, is amended by adding after the item relating to section 2010 the following:

''2011. Provisions relating to competitive products.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITION.—Section 2001 of title 39, United States Code, is amended by striking ''and'' at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

''(2) COMPETITIVE PRODUCTS FUND.—The term 'Competitive Products Fund' means the Postal Service Competitive Products Fund established by section 2011; and''.

(2) CAPITAL OF THE POSTAL SERVICE.—Section 2002(b) of title 39, United States Code, is amended by striking ''Fund,'' and inserting ''Fund and the balance in the Competitive Products Fund,''.

(3) POSTAL SERVICE FUND.—

(A) PURPOSES FOR WHICH AVAILABLE.—Section 2003(a) of title 39, United States Code, is amended by striking ''title.'' and inserting ''title (other than any of the purposes, functions, or powers for which the Competitive Products Fund is available).''.

(B) DEPOSITS.—Section 2003(b) of title 39, United States Code, is amended by striking ''There'' and inserting ''Except as otherwise provided in section 2011, there''.

(4) RELATIONSHIP BETWEEN THE TREASURY AND THE POSTAL SERVICE.—Section 2006 of title 39, United States Code, is amended—

(A) in subsection (a), in the first sentence, by inserting ''or 2011'' after ''section 2005'';

(B) in subsection (b)—

(i) in the first sentence, by inserting ''under section 2005'' before ''in such amounts''; and

(ii) in the second sentence, by inserting ''under section 2005'' before ''in excess of such amount.''; and

(C) in subsection (c), by inserting ''or 2011(e)(4)(E)'' after ''section 2005(d)(5)''.

SEC. 402. ASSUMED FEDERAL INCOME TAX ON COMPETITIVE PRODUCTS INCOME.

Subchapter II of chapter 36 of title 39, United States Code, as amended by section 202, is amended by adding at the end the following:

''§ 3634. Assumed Federal income tax on competitive products income

''(a) DEFINITIONS.—For purposes of this section—

''(1) the term 'assumed Federal income tax on competitive products income' means the net income tax that would be imposed by chapter 1 of the Internal Revenue Code of 1986 on the Postal Service's assumed taxable income from competitive products for the year; and

''(2) the term 'assumed taxable income from competitive products', with respect to a year, refers to the amount representing what would be the taxable income of a corporation under the Internal Revenue Code of 1986 for the year, if—

''(A) the only activities of such corporation were the activities of the Postal Service allocable under section 2011(h) to competitive products; and

''(B) the only assets held by such corporation were the assets of the Postal Service allocable under section 2011(h) to such activities.

''(b) COMPUTATION AND TRANSFER REQUIREMENTS.—The Postal Service shall, for each year beginning with the year in which occurs the deadline for the Postal Service's first report to the Postal Regulatory Commission under section 3652(a)—

''(1) compute its assumed Federal income tax on competitive products income for such year; and

''(2) transfer from the Competitive Products Fund to the Postal Service Fund the amount of that assumed tax.

''(c) DEADLINE FOR TRANSFERS.—Any transfer required to be made under this section for a year shall be due on or before the January 15th next occurring after the close of such year.''.

SEC. 403. UNFAIR COMPETITION PROHIBITED.

(a) SPECIFIC LIMITATIONS.—Chapter 4 of title 39, United States Code, is amended by adding after section 404 the following:

''§ 404a. Specific limitations

''(a) Except as specifically authorized by law, the Postal Service may not—

''(1) establish any rule or regulation (including any standard) the effect of which is to preclude competition or establish the terms of competition unless the Postal Service demonstrates that the regulation does not create an unfair competitive advantage for itself or any entity funded (in whole or in part) by the Postal Service;

''(2) compel the disclosure, transfer, or licensing of intellectual property to any third party (such as patents, copyrights, trademarks, trade secrets, and proprietary information); or

''(3) obtain information from a person that provides (or seeks to provide) any product, and then offer any postal service that uses or is based in whole or in part on such information, without the consent of the person providing that information, unless substantially the same information is obtained (or obtainable) from an independent source or is otherwise obtained (or obtainable).

''(b) The Postal Regulatory Commission shall prescribe regulations to carry out this section.

''(c) Any party (including an officer of the Commission representing the interests of the general public) who believes that the Postal Service has violated this section may bring a complaint in accordance with section 3662.''.

(b) CONFORMING AMENDMENTS.—

(1) GENERAL POWERS.—Section 401 of title 39, United States Code, is amended by striking ''The'' and inserting ''Subject to the provisions of section 404a, the''.

(2) SPECIFIC POWERS.—Section 404(a) of title 39, United States Code, is amended by striking ''Without'' and inserting ''Subject to the provisions of section 404a, but otherwise without''.

(c) CLERICAL AMENDMENT.—The analysis for chapter 4 of title 39, United States Code, is amended by inserting after the item relating to section 404 the following:

''404a. Specific limitations.''.

SEC. 404. SUITS BY AND AGAINST THE POSTAL SERVICE.

(a) IN GENERAL.—Section 409 of title 39, United States Code, is amended by striking subsections (d) and (e) and inserting the following:

''(d)(1) For purposes of the provisions of law cited in paragraphs (2)(A) and (2)(B), respectively, the Postal Service—

''(A) shall be considered to be a 'person', as used in the provisions of law involved; and

''(B) shall not be immune under any other doctrine of sovereign immunity from suit in Federal court by any person for any violation of any of those provisions of law by any officer or employee of the Postal Service.

''(2) This subsection applies with respect to—

''(A) the Act of July 5, 1946 (commonly referred to as the 'Trademark Act of 1946' (15 U.S.C. 1051 and following)); and

''(B) the provisions of section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair or deceptive acts or practices.

''(e)(1) To the extent that the Postal Service, or other Federal agency acting on behalf of or in concert with the Postal Service, engages in conduct with respect to any product which is not reserved to the United States under section 1696 of title 18, the Postal Service or other Federal agency (as the case may be)—

''(A) shall not be immune under any doctrine of sovereign immunity from suit in Federal court by any person for any violation of Federal law by such agency or any officer or employee thereof; and

''(B) shall be considered to be a person (as defined in subsection (a) of the first section of the Clayton Act) for purposes of—

''(i) the antitrust laws (as defined in such subsection); and

''(ii) section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair methods of competition.

For purposes of the preceding sentence, any private carriage of mail allowable by virtue of section 601 shall not be considered a service reserved to the United States under section 1696 of title 18.

''(2) No damages, interest on damages, costs or attorney's fees may be recovered, and no criminal liability may be imposed, under the antitrust laws (as so defined) from any officer or employee of the Postal Service, or other Federal agency acting on behalf of or in concert with the Postal Service, acting in an official capacity.

''(3) This subsection shall not apply with respect to conduct occurring before the date of enactment of this subsection.

''(f)(1) Each building constructed or altered by the Postal Service shall be constructed or altered, to the maximum extent feasible as determined by the Postal Service, in compliance with 1 of the nationally recognized model building codes and with other applicable nationally recognized codes.

''(2) Each building constructed or altered by the Postal Service shall be constructed or altered only after consideration of all requirements (other than procedural requirements) of zoning laws, land use laws, and applicable environmental laws of a State or subdivision of a State which would apply to the building if it were not a building constructed or altered by an establishment of the Government of the United States.

''(3) For purposes of meeting the requirements of paragraphs (1) and (2) with respect to a building, the Postal Service shall—

''(A) in preparing plans for the building, consult with appropriate officials of the State or political subdivision, or both, in which the building will be located;

''(B) upon request, submit such plans in a timely manner to such officials for review by such officials for a reasonable period of time not exceeding 30 days; and

''(C) permit inspection by such officials during construction or alteration of the building, in accordance with the customary schedule of inspections for construction or alteration of buildings in the locality, if such officials provide to the Postal Service—

''(i) a copy of such schedule before construction of the building is begun; and

''(ii) reasonable notice of their intention to conduct any inspection before conducting such inspection.

Nothing in this subsection shall impose an obligation on any State or political subdivision to take any action under the preceding sentence, nor shall anything in this subsection require the Postal Service or any of its contractors to pay for any action taken by a State or political subdivision to carry out this subsection (including reviewing plans, carrying out on-site inspections, issuing building permits, and making recommendations).

''(4) Appropriate officials of a State or a political subdivision of a State may make recommendations to the Postal Service concerning measures necessary to meet the requirements of paragraphs (1) and (2). Such officials may also make recommendations to the Postal Service concerning measures which should be taken in the construction or alteration of the building to take into account local conditions. The Postal Service shall give due consideration to any such recommendations.

''(5) In addition to consulting with local and State officials under paragraph (3), the Postal Service shall establish procedures for soliciting, assessing, and incorporating local community input on real property and land use decisions.

''(6) For purposes of this subsection, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States.

''(h)(1) Notwithstanding any other provision of law, legal representation may not be furnished by the Department of Justice to the Postal Service in any action, suit, or proceeding arising, in whole or in part, under any of the following:

''(A) Subsection (d) or (e) of this section.

''(B) Subsection (f) or (g) of section 504 (relating to administrative subpoenas by the Postal Regulatory Commission).

''(C) Section 3663 (relating to appellate review).

The Postal Service may, by contract or otherwise, employ attorneys to obtain any legal representation that it is precluded from obtaining from the Department of Justice under this paragraph.

''(2) In any circumstance not covered by paragraph (1), the Department of Justice shall, under section 411, furnish the Postal Service such legal representation as it may require, except that, with the prior consent of the Attorney General, the Postal Service may, in any such circumstance, employ attorneys by contract or otherwise to conduct litigation brought by or against the Postal Service or its officers or employees in matters affecting the Postal Service.

''(3)(A) In any action, suit, or proceeding in a court of the United States arising in whole or in part under any of the provisions of law referred to in subparagraph (B) or (C) of paragraph (1), and to which the Commission is not otherwise a party, the Commission shall be permitted to appear as a party on its own motion and as of right.

''(B) The Department of Justice shall, under such terms and conditions as the Commission and the Attorney General shall consider appropriate, furnish the Commission such legal representation as it may require in connection with any such action, suit, or proceeding, except that, with the prior consent of the Attorney General, the Commission may employ attorneys by contract or otherwise for that purpose.

''(i) A judgment against the Government of the United States arising out of activities of the Postal Service shall be paid by the Postal Service out of any funds available to the Postal Service, subject to the restriction specified in section 2011(g).''.

(b) TECHNICAL AMENDMENT.—Section 409(a) of title 39, United States Code, is amended by striking ''Except as provided in section 3628 of this title,'' and inserting ''Except as otherwise provided in this title,''.

SEC. 405. INTERNATIONAL POSTAL ARRANGEMENTS.

(a) IN GENERAL.—Section 407 of title 39, United States Code, is amended to read as follows:

''§ 407. International postal arrangements

''(a) It is the policy of the United States—

''(1) to promote and encourage communications between peoples by efficient operation of international postal services and other international delivery services for cultural, social, and economic purposes;

''(2) to promote and encourage unrestricted and undistorted competition in the provision of international postal services and other international delivery services, except where provision of such services by private companies may be prohibited by law of the United States;

''(3) to promote and encourage a clear distinction between governmental and operational responsibilities with respect to the provision of international postal services and other international delivery services by the Government of the United States and by intergovernmental organizations of which the United States is a member; and

''(4) to participate in multilateral and bilateral agreements with other countries to accomplish these objectives.

''(b)(1) The Secretary of State shall be responsible for formulation, coordination, and oversight of foreign policy related to international postal services and other international delivery services and shall have the power to conclude postal treaties, conventions, and amendments related to international postal services and other international delivery services, except that the Secretary may not conclude any treaty, convention, or other international agreement (including those regulating international postal services) if such treaty, convention, or agreement would, with respect to any competitive product, grant an undue or unreasonable preference to the Postal Service, a private provider of international postal or delivery services, or any other person.

''(2) In carrying out the responsibilities specified in paragraph (1), the Secretary of State shall exercise primary authority for the conduct of foreign policy with respect to international postal services and international delivery services, including the determination of United States positions and the conduct of United States participation in negotiations with foreign governments and international bodies. In exercising this authority, the Secretary—

''(A) shall coordinate with other agencies as appropriate, and in particular, shall give full consideration to the authority vested by law or Executive order in the Postal Regulatory Commission, the Department of Commerce, the Department of Transportation, and the Office of the United States Trade Representative in this area;

''(B) shall maintain continuing liaison with other executive branch agencies concerned with postal and delivery services;

''(C) shall maintain continuing liaison with the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives;

''(D) shall maintain appropriate liaison with both representatives of the Postal Service and representatives of users and private providers of international postal services and other international delivery services to keep informed of their interests and problems, and to provide such assistance as may be needed to ensure that matters of concern are promptly considered by the Department of State or (if applicable, and to the extent practicable) other executive branch agencies; and

''(E) shall assist in arranging meetings of such public sector advisory groups as may be established to advise the Department of State and other executive branch agencies in connection with international postal services and international delivery services.

''(3) The Secretary of State shall establish an advisory committee (within the meaning of the Federal Advisory Committee Act) to perform such functions as the Secretary considers appropriate in connection with carrying out subparagraphs (A) through (D) of paragraph (2).

''(c)(1) Before concluding any treaty, convention, or amendment that establishes a rate or classification for a product subject to subchapter I of chapter 36, the Secretary of

State shall request the Postal Regulatory Commission to submit its views on whether such rate or classification is consistent with the standards and criteria established by the Commission under section 3622.

''(2) The Secretary shall ensure that each treaty, convention, or amendment concluded under subsection (b) is consistent with the views submitted by the Commission pursuant to paragraph (1), except if, or to the extent, the Secretary determines, in writing, that it is not in the foreign policy or national security interest of the United States to ensure consistency with the Commission's views. Such written determination shall be provided to the Commission together with a full explanation of the reasons thereof, provided that the Secretary may designate which portions of the determination or explanation shall be kept confidential for reasons of foreign policy or national security.

''(d) Nothing in this section shall be considered to prevent the Postal Service from entering into such commercial or operational contracts related to providing international postal services and other international delivery services as it deems appropriate, except that—

''(1) any such contract made with an agency of a foreign government (whether under authority of this subsection or otherwise) shall be solely contractual in nature and may not purport to be international law; and

''(2) a copy of each such contract between the Postal Service and an agency of a foreign government shall be transmitted to the Secretary of State and the Postal Regulatory Commission not later than the effective date of such contract.

''(e)(1) In this subsection, the term 'private company' means a private company substantially owned or controlled by persons who are citizens of the United States.

''(2) With respect to shipments of international mail that are competitive products within the meaning of section 3631 that are exported or imported by the Postal Service, the Customs Service and other appropriate Federal agencies shall apply the customs laws of the United States and all other laws relating to the importation or exportation of such shipments in the same manner to both shipments by the Postal Service and similar shipments by private companies.

''(3) In exercising the authority under subsection (b) to conclude new postal treaties and conventions related to international postal services and to renegotiate such treaties and conventions, the Secretary of State shall, to the maximum extent practicable, take such measures as are within the Secretary's control to encourage the governments of other countries to make available to the Postal Service and private companies a range of nondiscriminatory customs procedures that will fully meet the needs of all types of American shippers. The Secretary of State shall consult with the United States Trade Representative and the Commissioner of Customs in carrying out this paragraph.

''(4) The provisions of this subsection shall take effect 6 months after the date of enactment of this subsection or such earlier date as the Bureau of Customs and Border Protection of the Department of Homeland Security may determine in writing.''.

(b) EFFECTIVE DATE.—Notwithstanding any provision of the amendment made by subsection (a), the authority of the United States Postal Service to establish the rates of postage or other charges on mail matter conveyed between the United States and other countries shall remain available to the Postal Service until—

(1) with respect to market-dominant products, the date as of which the regulations promulgated under section 3622 of title 39, United States Code (as amended by section 201(a)) take effect; and

(2) with respect to competitive products, the date as of which the regulations promulgated under section 3633 of title 39, United States Code (as amended by section 202) take effect.

TITLE V—GENERAL PROVISIONS

SEC. 501. QUALIFICATION AND TERM REQUIREMENTS FOR GOVERNORS.

(a) QUALIFICATIONS.—

(1) IN GENERAL.—Section 202(a) of title 39, United States Code, is amended by striking ''(a)'' and inserting ''(a)(1)'' and by striking the fourth sentence and inserting the following: ''The Governors shall represent the public interest generally, and shall be chosen solely on the basis of their experience in the field of public service, law or accounting or on their demonstrated ability in managing organizations or corporations (in either the public or private sector) of substantial size; except that at least 4 of the Governors shall be chosen solely on the basis of their demonstrated ability in managing organizations or corporations (in either the public or private sector) that employ at least 50,000 employees. The Governors shall not be representatives of specific interests using the Postal Service, and may be removed only for cause.''.

(2) APPLICABILITY.—The amendment made by paragraph (1) shall not affect the appointment or tenure of any person serving as a Governor of the United States Postal Service under an appointment made before the date of enactment of this Act however, when any such office becomes vacant, the appointment of any person to fill that office shall be made in accordance with such amendment. The requirement set forth in the fourth sentence of section 202(a)(1) of title 39, United States Code (as amended by subsection (a)) shall be met beginning not later than 9 years after the date of enactment of this Act.

(b) CONSULTATION REQUIREMENT.—Section 202(a) of title 39, United States Code, is amended by adding at the end the following:

''(2) In selecting the individuals described in paragraph (1) for nomination for appointment to the position of Governor, the President should consult with the Speaker of the House of Representatives, the minority leader of the House of Representatives, the majority leader of the Senate, and the minority leader of the Senate.''.

(c) 7-YEAR TERMS.—

(1) IN GENERAL.—Section 202(b) of title 39, United States code, is amended in the first sentence by striking ''9 years'' and inserting ''7 years''.

(2) APPLICABILITY.—

(A) CONTINUATION BY INCUMBENTS.—The amendment made by paragraph (1) shall not affect the tenure of any person serving as a Governor of the United States Postal Service on the date of enactment of this Act and such person may continue to serve the remainder of the applicable term.

(B) VACANCY BY INCUMBENT BEFORE 7 YEARS OF SERVICE.—If a person who is serving as a Governor of the United States Postal Service on the date of enactment of this Act resigns, is removed, or dies before the expiration of the 9-year term of that Governor, and that Governor has served less than 7 years of that term, the resulting vacancy in office shall be treated as a vacancy in a 7-year term.

(C) VACANCY BY INCUMBENT AFTER 7 YEARS OF SERVICE.—If a person who is serving as a Governor of the United States Postal Service on the date of enactment of this Act resigns, is removed, or dies before the expiration of the 9-year term of that Governor, and that Governor has served 7 years or more of that term, that term shall be deemed to have been a 7-year term beginning on its commencement date for purposes of determining vacancies in office. Any appointment to the vacant office shall be for a 7-year term beginning at the end of the original 9-year term determined without regard to the deeming under the preceding sentence. Nothing in this subparagraph shall be construed to affect any action or authority of any Governor or the Board of Governors during any portion of a 9-year term deemed to be 7-year term under this subparagraph.

(d) TERM LIMITATION.—

(1) IN GENERAL.—Section 202(b) of title 39, United States Code, is amended—

(A) by inserting ''(1)'' after ''(b)''; and

(B) by adding at the end the following:

''(2) No person may serve more than 2 terms as a Governor.''.

(2) APPLICABILITY.—The amendments made by paragraph (1) shall not affect the tenure of any person serving as a Governor of the United States Postal Service on the date of enactment of this Act with respect to the term which that person is serving on that date. Such person may continue to serve the remainder of the applicable term, after which the amendments made by paragraph (1) shall apply.

SEC. 502. OBLIGATIONS.

(a) PURPOSES FOR WHICH OBLIGATIONS MAY BE ISSUED.—The first sentence of section 2005(a)(1) of title 39, United States Code, is amended by striking ''title.'' and inserting ''title, other than any of the purposes for which the corresponding authority is available to the Postal Service under section 2011.''.

(b) LIMITATION ON NET ANNUAL INCREASE IN OBLIGATIONS ISSUED FOR CERTAIN PURPOSES.—The third sentence of section 2005(a)(1) of title 39, United States Code, is amended to read as follows: ''In any one fiscal year, the net increase in the amount of obligations outstanding issued for the purpose of capital improvements and the net increase in the amount of obligations outstanding issued for the purpose of defraying operating expenses of the Postal Service shall not exceed a combined total of $3,000,000,000.'' .

(c) LIMITATIONS ON OBLIGATIONS OUTSTANDING.—

(1) IN GENERAL.—Subsection (a) of section 2005 of title 39, United States Code, is amended by adding at the end the following:

''(3) For purposes of applying the respective limitations under this subsection, the aggregate amount of obligations issued by the Postal Service which are outstanding as of any one time, and the net increase in the amount of obligations outstanding issued by the Postal Service for the purpose of capital improvements or for the purpose of defraying operating expenses of the Postal Service in any fiscal year, shall be determined by aggregating the relevant obligations issued by the Postal Service under this section with the relevant obligations issued by the Postal Service under section 2011.''.

(2) CONFORMING AMENDMENT.—The second sentence of section 2005(a)(1) of title 39, United States Code, is amended by striking ''any such obligations'' and inserting ''obligations issued by the Postal Service which may be''.

(d) AMOUNTS WHICH MAY BE PLEDGED.—

(1) OBLIGATIONS TO WHICH PROVISIONS APPLY.—The first sentence of section 2005(b) of title 39, United States Code, is amended by striking ''such obligations,'' and inserting ''obligations issued by the Postal Service under this section,''.

(2) ASSETS, REVENUES, AND RECEIPTS TO WHICH PROVISIONS APPLY.—Subsection (b) of section 2005 of title 39, United States Code, is amended by striking ''(b)'' and inserting ''(b)(1)'', and by adding at the end the following:

''(2) Notwithstanding any other provision of this section—

''(A) the authority to pledge assets of the Postal Service under this subsection shall be available only to the extent that such assets are not related to the provision of competitive products (as determined under section 2011(h) or, for purposes of any period before accounting practices and principles under section 2011(h) have been established and applied, the best information available from the Postal Service, including the audited statements required by section 2008(e)); and

''(B) any authority under this subsection relating to the pledging or other use of revenues or receipts of the Postal Service shall be available only to the extent that they are not revenues or receipts of the Competitive Products Fund.''.

SEC. 503. PRIVATE CARRIAGE OF LETTERS.

(a) IN GENERAL.—Section 601 of title 39, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) A letter may also be carried out of the mails when—

''(1) the amount paid for the private carriage of the letter is at least the amount equal to 6 times the rate then currently charged for the 1st ounce of a single-piece first class letter;

''(2) the letter weighs at least 12½ ounces; or

''(3) such carriage is within the scope of services described by regulations of the United States Postal Service (including, in particular, sections 310.1 and 320.2–320.8 of title 39 of the Code of Federal Regulations, as in effect on July 1, 2005) that purport to permit private carriage by suspension of the operation of this section (as then in effect).

''(c) Any regulations necessary to carry out this section shall be promulgated by the Postal Regulatory Commission.''.

(b) EFFECTIVE DATE.—This section shall take effect on the date as of which the regulations promulgated under section 3633 of title 39, United States Code (as amended by section 202) take effect.

SEC. 504. RULEMAKING AUTHORITY.

Paragraph (2) of section 401 of title 39, United States Code, is amended to read as follows:

''(2) to adopt, amend, and repeal such rules and regulations, not inconsistent with this title, as may be necessary in the execution of its functions under this title and such other functions as may be assigned to the Postal Service under any provisions of law outside of this title;''.

SEC. 505. NONINTERFERENCE WITH COLLECTIVE BARGAINING AGREEMENTS.

(a) LABOR DISPUTES.—Section 1207 of title 39, United States Code, is amended to read as follows:

''§ 1207. Labor disputes

''(a) If there is a collective-bargaining agreement in effect, no party to such agreement shall terminate or modify such agreement unless the party desiring such termination or modification serves written notice upon the other party to the agreement of the proposed termination or modification not less than 90 days prior to the expiration date thereof, or not less than 90 days prior to the time it is proposed to make such termination or modification. The party serving such notice shall notify the Federal Mediation and Conciliation Service of the existence of a dispute within 45 days after such notice, if no agreement has been reached by that time.

''(b) If the parties fail to reach agreement or to adopt a procedure providing for a binding resolution of a dispute by the expiration date of the agreement in effect, or the date of the proposed termination or modification, the Director of the Federal Mediation and Conciliation Service shall within 10 days appoint a mediator of nationwide reputation and professional stature, and who is also a member of the National Academy of Arbitrators. The parties shall cooperate with the mediator in an effort to reach an agreement and shall meet and negotiate in good faith at such times and places that the mediator, in consultation with the parties, shall direct.

''(c)(1) If no agreement is reached within 60 days after the expiration or termination of the agreement or the date on which the agreement became subject to modification under subsection (a) of this section, or if the parties decide upon arbitration but do not agree upon the procedures therefore, an arbitration board shall be established consisting of 3 members, 1 of whom shall be selected by the Postal Service, 1 by the bargaining representative of the employees, and the third by the 2 thus selected. If either of the parties fails to select a member, or if the members chosen by the parties fail to agree on the third person within 5 days after their first meeting, the selection shall be made from a list of names provided by the Director. This list shall consist of not less then 9 names of arbitrators of nationwide reputation and professional nature, who are also members of the National Academy of Arbitrators, and whom the Director has determined are available and willing to serve.

''(2) The arbitration board shall give the parties a full and fair hearing, including an opportunity to present evidence in support of their claims, and an opportunity to present their case in person, by counsel or by other representative as they may elect. Decisions of the arbitration board shall be conclusive and binding upon the parties. The arbitration board shall render its decision within 45 days after its appointment.

''(3) Costs of the arbitration board and mediation shall be shared equally by the Postal Service and the bargaining representative.

''(d) In the case of a bargaining unit whose recognized collective-bargaining representative does not have an agreement with the Postal Service, if the parties fail to reach the agreement within 90 days after the commencement of collective bargaining, a mediator shall be appointed in accordance with the terms in subsection (b) of this section, unless the parties have previously agreed to another procedure for a binding resolution of their differences. If the parties fail to reach agreement within 180 days after the commencement of collective bargaining, and if they have not agreed to another procedure for binding resolution, an arbitration board shall be established to provide conclusive and binding arbitration in accordance with the terms of subsection (c) of this section.''.

(b) NONINTERFERENCE WITH COLLECTIVE BARGAINING AGREEMENTS.—Except as otherwise provided by the amendment made by subsection (a), nothing in this Act shall restrict, expand, or otherwise affect any of the rights, privileges, or benefits of either employees of or labor organizations representing employees of the United States Postal Service under chapter 12 of title 39, United States Code, the National Labor Relations Act, any handbook or manual affecting employee labor relations within the United States Postal Service, or any collective bargaining agreement.

(c) FREE MAILING PRIVILEGES CONTINUE UNCHANGED.—Nothing in this Act or any amendment made by this Act shall affect any free mailing privileges accorded under section 3217 or sections 3403 through 3406 of title 39, United States Code.

SEC. 506. BONUS AUTHORITY.

Chapter 36 of title 39, United States Code, is amended by inserting after section 3685 the following:

''§ 3686. Bonus authority

''(a) IN GENERAL.—The Postal Service may establish 1 or more programs to provide bonuses or other rewards to officers and employees of the Postal Service in senior executive or equivalent positions to achieve the objectives of this chapter.

''(b) LIMITATION ON TOTAL COMPENSATION.—

''(1) IN GENERAL.—Under any such program, the Postal Service may award a bonus or other reward in excess of the limitation set forth in the last sentence of section 1003(a), if such program has been approved under paragraph (2). Any such award or bonus may not cause the total compensation of such officer or employee to exceed the total annual compensation payable to the Vice President under section 104 of title 3 as of the end of the calendar year in which the bonus or award is paid.

''(2) APPROVAL PROCESS.—If the Postal Service wishes to have the authority, under any program described in subsection (a), to award bonuses or other rewards in excess of the limitation set forth in the last sentence of section 1003(a)—

''(A) the Postal Service shall make an appropriate request to the Board of Governors of the Postal Service in such form and manner as the Board requires; and

''(B) the Board of Governors shall approve any such request if the Board certifies, for the annual appraisal period involved, that the performance appraisal system for affected officers and employees of the Postal Service (as designed and applied) makes meaningful distinctions based on relative performance.

''(3) REVOCATION AUTHORITY.—If the Board of Governors of the Postal Service finds that a performance appraisal system previously approved under paragraph (2)(B) does not (as designed and applied) make meaningful distinctions based on relative performance, the Board may revoke or suspend the authority of the Postal Service to continue a program approved under paragraph (2) until such time as appropriate corrective measures have, in the judgment of the Board, been taken.

''(c) EXCEPTIONS FOR CRITICAL POSITIONS.—Notwithstanding any other provision of law, the Board of Governors may allow up to 12 officers or employees of the Postal Service in critical senior executive or equivalent positions to receive total compensation in an amount not to exceed 120 percent of the total annual compensation payable to the Vice President under section 104 of title 3 as of the end of the calendar year in which such payment is received. For each exception made under this subsection, the Board shall provide written notification to the Director of the Office of Personnel Management and the Congress within 30 days after the payment is made setting forth the name of the officer or employee involved, the critical nature of his or her duties and responsibilities, and the basis for determining that such payment is warranted.

''(d) INFORMATION FOR INCLUSION IN COMPREHENSIVE STATEMENT.—Included in its comprehensive statement under section 2401(e) for any period shall be—

''(1) the name of each person receiving a bonus or other payment during such period which would not have been allowable but for the provisions of subsection (b) or (c);

''(2) the amount of the bonus or other payment; and

''(3) the amount by which the limitation set forth in the last sentence of section 1003(a) was exceeded as a result of such bonus or other payment.

''(e) REGULATIONS.—The Board of Governors may prescribe regulations for the administration of this section.''.

TITLE VI—ENHANCED REGULATORY COMMISSION

SEC. 601. REORGANIZATION AND MODIFICATION OF CERTAIN PROVISIONS RELATING TO THE POSTAL REGULATORY COMMISSION.

(a) TRANSFER AND REDESIGNATION.—Title 39, United States Code, is amended—

(1) by inserting after chapter 4 the following:

"CHAPTER 5—POSTAL REGULATORY COMMISSION

''Sec.
''501. Establishment.
''502. Commissioners.
''503. Rules; regulations; procedures.
''504. Administration.
''505. Officer of the Postal Regulatory Commission representing the general public.

"§ 501. Establishment

''The Postal Regulatory Commission is an independent establishment of the executive branch of the Government of the United States.

"§ 502. Commissioners

''(a) The Postal Regulatory Commission is composed of 5 Commissioners, appointed by the President, by and with the advice and consent of the Senate. The Commissioners shall be chosen solely on the basis of their technical qualifications, professional standing, and demonstrated expertise in economics, accounting, law, or public administration, and may be removed by the President only for cause. Each individual appointed to the Commission shall have the qualifications and expertise necessary to carry out the enhanced responsibilities accorded Commissioners under the Postal Accountability and Enhancement Act. Not more than 3 of the Commissioners may be adherents of the same political party.

''(b) No Commissioner shall be financially interested in any enterprise in the private sector of the economy engaged in the delivery of mail matter.

''(c) A Commissioner may continue to serve after the expiration of his term until his successor has qualified, except that a Commissioner may not so continue to serve for more than 1 year after the date upon which his term otherwise would expire under subsection (f).

''(d) One of the Commissioners shall be designated as Chairman by, and shall serve in the position of Chairman at the pleasure of, the President.

''(e) The Commissioners shall by majority vote designate a Vice Chairman of the Commission. The Vice Chairman shall act as Chairman of the Commission in the absence of the Chairman.

''(f) The Commissioners shall serve for terms of 6 years.'';

(2) by striking, in subchapter I of chapter 36 (as in effect before the amendment made by section 201(c)), the heading for such subchapter I and all that follows through section 3602;

(3) by redesignating sections 3603 and 3604 as sections 503 and 504, respectively, and transferring such sections to the end of chapter 5 (as inserted by paragraph (1)); and

(4) by adding after such section 504 the following:

"§ 505. Officer of the Postal Regulatory Commission representing the general public

''The Postal Regulatory Commission shall designate an officer of the Postal Regulatory Commission in all public proceedings (such as developing rules, regulations, and procedures) who shall represent the interests of the general public.''.

(b) APPLICABILITY.—The amendment made by subsection (a)(1) shall not affect the appointment or tenure of any person serving as a Commissioner on the Postal Regulatory Commission (as so redesignated by section 604) under an appointment made before the date of enactment of this Act or any nomination made before that date, but, when any such office becomes vacant, the appointment of any person to fill that office shall be made in accordance with such amendment.

(c) CLERICAL AMENDMENT.—The analysis for part I of title 39, United States Code, is amended by inserting after the item relating to chapter 4 the following:

"5. Postal Regulatory Commission .. 501"

SEC. 602. AUTHORITY FOR POSTAL REGULATORY COMMISSION TO ISSUE SUBPOENAS.

Section 504 of title 39, United States Code (as so redesignated by section 601) is amended by adding at the end the following:

''(f)(1) Any Commissioner of the Postal Regulatory Commission, any administrative law judge appointed by the Commission under section 3105 of title 5, and any employee of the Commission designated by the Commission may administer oaths, examine witnesses, take depositions, and receive evidence.

''(2) The Chairman of the Commission, any Commissioner designated by the Chairman, and any administrative law judge appointed by the Commission under section 3105 of title 5 may, with respect to any proceeding conducted by the Commission under this title or to obtain information to be used to prepare a report under this title—

''(A) issue subpoenas requiring the attendance and presentation of testimony by, or the production of documentary or other evidence in the possession of, any covered person; and

''(B) order the taking of depositions and responses to written interrogatories by a covered person.

The written concurrence of a majority of the Commissioners then holding office shall, with respect to each subpoena under subparagraph (A), be required in advance of its issuance.

''(3) In the case of contumacy or failure to obey a subpoena issued under this subsection, upon application by the Commission, the district court of the United States for the district in which the person to whom the subpoena is addressed resides or is served may issue an order requiring such person to appear at any designated place to testify or produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

''(4) For purposes of this subsection, the term 'covered person' means an officer, employee, agent, or contractor of the Postal Service.

''(g)(1) If the Postal Service determines that any document or other matter it provides to the Postal Regulatory Commission under a subpoena issued under subsection (f), or otherwise at the request of the Commission in connection with any proceeding or other purpose under this title, contains information which is described in section 410(c) of this title, or exempt from public disclosure under section 552(b) of title 5, the Postal Service shall, at the time of providing such matter to the Commission, notify the Commission, in writing, of its determination (and the reasons therefor).

''(2) Except as provided in paragraph (3), no officer or employee of the Commission may, with respect to any information as to which the Commission has been notified under paragraph (1)—

''(A) use such information for purposes other than the purposes for which it is supplied; or

''(B) permit anyone who is not an officer or employee of the Commission to have access to any such information.

''(3)(A) Paragraph (2) shall not prohibit the Commission from publicly disclosing relevant information in furtherance of its duties under this title, provided that the Commission has adopted regulations under section 553 of title 5, that establish a procedure for according appropriate confidentiality to information identified by the Postal Service under paragraph (1). In determining the appropriate degree of confidentiality to be accorded information identified by the Postal Service under paragraph (1), the Commission shall balance the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets.

''(B) Paragraph (2) shall not prevent the Commission from requiring production of information in the course of any discovery procedure established in connection with a proceeding under this title. The Commission shall, by regulations based on rule 26(c) of the Federal Rules of Civil Procedure, establish procedures for ensuring appropriate confidentiality for information furnished to any party.''.

SEC. 603. AUTHORIZATION OF APPROPRIATIONS FROM THE POSTAL SERVICE FUND.

(a) POSTAL REGULATORY COMMISSION.—Subsection (d) of section 504 of title 39, United States Code (as so redesignated by section 601) is amended to read as follows:

''(d) There are authorized to be appropriated, out of the Postal Service Fund, such sums as may be necessary for the Postal Regulatory Commission. In requesting an appropriation under this subsection for a fiscal year, the Commission shall prepare and submit to the Congress under section 2009 a budget of the Commission's expenses, including expenses for facilities, supplies, compensation, and employee benefits.''.

(b) OFFICE OF INSPECTOR GENERAL OF THE UNITED STATES POSTAL SERVICE.—Section 8G(f) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) by redesignating paragraph (4) as paragraph (5);

(2) by redesignating the second paragraph (3) (relating to employees and labor organizations) as paragraph (4); and

(3) by adding at the end the following:

''(6) There are authorized to be appropriated, out of the Postal Service Fund, such sums as may be necessary for the Office of Inspector General of the United States Postal Service.''.

(c) BUDGET PROGRAM.—

(1) IN GENERAL.—The next to last sentence of section 2009 of title 39, United States Code, is amended to read as follows: ''The budget program shall also include separate statements of the amounts which (1) the Postal Service requests to be appropriated under subsections (b) and (c) of section 2401, (2) the Office of Inspector General of the United States Postal Service requests to be appropriated, out of the Postal Service Fund, under section 8G(f) of the Inspector General Act of 1978, and (3) the Postal Regulatory Commission requests to be appropriated, out of the Postal Service Fund, under section 504(d) of this title.''.

(2) CONFORMING AMENDMENT.—Section 2003(e)(1) of title 39, United States Code, is amended by striking the first sentence and inserting the following: ''The Fund shall be available for the payment of (A) all expenses incurred by the Postal Service in carrying out its functions as provided by law, subject to the same limitation as set forth in the parenthetical matter under subsection (a); (B) all expenses of the Postal Regulatory Commission, subject to the availability of amounts appropriated under section 504(d); and (C) all expenses of the Office of Inspector

General, subject to the availability of amounts appropriated under section 8G(f) of the Inspector General Act of 1978.''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to fiscal years beginning on or after October 1, 2008.

(2) SAVINGS PROVISION.—The provisions of title 39, United States Code, and the Inspector General Act of 1978 (5 U.S.C. App.) that are amended by this section shall, for purposes of any fiscal year before the first fiscal year to which the amendments made by this section apply, continue to apply in the same way as if this section had never been enacted.

SEC. 604. REDESIGNATION OF THE POSTAL RATE COMMISSION.

(a) AMENDMENTS TO TITLE 39, UNITED STATES CODE.—Title 39, United States Code, is amended in sections 404, 503 and 504 (as so redesignated by section 601), 1001 and 1002, by striking ''Postal Rate Commission'' each place it appears and inserting ''Postal Regulatory Commission'';

(b) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended in sections 104(1), 306(f), 2104(b), 3371(3), 5314 (in the item relating to Chairman, Postal Rate Commission), 5315 (in the item relating to Members, Postal Rate Commission), 5514(a)(5)(B), 7342(a)(1)(A), 7511(a)(1)(B)(ii), 8402(c)(1), 8423(b)(1)(B), and 8474(c)(4) by striking ''Postal Rate Commission'' and inserting ''Postal Regulatory Commission''.

(c) AMENDMENT TO THE ETHICS IN GOVERNMENT ACT OF 1978.—Section 101(f)(6) of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by striking ''Postal Rate Commission'' and inserting ''Postal Regulatory Commission''.

(d) AMENDMENT TO THE REHABILITATION ACT OF 1973.—Section 501(b) of the Rehabilitation Act of 1973 (29 U.S.C. 791(b)) is amended by striking ''Postal Rate Office'' and inserting ''Postal Regulatory Commission''.

(e) AMENDMENT TO TITLE 44, UNITED STATES CODE.—Section 3502(5) of title 44, United States Code, is amended by striking ''Postal Rate Commission'' and inserting ''Postal Regulatory Commission''.

(f) OTHER REFERENCES.—Whenever a reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, document, or other record of the United States to the Postal Rate Commission, such reference shall be considered a reference to the Postal Regulatory Commission.

SEC. 605. INSPECTOR GENERAL OF THE POSTAL REGULATORY COMMISSION.

(a) IN GENERAL.—Section 8G(a)(2) of the Inspector General Act of 1978 is amended by inserting ''the Postal Regulatory Commission,'' after ''the United States International Trade Commission,''.

(b) ADMINISTRATION.—Section 504 of title 39, United States Code (as so redesignated by section 601) is amended by adding after subsection (g) (as added by section 602) the following:

''(h)(1) Notwithstanding any other provision of this title or of the Inspector General Act of 1978, the authority to select, appoint, and employ officers and employees of the Office of Inspector General of the Postal Regulatory Commission, and to obtain any temporary or intermittent services of experts or consultants (or an organization of experts or consultants) for such Office, shall reside with the Inspector General of the Postal Regulatory Commission.

''(2) Except as provided in paragraph (1), any exercise of authority under this subsection shall, to the extent practicable, be in conformance with the applicable laws and regulations that govern selections, appointments, and employment, and the obtaining of any such temporary or intermittent services, within the Postal Regulatory Commission.''.

(c) DEADLINE.—No later than 180 days after the date of the enactment of this Act—

(1) the first Inspector General of the Postal Regulatory Commission shall be appointed; and

(2) the Office of Inspector General of the Postal Regulatory Commission shall be established.

TITLE VII—EVALUATIONS

SEC. 701. ASSESSMENTS OF RATEMAKING, CLASSIFICATION, AND OTHER PROVISIONS.

(a) IN GENERAL.—The Postal Regulatory Commission shall, at least every 5 years, submit a report to the President and Congress concerning—

(1) the operation of the amendments made by this Act; and

(2) recommendations for any legislation or other measures necessary to improve the effectiveness or efficiency of the postal laws of the United States.

(b) POSTAL SERVICE VIEWS.—A report under this section shall be submitted only after reasonable opportunity has been afforded to the Postal Service to review the report and to submit written comments on the report. Any comments timely received from the Postal Service under the preceding sentence shall be attached to the report submitted under subsection (a).

SEC. 702. REPORT ON UNIVERSAL POSTAL SERVICE AND THE POSTAL MONOPOLY.

(a) REPORT BY THE POSTAL REGULATORY COMMISSION.—

(1) IN GENERAL.—Not later than 24 months after the date of enactment of this Act, the Postal Regulatory Commission shall submit a report to the President and Congress on universal postal service and the postal monopoly in the United States (in this section referred to as ''universal service and the postal monopoly''), including the monopoly on the delivery of mail and on access to mailboxes.

(2) CONTENTS.—The report under this subsection shall include—

(A) a comprehensive review of the history and development of universal service and the postal monopoly, including how the scope and standards of universal service and the postal monopoly have evolved over time for the Nation and its urban and rural areas;

(B) the scope and standards of universal service and the postal monopoly provided under current law (including sections 101 and 403 of title 39, United States Code), and current rules, regulations, policy statements, and practices of the Postal Service;

(C) a description of any geographic areas, populations, communities (including both urban and rural communities), organizations, or other groups or entities not currently covered by universal service or that are covered but that are receiving services deficient in scope or quality or both; and

(D) the scope and standards of universal service and the postal monopoly likely to be required in the future in order to meet the needs and expectations of the United States public, including all types of mail users, based on discussion of such assumptions, alternative sets of assumptions, and analyses as the Postal Service considers plausible.

(b) RECOMMENDED CHANGES TO UNIVERSAL SERVICE AND THE MONOPOLY.—The Postal Regulatory Commission shall include in the report under subsection (a), and in all reports submitted under section 701 of this Act—

(1) any recommended changes to universal service and the postal monopoly as the Commission considers appropriate, including changes that the Commission may implement under current law and changes that would require changes to current law, with estimated effects of the recommendations on the service, financial condition, rates, and security of mail provided by the Postal Service;

(2) with respect to each recommended change described under paragraph (1)—

(A) an estimate of the costs of the Postal Service attributable to the obligation to provide universal service under current law; and

(B) an analysis of the likely benefit of the current postal monopoly to the ability of the Postal Service to sustain the current scope and standards of universal service, including estimates of the financial benefit of the postal monopoly to the extent practicable, under current law; and

(3) such additional topics and recommendations as the Commission considers appropriate, with estimated effects of the recommendations on the service, financial condition, rates, and the security of mail provided by the Postal Service.

(c) CONSULTATION.—In preparing the report required by this section, the Postal Regulatory Commission—

(1) shall solicit written comments from the Postal Service and consult with the Postal Service and other Federal agencies, users of the mails, enterprises in the private sector engaged in the delivery of the mail, and the general public; and

(2) shall address in the report any written comments received under this section.

(d) CLARIFYING PROVISION.—Nothing in this section shall be considered to relate to any services that are not postal services within the meaning of section 102 of title 39, United States Code, as amended by section 101 of this Act.

SEC. 703. STUDY ON EQUAL APPLICATION OF LAWS TO COMPETITIVE PRODUCTS.

(a) IN GENERAL.—The Federal Trade Commission shall prepare and submit to the President and Congress, and to the Postal Regulatory Commission, within 1 year after the date of enactment of this Act, a comprehensive report identifying Federal and State laws that apply differently to the United States Postal Service with respect to the competitive category of mail (within the meaning of section 102 of title 39, United States Code, as amended by section 101) and to private companies providing similar products.

(b) RECOMMENDATIONS.—The Federal Trade Commission shall include such recommendations as it considers appropriate for bringing such legal differences to an end, and in the interim, to account under section 3633 of title 39, United States Code (as added by this Act), for the net economic effects provided by those laws.

(c) CONSULTATION.—In preparing its report, the Federal Trade Commission shall consult with the United States Postal Service, the Postal Regulatory Commission, other Federal agencies, mailers, private companies that provide delivery services, and the general public, and shall append to such report any written comments received under this subsection.

(d) COMPETITIVE PRODUCT REGULATION.—The Postal Regulatory Commission shall take into account the recommendations of the Federal Trade Commission, and subsequent events that affect the continuing validity of the estimate of the net economic effect, in promulgating or revising the regulations required under section 3633 of title 39, United States Code.

SEC. 704. REPORT ON POSTAL WORKPLACE SAFETY AND WORKPLACE-RELATED INJURIES.

(a) REPORT BY THE INSPECTOR GENERAL.—

(1) IN GENERAL.—Not later than 6 months after the enactment of this Act, the Inspector General of the United States Postal Service shall submit a report to Congress and the Postal Service that—

(A) details and assesses any progress the Postal Service has made in improving workplace safety and reducing workplace-related injuries nationwide; and

(B) identifies opportunities for improvement that remain with respect to such improvements and reductions.

(2) CONTENTS.—The report under this subsection shall also—

(A) discuss any injury reduction goals established by the Postal Service;

(B) describe the actions that the Postal Service has taken to improve workplace safety and reduce workplace-related injuries, and assess how successful the Postal Service has been in meeting its injury reduction goal; and

(C) identify areas where the Postal Service has failed to meet its injury reduction goals, explain the reasons why these goals were not met, and identify opportunities for making further progress in meeting these goals.

(b) REPORT BY THE POSTAL SERVICE.—

(1) REPORT TO CONGRESS.—Not later than 6 months after receiving the report under subsection (a), the Postal Service shall submit a report to Congress detailing how it plans to improve workplace safety and reduce workplace-related injuries nationwide, including goals and metrics.

(2) PROBLEM AREAS.—The report under this subsection shall also include plans, developed in consultation with the Inspector General and employee representatives, including representatives of each postal labor union and management association, for addressing the problem areas identified by the Inspector General in the report under subsection (a)(2)(C).

SEC. 705. STUDY ON RECYCLED PAPER.

(a) IN GENERAL.—Within 12 months after the date of enactment of this Act, the Government Accountability Office shall study and submit to the Congress, the Board of Governors of the Postal Service, and to the Postal Regulatory Commission a report concerning—

(1) a description and analysis of the accomplishments of the Postal Service in each of the preceding 5 years involving recycling activities, including efforts by the Postal Service to recycle undeliverable and discarded mail and other materials and its public affairs efforts to promote the increased recycling of paper products; and

(2) additional opportunities that may be available for the United States Postal Service to engage in recycling initiatives, including consultation with the paper recycling industry and encouraging mailers to increase both the recycling of paper products and the use of recycled paper, and the projected costs and revenues of undertaking such opportunities.

(b) RECOMMENDATIONS.—The report shall include recommendations for any administrative or legislative actions that may be appropriate.

SEC. 706. GREATER DIVERSITY IN POSTAL SERVICE EXECUTIVE AND ADMINISTRATIVE SCHEDULE MANAGEMENT POSITIONS.

(a) IN GENERAL.—The Board of Governors shall study and, within 1 year after the date of the enactment of this Act, submit to the President and Congress a report concerning the extent to which women and minorities are represented in supervisory and management positions within the United States Postal Service. Any data included in the report shall be presented in the aggregate and by pay level.

(b) PERFORMANCE EVALUATIONS.—The United States Postal Service shall, as soon as is practicable, take such measures as may be necessary to incorporate the affirmative action and equal opportunity criteria contained in 4313(5) of title 5, United States Code, into the performance appraisals of senior supervisory or managerial employees.

SEC. 707. CONTRACTS WITH WOMEN, MINORITIES, AND SMALL BUSINESSES.

The Board of Governors shall study and, within 1 year after the date of the enactment of this Act, submit to the President and the Congress a report concerning the number and value of contracts and subcontracts the Postal Service has entered into with women, minorities, and small businesses.

SEC. 708. RATES FOR PERIODICALS.

(a) IN GENERAL.—The United States Postal Service, acting jointly with the Postal Regulatory Commission, shall study and submit to the President and Congress a report concerning—

(1) the quality, accuracy, and completeness of the information used by the Postal Service in determining the direct and indirect postal costs attributable to periodicals; and

(2) any opportunities that might exist for improving efficiencies in the collection, handling, transportation, or delivery of periodicals by the Postal Service, including any pricing incentives for mailers that might be appropriate.

(b) RECOMMENDATIONS.—The report shall include recommendations for any administrative action or legislation that might be appropriate.

SEC. 709. ASSESSMENT OF CERTAIN RATE DEFICIENCIES.

(a) IN GENERAL.—Within 12 months after the date of the enactment of this Act, the Office of Inspector General of the United States Postal Service shall study and submit to the President, the Congress, and the United States Postal Service, a report concerning the administration of section 3626(k) of title 39, United States Code.

(b) SPECIFIC REQUIREMENTS.—The study and report shall specifically address the adequacy and fairness of the process by which assessments under section 3626(k) of title 39, United States Code, are determined and appealable, including—

(1) whether the Postal Regulatory Commission or any other body outside the Postal Service should be assigned a role; and

(2) whether a statute of limitations should be established for the commencement of proceedings by the Postal Service thereunder.

SEC. 710. ASSESSMENT OF FUTURE BUSINESS MODEL OF THE POSTAL SERVICE.

(a) GOVERNMENT ACCOUNTABILITY OFFICE MANDATE.—The Comptroller General of the United States shall prepare and submit to the President and Congress a report that builds upon the work of the 2002 President's Commission on the United States Postal Service by evaluating in-depth various options and strategies for the long-term structural and operational reforms of the United States Postal Service. The final report required by this section shall be submitted within 5 years of the date of enactment of this Act.

(b) PROTECTION OF UNIVERSAL SERVICE.—The Government Accountability Office may include such recommendations as it considers appropriate with respect to how the Postal Service's business model can be maintained or transformed in an orderly manner that will minimize adverse effects on all interested parties and assure continued availability of affordable, universal postal service throughout the United States. The Government Accountability Office shall not consider any strategy or other course of action that would pose a significant risk to the continued availability of affordable, universal postal service throughout the United States.

(c) ELEMENTS OF REPORT.—

(1) TOPICS TO ADDRESS.—The report shall address at least the following:

(A) Specification of nature and bases of one or more sets of reasonable assumptions about the development of the postal services market, to the extent that such assumptions may be necessary or appropriate for each strategy identified by the Government Accountability Office.

(B) Specification of the nature and bases of one or more sets of reasonable assumptions about the development of the regulatory framework for postal services, to the extent that such assumptions may be necessary or appropriate for each strategy identified by the Government Accountability Office.

(C) Qualitative and, to the extent possible, quantitative effects that each strategy identified by the Government Accountability Office may have on universal service generally, the Postal Service, mailers, postal employees, private companies that provide delivery services, and the general public.

(D) Financial effects that each strategy identified by the Government Accountability Office may have on the Postal Service, postal employees, the Treasury of the United States, and other affected parties, including the American mailing consumer.

(E) Feasible and appropriate procedural steps and timetables for implementing each strategy identified by the Government Accountability Office.

(F) Such additional topics as the Comptroller General shall consider necessary and appropriate.

(2) MATTERS TO CONSIDER.—For each strategy identified, the Government Accountability Office shall assess how each business model might—

(A) address the human-capital challenges facing the Postal Service, including how employee-management relations within the Postal Service may be improved;

(B) optimize the postal infrastructure, including the best methods for providing retail services that ensure convenience and access to customers;

(C) ensure the safety and security of the mail and of postal employees;

(D) minimize areas of inefficiency or waste and improve operations involved in the collection, processing, or delivery of mail; and

(E) impact other matters that the Comptroller General determines are relevant to evaluating a viable long-term business model for the Postal Service.

(3) EXPERIENCES OF OTHER COUNTRIES.—In preparing the report required by subsection (a), the Government Accountability Office shall comprehensively and quantitatively investigate the experiences of other industrialized countries that have transformed the national post office. The Government Accountability Office shall undertake such original research as it deems necessary. In each case, the Government Accountability Office shall describe as fully as possible the costs and benefits of transformation of the national post office on all affected parties and shall identify any lessons that foreign experience may imply for each strategy identified by the research organization.

(d) OUTSIDE EXPERTS.—In preparing its study, the Government Accountability Office may retain the services of additional experts and consultants.

(e) CONSULTATION.—In preparing its report, the Government Accountability Office shall consult fully with the Postal Service, the Postal Regulatory Commission, other Federal agencies, postal employee unions and management associations, mailers, private companies that provide delivery services, and the general public. The Government Accountability Office shall include with its

final report a copy of all formal written comments received under this subsection.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the Postal Service Fund such sums as may be necessary to carry out this section.

SEC. 711. PROVISIONS RELATING TO COOPERATIVE MAILINGS.

(a) STUDY.—

(1) IN GENERAL.—The Postal Regulatory Commission shall examine section E670.5.3 of the Domestic Mail Manual to determine whether it contains adequate safeguards to protect against—

(A) abuses of rates for nonprofit mail; and

(B) deception of consumers.

(2) REPORT.—The Commission shall report the results of its examination to the Postal Service, along with any recommendations that the Commission determines appropriate.

(b) FAILURE TO ACT.—If the Postal Service fails to act on the recommendations of the Commission, the Commission may take such action as it determines necessary to prevent abuse of rates or deception of consumers.

SEC. 712. DEFINITION.

For purposes of this title, the term ''Board of Governors'' has the meaning given such term by section 102 of title 39, United States Code.

TITLE VIII—POSTAL SERVICE RETIREMENT AND HEALTH BENEFITS FUNDING

SEC. 801. SHORT TITLE.

This title may be cited as the ''Postal Civil Service Retirement and Health Benefits Funding Amendments of 2006''.

SEC. 802. CIVIL SERVICE RETIREMENT SYSTEM.

(a) IN GENERAL.—Chapter 83 of title 5, United States Code, is amended—

(1) in section 8334(a)(1)(B), by striking clause (ii) and inserting the following:

''(ii) In the case of an employee of the United States Postal Service, no amount shall be contributed under this subparagraph.''; and

(2) by amending section 8348(h) to read as follows:

''(h)(1) In this subsection, the term 'Postal surplus or supplemental liability' means the estimated difference, as determined by the Office, between—

''(A) the actuarial present value of all future benefits payable from the Fund under this subchapter to current or former employees of the United States Postal Service and attributable to civilian employment with the United States Postal Service; and

''(B) the sum of—

''(i) the actuarial present value of deductions to be withheld from the future basic pay of employees of the United States Postal Service currently subject to this subchapter under section 8334;

''(ii) that portion of the Fund balance, as of the date the Postal surplus or supplemental liability is determined, attributable to payments to the Fund by the United States Postal Service and its employees, minus benefit payments attributable to civilian employment with the United States Postal Service, plus the earnings on such amounts while in the Fund; and

''(iii) any other appropriate amount, as determined by the Office in accordance with generally accepted actuarial practices and principles.

''(2)(A) Not later than June 15, 2007, the Office shall determine the Postal surplus or supplemental liability, as of September 30, 2006. If that result is a surplus, the amount of the surplus shall be transferred to the Postal Service Retiree Health Benefits Fund established under section 8909a by June 30, 2007.

''(B) The Office shall redetermine the Postal surplus or supplemental liability as of the close of the fiscal year, for each fiscal year beginning after September 30, 2007, through the fiscal year ending September 30, 2038. If the result is a surplus, that amount shall remain in the Fund until distribution is authorized under subparagraph (C). Beginning June 15, 2017, if the result is a supplemental liability, the Office shall establish an amortization schedule, including a series of annual installments commencing on September 30 of the subsequent fiscal year, which provides for the liquidation of such liability by September 30, 2043.

''(C) As of the close of the fiscal years ending September 30, 2015, 2025, 2035, and 2039, if the result is a surplus, that amount shall be transferred to the Postal Service Retiree Health Benefits Fund, and any prior amortization schedule for payments shall be terminated.

''(D) Amortization schedules established under this paragraph shall be set in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Civil Service Retirement System.

''(E) The United States Postal Service shall pay the amounts so determined to the Office, with payments due not later than the date scheduled by the Office.

''(3) Notwithstanding any other provision of law, in computing the amount of any payment under any other subsection of this section that is based upon the amount of the unfunded liability, such payment shall be computed disregarding that portion of the unfunded liability that the Office determines will be liquidated by payments under this subsection.''.

(b) CREDIT ALLOWED FOR MILITARY SERVICE.—In the application of section 8348(g)(2) of title 5, United States Code, for the fiscal year 2007, the Office of Personnel Management shall include, in addition to the amount otherwise computed under that paragraph, the amounts that would have been included for the fiscal years 2003 through 2006 with respect to credit for military service of former employees of the United States Postal Service as though the Postal Civil Service Retirement System Funding Reform Act of 2003 (Public Law 108–18) had not been enacted, and the Secretary of the Treasury shall make the required transfer to the Civil Service Retirement and Disability Fund based on that amount.

(c) REVIEW.—

(1) IN GENERAL.—

(A) REQUEST FOR REVIEW.—Notwithstanding any other provision of this section (including any amendment made by this section), any determination or redetermination made by the Office of Personnel Management under this section (including any amendment made by this section) shall, upon request of the United States Postal Service, be subject to a review by the Postal Regulatory Commission under this subsection.

(B) REPORT.—Upon receiving a request under subparagraph (A), the Commission shall promptly procure the services of an actuary, who shall hold membership in the American Academy of Actuaries and shall be qualified in the evaluation of pension obligations, to conduct a review in accordance with generally accepted actuarial practices and principles and to provide a report to the Commission containing the results of the review. The Commission, upon determining that the report satisfies the requirements of this paragraph, shall approve the report, with any comments it may choose to make, and submit it with any such comments to the Postal Service, the Office of Personnel Management, and Congress.

(2) RECONSIDERATION.—Upon receiving the report from the Commission under paragraph (1), the Office of Personnel Management shall reconsider its determination or redetermination in light of such report, and shall make any appropriate adjustments. The Office shall submit a report containing the results of its reconsideration to the Commission, the Postal Service, and Congress.

SEC. 803. HEALTH INSURANCE.

(a) IN GENERAL.—

(1) FUNDING.—Chapter 89 of title 5, United States Code, is amended—

(A) in section 8906(g)(2)(A), by striking ''shall be paid by the United States Postal Service.'' and inserting ''shall through September 30, 2016, be paid by the United States Postal Service, and thereafter shall be paid first from the Postal Service Retiree Health Benefits Fund up to the amount contained in the Fund, with any remaining amount paid by the United States Postal Service.''; and

(B) by inserting after section 8909 the following:

''§ 8909a. Postal Service Retiree Health Benefit Fund

''(a) There is in the Treasury of the United States a Postal Service Retiree Health Benefits Fund which is administered by the Office of Personnel Management.

''(b) The Fund is available without fiscal year limitation for payments required under section 8906(g)(2)(A).

''(c) The Secretary of the Treasury shall immediately invest, in interest-bearing securities of the United States such currently available portions of the Fund as are not immediately required for payments from the Fund. Such investments shall be made in the same manner as investments for the Civil Service Retirement and Disability Fund under section 8348.

''(d)(1) Not later than June 30, 2007, and by June 30 of each succeeding year, the Office shall compute the net present value of the future payments required under section 8906(g)(2)(A) and attributable to the service of Postal Service employees during the most recently ended fiscal year.

''(2)(A) Not later than June 30, 2007, the Office shall compute, and by June 30 of each succeeding year, the Office shall recompute the difference between—

''(i) the net present value of the excess of future payments required under section 8906(g)(2)(A) for current and future United States Postal Service annuitants as of the end of the fiscal year ending on September 30 of that year; and

''(ii)(I) the value of the assets of the Postal Retiree Health Benefits Fund as of the end of the fiscal year ending on September 30 of that year; and

''(II) the net present value computed under paragraph (1).

''(B) Not later than June 30, 2017, the Office shall compute, and by June 30 of each succeeding year shall recompute, a schedule including a series of annual installments which provide for the liquidation of any liability or surplus by September 30, 2056, or within 15 years, whichever is later, of the net present value determined under subparagraph (A), including interest at the rate used in that computation.

''(3)(A) The United States Postal Service shall pay into such Fund—

''(i) $5,400,000,000, not later than September 30, 2007;

''(ii) $5,600,000,000, not later than September 30, 2008;

''(iii) $5,400,000,000, not later than September 30, 2009;

''(iv) $5,500,000,000, not later than September 30, 2010;

''(v) $5,500,000,000, not later than September 30, 2011;

''(vi) $5,600,000,000, not later than September 30, 2012;

''(vii) $5,600,000,000, not later than September 30, 2013;

''(viii) $5,700,000,000, not later than September 30, 2014;

''(ix) $5,700,000,000, not later than September 30, 2015; and

''(x) $5,800,000,000, not later than September 30, 2016.

''(B) Not later than September 30, 2017, and by September 30 of each succeeding year, the United States Postal Service shall pay into such Fund the sum of—

''(i) the net present value computed under paragraph (1); and

''(ii) any annual installment computed under paragraph (2)(B).

''(4) Computations under this subsection shall be made consistent with the assumptions and methodology used by the Office for financial reporting under subchapter II of chapter 35 of title 31.

''(5)(A)(i) Any computation or other determination of the Office under this subsection shall, upon request of the United States Postal Service, be subject to a review by the Postal Regulatory Commission under this paragraph.

''(ii) Upon receiving a request under clause (i), the Commission shall promptly procure the services of an actuary, who shall hold membership in the American Academy of Actuaries and shall be qualified in the evaluation of healthcare insurance obligations, to conduct a review in accordance with generally accepted actuarial practices and principles and to provide a report to the Commission containing the results of the review. The Commission, upon determining that the report satisfies the requirements of this subparagraph, shall approve the report, with any comments it may choose to make, and submit it with any such comments to the Postal Service, the Office of Personnel Management, and Congress.

''(B) Upon receiving the report under subparagraph (A), the Office of Personnel Management shall reconsider its determination or redetermination in light of such report, and shall make any appropriate adjustments. The Office shall submit a report containing the results of its reconsideration to the Commission, the Postal Service, and Congress.

''(6) After consultation with the United States Postal Service, the Office shall promulgate any regulations the Office determines necessary under this subsection.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 89 of title 5, United States Code, is amended by inserting after the item relating to section 8909 the following:

''8909a. Postal Service Retiree Health Benefits Fund.''.

(b) REVIEW.—

(1) IN GENERAL.—

(A) REQUEST FOR REVIEW.—Any regulation established under section 8909a(d)(5) of title 5, United States Code (as added by subsection (a)), shall, upon request of the United States Postal Service, be subject to a review by the Postal Regulatory Commission under this paragraph.

(B) REPORT.—Upon receiving a request under subparagraph (A), the Commission shall promptly procure the services of an actuary, who shall hold membership in the American Academy of Actuaries and shall be qualified in the evaluation of healthcare insurance obligations, to conduct a review in accordance with generally accepted actuarial practices and principles and to provide a report to the Commission containing the results of the review. The Commission, upon determining that the report satisfies the requirements of this paragraph, shall approve the report, with any comments it may choose to make, and submit it with any such comments to the Postal Service, the Office of Personnel Management, and Congress.

(2) RECONSIDERATION.—Upon receiving the report under paragraph (1), the Office of Personnel Management shall reconsider its determination or redetermination in light of such report, and shall make any appropriate adjustments. The Office shall submit a report containing the results of its reconsideration to the Commission, the Postal Service, and Congress.

SEC. 804. REPEAL OF DISPOSITION OF SAVINGS PROVISION.

(a) IN GENERAL.—Section 3 of the Postal Civil Service Retirement System Funding Reform Act of 2003 (Public Law 108–18) is repealed.

(b) SAVINGS.—Savings accrued to the Postal Service as a result of enactment of Public Law 108–18 and attributable to fiscal year 2006 shall be transferred to the Postal Service Retiree Health Benefits Fund established under section 8909a of title 5, United States Code, as added by section 803 of this Act.

SEC. 805. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided under subsection (b), this title shall take effect on October 1, 2006.

(b) TERMINATION OF EMPLOYER CONTRIBUTION.—The amendment made by paragraph (1) of section 802(a) shall take effect on the first day of the first pay period beginning on or after October 1, 2006.

TITLE IX—COMPENSATION FOR WORK INJURIES

SEC. 901. TEMPORARY DISABILITY; CONTINUATION OF PAY.

(a) TIME OF ACCRUAL OF RIGHT.—Section 8117 of title 5, United States Code, is amended—

(1) by striking ''An employee'' and inserting ''(a) An employee other than a Postal Service employee''; and

(2) by adding at the end the following:

''(b) A Postal Service employee is not entitled to compensation or continuation of pay for the first 3 days of temporary disability, except as provided under paragraph (3) of subsection (a). A Postal Service employee may use annual leave, sick leave, or leave without pay during that 3-day period, except that if the disability exceeds 14 days or is followed by permanent disability, the employee may have their sick leave or annual leave reinstated or receive pay for the time spent on leave without pay under this section.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 8118(b)(1) of title 5, United States Code, is amended to read as follows:

''(1) without a break in time, except as provided under section 8117(b), unless controverted under regulations of the Secretary;''.

TITLE X—MISCELLANEOUS

SEC. 1001. EMPLOYMENT OF POSTAL POLICE OFFICERS.

Section 3061 of title 18, United States Code, is amended by adding at the end the following:

''(c)(1) The Postal Service may employ police officers for duty in connection with the protection of property owned or occupied by the Postal Service or under the charge and control of the Postal Service, and persons on that property, including duty in areas outside the property to the extent necessary to protect the property and persons on the property.

''(2) With respect to such property, such officers shall have the power to—

''(A) enforce Federal laws and regulations for the protection of persons and property;

''(B) carry firearms; and

''(C) make arrests without a warrant for any offense against the Unites States committed in the presence of the officer or for any felony cognizable under the laws of the United States if the officer has reasonable grounds to believe that the person to be arrested has committed or is committing a felony.

''(3) With respect to such property, such officers may have, to such extent as the Postal Service may by regulations prescribe, the power to—

''(A) serve warrants and subpoenas issued under the authority of the United States; and

''(B) conduct investigations, on and off the property in question, of offenses that may have been committed against property owned or occupied by the Postal Service or persons on the property.

''(4)(A) As to such property, the Postmaster General may prescribe regulations necessary for the protection and administration of property owned or occupied by the Postal Service and persons on the property. The regulations may include reasonable penalties, within the limits prescribed in subparagraph (B), for violations of the regulations. The regulations shall be posted and remain posted in a conspicuous place on the property.

''(B) A person violating a regulation prescribed under this subsection shall be fined under this title, imprisoned for not more than 30 days, or both.''.

SEC. 1002. OBSOLETE PROVISIONS.

(a) REPEAL.—

(1) IN GENERAL.—Chapter 52 of title 39, United States Code, is repealed.

(2) CONFORMING AMENDMENTS.—(A) Section 5005(a) of title 39, United States Code, is amended—

(i) by striking paragraph (1), and by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(ii) in paragraph (3) (as so designated by clause (i)), by striking ''(as defined in section 5201(6) of this title)''.

(B) Section 5005(b) of such title 39 is amended by striking ''(a)(4)'' each place it appears and inserting ''(a)(3)''.

(C) Section 5005(c) of such title 39 is amended by striking ''by carrier or person under subsection (a)(1) of this section, by contract under subsection (a)(4) of this section, or'' and inserting ''by contract under subsection (a)(3) of this section or''.

(b) ELIMINATING RESTRICTION ON LENGTH OF CONTRACTS.—(1) Section 5005(b)(1) of title 39, United States Code, is amended by striking ''(or where the Postal Service determines that special conditions or the use of special equipment warrants, not in excess of 6 years)'' and inserting ''(or such longer period of time as may be determined by the Postal Service to be advisable or appropriate)''.

(2) Section 5402(d) of such title 39 is amended by striking ''for a period of not more than 4 years''.

(3) Section 5605 of such title 39 is amended by striking ''for periods of not in excess of 4 years''.

(c) TECHNICAL AND CONFORMING AMENDMENT.—The table of chapters for part V of title 39, United States Code, is amended by repealing the item relating to chapter 52.

SEC. 1003. REDUCED RATES.

Section 3626 of title 39, United States Code, is amended—

(1) in subsection (a), by striking all before paragraph (4) and inserting the following:

''(a)(1) Except as otherwise provided in this section, rates of postage for a class of mail or kind of mailer under former section 4358, 4452(b), 4452(c), 4554(b), or 4554(c) of this title shall be established in accordance with section 3622.

''(2) For the purpose of this subsection, the term 'regular-rate category' means any class of mail or kind of mailer, other than a class or kind referred to in section 2401(c).

''(3) Rates of postage for a class of mail or kind of mailer under former section 4358(a) through (c) of this title shall be established so that postage on each mailing of such mail reflects its preferred status as compared to the postage for the most closely corresponding regular-rate category mailing.'';

(2) in subsection (g), by adding at the end the following:

''(3) For purposes of this section and former section 4358(a) through (c) of this title, those copies of an issue of a publication entered within the county in which it is published, but distributed outside such county on postal carrier routes originating in the county of publication, shall be treated as if they were distributed within the county of publication.

''(4)(A) In the case of an issue of a publication, any number of copies of which are mailed at the rates of postage for a class of mail or kind of mailer under former section 4358(a) through (c) of this title, any copies of such issue which are distributed outside the county of publication (excluding any copies subject to paragraph (3)) shall be subject to rates of postage provided for under this paragraph.

''(B) The rates of postage applicable to mail under this paragraph shall be established in accordance with section 3622.

''(C) This paragraph shall not apply with respect to an issue of a publication unless the total paid circulation of such issue outside the county of publication (not counting recipients of copies subject to paragraph (3)) is less than 5,000.''; and

(3) by adding at the end the following:

''(n) In the administration of this section, matter that satisfies the circulation standards for requester publications shall not be excluded from being mailed at the rates for mail under former section 4358 solely because such matter is designed primarily for free circulation or for circulation at nominal rates, or fails to meet the requirements of former section 4354(a)(5).''.

SEC. 1004. SENSE OF CONGRESS REGARDING POSTAL SERVICE PURCHASING REFORM.

It is the sense of Congress that the Postal Service should—

(1) ensure the fair and consistent treatment of suppliers and contractors in its current purchasing policies and any revision or replacement of such policies, such as through the use of competitive contract award procedures, effective dispute resolution mechanisms, and socioeconomic programs; and

(2) implement commercial best practices in Postal Service purchasing policies to achieve greater efficiency and cost savings by taking full advantage of private-sector partnerships as recommended in July 2003 by the President's Commission on the United States Postal Service.

SEC. 1005. CONTRACTS FOR TRANSPORTATION OF MAIL BY AIR.

(a) DEFINITIONS.—Section 5402(a) of title 39, United States Code, is amended—

(1) in paragraph (4), by striking ''(g)(1)(D)(i)'' and inserting ''(g)(1)(A)(iv)(I)'';

(2) in paragraph (5), by striking ''(g)(1)(D)(i)'' and inserting ''(g)(1)(A)(iv)(I)'';

(3) in paragraph (8), by striking ''rates paid to a bush carrier'' and inserting ''linehaul rates and a single terminal handling payment at a bush terminal handling rate paid to a bush carrier'';

(4) in paragraph (11), by striking ''(g)(1)(D)(ii)'' and inserting ''(g)(1)(A)(iv)(II)''; and

(5) in paragraph (13)—

(A) in subparagraph (A)—

(i) by striking ''clause (i) or (ii) of subsection (g)(1)(D)'' and inserting ''subclause (I) or (II) of subsection (g)(1)(A)(iv)''; and

(ii) by striking ''and'' after the semicolon;

(B) in subparagraph (B), by adding ''and'' after the semicolon; and

(C) by adding at the end the following:

''(C) is not comprised of previously qualified existing mainline carriers as a result of merger or sale;''.

(b) NONPRIORITY BYPASS MAIL.—Section 5402(g) of title 39, United States Code, is amended—

(1) in paragraph (3), by adding at the end the following:

''(C) When a new hub results from a change in a determination under subparagraph (B), mail tender from that hub during the 12-month period beginning on the effective date of that change shall be based on the passenger and freight shares to the destinations of the affected hub or hubs resulting in the new hub.''; and

(2) in paragraph (5)(A)(i), by striking ''(g)(1)(D)(ii)'' and inserting ''(g)(1)(A)(iv)(II)''.

(c) EQUITABLE TENDER.—Section 5402(h) of title 39, United States Code, is amended—

(1) in paragraph (1), by inserting ''bush'' after ''providing scheduled'';

(2) by striking paragraph (3) and inserting the following:

''(3)(A) Except as provided under subparagraph (C), a new or existing 121 bush passenger carrier qualified under subsection (g)(1) shall be exempt from the requirements under paragraphs (1)(B) and (2)(A) on a city pair route for a period which shall extend for—

''(i) 1 year;

''(ii) 1 year in addition to the extension under clause (i) if, as of the conclusion of the first year, such carrier has been providing not less than 5 percent of the passenger service on that route (as calculated under paragraph (5)); and

''(iii) 1 year in addition to the extension under clause (ii) if, as of the conclusion of the second year, such carrier has been providing not less than 10 percent of the passenger service on that route (as calculated under paragraph (5)).

''(B)(i) The first 3 121 bush passenger carriers entitled to the exemptions under subparagraph (A) on any city pair route shall divide no more than an additional 10 percent of the mail, apportioned equally, comprised of no more than—

''(I) 5 percent of the share of each qualified passenger carrier servicing that route that is not a 121 bush passenger carrier; and

''(II) 5 percent of the share of each nonpassenger carrier servicing that route that transports 25 percent or more of the total nonmail freight under subsection (i)(1).

''(ii) Additional 121 bush passenger carriers entering service on that city pair route after the first 3 shall not receive any additional mail share.

''(iii) If any 121 bush passenger carrier on a city pair route receiving an additional share of the mail under clause (ii) discontinues service on that route, the 121 bush passenger carrier that has been providing the longest period of service on that route and is otherwise eligible but is not receiving a share by reason of clause (ii), shall receive the share of the carrier discontinuing service.

''(C) Notwithstanding the requirements of this subsection, if only 1 passenger carrier or aircraft is qualified to be tendered nonpriority bypass mail as a passenger carrier or aircraft on a city pair route in the State of Alaska, the Postal Service shall tender 20 percent of the nonpriority bypass mail described under paragraph (1) to the passenger carrier or aircraft providing at least 10 percent of the passenger service on such route.'';

(3) in paragraph (5)(A)—

(A) by striking ''(i)'' after ''(A)''; and

(B) by striking clause (ii).

(d) PERCENT OF NONMAIL FREIGHT.—Section 5402(i)(6) of title 39, United States Code, is amended—

(1) by striking ''(A)'' after ''(6)''; and

(2) by striking subparagraph (B).

(e) PERCENT OF TENDER RATE.—Section 5402(j)(3)(B) of title 39, United States Code, is amended by striking ''bush routes in the State of Alaska'' and inserting ''routes served exclusively by bush carriers in the State of Alaska''.

(f) DETERMINATION OF RATES.—Section 5402(k) of title 39, United States Code, is amended by striking paragraph (5).

(g) TECHNICAL AND CONFORMING AMENDMENT.—Section 5402(p)(3) of title 39, United States Code, is amended by striking ''(g)(1)(D)'' and inserting ''(g)(1)(A)(iv)''.

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided under paragraph (2), this section shall take effect on the date of enactment of this Act.

(2) EQUITABLE TENDER.—Subsection (c) shall take effect on December 1, 2006.

SEC. 1006. DATE OF POSTMARK TO BE TREATED AS DATE OF APPEAL IN CONNECTION WITH THE CLOSING OR CONSOLIDATION OF POST OFFICES.

(a) IN GENERAL.—Section 404(b) of title 39, United States Code, is amended by adding at the end the following:

''(6) For purposes of paragraph (5), any appeal received by the Commission shall—

''(A) if sent to the Commission through the mails, be considered to have been received on the date of the Postal Service postmark on the envelope or other cover in which such appeal is mailed; or

''(B) if otherwise lawfully delivered to the Commission, be considered to have been received on the date determined based on any appropriate documentation or other indicia (as determined under regulations of the Commission).''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to any determination to close or consolidate a post office which is first made available, in accordance with paragraph (3) of section 404(b) of title 39, United States Code, after the end of the 3-month period beginning on the date of the enactment of this Act.

SEC. 1007. PROVISIONS RELATING TO BENEFITS UNDER CHAPTER 81 OF TITLE 5, UNITED STATES CODE, FOR OFFICERS AND EMPLOYEES OF THE FORMER POST OFFICE DEPARTMENT.

(a) IN GENERAL.—Section 8 of the Postal Reorganization Act (39 U.S.C. 1001 note) is amended by inserting ''(a)'' after ''8.'' and by adding at the end the following:

''(b) For purposes of chapter 81 of title 5, United States Code, the Postal Service shall, with respect to any individual receiving benefits under such chapter as an officer or employee of the former Post Office Department, have the same authorities and responsibilities as it has with respect to an officer or employee of the Postal Service receiving such benefits.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall be effective as of the first day of the fiscal year in which this Act is enacted.

SEC. 1008. HAZARDOUS MATTER.

(a) NONMAILABILITY GENERALLY.—Section 3001 of title 39, United States Code, is amended—

(1) by redesignating subsection (n) as subsection (o); and

(2) by inserting after subsection (m) the following:

''(n)(1) Except as otherwise authorized by law or regulations of the Postal Service, hazardous material is nonmailable.

''(2) In this subsection, the term 'hazardous material' means a substance or material designated by the Secretary of Transportation under section 5103(a) of title 49.''.

(b) MAILABILITY.—Chapter 30 of title 39, United States Code, is amended by adding at the end the following:

''§ 3018. Hazardous material

''(a) IN GENERAL.—The Postal Service shall prescribe regulations for the safe transportation of hazardous material in the mail.

''(b) PROHIBITIONS.—No person may—

''(1) mail or cause to be mailed hazardous material that has been declared by statute or Postal Service regulation to be nonmailable;

''(2) mail or cause to be mailed hazardous material in violation of any statute or Postal Service regulation restricting the time, place, or manner in which hazardous material may be mailed; or

''(3) manufacture, distribute, or sell any container, packaging kit, or similar device that—

''(A) is represented, marked, certified, or sold by such person for use in the mailing of hazardous material; and

''(B) fails to conform with any statute or Postal Service regulation setting forth standards for a container, packaging kit, or similar device used for the mailing of hazardous material.

''(c) CIVIL PENALTY; CLEAN-UP COSTS AND DAMAGES.—

''(1) IN GENERAL.—A person who knowingly violates this section or a regulation prescribed under this section shall be liable for—

''(A) a civil penalty of at least $250, but not more than $100,000, for each violation;

''(B) the costs of any clean-up associated with each violation; and

''(C) damages.

''(2) KNOWING ACTION.—A person acts knowingly for purposes of paragraph (1) when—

''(A) the person has actual knowledge of the facts giving rise to the violation; or

''(B) a reasonable person acting in the circumstances and exercising reasonable care would have had that knowledge.

''(3) SEPARATE VIOLATIONS.—

''(A) VIOLATIONS OVER TIME.—A separate violation under this subsection occurs for each day hazardous material, mailed or caused to be mailed in noncompliance with this section, is in the mail.

''(B) SEPARATE ITEMS.—A separate violation under this subsection occurs for each item containing hazardous material that is mailed or caused to be mailed in noncompliance with this section.

''(d) HEARINGS.—The Postal Service may determine that a person has violated this section or a regulation prescribed under this section only after notice and an opportunity for a hearing. Proceedings under this section shall be conducted in accordance with section 3001(m).

''(e) PENALTY CONSIDERATIONS.—In determining the amount of a civil penalty for a violation of this section, the Postal Service shall consider—

''(1) the nature, circumstances, extent, and gravity of the violation;

''(2) with respect to the person who committed the violation, the degree of culpability, any history of prior violations, the ability to pay, and any effect on the ability to continue in business;

''(3) the impact on Postal Service operations; and

''(4) any other matters that justice requires.

''(f) CIVIL ACTIONS TO COLLECT.—

''(1) IN GENERAL.—In accordance with section 409(d), a civil action may be commenced in an appropriate district court of the United States to collect a civil penalty, clean-up costs, and damages assessed under subsection (c).

''(2) COMPROMISE.—The Postal Service may compromise the amount of a civil penalty, clean-up costs, and damages assessed under subsection (c) before commencing a civil action with respect to such civil penalty, clean-up costs, and damages under paragraph (1).

''(g) CIVIL JUDICIAL PENALTIES.—

''(1) IN GENERAL.—At the request of the Postal Service, the Attorney General may bring a civil action in an appropriate district court of the United States to enforce this section or a regulation prescribed under this section.

''(2) RELIEF.—The court in a civil action under paragraph (1) may award appropriate relief, including a temporary or permanent injunction, civil penalties as determined in accordance with this section, or punitive damages.

''(3) CONSTRUCTION.—A civil action under this subsection shall be in lieu of civil penalties for the same violation under subsection (c)(1)(A).

''(h) DEPOSIT OF AMOUNTS COLLECTED.—

''(1) POSTAL SERVICE FUND.—Except as provided under paragraph (2), amounts collected under subsection (c)(1)(B) and (C) shall be deposited into the Postal Service Fund under section 2003.

''(2) TREASURY.—Amounts collected under subsection (c)(1)(A) and any punitive damages collected under subsection (c)(1)(C) shall be deposited into the Treasury of the United States.''.

(c) CONFORMING AMENDMENTS.—(1) Section 2003(b) of title 39, United States Code, is amended—

(A) in paragraph (7), by striking ''and'' after the semicolon;

(B) in paragraph (8), by striking ''purposes.'' and inserting ''purposes; and''; and

(C) by adding at the end the following:

''(9) any amounts collected under section 3018.''.

(2) The analysis for chapter 30 of title 39, United States Code, is amended by adding at the end the following:

''3018. Hazardous material.''.

(d) INJURIOUS ARTICLES AS NONMAILABLE.—Section 1716(a) of title 18, United States Code, is amended by inserting after ''explosives,'' the following: ''hazardous materials,''.

SEC. 1009. ZIP CODES AND RETAIL HOURS.

(a) ZIP CODES.—Not later than September 30, 2007, the United States Postal Service shall assign a single, unified ZIP code to serve, as nearly as practicable, each of the following communities:

(1) Auburn Township, Ohio.

(2) Hanahan, South Carolina.

(3) Bradbury, California.

(4) Discovery Bay, California.

(b) RETAIL HOURS.—Not later than 60 days after the date of the enactment of this Act, the United States Postal Service shall provide the same window service hours for the Fairport Harbor Branch of the United States Post Office in Painesville, Ohio, as were in effect as of December 1, 2005.

SEC. 1010. TECHNICAL AND CONFORMING AMENDMENTS.

(a) REIMBURSEMENT.—Section 3681 of title 39, United States Code, is amended by striking ''section 3628'' and inserting ''sections 3662 through 3664''.

(b) SIZE AND WEIGHT LIMITS.—Section 3682 of title 39, United States Code, is amended to read as follows:

''§ 3682. Size and weight limits

''The Postal Service may establish size and weight limitations for mail matter in the market-dominant category of mail consistent with regulations the Postal Regulatory Commission may prescribe under section 3622. The Postal Service may establish size and weight limitations for mail matter in the competitive category of mail consistent with its authority under section 3632.''.

(c) REVENUE FOREGONE, ETC.—Title 39, United States Code, is amended—

(1) in section 503 (as so redesignated by section 601), by striking ''this chapter.'' and inserting ''this title.''; and

(2) in section 2401(d), by inserting ''(as last in effect before enactment of the Postal Accountability and Enhancement Act)'' after ''3626(a)'' and after ''3626(a)(3)(B)(ii)''.

(d) APPROPRIATIONS AND REPORTING REQUIREMENTS.—

(1) APPROPRIATIONS.—Subsection (e) of section 2401 of title 39, United States Code, is amended—

(A) by striking ''Committee on Post Office and Civil Service'' each place it appears and inserting ''Committee on Government Reform''; and

(B) by striking ''Not later than March 15 of each year,'' and inserting ''Each year,''.

(2) REPORTING REQUIREMENTS.—Sections 2803(a) and 2804(a) of title 39, United States Code, are amended by striking ''2401(g)'' and inserting ''2401(e)''.

(e) AUTHORITY TO FIX RATES AND CLASSES GENERALLY; REQUIREMENT RELATING TO LETTERS SEALED AGAINST INSPECTION.—Section 404 of title 39, United States Code (as amended by section 102) is further amended by redesignating subsections (b) and (c) as subsections (d) and (e), respectively, and by inserting after subsection (a) the following:

''(b) Except as otherwise provided, the Governors are authorized to establish reasonable and equitable classes of mail and reasonable and equitable rates of postage and fees for postal services in accordance with the provisions of chapter 36. Postal rates and fees shall be reasonable and equitable and sufficient to enable the Postal Service, under best practices of honest, efficient, and economical management, to maintain and continue the development of postal services of the kind and quality adapted to the needs of the United States.

''(c) The Postal Service shall maintain one or more classes of mail for the transmission of letters sealed against inspection. The rate for each such class shall be uniform throughout the United States, its territories, and possessions. One such class shall provide for the most expeditious handling and transportation afforded mail matter by the Postal Service. No letter of such a class of domestic origin shall be opened except under authority of a search warrant authorized by law, or by an officer or employee of the Postal Service for the sole purpose of determining an address at which the letter can be delivered, or pursuant to the authorization of the addressee.''.

(f) LIMITATIONS.—Section 3684 of title 39, United States Code, is amended by striking all that follows ''any provision'' and inserting ''of this title.''.

(g) MISCELLANEOUS.—Title 39, United States Code, is amended—

(1) in section 1005(d)(2)—

(A) by striking ''subsection (g) of section 5532,''; and

(B) by striking ''8344,'' and inserting ''8344'';

(2) in the analysis for part III, by striking the item relating to chapter 28 and inserting the following:

''28. Strategic Planning and Performance Management ..... 2801'';

(3) in section 3005(a)—

(A) in the matter before paragraph (1), by striking all that follows ''nonmailable'' and

precedes ''(h),'' and inserting ''under section 3001(d),''; and

(B) in the sentence following paragraph (3), by striking all that follows ''nonmailable'' and precedes ''(h),'' and inserting ''under such section 3001(d),'';

(4) in section 3210(a)(6)(C), by striking the matter after ''if such mass mailing'' and before ''than 60 days'' and inserting ''is postmarked fewer''; and

(5) by striking the heading for section 3627 and inserting the following:

''§ 3627. Adjusting free rates''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. TOM DAVIS) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia.

GENERAL LEAVE

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

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

There was no objection.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 6407, the Postal Accountability and Enhancement Act. This is the first major overhaul of the Postal Service since 1970. The House passed its version of postal reform in July of 2005 by a vote of 410–20. The Senate passed its version in February by unanimous consent.

This bill is the product of months of negotiations between the House and the Senate and the administration. It is also the culmination of more than a decade of hard work and study, not to mention a great deal of bipartisan negotiation and cooperation.

□ 2215

Mr. Speaker, this bill is the product of months of negotiations between the House, the Senate and the administration. It is also the culmination of more than a decade of hard work and study, not to mention a great deal of bipartisan negotiation and cooperation. The landmark legislation solves the structural, legal and financial constraints that have brought the postal service to the brink of utter breakdown.

The postal service is the center of a $900 billion industry, employing 9 million workers nationwide. Each year, the U.S.P.S. processes and delivers over 200 million pieces of mail to more than 130 million households and businesses in the United States, but the last major overhaul of the statutes governing the postal service occurred in 1970 before the Internet and e-mails and faxes, before letters became snail mail, before the deregulation of the airline industry, before competitors like FedEx even existed.

Today, this critical component of our Nation's economy is being challenged by a variety of factors, including increasing volume, insufficient revenue, mounting debts and new technologies such as the Internet advertising, electronic bill payments, e-mails and faxes.

As a result, the GAO has included the postal service on its high-risk series since 2001. This compromise will reverse the death spiral at the postal service and bring the postal service into the 21st century.

I want to take this opportunity to thank Congressman JOHN MCHUGH of New York who recognized the need for comprehensive postal reform legislation when he became chairman of this subcommittee at the beginning of the 104th Congress and has championed reform tirelessly. I also want to thank HENRY WAXMAN and DANNY DAVIS for their dedication to this subject and their willingness to cooperate in a bipartisan manner.

I want to thank the principal sponsors in the Senate, SUSAN COLLINS of Maine and TOM CARPER of Delaware. Without their leadership and dedication, this compromise would not have been possible.

Finally, I want to thank the many members of our staff who have worked on this important issue: Jack Callender, Ellen Brown, and Mason Alinger of my committee staff; also Robert Taub of Congressman MCHUGH's staff who has dedicated years of his life to this cause; and also Phil Barnett, Denise Wilson, and Naomi Seiler of Congressman WAXMAN's staff; Jill Hunter-Williams of Congressman DANNY DAVIS' staff; and Ann Fisher of Senator COLLINS' and John Kilvington of Senator CARPER's staff.

I also want to thank all those individuals in the administration that have actively and tirelessly participated in the negotiations to help us reach this point today, especially Michael Bopp, Jeff Sharpe and Chris Frech.

Mr. Speaker, all the stakeholders in this legislation, postal employees, financial services companies, major marketers, have been rigorous in urging Congress and the administration to complete this bill. No one thinks it is perfect. This is the nature of compromise, but everyone, especially all Americans who use stamps, will be significantly better off with this legislation than they would be without this long overdue package of reforms.

I urge my colleagues to support this important legislation.

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

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I rise in strong support of this landmark postal reform bill. Members of the House have worked for over a decade to reform this important part of our national communications system and our economy. I am indeed pleased to serve in the Congress that is making this reform a reality.

I want to commend and congratulate Chairman TOM DAVIS and Ranking Member HENRY WAXMAN for their tremendous commitment and dedication to making this truly a bipartisan effort and for the tenacious way in which they have worked to bring us to this point this evening.

I also want to commend Representative MCHUGH who has been the point person for the Republican side of the aisle on this matter for more than 10 years, who has stayed with it, stuck with it, and one of the reasons that we are here today is because of his tenacious work.

I also want to thank all of the stakeholders, the unions, the mailers and others, who are greatly affected.

I want to thank the Board of Governors and the Postmaster General, Mr. Potter, for their willingness to work with us.

And I want to think the other body, the Members of the Senate who were willing to negotiate, to engage in the give-and-take that is so necessary to make bipartisan, bicameral legislation a reality.

This bill is a prime example of bipartisan negotiation and collaboration. It is a compromise that will modernize the postal system and help it remain healthy and affordable well into the 21st century.

I represent much of the city of Chicago, one of the primary postal hubs in the Midwest with over 12,000 postal employees who deliver mail daily to 1.2 million homes and businesses in the Chicago area. I also represent numerous printing and mailing companies that rely upon the movement of mail. Therefore, ensuring a healthy postal service is a key issue of great concern to me.

This bill has many highlights. It provides for ratemaking flexibility, rate stability, universal service, high quality standards, and collective bargaining.

In addition, I am pleased that the bill advances fair business practices related to employees who are women and/or racial minorities. For example, I am pleased that it includes a study on the representation of women and minority members in supervisory and management positions within the postal service. It is important to understand how well the postal service is doing in opening up its senior positions to groups who historically have not had that kind of access.

The bill goes even further by requiring measures to incorporate the affirmative action and equal opportunity criteria into the performance appraisals of senior supervisory or managerial employees. This change helps ensure that management will be held accountable for adhering to the organization's goals of equal opportunity. And I want to sincerely thank Mr. WAXMAN for his vigorous support for this diversity provision.

I am also pleased that the bill includes a study of the number of contracts with women, minorities and small businesses to ensure that all

groups have access to the postal service contracts.

Mr. Speaker, these are just some of the provisions that will go a long way towards helping the postal service to better serve its customers, compete fairly with the mailing industry, and contribute to our Nation.

I especially want to thank the committee staff, Phil Barnett, Denise Wilson, Naomi Seiler, and all of the staff persons who worked to make this a reality.

I want to thank Ellen Brown, Jack Callender, Robert Taub and my staff, Richard Boykin and Jill Hunter-Williams.

Mr. Speaker, it is obviously time for postal reform. We have gone through this now for several years, and all of us who have worked on it are indeed pleased with the fact that we were able to compromise, to come together, to massage egos, to make real the idea that we can have a solid piece of legislation. I am proud to support it.

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

Mr. TOM DAVIS of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Speaker, I thank the chairman.

I had a friend of mine say the other day, gee, 11½ years dedicated to one issue, that is a long time. My observation was, there are people in certain jurisdictions in this country that have spent less time for committing murder than I have spent on this bill. I am not sure what the parallel there is, but if there is any truth in the old adage that anything worth having is worth waiting for, this is a very, very good night.

This is an excellent bill. It is not a perfect bill, but the fact that you can take the mix of interests that is represented in this piece of legislation, unions, mailers, postal dependents and postal competitive industries, the postal service itself, and have them virtually uniformly and universally support it suggests that it is a remarkable achievement.

In that regard, I want to thank so many people: former Chairman Bill Clinger who first presented me the challenge and the opportunity of advancing this initiative; then, of course, DAN BURTON, the follow-on chairman, the gentleman from Indiana, who kept it alive; and most recently, most importantly, the gentleman from Virginia (Mr. TOM DAVIS) who really pushed it over the goal line. We are all deeply in his debt.

The minority as well: HENRY WAXMAN; DANNY DAVIS, the gentleman who tonight is managing this bill very appropriately, as he has managed the affairs from the minority side on this issue so very, very ably; CHAKA FATTAH, who was the ranking member when we really got into the meat of this issue; BARBARA ROSE COLLINS, the first ranking member, and on and on and on.

But most of all, those who had the greatest stake in this initiative, the unions, the postal service, Jack Potter, the mailers, the mailing dependent mailers, those in the competitive industry, those who understood that for whatever their differences might be, their need for a common cause, their need for reform should override all of it. And at the end of the day, as we see here tonight, they put that aside.

Special thanks to the staff. They are the folks who, whatever the endeavor in this House, are really the ones who do the lion's share of the work. Of course, Dan Blair who is the chief of staff and the person who headed up the Postal Subcommittee for the Government Reform Committee when we first began this initiative, and foremost, most importantly, Robert Taub, a man who as I have said on this House floor so many times before brings such compassion, such passion, such patience, really embodied in any individual that I have ever had the pleasure of meeting. I am proud to call him a colleague. I am proud to call him my friend, and today, it is perhaps the finest hour of his work because of the effort he has put together.

This bill represents 80 percent, probably more than 80 percent, of the first bill we introduced some 11½ years ago. That is a pretty remarkable achievement. The postal service is the kind of endeavor that touches the lives of virtually each and every American each and every day, and while it may not garner the kind of attention and passion and interest that some other issues do, at the end of the day, it is one of the most important activities.

Most of all, this is for the postal workers, those 800,000-plus strong who go out every day and do their job so effectively, so efficiently that for the vast majority of our constituents, the last thing they think of when they walk to their mailbox or go to their post office is will the mail be there. It will. And through this legislation, through this advancement, hopefully it will continue in that regard.

Mr. Speaker, it is a great night, a great day for all Americans, and I thank all of those who have endeavored so hard for more than a decade to make it a reality.

It has been more than 36 years since President Nixon signed into law the most comprehensive postal legislation since the founding of the Republic, the Postal Reorganization Act of 1970. The Post Office Department was transformed into the United States Postal Service, an independent establishment of the executive branch of the Government of the United States.

The universal service mission of the Postal Service remained the same, as stated in Title 39 of the U.S. Code: "The Postal Service shall have as its basic function the obligation to provide postal services to bind the Nation together through the personal, educational, literary, and business correspondence of the people. It shall provide prompt, reliable, and efficient services to patrons in all areas and shall render postal services to all communities."

The new Postal Service officially began operations on July 1, 1971. In the intervening 35 years, the commercial environment in which the Postal Service operates has changed. In 1971, UPS had a much smaller percentage of the parcel market, FedEx didn't exist, and the Internet had not been created. As we know, these developments have drastically altered the postal and delivery sector of our economy. Yet, in the last three and a half decades our Nation's postal laws have changed very little. I do not know of any entity in the United States today, public or private, that is still operating with such an outdated structure.

A report by the President's Commission on the Postal Service concluded that without a new approach, the future of universal mail service is in peril. According to the Secretary of the Treasury, "We really need to get it done now . . . the business model of the Postal Service just doesn't work anymore. It's not sustainable in light of all the technological changes and changes in the marketplace."

Today we have a choice . . . whether to vote to preserve universal postal service at uniform rates to every stretch of this Nation, or whether to instead vote "no" and assign the Postal Service to an almost certain future of ever escalating increases in postal prices and devastating post office closures. The bill we have before us is the product of extensive bipartisan/bicameral efforts with the Government Reform Committee Chairman, the Committee's Ranking Member, the Committee Member from Illinois (i.e., Mr. DANNY DAVIS), and me, together with our colleagues in the other body, particularly Senators COLLINS, CARPER, and LIEBERMAN. I want to take a moment to underscore my appreciation for the hard work that each of them took to bring about a proposed solution, in close collaboration with the Administration. This bill is truly a consensus document, having built upon H.R. 22 as it passed the House in the last session 413–20, and then the Senate by unanimous consent in February of this year.

I have heard it said, time and time again, and it is absolutely true, this is not a perfect bill. I cannot imagine any person, short of someone suffering from multiple personality disorder, who would sit down and, by themselves, craft this particular piece of legislation. But I think that is true of any product that comes about after 12 years of negotiations; of any product in this legislative body that attempts, as this bill does, to effect sector reform or reform of a system that while touching every American's life, 6 days a week, at a minimum, has not been changed in any meaningful way, in more than 35 years.

So what we have tried to do, with the enormous, enormous support and patience and input of: the Government Reform Chairman; of the gentleman from Illinois, Mr. DANNY DAVIS, who started on the Postal Subcommittee, who served so honorably and so diligently with me; and over the past years, the Ranking Member of the Government Reform Committee—all of whom I hold in great esteem, and to whom I express great appreciation. I would be remiss if I also didn't note the work and commitment of the two previous Government Reform Chairmen, DAN BURTON and Bill Clinger, to this task. We have come up with a bill that embodies the input of literally hundreds of organizations that either compete against or rely upon this system we call the post office in America today. It does, as well, advance what, at least for me, was always the primary directive, and that is, that the interests of the Postal

Service, under this legislation, would be better served than the status quo.

That is an opinion, by the way, that is held by corporate and non-profit mailers, competitors, postal unions and management groups, and the Administration. All of these groups, I think it is fair to say, are particularly interested in seeing this House, and ultimately the Congress, advance the issue; an issue that I hope all of my colleagues understand is one of great urgency, and one that we continue to ignore at our extreme peril. So it is a positive moment.

The patient work on postal modernization has proceeded steadily even though, in all this time, ''postal reform'' has not once been featured on the Sunday talk shows. Balanced, nonpartisan postal reform may not be the stuff of political glory, but it is the sort of legislative work that will earn the long-term gratitude of the American mailing consumer—for I can think of no other government agency that touches the lives of all us, nearly every day, at home and at work. We've said it before and we'll say it again—that the Postal Service is the center of a nearly $900 billion industry, employing 9 million workers nationwide, and representing nearly 9 percent of our nation's gross domestic product.

The ''Postal Accountability and Enhancement Act'' affirmatively responds to all of the Administration's 5 principles for postal reform, and incorporates most of the 17 legislative recommendations made by the President's Commission on the U.S. Postal Service. The bill mandates transparency in the Service's finances, costs, and operations. The legislation creates a modern system of rate regulation, establishes fair competition rules and a powerful new regulator, addresses the Service's universal service obligation and the scope of the mail monopoly, and institutes improvements to the collective bargaining process. While the bill provides some of the pricing flexibility recommended for the Postal Service by the President's Commission, the bill also imposes controls to protect the public interest from unfair competition.

This is well-refined legislation that reflects the input and feedback from the more than three dozen hearings and nearly 125 witnesses that the Government Reform Committee and its former Postal Service Subcommittee held over the course of the last 12 years.

Make no mistake that today is indeed a day to choose. The Comptroller General of the United States has reported that the Postal Service's current business model, formulated as it was in 1970, is no longer sustainable in the 21st century. Our Postal Service is in trouble and requires reform to preserve universal service and prevent a worsening crisis.

To understand the challenges at hand, one needs simply to read the testimony the Committee received regarding the: Serious declines in first-class volume, changes in the mail mix, increased competition from private delivery companies, sub par revenue growth, rising costs, significant financial liabilities and obligations (including roughly $60 billion in unfunded retiree health benefits alone), insufficient increases in postal productivity, and uncertainties regarding how well the Service can streamline its outdated network of facilities under existing law.

Take declining first-class mail volume as one example of a fundamental challenge to the Service's long-term viability. First-class mail volume has declined annually for the last 5 years—not since the Great Depression has the Postal Service seen declines in first-class mail. The Service's core business of first-class mail has historically been the ''bread and butter'' that makes the system operate: first-class mail generates about half of the Service's mail volume, more than half of its revenues, and covers more than two-thirds of the Service's overhead costs. About half of overhead costs are comprised of universal service costs of maintaining postal delivery and retail networks. Declining first class mail volume is causing a loss of first-class mail revenues to cover overhead costs, which will be difficult to recover from other classes of mail.

While the problems are dire, I believe the strong bipartisan bill we are presenting today—based as it is on the President's principles for legislative change—identify a path to some solutions. The Postal Service is simply too important an institution—too important to the people of this nation; too important to our economy—to await the full brunt of a crisis that is clearly upon the doorstep. Indeed, there is good reason why this is the first Administration since President Nixon's to call on Congress to modernize our Nation's postal laws. I remain hopeful that as Congress did in 1970, we too today will answer the President's charge and challenge. The Postal Service, its 750,000 dedicated employees, and the nearly 300 million American citizens who depend on universal service at affordable rates are counting on us.

Mr. DAVIS of Illinois. Mr. Speaker, I am pleased to yield such time as she might consume to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Mr. Speaker, I thank the gentleman for yielding, and I rise in strong support of H.R. 6407, the Postal Accountability and Enhancement Act.

I want to congratulate the Government Reform Chairman, TOM DAVIS, Ranking Member WAXMAN, Representative JOHN MCHUGH from New York who has dedicated well over 11 years working on this, and DANNY DAVIS who led the effort in the minority, and their counterparts in the Senate for their hard work in getting this compromise bill to the floor prior to the adjournment.

The legislation before us will bring long overdue reforms to the operations of the postal service after almost 11½ years of negotiations between the House, the Senate and the administration.

We reached an agreement on negotiated service agreements, work sharing, the rate cap and the authority of the Postal Regulatory Commission to design a new postal system. The $9 billion mailing industry is tremendously important to our economy. Had Congress failed to reach this compromise, the public and postal reliant businesses surely would have faced more frequent increases in postal rates in the near future.

This bill will help to keep rates more stable by releasing the funds from an escrow account to pay retiree health benefits.

□ 2230

Additionally, this relieves the Postal Service and postal customers of the $27 billion burden in military service payments by returning that responsibility to the Treasury. The legislation creates a new Postal Regulatory Commission with the authority to establish a modern system for postal rate regulation. The new PRC will improve the rate-setting process by reducing administrative burdens. As a result, consumers and postal-reliant businesses can expect a greater rate stability.

I represent a large portion of the magazine industry which is enormously important both for the economy of New York and the country. High costs have forced many magazines out of business, including Mademoiselle, Mode, Brill's Content, and Industry Standard, leaving many workers without jobs. I also represent many postal workers, some of the 700,000 postal workers who rely on a healthy Postal Service for their livelihoods.

We are hopeful that the legislation we passed today will satisfy many of the concerns of the postal employees, the postal-reliant businesses, and the U.S. Postal Service and consumers. With the passage of this legislation we can ensure the long-term viability of the Postal Service and the continuation of services on which this Nation relies.

Once again, I commend my colleagues and the staff of the Government Reform and Oversight Committee, particularly Denise Wilson, for their hard work and dedication, and Jen Keaton from my own staff for their efforts in completing this task and I urge my colleagues to support it.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I would reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, let me just again commend and congratulate Chairman TOM DAVIS, Ranking Member HENRY WAXMAN, and Mr. MCHUGH. And just say that TOM DAVIS and HENRY WAXMAN demonstrated the very best of leadership as they worked through this process. TOM was a great chairman; Mr. WAXMAN is going to become a great chairman in the next session, and he is what I call a Member's chairman. It has been a pleasure working with all of them. I urge passage.

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

Mr. TOM DAVIS of Virginia. Mr. Speaker, let me just say again, this legislation mandates transparency in the Service's finances, costs, and operations, creates a modern system of rate regulation, establishes fair competition rules, and a powerful new regulator to oversee operations. It addresses the Postal Service's universal service operation in the scope of the mail monopoly; it institutes improvements to the collective bargaining process; it also puts a reasonable rate cap on it for the mailers, the first-class mailers and across the board for Americans who use the postal system. I urge my colleagues to adopt it and support this.

Mr. Speaker, I want to thank the Chairman of the Ways and Means Committee for agreeing to work with me on H.R. 6407 and I ask that our letters of exchange be inserted into the RECORD.

DECEMBER 8, 2006.

Hon. WILLIAM M. THOMAS,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your December 8, letter regarding the Committee on Ways and Means jurisdictional interest in H.R. 6407, the Postal Accountability and Enhancement Act, and your willingness to forego consideration of H.R. 6407 by your committee.

I agree that the Committee on Ways and Means has a valid jurisdictional interest in H.R. 6407 and that the committee's jurisdiction will not be adversely affected by your decision to forego consideration at this time. In addition, I will support your request for the appointment of outside conferees from the Committee on Ways and Means to a House-Senate Conference committee on this or similar legislation should such a conference be convened.

As you have requested, I will include a copy of your letter and this response in the Congressional Record during consideration of H.R. 6407 on the House floor. Thank you for your assistance as I work towards the enactment of H.R. 6407.

Sincerely,

TOM DAVIS,
Chairman.

DECEMBER 8, 2006.

Hon. TOM DAVIS,
Chairman, Committee on Government Reform Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN DAVIS: I am writing concerning H.R. 6407, the ''Postal Accountability and Enhancement Act,'' which was introduced on December 7, 2006, and is scheduled for floor action.

As, you know, the Committee on Ways and Means has jurisdiction over matters concerning trade and customs revenue functions and the bill contains provisions impacting these issues. For example, contained in the bill is a provision that directs the Bureau of Customs and Border Protection to apply United States customs laws to certain mail, and thus falls within the jurisdiction of the Committee on Ways and Means. However, in order to expedite this legislation for floor consideration, the committee will forgo action on this bill. This is being done with the understanding that it does not in any way prejudice the committee with respect to the appointment of conferees or its jurisdictional prerogatives on this or similar legislation.

I would appreciate your response to this letter, confirming this understanding with respect to this bill, and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration.

Best regards,

BILL THOMAS,
Chairman.

Mrs. MILLER of Michigan. Mr. Speaker, I rise today in strong support of H.R. 6407, The Postal Accountability and Enhancement Act.

This measure is the accumulation of 10 years of hard work and I would like to thank Chairman DAVIS and Congressman MCHUGH for their unwavering commitment to this bill, and their steadfast commitment to modernizing and reforming all aspects of the federal government.

The United States Postal Service is currently operating under a system built in 1970. In 1970, Richard Nixon was President, gasoline cost $0.36 per gallon, and very few people had even heard of computers, much less owned one.

Much has changed since then. The primary mode of written communication now is via email or fax, not first class mail. Consumers have a whole range of options to send mail and packages urgently. Most households either have or have access to a computer. But the Postal Service still operates at the same frequency as it did in 1970.

The simple fact is that this generation-old structure is unable to support the functioning of the 21st Century economy. With ever-accelerating declines in First Class Mail volumes, it's becoming more and more difficult for the Postal Service to collect revenue. This in turn leads to the need for frequent rate hikes, which is nothing more than an indirect tax increase on average Americans and a significant cost increase for businesses that heavily utilize the mail.

Mr. Speaker, this bill strikes the correct balance between the need for Postal reform and the obligations that the Postal Service has to the American people. If enacted, this bill will guarantee universal service, streamline back office operations, provide for workforce stability and implement a logical, reasoned process for increases in postal rates, which will generally be in line with the rate of inflation. Such stability and predictability will allow the Postal Service to grow along with the needs of its customers.

Mr. Speaker, America relies on the Unites States Postal Service to deliver our mail. Every Member of this body relies on the Postal Service to deliver important communications to our constituents. It's time we give the Postal Service the tools they need to remain an efficient, effective organization in the years to come.

I urge a ''yes'' vote on the bill.

Mr. SHAYS. Mr. Speaker, I rise in support of H.R. 6407, the Postal Accountability and Enhancement Act.

The Government Reform Committee, of which I am vice-chairman, has held hearings and briefings on postal reform for several years now, and I am glad to see our efforts come to fruition today.

The United States Postal Service has been forced to cut back on its service due to serious financial challenges. H.R. 6407 is an effort to modernize our nation's postal laws for the first time in 36 years. It is intended to help ensure the United States Postal Service can survive in an increasingly competitive marketplace.

Due to the increasing use of electronic forms of communication, such as email, first-class mail volume is declining, but postal addresses are increasing. In lieu of simply increasing rates, an entire reform of the postal service is necessary.

H.R. 6407 would require the Postal Service to operate in a more businesslike manner by creating a modern system of rate regulation, establishing fair competition rules and a more powerful regulatory commission.

H.R. 6407 will also promote both price stability and pricing flexibility. Giving the Postal Service pricing flexibility will allow USPS to price its core mail products in a way that keeps them competitive and, quite literally, in the mail. By limiting the amount of future postage rate increases, however, the bill also takes an important step towards encouraging the Postal Service to increase mail volume and keep the mailbags full while giving mailers predictability and stability.

Universal postal service should be the first and foremost goal of reform. This can only be accomplished if the financial and operational crisis facing the United States Postal Service is met with innovative and bold action. H.R. 6407 takes such action.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. TOM DAVIS) that the House suspend the rules and pass the bill, H.R. 6407, as amended.

The question was taken.

The SPEAKER pro tempore (Mr. LAHOOD). In the opinion of the Chair, two-thirds of those voting have responded in the affirmative.

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

The yeas and nays were refused.

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

SERGEANT FIRST CLASS ROBERT LEE ''BOBBY'' HOLLAR, JR. POST OFFICE BUILDING

Mr. TOM DAVIS of Virginia. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 4050) to designate the facility of the United States Postal Service located at 103 East Thompson Street in Thomaston, Georgia, as the ''Sergeant First Class Robert Lee 'Bobby' Hollar, Jr., Post Office Building''.

The Clerk read as follows:

S. 4050

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

SECTION 1. SERGEANT FIRST CLASS ROBERT LEE ''BOBBY'' HOLLAR, JR. POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 103 East Thompson Street in Thomaston, Georgia, shall be known and designated as the ''Sergeant First Class Robert Lee 'Bobby' Hollar, Jr. Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the ''Sergeant First Class Robert Lee 'Bobby' Hollar, Jr. Post Office Building''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mr. TOM DAVIS) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia.

GENERAL LEAVE

Mr. TOM DAVIS of Virginia. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days

within which to revise and extend their remarks and include extraneous material on the bill under consideration.

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

There was no objection.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 4050, offered by the gentleman from Georgia, Mr. WESTMORELAND. This bill would name a post office in Thomaston, Ga. to honor Sgt. First Class Bobby Lee Hollar, who was killed in action while serving our nation in Iraq.

Sergeant Hollar was the kind of man who makes it possible for Americans to live in freedom and his service to his country was nothing short of remarkable. He was a Tank Commander in the U.S. Army National Guard before joining the 108th Calvary Division in Griffin, Georgia. For seven years following that, he worked within the 82nd Airborne Division out of Fort Bragg and Colorado Springs. He believed passionately in what he did, and at the young age of 35, he died entirely too young.

I would also like to note here that naming this post office in honor of Sergeant Hollar is quite befitting, as he dedicated several years of his life to the Postal Service before returning to the military and deploying to Iraq. Friends and family from every part of his life remember his kindness, his spirit, and the way he put his heart and soul into everything he did. We are so fortunate for the bravery and allegiance of people like Sergeant Hollar, and it is with gratitude for his dedication and service that I support this resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. WESTMORELAND).

Mr. WESTMORELAND. Mr. Speaker, I want to thank Chairman DAVIS and his staff, and to Mr. DAVIS and the Republican leadership for allowing this bill to come to the floor. I also want to thank Senator ISAKSON for handling this bill in the Senate and having it passed.

Sergeant First Class Robert ''Bobby'' Lee Hollar, Jr., was a loving husband, father of two, son, and friend. He was a respected and loved brother in arms to his brother soldiers in E Troop 108th Calvary of the 48th Brigade of the Georgia National Guard and was mobilized and deployed as part of the U.S. Army Force Command in Operation Iraqi Freedom.

Sergeant First Class Hollar arrived in Kuwait in May of 2005, and only 10 days later went into Baghdad with his fellow troops. His unit moved down to assist with missions in the Triangle of Death, and he patrolled out of his Forward Operating Base Michael south of Baghdad in mid-June 2005. His unit faced tough, hostile conditions in the Triangle of Death.

On September 1, 2005, while on patrol, Sergeant First Class Hollar's vehicle was struck by a powerful improvised explosive device. Although he survived at the scene and was evacuated to the field hospital for emergency surgery and treatment, his injuries were too severe for him to survive. He died later that day, leaving his wife Amanda, his 2-year-old son Wesley, and another son by a previous marriage.

Sergeant First Class Hollar was awarded the Purple Heart and Bronze Star. He was awarded various service and achievement awards as well.

Sergeant First Class Hollar was assigned to the Jonesboro, Georgia, Postal Facility and had taken up residence in Thomaston, Georgia. Sergeant First Class Hollar had become a pen pal for students at Crescent Middle School in Griffin, Georgia. In May of 2005, Sergeant Hollar visited the middle school and was accompanied by his then 1-year-old son, Wesley.

Sergeant Hollar touched the lives of the fourth and fifth grade classes with whom he was a pen pal. These children became very attached to Sergeant Hollar as he continued to write them from Iraq.

On September 2, 2005, their teacher, Katie Cobb, was unfortunately faced with the tough task of sharing the horrible news that their friend, Sergeant Hollar, had died from an explosive device that hit his vehicle.

That fourth grade class had the chance to know a true American hero. Sadly, when the class heard of Sergeant Hollar's death, they learned a tragic but important lesson about the high cost of defending freedom.

According to Ms. Cobb, the students all started crying and were very upset about Sergeant Hollar's death. Ms. Cobb stated that she was proud that her students became even more appreciative of their freedom from knowing Sergeant Hollar. After his death, the students proceeded to write their government officials asking that his memory be carried on by having the Thomaston Post Office named in his honor.

It is a rare occasion when a post office can be named for such a wonderful individual who was an active postal employee and Active Duty servicemember who died while serving his country as an American hero.

Mr. Speaker, I ask that all Members would support S. 4050 in honor of this great man.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, as a member of the Government Reform Committee, I am pleased to join my colleague in consideration of S. 4050, a bill to designate the facility of the United States Postal Service located at 103 Thompson Street in Thomaston, Georgia as the Sergeant First Class Robert Lee ''Bobby'' Hollar, Jr, Post Office Building.

S. 4050, sponsored by Senator JOHNNY ISAKSON, passed the Senate by unanimous consent on December 6, 2006.

Robert Lee ''Bobby'' Hollar was born in Woodstock, Virginia. Hollar served in the Georgia National Guard's 108th Infantry Brigade Calvary Division based out of Griffin, Georgia, as a tank commander in Iraq. Prior to his service in the 108th Calvary Regiment, Hollar was a member of the 82nd Airborne Division, and he was a military scout before that.

Mr. Hollar also was a dedicated public servant. He served as a devoted postal letter carrier for years before being deployed to Iraq.

Mr. Hollar was killed in Iraq on September 1, 2005, when a roadside improvised explosive device exploded along the Humvee in which he was riding. Mr. Hollar was 35 years old when he was killed in action. No greater service can one give to their country than to be killed in its defense. I urge passage of this bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. TOM DAVIS) that the House suspend the rules and pass the Senate bill, S. 4050.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR A SEVERANCE PAYMENT FOR EMPLOYEES OF LEADERSHIP OFFICES AND COMMITTEES OF THE HOUSE

Mr. EHLERS. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 1104) providing for a severance payment for employees of leadership offices and committees of the House of Representatives who are separated from employment solely and directly as a result of a change in the party holding the majority of the membership of the House.

The Clerk read as follows:

H. RES. 1104

Resolved,

SECTION 1. SEVERANCE PAY FOR COMMITTEE AND LEADERSHIP STAFF DISPLACED BY CHANGE IN MAJORITY PARTY STATUS.

(a) DEFINITIONS.—For purposes of this resolution, the following definitions apply:

(1) The term ''committee'' means a standing or select committee of the House of Representatives or a joint committee of the Congress whose funds are disbursed by the Chief Administrative Officer of the House of Representatives.

(2) The term ''eligible displaced staff member'' means an individual described as follows:

(A) The individual is separated from employment with a committee or a leadership office solely and directly as a result of a change in the party holding the majority of the membership of the House, as certified by the chair of the committee or head of the leadership office (as the case may be).

(B) Prior to the date of the separation from employment described in subparagraph (A), the individual was an employee of the committee or leadership office involved for not fewer than 183 days (whether or not service was continuous).

(C) During the period of the individual's employment, the individual's pay was disbursed by the Chief Administrative Officer.

(3) The term ''leadership office'' means the Office of the Speaker, the Office of the Majority Leader, the Office of the Minority Leader, the Office of the Majority Whip, and the Office of the Minority Whip.

(b) PAYMENT.—

(1) ELIGIBILITY FOR SEVERANCE PAYMENT.—In accordance with regulations prescribed by the Committee on House Administration, each eligible displaced staff member, upon application to the Chief Administrative Officer, shall continue to be paid at the eligible displaced staff member's respective salary for a period not to exceed 60 days following the date of the of separation from employment (as described in subsection (a)(2)) or until the eligible displaced staff member becomes otherwise gainfully employed, whichever is earlier.

(2) ACCEPTANCE OF STATEMENT OF LACK OF GAINFUL EMPLOYMENT.—A statement in writing by an eligible displaced staff member that the member was not gainfully employed during any period or portion thereof for which payment is claimed under this subsection shall be accepted as prima facie evidence that the member was not so employed.

(c) NOTIFICATION OF ELIGIBLE INDIVIDUALS.—The Chief Administrative Officer shall notify the Committee on House Administration of the name of each eligible displaced staff member.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the applicable accounts of the House of Representatives such sums as may be necessary for making payments under this resolution.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. EHLERS) and the gentlewoman from California (Ms. MILLENDER-MCDONALD) each will control 20 minutes.

Mr. FLAKE. Mr. Speaker, I am opposed to the bill. I would like to claim time in opposition to the bill.

The SPEAKER pro tempore. Is the gentlewoman from California opposed to this bill?

Ms. MILLENDER-MCDONALD. No, I am not.

The SPEAKER pro tempore. The gentleman from Arizona, pursuant to the rule, will control the 20 minutes.

The Chair recognizes the gentleman from Michigan.

GENERAL LEAVE

Mr. EHLERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of this resolution.

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

There was no objection.

Mr. EHLERS. Mr. Speaker, this bill has been submitted at the request and suggestion of the current minority leader and soon-to-be majority leader, and because of that situation I reserve the balance of my time and yield such time as she may consume to the gentlewoman from California (Ms. MILLENDER-MCDONALD) to allow her, the ranking member and the cosponsor of the bill, to speak on the resolution.

□ 2245

Ms. MILLENDER-MCDONALD. Mr. Speaker, Speaker-designate PELOSI has indicated that she intends to usher in a new direction and spirit in this House, a spirit which opens doors and encourages mutual recognition, trust and respect among all Members and their staffs. Likewise, she has signaled that this House, as a two-century-old institution, is held in trust for all Members as a place to debate and formulate national policy and to carry out the people's business.

Mr. Speaker, on November 7, the American people spoke loudly with their votes, and they said that they wanted a new direction in this national legislature. For many years, the sharp edge of partisanship and party interests have permeated the very fabric of this very body, its rules and its operations.

Speaker-designate PELOSI intends to change that in the legislative arena, while acknowledging the improvements made in the administrative arena during the last decade. The House has enhanced its bookkeeping and become more efficient in its operations. These are important improvements, irrespective of which party controls the House. Retention of House officers during transition recognizes continuing institutional interests which transcends party interests. That is a new direction.

And this resolution, sponsored by Chairman EHLERS and myself on behalf of our respective leaderships, is a new direction as well. This resolution recognizes that the displacement attendant to a change in majority is unpredictable and beyond the control of individuals.

This resolution further provides for up to 60 days of severance for leadership and committee staff displaced by a change in majority party status. This resolution follows the Senate model, promotes civility, and acknowledges the direct institutional contribution made by displaced House leadership and committee staff.

This is the kinder, gentler side of an institution weakened over the last decade by partisan strife. This is just one of many new directions intended to begin the process of healing in the House.

This is a sign that good faith and bipartisanship or nonpartisanship can help bridge the gap of past partisan differences. This is an acknowledgment that people matter as much as systems, that outcomes are as important as processes.

This is a small step toward a greater goal, and Speaker-designate PELOSI intends to achieve that goal, while acknowledging and respecting each Member's beliefs and values and perspectives.

I am pleased to be on the ground floor of this institutional rebuilding process, and I thank my chairman for his able, fair and balanced leadership on this resolution. It is a new direction worthy of all Members' support, and I urge passage of this resolution.

The SPEAKER pro tempore. The Chair would inform the gentleman from Michigan (Mr. EHLERS) that you yielded time to the ranking member.

Mr. FLAKE. Mr. Speaker, may I inquire, how much time do I have?

The SPEAKER pro tempore. The gentleman from Arizona controls 20 minutes.

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

Mr. Speaker, I didn't learn about this, nor do I believe most of my colleagues did, until just minutes ago, if not an hour or so ago. This is not the way to conduct business.

It is one thing to have a policy, a long-term policy on severance packages, but to spring it in the middle of night on the last day of session is simply the wrong way to do business.

My understanding is that this would apply to leadership staff and committee staff, but not regular personal offices. Could somebody please tell me how that is fair?

If you are just talking about fairness, how is it fair to say to somebody from a personal office, your boss lost, you haven't got a severance? But, oh, if you happened to work for a committee or if you are lucky enough to work for leadership staff, you have a package. How is that fair?

We are often accused in Congress of having a package that members of the general public don't have. In doing this, we are offering a package that some people in Congress have and some people in Congress don't have, let alone the rest of the population. How is that fair? Why are we doing business this way in the middle of the night on the last day of session?

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

The SPEAKER pro tempore. The gentleman from Michigan (Mr. EHLERS) has 16 minutes remaining.

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

As colleagues, we often disagree on many issues with our friends on the other side of the aisle; but we can all agree that we are blessed by a tireless, dedicated workforce in this Congress. And whenever there is a transfer of power of this sort, there is a tremendous dislocation amongst our staff.

I think it is entirely reasonable to do as we did to a certain extent in 1994, as the Senate did in 2004, when there is a dramatic change of leadership, to provide a period of time for the staff to adjust to that changing situation. So I believe this is an appropriate measure, and I encourage the House to act favorably for it.

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

Mr. FLAKE. Mr. Speaker, before yielding to my next speaker, I was just informed that we don't even know what this will cost. We still don't have a cost estimate. If somebody has one, that would be great if we can have it.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. ISSA).

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

Mr. ISSA. Mr. Speaker, this is one of those dark-of-the-night type pieces of legislation, and I am going to oppose it not because I haven't had to personally lay off three committee staff as I went from the majority to the minority on my subcommittee, but in fact because it is not well thought out. It has not gone through the legislative process it should, and it is not a precedent we want to set haphazardly.

The United States Congress is often accused of not even paying into Social Security when in fact for decades we have been part of it. The American people have a lack of confidence that we are run in a uniform and predictable way, and this is just another example of exactly that.

We don't provide moving expenses, we don't provide per diem or reimbursements that other branches of government do; and yet, on a selective basis, without a cost assessment, we are being asked to throw in something.

As a Member of the majority, the party that is in fact going to be laying these people off, I appreciate the sympathy of the minority in this effort, and I am not without some appreciation for what they are offering, but if they are going to do this, let us do it in a thoughtful, legislative fashion and let us absolutely make sure that it is something that will pass the test of the American people as a uniform policy for government employees of this body.

So I ask that this bill be defeated and a thoughtful and proper bill be brought back to the floor.

Mr. EHLERS. Mr. Speaker, I yield 5 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD) and ask unanimous consent that she may control that time.

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

There was no objection.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution parallels the Senate resolution. I am amazed that here we are at Christmastime and staff is moving, transitioning on to unemployment, that we cannot at least be sensitive to giving them some type of severance pay. We are talking about staff that has worked so hard in this House and has helped us have the successes that we have had.

So I urge my colleagues to not defeat this bill. This bill is to suggest to those staff members and leadership staff that we appreciate the work that they have done. Many of these staff members might get the job the next day so we will reduce that severance pay, but at least it is a step in the right direction. I urge support for this resolution.

Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY. Mr. Speaker, you know, whether we are Republicans or Democrats, we are all working people, working with the staffs on the Republican side and the Democratic side. Here we are. There is a change. None of us know whether we are going to be reelected in 2 years. That is a risk that we all take.

But for the staff who have worked so hard for all of us on all of our issues, we certainly should be looking at this as positive legislation.

I have worked so many times with my Republican colleagues with their staff members and we have worked certainly well together on so many issues, but that is not the point. The point is these are people that have devoted their lives to public service. We don't even pay them enough. Any one of them can go into the private sector and earn a heck of a lot more money.

So here we are at the end of a session, 11:00, almost 12:00 at night, and we are going to deny severance pay to those who have served this country so well.

I urge my colleagues, no matter what our differences are, these people have done great service to this Nation and they certainly deserve severance pay.

I hope that this Congress and certainly the Members here will put themselves in a position of what their staff might be 2 years from now. These are people that are devoted to each and every one of us. They have served each and every one of us. They have served this Nation. I hope we can pass this resolution and give them a severance pay.

Mr. FLAKE. Mr. Speaker, before yielding to the gentleman from Arizona, let me point out that there were some 30 offices, and with retirements even more than that, personal staff who will be out on the street with no severance package at all. Again, we are picking winners and losers. Winners are those who work in leadership offices or on committee staff. If you are in a personal office, tough luck.

This is just not well thought out in the middle of the night to be doing this, and with no cost estimate.

Mr. Speaker, I yield 2½ minutes to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Speaker, I agree with the sponsor of this measure and my colleagues on the other side of the aisle that we are blessed by great staff who give tirelessly.

But I would suggest this is not a debate about whether or not we should have an appropriate severance plan for employees who lose their jobs because one party or the other loses the majority.

It is not that debate at all. Indeed, we will be back here on the 4th of January and we can deal with the issue of an appropriate severance package at that time in a thoughtful way in the sunlight of day when the American public can watch what is going on, when it is not, as the gentlewoman who spoke just before me stated, near 11, approaching midnight, on the last day.

I would say that indeed, it is inexcusable for us to have brought this package to the floor at this late moment. We have been here all this week. We came in on Tuesday; we could have proposed this idea then. I only learned of this notion literally less than an hour ago.

And as I got on the elevator to come to the floor to vote on the measure we voted on just 30 minutes ago, I chatted with several people on the elevator, not a one of them was aware this was up for debate or consideration.

I think it is very, very important to understand that we have an obligation to be stewards of the public's money.

It was noted earlier in the debate that this parallels the Senate plan; but I would suggest that the Senate plan was not adopted in the middle of night on the last day of the session without notice to the public and without hearings. The Senate plan, as the other side and as the sponsor of this measure have pointed out, the Senate plan has been in place for months.

By all means, we should carefully consider an appropriate severance plan for our employees. But we ought not to do it in the middle of the night.

As the gentleman has pointed out, there is a fundamental unfairness in this proposal which I would suggest would not be there if we had debated this in the daylight with hearings as we should. That is that this severance package is reserved to leadership staff and committee staff. They are the best paid staff. Unfortunately, Americans across the country don't know this, but those of us who work here do, leadership staff and committee staff, those are the best, most sought-after jobs on the Hill. They are the best paid jobs on the Hill, and we are going to give them severance pay but not severance pay to the individual employees who work in a Member's office? It is fundamentally unfair and indefensible.

□ 2300

Mr. EHLERS. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Speaker, I want to remind my colleagues on the other side that many bills have been passed in the cloak of night that were adverse to the American people. What we are saying tonight is that this resolution is for those hard-working workers who have given so much to this House, and for us to deny them, and especially these are Republican staff members, not Democratic staff members that we are talking about, and to deny this, to me is just absolutely unconscionable at this Christmastime.

I will urge you to reconsider this resolution and pass it as the Senate has passed their resolution to try to address those who are transitioning out because of a change in majority.

Ms. PELOSI. Mr. Speaker, will the gentlewoman yield?

Ms. MILLENDER-MCDONALD. I yield to the Speaker-designate, Ms. PELOSI.

Ms. PELOSI. Mr. Speaker, I thank the gentlewoman for yielding. And I commend the chairman, Mr. EHLERS, and Ranking Democrat Congresswoman MILLENDER-MCDONALD for bringing this bill to the floor.

Mr. Speaker, I think it is important to note that the money contained in this bill, the severance pay, is 100 percent for the Republican staffers who will be losing their jobs. When the Democrats lost the Congress in 1994, there was so much unrest and uncertainty among those who served on committee staffs. Every one of us who is elected to Congress and our staffs know that we have a 2-year term and the period from the election day and the swearing in of the new Congress is our severance pay. We have a 2-year term; that is it.

But the professional staff of the committees serve from term to term, and in losing the majority, the Republicans have to dismiss many of their professional and other employees. So it is just a sense of fairness, I believe, that we in the soon-to-be-majority, but the minority, recognize the need for these families to have a severance pay. If they get employed between now and before the 2 months expire, they don't get the full amount. But this isn't about leadership and committee. It is about the Republican leadership and the Republican committee staff. And as Democratic leader, I think that the fair thing to do is to treat those families with the respect they deserve for the service that these people have given to our country.

It is hard. People don't know if they are going to make their mortgage payment or if they are going to pay the tuition installment or what, and this at least gives them 2 months of certainty if they do not find employment in the meantime.

So I want the record to be clear. This is about the Republicans. It is the appropriate thing to do for the Republican staff, and I urge our colleagues to support this act of fairness in supporting this legislation.

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

Mr. EHLERS. Mr. Speaker, I yield 4 minutes to the chairman of the Energy and Commerce Committee, the gentleman from Texas (Mr. BARTON).

(Mr. BARTON of Texas asked and was given permission to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, this is the last evening that I will stand before this body, at least for a while, as chairman of the Energy and Commerce Committee, and there is still work that I have to do later this evening on several votes that we are still working on with the Senate, and I hadn't intended to speak on this, but I listened to the debate, and I felt compelled that at least one full committee chairman should come and speak in favor of this resolution.

I believe there are 18 standing committees of the House of Representatives, and the staff ratios on the committees is two-thirds Republican because we are in the majority and one-third Democrat because they are in the minority. Since the voters spoke in November, those ratios are going to switch. On the Energy and Commerce Committee, which is one of the larger standing committees, right now there are some 60-odd majority Republican staffers and some 30-odd minority Democrat staffers. Well, the Democrats are going to be staffing up, as they should, but it means that about half the Republican staff on the Energy and Commerce Committee is going to have to seek other employment, which is around somewhere between 30 and 35 people. Now, thanks to an agreement with the majority and the minority leadership of this Congress, for the first time we have agreed if this resolution passes to provide up to 2 months of severance pay for the majority staffers that have to be laid off.

If the Energy and Commerce Committee is reflective of the full Congress and that means that every other committee on the Republican side is losing approximately 30 staffers, that is about 540 staffers. I don't know what the leadership staff decline is, but let us say that is another 60. That is 600 Republicans who through no fault of their own are going to be out of a job December 31. If you take the average salary of about $75,000 or $80,000, and I do not know that that is the average but that is a pretty good guess, we are talking about a severance package, if everybody takes the full 2 months, of $10 million, give or take half a million dollars. I think that is fair.

Now, the question has been raised about this coming up in the dead of night. I read about this in Roll Call earlier this week. I didn't know it was coming up tonight as a resolution, but I read a story in Roll Call that the Speaker, Mr. HASTERT, and Ms. PELOSI had agreed to some sort of a severance package. And I instructed my staff that I certainly wanted to apply for the Republicans on the Energy Committee who could take advantage of this.

The reason we do not do it for personal staff is because you are either retiring and the Member knows that his staff has to find a job or you got defeated in an election and a new Member is coming in to take your place. But that office, that district, will still have the same number of staffers in the next Congress. It may be a different Congressman or Congresswoman.

Now, this may not be the perfect way to do it, but it is a good way to try to do it. And I would hope that the Republicans will vote for this because if anybody wanted to be partisan and vote ''no,'' it would be the Democrats. They are adding staff. This is something that benefits the current majority and our most loyal people, some of who could double and triple their salary if they didn't want to work on committees or professional staff. It is a small price to pay. If we need to find a better way to do it in the next Congress, because I certainly hope that I am going to be coming back 3 years from now as chairman of the committee and not as ranking member, let us do it. But let us please vote for this tonight.

Mr. FLAKE. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. PENCE).

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

Mr. PENCE. Mr. Speaker, I think the sentiment that we heard the chairman of the Energy and Commerce Committee just express, as well as the incoming Speaker of the House express, is deeply admirable. We are speaking about 600 men and women who have demonstrated their integrity and their commitment to public service in this Nation, and for that we are grateful.

But, Mr. Speaker, I say very humbly that this is still not the right way to reflect the will of the American people with regard to those capable men and women who have served our major committees and our leadership staff.

I am pleased to hear the incoming Speaker's sentiment for Republican staff, and I am confident that sentiment will be there in the early days of the 110th Congress. And well we should call it a night, Mr. Speaker, come back, and allow the people's House in an equitable and a thoughtful way to consider what the needs are of this Nation relative to all of the good men and women who have served this majority so ably, not merely in the leadership offices, not merely in the major committees, but even those excellent men and women who have served many of the colleagues for whom these waning moments will be their last moments in the House of Representatives. Let us do this right. Let us not do this tonight.

Mr. EHLERS. Mr. Speaker, I yield 1 minute to the gentleman from Oregon (Mr. WU).

Mr. WU. Mr. Speaker, I thank the chairman for yielding.

Like the gentleman from Arizona who has objected to this humanitarian measure during the holiday season, I am a relatively junior Member of this body, but I do recognize when there is a difference between decisions from the heart and decisions of the mind. It is past 11 o'clock, but believe me, I know something about late-night voting, and this is early for late-night voting. I know that we have 12 more bills to consider.

And I also know that from our office budgets, we could have allocated amounts of money for our personal staff if we chose to, and if the gentleman from Arizona chose to, he could pay severance for his employees out of his own pocket if he really wanted to.

The fact that this act of generosity, of humanitarianism during the holidays was taken should not be held up for political points.

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

I should say that we need to remember whose generosity we are relying on here, and it is the taxpayer.

And also to make a point of fairness, again, the chairman that spoke earlier, the gentleman from Texas, mentioned that there are some 600 staffers that are affected here. I would submit that there are more than 600 staffers in the personal offices who are affected here. And rather than the average salary of $60,000 to $80,000 or whatever that is, the average salary in a personal office is much, much lower. Are they not worthy? Is it a fault of their own that their bosses were not re-elected? Why are we choosing here between them? Why are we saying if you work in a leadership office, you are worthy of this; if you work in a personal office, you are not? That is what happens in the middle of the night when decisions like this are made. That is why we shouldn't do decisions like that when we are given notice minutes before it comes up on the floor.

Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. MORAN).

Mr. MORAN of Kansas. Mr. Speaker, it is very unusual for me to watch C–SPAN on my television set in my office and decide this is something I want to come speak about it. It is rare for me to be on the House floor speaking about someone else's bills or speaking about an amendment. Usually when I am here, it is on a topic of interest and personal involvement from my committees and my involvement as a Member of Congress from a very rural community who is here to fight on behalf of rural America.

Well, tonight as I watched the debate on this issue, as I heard it explained, it is one of those issues that caused me to walk across the street to come talk about something that is gnawing at me.

We have talked about a double standard between the leadership staff, the committee staff, and our own personal staff. But to me the double standard is the way that Americans in the job market are not treated when they lose their job. What I see is that Americans, the taxpayers of this country, will see one more piece of evidence that Congress doesn't get it, that we are simply taking care of our own and forgetting the taxpayers, the Americans who go to work each and every day and those who may, through no fault of their own, lose their jobs.

So what I see tonight, as we discuss this issue, it is about a double standard that treats the American people differently from those who happen to work for Members of Congress, particularly in leadership or in committee staff positions. They are important. They are important to the process. They are important to good government. But the reality is we are here on behalf of the American people, on behalf of the American taxpayer, and those are the people we ought to be thinking about tonight as we debate how to spend the taxpayers' dollars.

It is easy to be generous with other people's money. Tonight we ought to remember it is the taxpayers' money that we are attempting to be generous with. Let us recognize that once again Congress should not create a special opportunity for people who happen to work here. Do not treat ourselves, do not treat our staffs differently from the American people.

Mr. EHLERS. Mr. Speaker, I yield 1 minute to the Speaker-designate.

Ms. PELOSI. Mr. Speaker, this legislation is probably one of the last opportunities I will have to enjoy the back and forth of debate on the floor of the House. And I can't resist coming to the defense of the Republican Members' committee staff people who will lose their jobs because of the results of the election.

But I want to make this point, standing up again, seeking recognition again: first I hear the distinguished gentlemen from various States stand up and say we shouldn't be spending this money, it is $10 million-plus, to give severance pay to families who have lost their jobs.

□ 2315

One hundred percent of those jobs will be lost by Republicans, so as the Democratic leader, I want to support the Republican employees getting the severance pay. Then I hear the gentlemen stand up and various ones say that we oppose the expenditure because it's not a good use of the taxpayers' money and why aren't you spending more to cover the personal offices? And the point is clear. All Members of Congress are elected for 2 years, our staffs understand it is a 2-year job and our opportunity to find employment is between November and January.

But all of this reminds me of a story that was told about Yogi Berra, which may or may not be a Yogi Berra story, because many stories are attributed to him. When asked about a particular restaurant, he said, ''I don't like to go there. The food's lousy. Besides, the servings are too small.''

That is really what this reminds me of. I am opposed to this spending of money because we shouldn't be spending money to help these families, and why aren't we spending more to help the other families?

This is really the fair thing to do. Again, I urge my colleagues to very forcefully support this act of fairness for the Republican committee staffers.

Mr. FLAKE. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. SOUDER).

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

Mr. SOUDER. I would like to make several points:

First off, that committee staff knows there are elections every 2 years, too. I was a staff director in the minority before we became the majority and when the ranking member changed, all staff loses their job whether there has been an election or not. Yes, you could take your personal accounts for the losing Members and cover some. But the fact is so could committees. If they withheld funds, they could have done it as well.

I lose five staff. They have been very close to me. Many of them have been personal friends. They have had 2 months. It would be nice if they could have the extra months, but it is no more their right as higher-paid staff than personal office staff. We are not arguing to spend even more money. We are saying, how did you come up with the double standard? Why do leadership staff get the dollars, why do committee staff get the dollars and not the personal office? The budgets are the same. The elections are the same. You know the risks. In fact, for a committee the risks are higher, because you could change your ranking member, you could change your chairman. You could have your chairman switch subcommittees and the staff change. This is the nature of the business.

I think it is great to be generous with your own dollars, but when you're generous with the taxpayers' dollars, there are obligations with that. At the very least, there should have been a discussion. There should have been hearings. We hear that all the time. There should have been hearings. Sometimes there aren't. But at this point, at the last day, for us to come up here and give special benefits to the few, including some of my own staff, is just wrong.

I hope the Members give this a resounding ''no.''

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

Mr. FLAKE. Mr. Speaker, I would be glad to yield to anyone who can tell me that a committee staffer has a longer contract than somebody who works in a personal office. It is simply not the case. So the notion that a committee staffer should be treated differently is simply wrong. The gentleman from Indiana, I think, said it best. Nobody is here arguing that we shouldn't be generous. It is that when you come here in the middle of the night the last day of session, you rarely think things out very well and this isn't thought out very well. How can you say some people, we're just going to target who gets this benefit and who doesn't? This isn't how the public expects us to conduct our business.

As I mentioned before, we are already accused of having different rules for Congress than exist out there in the general public.

Mr. DANIEL E. LUNGREN of California. Mr. Speaker, will the gentleman yield?

Mr. FLAKE. Does the gentleman have an answer to the question I asked?

Mr. DANIEL E. LUNGREN of California. A partial answer to the question.

Mr. FLAKE. Yes, I would yield.

Mr. DANIEL E. LUNGREN of California. That is, on the night that Members found out that they were defeated,

their staffs knew they were out of a job. It is my information that a number of Republican staffers on some of the committees were not informed until just yesterday that they were out of a job because we didn't know what the staff ratios were going to be, we didn't know which people were going to have to be selected, and so just in that particular regard, they got far less notice.

I understand what the gentleman is doing here. I happen to be one of those who has been accused about not being concerned enough about staff, but the fact of the matter is, if we want small government to work well, we need to have good people to work here. I don't know why we are taking the time tonight to berate, in essence, our people, to suggest that somehow they knew this was coming.

Mr. FLAKE. I reclaim my time.

No one has berated anyone. I have worked with very, very able committee staff. Very, very able leadership staff. Also very able personal staff. That is not the point here. The point is if we want small government and we want it to work, let's not conduct it in the middle of the night on the last day of session. Let's actually come here in January and say, should we have a different severance package? Should it be different for committee staff? Should it be different for personal staff? But let's do it in the light of day. Let's do it with some kind of deliberation. That is all we are asking. No one is berating anyone's staff. No one is. That is the last thing on my mind or anyone who has spoken here.

So let's just step back. Please withdraw this resolution. Let's have a little more thought to this. I think the American people want us to deliberate. They want us to do it in the light of day, not at 11:40 at night, or 11:20 at night. We shouldn't be doing business this way.

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

Mr. EHLERS. Mr. Speaker, the gentleman from Arizona said no one was being berated, but frankly I feel berated. This is not the middle of the night. We all know that. I never thought my fellow Republicans would accuse me of doing something in the middle of the night. I would have rather done it in the light of day but this just happened to be when it came up in the schedule.

This action, what we are doing here, does not preclude later action to take care of those problem cases in personal offices. That is beside the point. The point right now is we have a large number of committee staff who are learning fairly late in the game who it is that is being laid off; namely, those particular persons. They do not have the opportunity to suddenly rush out and find a job immediately.

Some committee chairmen have talked to me and are very concerned because they don't know whether they should use their leftover year-end funds for this purpose. Some of them have money left. Others do not. There is a huge inequity. This is an attempt to provide an equitable severance package. A severance package is not unusual in today's world. Ford Motor Company just bought out huge numbers of employees who they just wanted to get off the payroll. It is a very common practice. We are doing the proper thing to assure that everyone is treated equally in the committee staffs that are losing their jobs.

Mr. Speaker, in the little time I have remaining, I would like to recognize the gentleman from California for a closing statement.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman has 45 seconds.

Mr. DANIEL E. LUNGREN of California. The only thing I would suggest is please at this late hour, don't make some of our employees punching bags. I mean, the fact of the matter is some of these people just learned this week that they are not going to have employment. If you think it is an easy thing to try and find a job over the holidays, if you say come back in January, sure, let's give them more uncertainty. Let's give their families more uncertainty. Let's have them bear the burden of this.

And frankly at times we ought to be thinking of those people. I would just ask you to vote ''yes'' for this. Not for us, not for them, not for anybody in this House, but for the individuals who have served us well and their families.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. EHLERS) that the House suspend the rules and agree to the resolution, H. Res. 1104.

The question was taken; and (two-thirds of those voting having not responded in the affirmative) the motion was rejected.

DEPARTMENT OF STATE AUTHORITIES ACT OF 2006

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6060) to authorize certain activities by the Department of State, and for other purposes, as amended.

The Clerk read as follows:

H.R. 6060

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Department of State Authorities Act of 2006''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Fraud prevention and detection account.
Sec. 3. Education allowances.
Sec. 4. Interference with protective functions.
Sec. 5. Persons excused from payment of fees for execution and issuance of passports.
Sec. 6. Authority to administratively amend surcharges.
Sec. 7. Extension of privileges and immunities.
Sec. 8. Removal of contracting prohibition.
Sec. 9. Personal services contracting.
Sec. 10. Proliferation interdiction support.
Sec. 11. Safeguarding and elimination of conventional arms.
Sec. 12. Imposition of sanctions to deter the transfer of MANPADS.
Sec. 13. Additional authorities.

SEC. 2. FRAUD PREVENTION AND DETECTION ACCOUNT.

Section 286(v)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1356(v)(2)(A)) is amended—

(1) in clause (i), by inserting ''or primarily'' after ''exclusively''; and

(2) by amending clause (ii) to read as follows:

''(ii) otherwise to prevent and detect visa fraud, including primarily fraud by applicants for visas described in subparagraph (H)(i), (H)(ii), or (L) of section 101(a)(15), in cooperation with the Secretary of Homeland Security or pursuant to the terms of a memorandum of understanding or other agreement between the Secretary of State and the Secretary of Homeland Security; and''.

SEC. 3. EDUCATION ALLOWANCES.

Section 5924(4) of title 5, United States Code, is amended—

(1) in the first sentence of subparagraph (A), by inserting ''United States'' after ''nearest'';

(2) by amending subparagraph (B) to read as follows:

''(B) The travel expenses of dependents of an employee to and from a secondary or post-secondary educational institution, not to exceed one annual trip each way for each dependent, except that an allowance payment under subparagraph (A) may not be made for a dependent during the 12 months following the arrival of the dependent at the selected educational institution under authority contained in this subparagraph.''; and

(3) by adding at the end the following:

''(D) Allowances provided pursuant to subparagraphs (A) and (B) may include, at the election of the employee, payment or reimbursement of the costs incurred to store baggage for the employee's dependent at or in the vicinity of the dependent's school during one trip per year by the dependent between the school and the employee's duty station, except that such payment or reimbursement may not exceed the cost that the Government would incur to transport the baggage in connection with the trip, and such payment or reimbursement shall be in lieu of transportation of the baggage.''.

SEC. 4. INTERFERENCE WITH PROTECTIVE FUNCTIONS.

(a) OFFENSE.—Chapter 7 of title 18, United States Code, is amended by adding at the end the following:

''§ 118. Interference with certain protective functions

''Any person who knowingly and willfully obstructs, resists, or interferes with a Federal law enforcement agent engaged, within the United States or the special maritime territorial jurisdiction of the United States, in the performance of the protective functions authorized under section 37 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2709) or section 103 of the Diplomatic Security Act (22 U.S.C. 4802) shall be fined under this title, imprisoned not more than 1 year, or both.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

''118. Interference with certain protective functions.''.

SEC. 5. PERSONS EXCUSED FROM PAYMENT OF FEES FOR EXECUTION AND ISSUANCE OF PASSPORTS.

Section 1(a) of the Act of June 4, 1920 (22 U.S.C. 214(a)) is amended—

(1) by striking ''or from a widow'' and inserting ''from a widow''; and

(2) by inserting ''; or from an individual or individuals abroad, returning to the United States, when the Secretary determines that foregoing the collection of such fee is justified for humanitarian reasons or for law enforcement purposes'' after ''such member'' the second place it appears.

SEC. 6. AUTHORITY TO ADMINISTRATIVELY AMEND SURCHARGES.

(a) IN GENERAL.—Beginning in fiscal year 2007 and thereafter, the Secretary of State is authorized to amend administratively the amounts of the surcharges related to consular services in support of enhanced border security (provided for in the last paragraph under the heading ''DIPLOMATIC AND CONSULAR PROGRAMS'' under title IV of division B of the Consolidated Appropriations Act, 2005 (Public Law 108–447)) that are in addition to the passport and immigrant visa fees in effect on January 1, 2004.

(b) REQUIREMENTS.—In carrying out subsection (a) and the provision of law described in such subsection, the Secretary shall meet the following requirements:

(1) The amounts of the surcharges shall be reasonably related to the costs of providing services in connection with the activity or item for which the surcharges are charged.

(2) The aggregate amount of surcharges collected may not exceed the aggregate amount obligated and expended for the costs related to consular services in support of enhanced border security incurred in connection with the activity or item for which the surcharges are charged.

(3) A surcharge may not be collected except to the extent the surcharge will be obligated and expended to pay the costs related to consular services in support of enhanced border security incurred in connection with the activity or item for which the surcharge is charged.

(4) A surcharge shall be available for obligation and expenditure only to pay the costs related to consular services in support of enhanced border security incurred in providing services in connection with the activity or item for which the surcharge is charged.

SEC. 7. EXTENSION OF PRIVILEGES AND IMMUNITIES.

(a) THE AFRICAN UNION.—Section 12 of the International Organizations Immunities Act (22 U.S.C. 288f–2) is amended—

(1) by inserting ''(a)'' before ''The provisions''; and

(2) by adding at the end the following:

''(b) Under such terms and conditions as the President shall determine, consistent with the purposes of this title, the President is authorized to extend, or enter into an agreement to extend, to the African Union Mission to the United States of America, and to its members, the privileges and immunities enjoyed by diplomatic missions accredited to the United States, and by members of such missions, subject to corresponding conditions and obligations.''.

(b) THE HOLY SEE.—Under such terms and conditions as the President shall determine, the President is authorized to extend, or to enter into an agreement to extend, to the Permanent Observer Mission of the Holy See to the United Nations in New York, and to its members, the privileges and immunities enjoyed by the diplomatic missions of member states to the United Nations, and their members, subject to corresponding conditions and obligations.

SEC. 8. REMOVAL OF CONTRACTING PROHIBITION.

Section 406 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4856) is amended by striking subsection (c).

SEC. 9. PERSONAL SERVICES CONTRACTING.

Section 504 of the Foreign Relations Authorization Act, Fiscal Year 2003 (Public Law 107–228; 22 U.S.C. 6206 note) is amended—

(1) in subsection (a), by striking ''broadcasters, producers, and writers'' and inserting ''broadcasters and other broadcasting specialists''; and

(2) in subsection (c), by striking ''December 31, 2006'' and inserting ''December 31, 2007''.

SEC. 10. PROLIFERATION INTERDICTION SUPPORT.

(a) ASSISTANCE.—Consistent with section 583 of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb–2), as amended by subsection (c), the President is authorized to provide assistance to friendly foreign countries for proliferation detection and interdiction activities and for developing complementary capabilities.

(b) REPORT ON EXISTING PROLIFERATION DETECTION AND INTERDICTION ASSISTANCE.—

(1) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report on proliferation and interdiction assistance.

(2) CONTENT.—The report required under paragraph (1) shall—

(A) specify in detail, including program cost, on a country-by-country basis, the assistance being provided by the Department of State to train and equip personnel in friendly foreign countries in the detection and interdiction of proliferation-related shipments of weapons of mass destruction, related materials and means of delivery, and dual-use items of proliferation concern; and

(B) specify, on an agency-by-agency basis, funding that is being transferred by the Department of State to other executive agencies to carry out such programs.

(c) INTERDICTION ASSISTANCE AMENDMENTS.—Section 583 of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb–2) is amended—

(1) in subsection (a)—

(A) by striking ''should ensure that'' and inserting ''shall ensure that, beginning in fiscal year 2007,'';

(B) by striking ''expended'' and inserting ''obligated''; and

(C) by striking ''that originate from, and are destined for, other countries'' and inserting ''to non-state actors and states of proliferation concern''; and

(2) by adding at the end the following new subsections:

''(c) COOPERATIVE AGREEMENTS.—In order to promote cooperation regarding the interdiction of weapons of mass destruction and related materials and delivery systems, the President is authorized to conclude agreements, including reciprocal maritime agreements, with other countries to facilitate effective measures to prevent the transportation of such items to non-state actors and states of proliferation concern.

''(d) DETERMINATION AND NOTICE TO CONGRESS.—The Secretary of State shall notify the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate in writing not more than 30 days after making a determination that any friendly country has been determined to be a country eligible for priority consideration of any assistance under subsection (a). Such determination shall set forth the reasons for such determination, and may be submitted in classified and unclassified form, as necessary.''.

SEC. 11. SAFEGUARDING AND ELIMINATION OF CONVENTIONAL ARMS.

(a) IN GENERAL.—The Secretary of State is authorized to secure, remove, or eliminate stocks of man-portable air defense systems (MANPADS), small arms and light weapons, stockpiled munitions, abandoned ordnance, and other conventional weapons, including tactical missile systems (hereafter in this section referred to as ''MANPADS and other conventional weapons''), as well as related equipment and facilities, located outside the United States that are determined by the Secretary to pose a proliferation threat.

(b) ELEMENTS.—The activities authorized under subsection (a) may include the following:

(1) Humanitarian demining activities.

(2) The elimination or securing of MANPADS.

(3) The elimination or securing of other conventional weapons.

(4) Assistance to countries in the safe handling and proper storage of MANPADS and other conventional weapons.

(5) Cooperative programs with the North Atlantic Treaty Organization and other international organizations to assist countries in the safe handling and proper storage or elimination of MANPADS and other conventional weapons.

(6) The utilization of funds for the elimination or safeguarding of MANPADS and other conventional weapons.

(7) Activities to secure and safeguard MANPADS and other conventional weapons.

(8) Actions to ensure that equipment and funds, including security upgrades at locations for the storage or disposition of MANPADS and other conventional weapons and related equipment that are determined by the Secretary of State to pose a proliferation threat, continue to be used for authorized purposes.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to affect the authorities of the Secretary of Defense.

SEC. 12. IMPOSITION OF SANCTIONS TO DETER THE TRANSFER OF MANPADS.

(a) STATEMENT OF POLICY.—Congress declares that it should be the policy of the United States to hold foreign governments accountable for knowingly transferring MANPADS to state-sponsors of terrorism or terrorist organizations.

(b) DETERMINATION RELATING TO SANCTIONS.—

(1) IN GENERAL.—If the President determines that a foreign government knowingly transfers MANPADS to a foreign government described in paragraph (2) or a terrorist organization, the President shall—

(A) submit forthwith to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report containing such determination; and

(B) impose forthwith on the transferring foreign government the sanctions described in subsection (c).

(2) FOREIGN GOVERNMENT DESCRIBED.—A foreign government described in this paragraph is a foreign government that the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979, section 620A of the Foreign Assistance Act of 1961, section 40 of the Arms Export Control Act, or any other provision of law, is a government that has repeatedly provided support for acts of international terrorism.

(c) SANCTIONS DESCRIBED.—The sanctions referred to in subsection (b)(1)(B) are the following:

(1) Termination of United States Government assistance to the transferring foreign government under the Foreign Assistance Act of 1961, except that such termination shall not apply in the case of humanitarian assistance.

(2) Termination of United States Government—

(A) sales to the transferring foreign government of any defense articles, defense services, or design and construction services; and

(B) licenses for the export to the transferring foreign government of any item on the United States Munitions List.

(3) Termination of all foreign military financing for the transferring foreign government.

(d) WAIVER.—Notwithstanding any other provision of law, sanctions shall not be imposed on a transferring foreign government under this section if the President determines and certifies in writing to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate that the furnishing of the assistance, sales, licensing, or financing that would otherwise be suspended as a result of the imposition of such sanctions is important to the national security interests of the United States.

(e) DEFINITIONS.—In this section:

(1) DEFENSE ARTICLE.—The term ''defense article'' has the meaning given the term in section 47(3) of the Arms Export Control Act.

(2) DEFENSE SERVICE.—The term ''defense service'' has the meaning given the term in section 47(4) of the Arms Export Control Act.

(3) DESIGN AND CONSTRUCTION SERVICES.—The term ''design and construction services'' has the meaning given the term in section 47(8) of the Arms Export Control Act.

(4) FOREIGN GOVERNMENT.—The term ''foreign government'' includes any agency or instrumentality of a foreign government.

(5) MANPADS.—The term ''MANPADS'' means—

(A) a surface-to-air missile system designed to be man-portable and carried and fired by a single individual; or

(B) any other surface-to-air missile system designed to be operated and fired by more than one individual acting as a crew and portable by several individuals.

SEC. 13. ADDITIONAL AUTHORITIES.

(a) WAR RESERVES STOCKPILE.—

(1) DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2005.—Section 12001 of the Department of Defense Appropriations Act, 2005 (Public Law 108–287; 118 Stat. 1011), is amended—

(A) in subsection (a)(2)(D), by striking ''as of the date of enactment of this Act,''; and

(B) in subsection (d), by striking ''2'' and inserting ''4''.

(2) FOREIGN ASSISTANCE ACT OF 1961.—Section 514(b)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)) is amended—

(A) in subparagraph (A)—

(i) by striking ''$100,000,000'' and inserting ''$200,000,000''; and

(ii) by striking ''2004 and 2005'' and inserting ''2007 and 2008''; and

(B) in subparagraph (B), by striking ''$100,000,000'' and inserting ''$200,000,000''.

(3) EFFECTIVE DATE.—The amendment made by paragraph (1)(B) takes effect on August 5, 2006.

(b) EXTENSION OF AUTHORITY TO PROVIDE LOAN GUARANTEES.—Chapter 5 of title I of the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108–11), is amended in the item relating to ''LOAN GUARANTEES TO ISRAEL''—

(1) in the matter preceding the first proviso, by striking ''September 30, 2007'' and inserting ''September 30, 2011''; and

(2) in the second proviso, by striking ''September 30, 2007'' and inserting ''September 30, 2011''

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Speaker, this legislation, the Department of State Authorities Act of 2006, contains several important provisions that will positively impact upon the safety of our country and our citizens and promote good governance.

The legislation has been worked out in a bipartisan way with my friend and colleague from California (Mr. LANTOS) and enjoys, I believe, very strong support on both sides of the aisle.

One provision, Mr. Speaker, would give the Secretary of State needed flexibility in spending fraud prevention and detection fund moneys to permit investigation of a broader array of fraud, including fraud in connection with terrorist activity. Another would allow for the waiver of fees for passports when U.S. citizens are caught in difficult situations abroad, such as those who were victims of the 2004 tsunami. A criminal provision provides for penalties when an individual interferes with a Secret Service agent protecting a foreign dignitary. And passage of the bill would give the President authorization to extend privileges and immunities to the Holy See's Observer Mission to the United Nations and to the African Union's newly established diplomatic mission to the United States.

Mr. Speaker, the manager's amendment would also establish the outlines of two programs under the Foreign Assistance Act. One would provide for greater international cooperation with friendly foreign governments with respect to the interdiction of dangerous cargo. The second would authorize an accelerated program to secure and eliminate particularly dangerous conventional weapons, such as man-portable air defense systems, commonly referred to as MANPADS. I would point out parenthetically that it was Colin Powell in one speech who said that the largest danger, the most acute danger to aviation, whether it be criminal or whether it be military or civilian, are these stinger-like MANPADS. They are very, very dangerous and there are hundreds of thousands of those out. They are very much in the black market. If terrorists get their hands on those, we are in serious trouble. Under the bill's provisions, sanctions could be imposed on foreign governments who knowingly transfer such weapons to terrorists.

Finally, the bill would extend the duration of certain types of assistance we have been providing to Israel for a number of years. Specifically, the bill would extend for an additional 2 years the authorization provided in the Department of Defense Appropriations Act of 2005 for the United States to transfer to Israel obsolete or surplus stocks in the war reserve stockpile located in Israel.

Similarly, the bill would extend for an additional 4 years a provision in the Emergency Wartime Supplemental Appropriations Act of 2003 to provide loan guarantees to Israel, the authorization of which is scheduled to expire.

Mr. Speaker, let me just say briefly, I do regret that the bill does not contain an important provision for the reform of the Foreign Service compensation system, a very, very well-worked-out piece of legislation, but regrettably that was dropped from the bill.

I include an exchange of correspondence relating to this bill.

DECEMBER 8, 2006.

Hon. TOM DAVIS,
Chairman, Committee on Government Reform, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the bill, H.R. 6060, the ''Department of State Authorities Act of 2006.'' The Committee on International Relations ordered the bill reported favorably on September 13, 2006.

There are certain provisions within the bill that will be considered by the House today that fall within the jurisdiction of the Committee on Government Reform. In the interest of permitting the Committee on International Relations to proceed expeditiously to floor consideration of this bill, I request that your Committee waive its right to sequential referral on this matter. I understand that such a waiver only applies to this language in the bill and not to the underlying subject matter.

I appreciate your willingness to allow us to proceed. I will insert this exchange of letters into the Congressional Record during the debate on this bill.

Sincerely,

HENRY J. HYDE,
Chairman.

DECEMBER 8, 2006.

Hon. HENRY J. HYDE,
Chairman, Committee on International Relations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: On September 13, 2006, the Committee on International Relations ordered reported favorably to the House H.R. 6060, the ''Department of State Authorities Act of 2006.'' Thank you for consulting with the Committee on Government Reform on those matters in H.R. 6060 within the Committee's jurisdiction. I am writing to confirm our mutual understanding with respect to the consideration of H.R. 6060.

In the interest of expediting the House's consideration of H.R. 6060, the Committee on Government Reform did not request a sequential referral of the bill. However, the Committee did so only with the understanding that this procedural route will not prejudice the Committee's jurisdictional interest and its prerogatives in this bill or similar legislation.

I request that you include our exchange of letters on this matter in the Congressional Record during consideration of this bill on the House floor. Thank you for your attention to these matters.

Sincerely,

TOM DAVIS,
Chairman.

At this point, Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I rise in strong support of this resolution, and yield myself such time as I may consume.

Mr. Speaker, today we are considering a scaled-down State Department Authorities bill, the State Department Reform Act of 2006, authored by our distinguished vice chairman, Mr. SMITH of New Jersey.

This legislation, while compact, contains a number of critical authorities needed by the Secretary of State to strengthen American diplomacy.

Perhaps most importantly, Mr. Speaker, this measure would provide the Secretary of State with expanded authority to retain fees to support the vastly expanded efforts of the Department to fight visa fraud and secure America's borders.

This measure also includes enhanced law enforcement authority to improve the ability of our diplomatic security agents to protect diplomats and officials.

It also provides authority needed to set in place reciprocal agreements that will provide our diplomats assigned to represent the United States to the African Union with customary immunities.

In addition, it renews expiring contracting authority that is required to keep our Middle East broadcasting, Radio Free Asia and Voice of America programming on the air.

Mr. Speaker, this legislation is strongly supported by our Secretary of State, Dr. Condoleezza Rice, who has urged us to pass it before the conclusion of the current session.

Mr. Speaker, this legislation provides some timely and critical new and expanded authorities that will strengthen U.S. diplomacy. I strongly support its passage and I urge my colleagues to do so as well.

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

□ 2330

Mr. SMITH of New Jersey. Mr. Speaker, before yielding back, this is one of the last bills, if not the last bill, that the IR committee will consider tonight. I would just like to say as the vice chairman of the Subcommittee on Africa, Global, Human Rights and International Relations, I would just say a brief word about our distinguished chairman, Chairman HYDE.

Mr. Speaker, the House just isn't going to be the same without HENRY HYDE, one of the rarest, most accomplished and most distinguished Members of Congress ever to serve. HENRY HYDE is a class act. He is a man of deep and abiding faith. He is generous to a fault, and he has an incisive mind that works seamlessly with his incredible sense of humor. He is a speaker of truth in a society that all too often is willing to accept cheap sophism, the plausible and the fraudulent.

He is a man who inspires and challenges all of us to look beyond surface appeal arguments, and HENRY HYDE compels us to take seriously the admonitions of holy scripture to care for the downtrodden, the vulnerable and least of our brethren. The ''Almanac of American Policy'' has written that HENRY HYDE is one of the most respected and intellectually honest Members of the House and has proven himself as one of the most eloquent Members as well. His speeches, they point out, and I agree, are classics.

Mr. Speaker, in abortion debates HENRY HYDE remains the great defender of children and their moms, the champion of the most fundamental of all human rights, the right to life. Because of the Hyde amendment, countless young children and adults walk on this Earth. They have had an opportunity to prosper now, and they were spared the destruction when they were most at risk. With malice towards none, HENRY HYDE took to this microphone to politely asked us to show compassion and respect, even love for the innocent and inconvenient baby who was about to be annihilated. In one speech on the floor he pointed out how important it was to be inclusive to welcome the stranger.

As we all know, Congressman HYDE was a Congressman and is a Congressman for 32 years, chairman for 6 of Judiciary, chairman of the IR for 6 years as well. He has been a prodigious lawmaker, with uncanny skill, determination and grace. He has crafted numerous bipartisan laws and commonsense policies that have lifted people out of poverty, helped obliterate disease, criminals off the street and has been magnificent in the defense of democracy and freedom both here and overseas.

Finally, one of his many legislative accomplishments includes his authorship of the President's emergency plan for AIDS relief, PEPFAR, a 5-year $15 billion plan to combat HIV/AIDS, tuberculosis, and malaria. During those committees and debates on the floor, Chairman HYDE was persuasive and highly incisive as he compared the HIV/AIDS crisis to the bubonic plague of the 14th century, the Black Death, and challenged us to enact a comprehensive program, which we did, to rescue the sick, assist the dying and prevent the contagion spreading. Having served with this brilliant one-of-a-kind lawmaker for the past 26 years, I hope HENRY HYDE knows that I and so many others will truly miss him. He is as irreplaceable as irreplaceable can get.

Mr. Speaker, I yield to my good friend from California (Mr. ROYCE).

Mr. ROYCE. I thank the gentleman for yielding.

Mr. Speaker, very briefly, I rise in support of the bill. This bill contains many important provisions affecting the State Department. I am going to confine my remarks to one section of the bill. I serve as the chairman of the Subcommittee on International Terrorism and Nonproliferation. One of the issues that the subcommittee has focused on is the threat posed by shoulder-fired missiles known as MANPADS.

These weapons in the hands of terrorists are a deadly threat to civilian aviation. Unfortunately, these weapons, manufactured in China, Bulgaria, North Korea and elsewhere are proliferating, as we heard in the hearing earlier this year. In 2002 a shoulder-fired missile was shot at an Israeli airliner in Kenya which managed to escape unscathed. Unfortunately, the potential exists for many successful attacks.

The downing of a commercial airliner would take a terrible toll in human life and be a big blow to the world economy. That is why I introduced the Shoulder-Fired Missile Threat Reduction Act of 2006, which has bipartisan support.

Key portions of this act are included in this bill that we are considering tonight. It sanctions countries that knowingly transfer these missiles to terrorist organizations or state sponsors of terrorism, such as Iran and Iran. MANPADS in the hands of terrorists is a serious threat that warrants a serious response. This bill puts producing and proliferating countries on notice. I urge its passage.

Mr. SMITH of New Jersey. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 6060, as amended.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

SUSPENSION OF LIMITATION ON PERIOD FOR WHICH BORROWERS ARE ELIGIBLE FOR GUARANTEED ASSISTANCE

Mr. BOUSTANY. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 4093) to amend the Farm Security and Rural Investment Act of 2002 to extend a suspension of limitation on the period for which certain borrowers are eligible for guaranteed assistance.

The Clerk read as follows:

S. 4093

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

SECTION 1. SUSPENSION OF LIMITATION ON PERIOD FOR WHICH BORROWERS ARE ELIGIBLE FOR GUARANTEED ASSISTANCE.

Section 5102 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1949 note; Public Law 107–171) is amended by striking ''December 31, 2006'' and inserting ''September 30, 2007''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. BOUSTANY) and the gentleman from Louisiana (Mr. MELANCON) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana.

GENERAL LEAVE

Mr. BOUSTANY. Mr. Speaker, I ask unanimous consent that all Members

have 5 legislative days within which to revise and extend their remarks.

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

There was no objection.

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

Mr. Speaker, I rise in support of the bill, S. 4093. This bill will modify the expiration date of a provision of a farm bill dealing with farm credit so that it expires concurrent with the rest of the farm bill. Currently a provision of the farm bill dealing with guaranteed loans for farmers and ranchers expires on December 31 of this calendar year.

The rest of the farm bill, however, does not begin to expire until December 30 of 2007. By passing this bill, we are ensuring that this credit program has the opportunity to be fully debated during the development of the next farm bill. Furthermore, should this provision expire in the next few days, it would create a hardship on the part of those farmers, ranchers, and lenders to whom it would apply.

I ask my colleagues to support this bill so that this credit program which is so important for America's young and beginning farmers has the opportunity to be debated and reevaluated during the development of the next farm bill without causing undue hardship with limited notice to the farmers and ranchers that use this important program.

Mr. Speaker, I urge the passage of this bill, and I reserve the balance of my time.

Mr. MELANCON. Mr. Speaker, I join with Mr. BOUSTANY and rise in support of Senate bill 4093. I would like to thank the leadership of the Senate Agriculture Committee for sending this bill over to us. This bill is just an extension of the term limit waiver until September 30, 2007. It will allow us to fully discuss the issue of guaranteed loan eligibility during the farm bill.

Passage of this legislation will ensure farmers and ranchers won't be left without financing options with little or no notice.

Mr. Speaker, this is especially important in areas suffering from crop and livestock disasters the last several years. I urge the passage of this legislation.

Mr. GOODLATTE. Mr. Speaker, I rise in support of S. 4093. This bill will modify the expiration date of a provision of the farm bill dealing with farm credit so that it expires concurrent with the rest of the farm bill. Currently, a provision of the farm bill dealing with guaranteed loans for farmers and ranchers expires on December 31 of this year. The rest of the farm bill, however, does not begin to expire until September 30, 2007. By passing S. 4093, we are ensuring that this credit program has the opportunity to be fully debated during the development of the next farm bill. Should this provision expire in the next few days, it could create hardship on the part of those farmers, ranchers and lenders to whom it would apply. I ask my colleagues to support S. 4093 so that this credit program, which is important for America's young and beginning farmers, has the opportunity to be debated and reevaluated during development of the next farm bill without causing undue hardship with limited notice to the farmers and ranchers that use this important program.

Mr. MELANCON. Mr. Speaker, I yield back the balance of my time.

Mr. BOUSTANY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana (Mr. BOUSTANY) that the House suspend the rules and pass the Senate bill, S. 4093.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

PREVENTING HARASSMENT THROUGH OUTBOUND NUMBER ENFORCEMENT ACT

Mr. CANNON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5304) to amend title 18, United States Code, to provide a penalty for caller ID spoofing, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5304

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 ''Preventing Harassment through Outbound Number Enforcement Act''.

SEC. 2. CALLER ID SPOOFING.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by adding at the end the following:

''§ 1039. Caller ID spoofing

''(a) IN GENERAL.—Whoever knowingly modifies caller ID information with the intent to defraud or harass another person, or to use another person's caller ID information without consent, shall be fined under this title, imprisoned for not more than five years, or both.

''(b) ATTEMPT; CONSPIRACY.—Whoever attempts or conspires to commit an offense under subsection (a) of this section shall be punished as provided in subsection (a) of this section.

''(c) EXCEPTIONS.—This section does not prohibit the following:

''(1) Any blocking of caller ID information.

''(2) Any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States, or any activity authorized under chapter 224 of this title.

''(d) DEFINITIONS.—(1) In this section:

''(A) The term 'caller ID information' means information transmitted—

''(i) by a service or device;

''(ii) to the recipient of a telephone call; and

''(iii) regarding the telephone number of, or other information regarding the origination of, the telephone call.

''(B) The term 'telephone call' means a call made using a telecommunications service or VOIP service.

''(C) The term 'VOIP service' means a service that—

''(i) provides real-time 2-way voice communications transmitted through customer premises equipment using Transmission Control Protocol/Internet Protocol, or a successor protocol (including when the voice communication is converted to or from Transmission Control Protocol/Internet Protocol by the VOIP service provider and transmitted to the subscriber without use of circuit switching), for a fee;

''(ii) is offered to the public, or such classes of users as to be effectively available to the public (whether part of a bundle of services or separately); and

''(iii) has the capability to originate traffic to, and terminate traffic from, the public switched telephone network.

''(D) The term 'State' includes a State of the United States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

''(2) A term used in a definition in paragraph (1) has the meaning given such term in section 3 of the Communications Act of 1934 (47 U.S.C. 153).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 47 of title 18, United States Code, is amended by adding at the end the following new item:

''1039. Caller ID spoofing.''.

PARLIAMENTARY INQUIRY

Mr. SCOTT of Virginia. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SCOTT of Virginia. The Reading Clerk has read the title of the bill. Does that mean it is the originally introduced bill without amendments?

The SPEAKER pro tempore. The Chair understands that the motion is to suspend the rules and pass the bill as amended.

Mr. SCOTT of Virginia. We have looked around the House for a bill, and we have been unable to find a bill in the Speaker's lobby or on the Speaker's desk, other than the introduced bill. Could someone explain to us what we are now considering?

Mr. CANNON. Mr. Speaker, I think that we have five copies at the desk currently.

The SPEAKER pro tempore. Someone will deliver a copy of the bill to the committee table.

Mr. CANNON. Mr. Speaker, we are having a copy directed to Mr. Scott. He has got it.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. CANNON) and the gentleman from Virginia (Mr. SCOTT) each will control 20 minutes.

The Chair recognizes the gentleman from Utah.

GENERAL LEAVE

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 5304, as amended, currently under consideration.

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

There was no objection.

Mr. CANNON. Mr. Speaker, I rise in support of H.R. 5304, the Preventing Harassment through Outbound Number

Enforcement Act, the PHONE Act, which was introduced by Representative TIM MURPHY. I thank Mr. MURPHY for his leadership and commitment to this issue.

In the last few years, the criminal activity known as ''spoofing'' has been on the rise. Caller ID spoofing occurs when a person deliberately uses an incorrect, fake or fraudulent caller identification to hide their identity in order to facilitate a fraudulent telephone call and to harass, trick or further a fraudulent scheme. The victims of this activity include the legitimate owner of a caller ID or the recipient of a fraudulent telephone call, who, as a result, may divulge legitimate financial or identifying information such as credit card numbers or other financial information. Spoofing is nothing less than criminal fraud.

Spoofing technology has become more accessible to the average person, either through the purchase of Internet telephone equipment or through Web sites specifically set up to spoof. These Web sites promote spoofing as a device to commit fraud, prank phone calls and political attacks, and are used by telemarketers who are attempting to avoid the current ''do not call'' limits.

H.R. 5304 creates a new Federal crime prohibiting the modification of caller ID to harass or commit fraud or use another person's ID without that person's consent. The bill imposes a penalty of a prison term of up to 5 years and/or a fine for any violation. However, the legislation does not affect legally available blocking of caller ID technology or lawfully authorized activities of law enforcement intelligence agencies.

This legislation will help to deter telephone fraud, to protect consumers from harassment, and to increase protection of consumers and their personally identifiable data from fraudulent telephone use.

I urge my colleagues to join together to pass this bipartisan legislation, H.R. 5304.

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

Mr. SCOTT of Virginia. Mr. Speaker, I would like to thank the gentleman from Pennsylvania for introducing the bill that addresses an important issue. People should be prohibited from defrauding, harassing others using this technology. A misleading caller ID can enable criminals to get information that they couldn't otherwise get. It will enable people to harass. There may be, however, legitimate uses for this technology, and that is why I have to oppose the motion to suspend the rules and pass the bill at this point.

□ 2345

There are a lot of people for whom it should be illegal. But, Mr. Speaker, I want to express my appreciation for them handing me a bill as the debate started. We have been negotiating the information in the bill.

We had a hearing and we found that there are a lot of legitimate uses for this. For example, women's shelters use misleading caller ID numbers. Businesses may use a misleading caller ID number if they are calling from one line of many lines. If they want people to call back on their main line, they want to use that caller ID.

When we had our hearing we heard that we may want to differentiate from defrauding and harassing with a criminal intent for criminal gain as opposed to just harassing. Maybe we might not have a 5-year felony, you might want to have a misdemeanor.

So I was under the impression earlier today that we were going to continue negotiating this and work on it and get a decent bill next year.

Also I heard, Mr. Speaker, that the FBI has made recommendations on the bill. We don't have that information yet because the recommendations have not been cleared by OMB. I would ask the chief sponsor or the proponents of the legislation why it is so important to pass the legislation before the Bush administration's Federal Bureau of Investigation comments can be considered?

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

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

Mr. Speaker, let me point out to the gentleman that this is in fact an ongoing problem where we have crimes being committed and some difficulty in some cases actually having a rationale for prosecuting people that are using this sometimes in very harsh criminal circumstances.

The original bill used the term ''misleading.'' I think we have changed that now to ''defraud or harass.'' There is no legitimate purpose when you are talking about the defrauding or harassing.

So I would encourage my colleagues to support this bill. It is much improved, taking into account the concerns of the gentleman from Virginia, and I believe that it is an appropriate bill, a bill that is well-drafted now, and I would urge its passage.

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. MURPHY), the author of the bill.

Mr. MURPHY. Mr. Speaker, I rise to ask for support for my bill, H.R. 5304, the Preventing Harassment through Outbound Number Enforcement Act, or the PHONE Act.

This bill is a critically important consumer protection from fraud, deception and other crimes. It offers for the first time criminal penalties for those who falsify a caller ID number in the commission of a crime.

Over the years, Congress has repeatedly worked to prevent consumers from identity theft. Unfortunately, with new technology comes new risks and new opportunities for criminals to evade the law. One of these new technologies used by thieves is the practice of call spoofing or caller ID fraud.

With caller ID fraud, one masks their identity by altering their outbound caller ID number in order to mislead the call recipient. In other words, you can make a call from your phone, but to the one who is receiving the call, your caller ID number can be anything you so choose. In short, caller ID fraud takes away accountability from people who wish to do harm to others.

Today, 21st century criminals are using fake caller identification to anonymously defraud and harass Americans all across the country. That is why I am so pleased that Congress is considering H.R. 5304 tonight, in order to penalize caller ID fraud perpetrators.

This bill is particularly necessary to protect American families and the elderly now. It doesn't take much imagination to understand how dangerous this practice could be for unsuspecting people.

For example, a criminal could try to obtain personal financial information from individuals by falsely using a bank's phone number. An ex-spouse can harass a former wife or husband who has blocked calls from the ex-spouse's phone line. A pedophile could stalk a child by using a school phone number or the phone number of a friend of the child. A sexual predator could use a doctor's office phone number. Or a terrorist could make threats from a government phone number, and there is no quick way to trace that original call.

The criminal use of caller ID fraud is not just a possibility. Here are some very real-world examples of caller ID fraud that are very disturbing.

The AARP Bulletin reported a case in which people received calls which falsely claimed that they missed jury duty. To avoid prosecution, callers told their victims that they needed to give their Social Security number and other personal information. The phone number that appeared in the caller ID was from the local county courthouse, so people assumed the caller was telling the truth.

A security company, Secure Science Corporation, has stated that criminals have accessed these legal call spoofing Internet sites in order to protect their identities while they buy stolen credit card numbers. These individuals then call a money transfer service, such as Western Union, and use a fake caller ID and a stolen credit card number to order cash transfers to themselves.

If the name on the credit card is John Doe of 123 Main Street and the caller ID number that shows up is for John Doe of 123 Main Street, it is easy to see how someone can be deceived into credit card fraud.

Here is another example. In 2005, SWAT teams surrounded an empty building in New Brunswick, New Jersey, after police received a call from a woman who said she was being held hostage in an apartment. However, the woman had intentionally used a false caller ID and she was not in the apartment at all. Imagine what might have happened when those SWAT teams showed up. Imagine what might have happened.

This practice of making a false alarm to a SWAT team has occurred numerous times across the country. So, not only does this practice have the potential for tragedy, but it also diverts police and can be used to mask other crimes or homeland security threats.

It is for these reasons that I introduced H.R. 5304, to punish those who engage in the intentional practice of misleading others into caller ID fraud. Violators of the bill will be subject to a penalty of up to 5 years in prison and a maximum fine of $250,000. There is no mandatory sentencing involved in this bill.

I am hopeful the Senate can quickly approve the bill, so we can send this bill to the President and protect consumers.

Mr. Speaker, I should point out that the bill came together in a bipartisan fashion. The bill was examined at hearings of the Judiciary Subcommittee on Crime, Terrorism, and Homeland Security on November 15 of this year. My two distinguished colleagues, Chairman HOWARD COBLE and Ranking Member BOBBY SCOTT of Virginia asked many probing questions and offered insights that were invaluable. Their legal expertise truly improved this bill and made sure it was not one that dealt at all with those who may use these in legal fashions, those that would not be considered crimes.

Thanks to their input, the bill was amended to achieve an agreement and brought before the House tonight. I sincerely thank them and everybody else on the Judiciary Committee for their cooperation on this bill and their commitment to this important consumer protection.

I certainly also want to thank Chairman SENSENBRENNER and the full committee and congratulate him on his remarkable tenure as chairman of the House Judiciary Committee.

I want to thank Phil Kiko, general counsel of the House Judiciary Committee; Mike Layman, my legislative director; and especially Susan Mosychuk, my chief of staff.

Mr. Speaker, over the years, Congress has been routinely criticized as a reactive institution. Tonight, that Congress takes a proactive step to move a bill that addresses a problem before further tragedies occur. This bill will help to stop crime, protect identity theft and protect lives, and I urge all Members to support the PHONE bill.

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this was earlier identified as bipartisan legislation. It is legislation that is supported in principle by both sides. However, I would point out that as of this morning, there were no Democratic cosponsors. But it is important legislation, because of the examples cited by the gentleman from Pennsylvania, and the bill is still a work in progress.

It is an improved bill. In fact, it includes many amendments that have been discussed. One, it limits the application of the bill to cases where there is harassment or defrauding, not just misleading. I think that is an important improvement. And there is language offered by this side that addressed the case we heard where someone else's caller ID number was being used, people were making insulting phone calls, they would look at their caller ID and then call the person whose caller ID number was there. He didn't know anything about it and he was getting all of these complaining phone calls. Both of these are good improvements.

But I would still be interested in knowing what the FBI might have to say about it. They have to enforce the law. They might have some important suggestions that would be important to include in the bill.

I would ask the proponents of the bill again why it is so important to consider the legislation before the FBI has had an opportunity to be heard? We don't have to adopt their ideas, but it seems to me that since they are going to enforce it, we ought to at least listen to what they have to say.

We had indicated to the other side that we would bring it up as one of the first bills next year if we could get the FBI consideration, continue negotiating the little details and have a bill that we could be proud of.

However, Mr. Speaker, we are having it today, a work in progress, where this side just gets handed the legislation as the debate starts, which is I think insulting, and I think we have heard references to what happens in the middle of the night. Hopefully we can get the answer about the FBI from the other side.

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

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

I would like to introduce for the RECORD a letter dated today, from the Department of Justice, that I think answers some of the questions that the gentleman from Virginia has asked. We will see that a copy of this is delivered to the gentleman.

DEPARTMENT OF JUSTICE, OFFICE OF LEGISLATIVE AFFAIRS, OFFICE OF THE ASSISTANT ATTORNEY GENERAL,

Washington, DC, December 8, 2006.

Hon. F. JAMES SENSENBRENNER, JR.
Chairman, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Department of Justice appreciates the opportunity to comment on H.R. 5304, the "Preventing Harassment through Outbound Number Enforcement Act" ("PHONE Act"). As Deputy Assistant Attorney General Barry Sabin testified before the Subcommittee on Crime, Terrorism, and Homeland Security last month, we support Congressional action to give law enforcement better tools to protect our citizens and our country from identity thieves, stalkers, and other criminals.

Overall, the bill would support the Department's efforts to combat the threats caused by the widespread availability of "caller ID spoofing." As noted at the Subcommittee's hearing on the PHONE Act, these threats include preying on the elderly, harassment of telephone users, and dangerous false alarms to public safety personnel. Caller ID spoofing facilitates a number of serious crimes, including identity theft, pretexting, and privacy invasions. It can also be used to hamper important, time sensitive investigations.

The Department was especially pleased to see that the scope of the bill includes both conventional telephone calling and many types of voice over Internet protocol ("VOIP") services. VOIP is an important new advance in the way Americans communicate, and our laws need to keep up with such technological advances if these new innovations are to reach their full potential.

The drafters also have wisely recognized that, at times, it may be necessary to modify caller ID information in the course of authorized law enforcement and intelligence operations. Accordingly, the bill properly includes an exception for these legitimate law enforcement and intelligence activities.

The Department has a number of recommendations (described below) to clarify the bill and to make it even more effective.

A. The bill could be made more effective by creating a more graduated series of offenses.

Proposed Section 1038(a) creates only a single offense, a felony. A felony is a very serious charge that carries heavy penalties that may not be proportional to the conduct at issue in every case. The drafters may wish to consider a more graduated series of offenses that would allow prosecutors to charge misdemeanor offenses in appropriate circumstances. For instance, felony penalties could be reserved for caller ID spoofing done in furtherance of another crime or tort, while those playing practical jokes could be charged with a misdemeanor offense. This could lead to greater use of the statute and more just results. Such an approach has been implemented in other federal criminal statutes such as 18 U.S.C. §1030(c)(2)(B) (part of the Computer Fraud and Abuse Act) and 18 U.S.C. §270 I (b) (the criminal provision in the Electronic Communications Privacy Act).

B. The bill could be made more effective by prohibiting attempts.

A prosecution should not depend on whether a criminal was successful in the object of his or her crime. Thus, if a call placed by a criminal attempting to mislead another does not go through for some reason, the criminal should be punishable as if the call had been completed. Such failures may occur where a service has blocked certain numbers, such as 911, or even for more mundane technical problems. These failures do not make the criminal any less culpable for attempting to mislead others. Thus, we recommend that the bill punish attempts the same as the substantive offense.

C. The new provision should be numbered 18 U.S.C. §1039.

The bill seeks to add a new provision to the end of Chapter 47 of Title 18. Section 1038 in Title 18 already exists, however, and we understand that there is a good chance that a bill currently moving through Congress would create a new section numbered 1039. Thus, this bill should be numbered either 1039 or 1040 instead.

D. The drafters may wish to include a clear statement of jurisdiction.

We believe that the bill as written contains a sufficient nexus to interstate commerce to justify federal jurisdiction in most cases. Nevertheless, in order to make jurisdiction even more clear, the Committee may want to consider adding the phrase "using any facility or means of interstate or foreign commerce" to proposed subsection 1038(a). Alternatively, it may be helpful to include a specific finding regarding jurisdiction in the Committee's report.

E. The bill can be made more effective by prohibiting ''generating and transmitting'' misleading caller identification information in addition to ''modifying'' such information.

Some of the caller ID spoofing services available today do not actually modify caller ID information. As a technical matter, the service creates a new telephone call, thereby generating or transmitting new caller ID information. To take into account such situations, we recommend that, in addition to modifying information, the bill also cover generating or transmitting caller ID information with an intent to mislead.

F. The bill can be made more effective by prohibiting caller ID spoofing with the intent to mislead any other person.

Caller ID spoofing can be used not only to mislead call recipients, but also to defraud communications service providers. In addition to misreporting the information that eventually is displayed on call recipients' caller ID displays, the same methods can be and are used to falsify the telephone numbers that carriers use to determine appropriate billing for calls that are carried on their networks. The bill can be strengthened to include this type of fraud by prohibiting misleading ''any other person'' rather than only misleading call recipients.

G. The bill can be made more effective by clarifying the definition of ''caller ID information. ''

As currently drafted, the definition of ''caller ID information'' is difficult to parse. We would recommend rewording proposed subsection 1038(c)(1)(A) to say ''The term 'caller ID information' means information regarding the origination of the telephone call, including the telephone number of the originating party.''

H. The bill can be made more effective by focusing the definition of ''telephone call'' on the service used to receive calls rather than the service used to make calls.

The bill seeks to cover matters involving ''telephone calls.'' A ''telephone call'' is defined as a ''call made using a telecommunications service or a VOIP service.'' See proposed subsection 1038(c)(1)(B) (emphasis added). This definition focuses on the service being used to make the call, thereby allowing the person seeking to mislead others to avoid criminal liability by choosing a service not covered by the statute. For example, a caller using a service that allows only outbound calls to the public switched telephone network (PSTN) would not be covered (without the modifications suggested in Section I below), even though ordinary telephone users would be receiving such calls. The bill's coverage more properly should depend on the type of service being used to receive the call, since it is call recipients that the bill seeks to protect from being misled. We recommend that the definition of ''telephone call'' be changed to read ''The term 'telephone call' means a communication made using or received on a telecommunications service or VOIP service.''

I. The bill can be made more effective by expanding the definition of ''VOIP service.''

We have a number of concerns with the narrow scope of the definition of ''VOIP service,'' a definition that soon could be overtaken by advances in technology. It is important to craft this definition well not only because of the effect it would have on the scope of this bill, but because of the effect it could have on the scope of other important programs, such as the Communications Assistance for Law Enforcement Act and emergency response services. As Thomas Navin, Chief of the Wireline Competition Bureau of the Federal Communications Commission, testified before the Subcommittee on Telecommunications and the Internet of the Energy and Commerce Committee, ''a restrictive definition of VOIP . . . might establish a statutory precedent that would restrict the Commission's authority to protect life and property in both the public safety and law enforcement contexts.'' The Department has expressed similar concerns in regulatory proceedings and in connection with other bills introduced this Congress, and we would respectfully raise those same concerns with this Committee.

1. The bill can be made more effective by eliminating the requirement that a VOIP service be transmitted ''through customer premises equipment.''

It is not clear why protection from being misled by caller ID information should depend on whether VOIP service is transmitted ''through customer premises equipment,'' as set forth in proposed subsection 1038(c)(1)(C)(i). We therefore suggest deleting these words (''through customer premises equipment'') to broaden the scope of the bill.

2. The bill can be made more effective by eliminating the requirement that a VOIP service use Transmission Control Protocol.

The bill should not be limited to services that use the Transmission Control Protocol (''TCP''), as many current VOIP services use another protocol (that is not a successor to TCP) called the User Datagram Protocol (''UDP''). We therefore recommend that ''Transmission Control Protocol/'' be deleted from proposed subsection 1038(c)(1)(C)(i).

3. The bill can be made more effective by clarifying the parenthetical in the definition of a ''VOIP service.''

Proposed subsection 1038(c)(1)(C)(i) provides that a VOIP service is covered even when the Internet protocol conversion is performed ''without use of circuit switching.'' The Department believes that this provision is unclear. We recommend that the parenthetical be clarified.

4. The bill can be made more effective by eliminating the requirement that a VOIP service be offered ''for a fee.''

The Department believes it would be preferable that the bill's prohibition not depend on the provider's business model, that is, not apply only to those VOIP services offered ''for a fee.'' See proposed subsection 1038(c)(1)(C)(i). At least some VOIP services are offered at no charge and will be supported by revenue generated from sources other than user fees, such as advertising revenue. In fact, several VOIP providers are currently offering free calls to or from the PSTN. There is no reason why the business model of the service provider should have an impact on the scope of the bill's coverage.

5. The bill can be made more effective by eliminating the requirement that a VOIP service must offer two-way interconnection to the PSTN.

The bill also limits ''VOIP service'' to a service that ''has the capability to originate traffic to, and terminate traffic from, the public switched telephone network [PSTN].'' See proposed 18 U.S.C. §1038(c)(1)(C)(iii) (emphasis added). This provision is unnecessarily restrictive for two reasons. First, some VOIP providers offer services that only allow one of those two capabilities. Under the definition in the bill, a call to a person's telephone is not a ''telephone call'' if the caller's service does not also allow that originator to receive calls from the PSTN. There is no reason a person should be allowed to mislead call recipients, even ones using traditional telephone service, simply because he or she uses a service that restricts incoming calls. Even if the bill were amended as suggested above to focus on the service used to receive calls, there is no reason why subscribers to receive-only services should be less protected from fraudulent caller ID information simply because their ability to call out is limited. We recommend that, at a minimum, the word ''and'' be changed to ''or'' in proposed subsection 1038(c)(1)(C)(iii).

In addition, the bill only covers services that are capable of interconnecting with the PSTN. Reference to the PSTN could be interpreted to limit its applicability to one particular set of wires, i.e., the traditional telephone network. If, as some predict, the future of telephone communications shifts entirely away from that older network, the bill could become a dead letter. We recommend adding ''or a successor network'' at the end of proposed subsection 1038(c)(1)(C)(iii).

J. The bill can be more effective by including a forfeiture provision.

In addition, the Department believes the bill would have more deterrent effect if it also included a forfeiture provision. Specifically, a court could order the convicted party to forfeit the proceeds derived from the offense, along with equipment used to facilitate the offense. The language for a forfeiture provision could be modeled on the wording used for the CAN–SPAM Act of 2003. See 18 U.S.C.A. §1037(c).

K. The bill can be made more effective by giving prosecutors tools to combat money laundering of illegal proceeds of violations of the PHONE Act and the CAN–SPAM Act.

We recommend adding proposed section 1039 and existing section 1037 to the list of ''specified unlawful activities'' in section 1956(c)(7)(D) of title 18. This amendment would make certain financial transactions involving the proceeds of violations of sections 1037 and 1039 money laundering offenses under 18 U.S.C. §§1956 and 1957, and it will provide for the civil forfeiture of such proceeds. See 18 U.S.C. §981(a)(1)(C) (providing for the civil forfeiture of proceeds of crimes designated as ''specified unlawful activity''). Existing law provides that comparable crimes, e.g., violations of 18 U.S.C. §1030 (computer fraud and abuse) constitute specified unlawful activities.

For convenience, we have included recommended edits to the text of the bill in order to accomplish many of the recommendations suggested above (attached hereto as Appendix A). The Department appreciates the Committee's leadership in ensuring that our country's laws meet this new challenge. Thank you for the opportunity to comment on the bill and for your continuing support.

The Office of Management and Budget has advised that there is no objection to the presentation of these views from the standpoint of the Administration's program. If we may be of additional assistance, please do not hesitate to contact this office.

Sincerely,

JAMES H. CLINGER,
Acting Assistant Attorney General.

Mr. CANNON. Mr. Speaker, the Department of Justice supports the bill. We recognize that sometimes in the helter-skelter of closing up Congress, things happen quickly and maybe not perfectly. I think this bill is a good bill. I think this bill does what we need it to do. I think we have answered the major questions here. We may have to revisit it sometime in the future, but I would like to see law enforcement have this tool.

So I urge my colleagues to support the passage of the bill.

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

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when the FBI testified on the bill, they indicated they had some concerns. I assume I will get the concerns after we finish considering the bill. We had to beg for a copy of the legislation so we would know what we are debating. Now, I guess, would it hurt your feelings to let me know what the FBI had to say about it? They had concerns when they testified on the bill. Let me just say that. I will just wait over here until I can get a copy of their comments so I know what they said.

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

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

Mr. Speaker, we have a copy of those comments on the way over to the gentleman from Virginia. I would hope we would never require begging in this institution for access to information, and I apologize for any inconvenience.

While we are delivering the Department of Justice's letter, the first paragraph of which talks about supporting the bill, I would be happy to yield to the gentleman from Pennsylvania such time as he may consume.

Mr. MURPHY. Mr. Speaker, I wanted to address Mr. SCOTT's concerns. I know during the Judiciary Committee the gentleman from Virginia raised a couple of very important issues. One, he wanted to make sure there were no mandatory sentencing penalties in this; and, two, to make sure it did not disallow some legal practices.

For example, businesses may use a caller ID when they call someone to protect the privacy of people within that business. Indeed, my understanding is the wording of this does address that, according to what Judiciary and the Department of Justice has looked at with that wording.

So it made sure that those within a business may have use or those with other legitimate uses for using a caller ID. It is only related to those who harass or defraud others, so only specifically in the commission of a crime. I just want to say it addressed those issues, as far as I know.

Mr. CANNON. Mr. Speaker, has the gentleman from Virginia had the opportunity to review the document and the bill?

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Actually I would say to the gentleman from Utah, I haven't gotten any letter from the Justice Department yet. I assume it is in transit. It is a long way from that side of the aisle to this side of the aisle. I don't know what kind of communication method we are using, but I haven't gotten it yet.

I would point out, as the gentleman from Pennsylvania has indicated, when we make calls out of our offices in Congress, the caller ID number that shows up on someone's caller ID machine is some nonworking switchboard number.

Mr. CANNON. Mr. Speaker, if the gentleman would yield, one of the greatest pains in my life is the fact that we have colleagues in this institution who are sometimes troublesome, and so we get that caller ID and I think it is from my office and I end up talking to one of my colleagues I might not have talked to if I wasn't being spoofed by the institution.

My understanding is we had to make a copy of that letter. Apparently it was the only one we had. So we will have a copy coming to you momentarily. It is being delivered currently to your staff.

Mr. SCOTT of Virginia. Mr. Speaker, having just been handed the letter and gone through it very quickly, I would just point out that the last sentence on the first page says, ''The department has a number of recommendations (described below) to clarify the bill and to make it even more effective.''

They suggest, just briefly going through it, A, B, C, D, E, F, G, H, I, 1, 2, 3, 4, 5, J, K, improvements needed for the bill.

□ 0000

I do not know if this is a copy or original or what, but I hope everybody reads the letter that was entered previously in the RECORD so they will know that we are taking this action before we have had any time to consider the recommendations of the FBI which will have the responsibility of enforcing the bill, if it ever becomes law at the end of this session.

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

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

Let me point out to the gentleman that those are not recommendations of things that are needed to improve the bill but suggestions for improvement of the bill, and I would ask my colleagues to support the bill as it stands.

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

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

A, the bill could be made more effective by creating a more graduated series of offenses and then details.

B, the bill could be made more effective by prohibiting attempts, then a description.

C, a new provision should be numbered 18 U.S.C. 1039 and a description.

D, the drafters may wish to include a clear statement of jurisdiction.

E, the bill could be made more effective by prohibiting, generating, and transmitting misleading caller identification information in addition to modifying such information, on and on and on.

These are substantive recommendations that we are just going to ignore by taking this bill up in the middle of the night right here at the end of the session with a bill that has been handed to this side at the last minute, with the FBI recommendations that have been hiding the ball right up until I demanded it, and then they finally let it go.

This is a ridiculous way to put things in the Criminal Code, and I would hope we would defeat the legislation.

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

Mr. CANNON. Mr. Speaker, I yield myself such time as I may consume and would like to point out, I am sure the gentleman when he talks about hiding the ball he is not referring to us. We have been working with the Justice Department to get this information.

We got to the gentleman's office this bill by midday today and, again, we apologize for the technical difficulties. I am not sure if the gentleman opposes the bill in substance, but I would again encourage my colleagues to support the bill.

It is my understanding the gentleman is likely to be the chairman of the Crime Subcommittee next year and can bring this up and improve it with all of the comments and the suggestions that the Justice Department has proposed, and therefore I hope that he will join with me in supporting this bill for its passage. I encourage my colleagues to pass it.

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

Mr. SCOTT of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I cannot support the bill in its present form. I think we can put a bill together if we are given time. Since we have little time, we got through E. F is the bill can be made more effective by prohibiting caller ID spoofing with the intent to mislead any other person.

G, the bill could be made more effective by clarifying the definition of ''caller ID information.''

H, the bill can be made more effective by focusing the definition of ''telephone call'' on the service used to receive calls rather than the service used to make calls.

I, the bill can be made more effective by expanding the definition of ''VOIP service.''

Then one, they could go through what the VOIP service details.

The bill can be made more effective by including a forfeiture provision.

The bill can be made more effective by giving prosecutors tools to combat money laundering of illegal proceeds of violations of the PHONE Act and the CAN-SPAM Act.

Mr. Speaker, you will remember that we were not going to get this until I demanded it time and time again and they finally produced it, and now we find out that the information from the FBI is very critical of the bill, suggesting that it needs a lot of work, and we can do the work. We could sit down and hammer it out. I think everybody agrees that something needs to be done about this situation. It is a work in progress.

I notice in here an amendment that was suggested this afternoon is, in fact, in the bill in a slightly different wording and I think better wording in the

bill than the original suggestion. So it is a work in progress.

But, Mr. Speaker, this is not the way we ought to be legislating. We can do better than this, and I think we ought to defeat the bill now, bring it up early in the next session, and have a product that everybody can be proud of.

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

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

Mr. Speaker, I appreciate the gentleman's concerns and would point out if he had more time with the bill, if the staff had gotten it to him earlier today, I suspect he would have seen that many of the suggestions he has made here or suggestions he has read from the Department of Justice document have actually been taken into account. Misleading, for instance, is one of the terms that has been adjusted because it is very difficult to deal with.

The question here is are we going to let the perfect be the enemy of the good. This is a bill that is very important to the American people. If you are a divorcee and your husband is harassing you and he is using a fake phone number to do it, you do not want to wait until next session. You want the bill passed now so that your former husband is going to be more careful and not abuse you and your children and maybe not subject you to injury or harm.

I suggest that those people that are using spoofing need to be told today that this is inappropriate, and I urge passage of this bill.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. CANNON) that the House suspend the rules and pass the bill, H.R. 5304, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those voting have responded in the affirmative.

Mr. SCOTT of Virginia. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 4121. An act to provide optional funding rules for employers in applicable multiple employer pension plans.

COMPETE ACT OF 2006

Mr. CANNON. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3821) to authorize certain athletes to be admitted temporarily into the United States to compete or perform in an athletic league, competition, or performance.

The Clerk read as follows:

S. 3821

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 either the ''Creating Opportunities for Minor League Professionals, Entertainers, and Teams through Legal Entry Act of 2006'' or the ''COMPETE Act of 2006''.

SEC. 2. NONIMMIGRANT ALIEN STATUS FOR CERTAIN ATHLETES.

(a) IN GENERAL.—Section 214(c)(4)(A) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(4)(A)) is amended by striking clauses (i) and (ii) and inserting the following:

''(i)(I) performs as an athlete, individually or as part of a group or team, at an internationally recognized level of performance;

''(II) is a professional athlete, as defined in section 204(i)(2);

''(III) performs as an athlete, or as a coach, as part of a team or franchise that is located in the United States and a member of a foreign league or association of 15 or more amateur sports teams, if—

''(aa) the foreign league or association is the highest level of amateur performance of that sport in the relevant foreign country;

''(bb) participation in such league or association renders players ineligible, whether on a temporary or permanent basis, to earn a scholarship in, or participate in, that sport at a college or university in the United States under the rules of the National Collegiate Athletic Association; and

''(cc) a significant number of the individuals who play in such league or association are drafted by a major sports league or a minor league affiliate of such a sports league; or

''(IV) is a professional athlete or amateur athlete who performs individually or as part of a group in a theatrical ice skating production; and

''(ii) seeks to enter the United States temporarily and solely for the purpose of performing—

''(I) as such an athlete with respect to a specific athletic competition; or

''(II) in the case of an individual described in clause (i)(IV), in a specific theatrical ice skating production or tour.''.

(b) LIMITATION.—Section 214(c)(4) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(4)) is amended by adding at the end the following:

''(F)(i) No nonimmigrant visa under section 101(a)(15)(P)(i)(a) shall be issued to any alien who is a national of a country that is a state sponsor of international terrorism unless the Secretary of State determines, in consultation with the Secretary of Homeland Security and the heads of other appropriate United States agencies, that such alien does not pose a threat to the safety, national security, or national interest of the United States. In making a determination under this subparagraph, the Secretary of State shall apply standards developed by the Secretary of State, in consultation with the Secretary of Homeland Security and the heads of other appropriate United States agencies, that are applicable to the nationals of such states.

''(ii) In this subparagraph, the term 'state sponsor of international terrorism' means any country the government of which has been determined by the Secretary of State under any of the laws specified in clause (iii) to have repeatedly provided support for acts of international terrorism.

''(iii) The laws specified in this clause are the following:

''(I) Section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (or successor statute).

''(II) Section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)).

''(III) Section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)).''.

(c) PETITIONS FOR MULTIPLE ALIENS.—Section 214(c)(4) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(4)), as amended by subsection (b), is further amended by adding at the end the following:

''(G) The Secretary of Homeland Security shall permit a petition under this subsection to seek classification of more than 1 alien as a nonimmigrant under section 101(a)(15)(P)(i)(a).''.

(d) RELATIONSHIP TO OTHER PROVISIONS OF THE IMMIGRATION AND NATIONALITY ACT.—Section 214(c)(4) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(4)), as amended by subsections (b) and (c), is further amended by adding at the end the following:

''(H) The Secretary of Homeland Security shall permit an athlete, or the employer of an athlete, to seek admission to the United States for such athlete under a provision of this Act other than section 101(a)(15)(P)(i) if the athlete is eligible under such other provision.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. CANNON) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Utah.

GENERAL LEAVE

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 3821, currently under consideration.

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

There was no objection.

Mr. CANNON. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of Senate 3821, the COMPETE Act of 2006. S. 3821 would allow minor league professional athletes and certain performers to utilize the P–1 visa category.

The P–1 visa category allows internationally recognized performers, including athletes, artists and entertainers, to temporarily enter the U.S. for a specific event, competition or performance. To date, Citizenship and Immigration Services has interpreted the Immigration and Nationality Act in such a way that only allows major league professional athletes to utilize the P–1 visa category.

Minor league baseball and hockey players and some professional performers have been forced to utilize the H–2B visa category, which is capped at 66,000 visas annually and has been oversubscribed in recent years. Many minor league baseball and hockey teams attempt to bring in new players at times

of the year when the numerical cap has already been reached for H–2B visas.

Ice skaters who perform in special events in the United States find themselves in a similar predicament. Ice shows are planned many months in advance, but when ice skaters are recruited for these shows, H–2B visas are not always available. This legislation would also allow ice skaters performing in theatrical ice productions to use the P–1 visa category.

The United States is the pinnacle showground for most athletes and performers. It is where the best athletes and performers come to display their talents and skills. By moving minor league athletes and ice performers to the P–1 category, sports leagues and production teams will be able to recruit the most talented individuals from around the world and thus continue America's tradition of excellency in the professional sports arena.

I urge my colleagues to support Senate 3821.

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

Mr. CONYERS. Mr. Speaker, I yield myself as much time as I may consume.

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

Mr. CONYERS. Mr. Speaker, I am pleased to rise in support of S. 3821, which makes professional visas available for certain athletes and entertainers who are needed for work and competition in the United States professional athletic industries.

Historically, minor league athletes enter our country as part of the H–2B seasonal worker program. These visas are capped at 66,000 per year, and they often run out well before the year is out.

So we, through this legislation, will allow sport franchises and companies to bring minor league baseball players, hockey players and ice skating performers into the country to perform or compete when they are needed, without being barred by the visa cap. It shifts these talented people from the H visa category to the P visa category, the same one currently used by highly skilled professional athletes.

With this change, the United States will no longer lose these talented athletes to other nations because visas are not available at the right time.

This is a necessary piece of legislation to fix our visa categories, and I am glad that we are able to get the support of both Chambers in a bipartisan fashion to pass this at the very end of the 109th Congress.

Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. CANNON. Mr. Speaker, with the admonition to my colleagues to support this bill and pass it, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. CANNON) that the House suspend the rules and pass the Senate bill, S. 3821.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

PROHIBITION ON DISRUPTIONS OF FUNERALS OF MEMBERS OR FORMER MEMBERS OF THE ARMED FORCES

Mr. CANNON. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 4042) to amend title 18, United States Code, to prohibit disruptions of funerals of members or former members of the Armed Services.

The Clerk read as follows:

S. 4042

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

SECTION 1. RESPECT FOR THE FUNERALS OF FALLEN HEROES.

(a) IN GENERAL.—Chapter 67 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1388. Prohibition on disruptions of funerals of members or former members of the Armed Forces

''(a) PROHIBITION.—For any funeral of a member or former member of the Armed Forces that is not located at a cemetery under the control of the National Cemetery Administration or part of Arlington National Cemetery, it shall be unlawful for any person to engage in an activity during the period beginning 60 minutes before and ending 60 minutes after such funeral, any part of which activity—

''(1)(A) takes place within the boundaries of the location of such funeral or takes place within 150 feet of the point of the intersection between—

''(i) the boundary of the location of such funeral; and

''(ii) a road, pathway, or other route of ingress to or egress from the location of such funeral; and

''(B) includes any individual willfully making or assisting in the making of any noise or diversion that is not part of such funeral and that disturbs or tends to disturb the peace or good order of such funeral with the intent of disturbing the peace or good order of that funeral; or

''(2)(A) is within 300 feet of the boundary of the location of such funeral; and

''(B) includes any individual willfully and without proper authorization impeding the access to or egress from such location with the intent to impede the access to or egress from such location.

''(b) PENALTY.—Any person who violates subsection (a) shall be fined under this title, imprisoned for not more than 1 year, or both.

''(c) DEFINITIONS.—In this section:

''(1) The term 'Armed Forces' has the meaning given the term in section 101 of title 10.

''(2) The term 'funeral of a member or former member of the Armed Forces' means any ceremony or memorial service held in connection with the burial or cremation of a member or former member of the Armed Forces.

''(3) The term 'boundary of the location', with respect to a funeral of a member or former member of the Armed Forces, means—

''(A) in the case of a funeral of a member or former member of the Armed Forces that is held at a cemetery, the property line of the cemetery;

''(B) in the case of a funeral of a member or former member of the Armed Forces that is held at a mortuary, the property line of the mortuary;

''(C) in the case of a funeral of a member or former member of the Armed Forces that is held at a house of worship, the property line of the house of worship; and

''(D) in the case of a funeral of a member or former member of the Armed Forces that is held at any other kind of location, the reasonable property line of that location.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 67 of such title is amended by inserting after the item related to section 1387 the following new item:

''1388. Prohibition on disruptions of funerals of members or former members of the Armed Forces.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. CANNON) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Utah.

GENERAL LEAVE

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on S. 4042, currently under consideration.

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

There was no objection.

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

Mr. Speaker, I rise in support of Senate 4042, which expands existing law prohibiting certain demonstrations at military funerals.

The men and women of our Armed Forces risk their lives every day to preserve America's freedom. Military funerals honor our veterans and those who have made the ultimate sacrifice for our country. Funerals are solemn occasions for family and loved ones to grieve their loss. Military funerals are important ceremonies for Americans to show their respect and gratitude for our fallen heroes.

Yet, these dignified, peaceful ceremonies are being disrupted by political demonstrations. In the last year, a fringe religious group known as Westboro Baptist Church has disrupted more than 100 military funerals across the country, claiming that the deaths of U.S. soldiers in Iraq and Afghanistan are God's punishment for America's tolerance of gays and lesbians. Over the past 15 years, Westboro Baptist Church has staged over 22,000 demonstrations nationwide.

Mr. Speaker, as Congress considers this legislation today, the Westboro Baptist Church is again staging protests to disrupt the funerals of Lance Corporal Michael A. Schwarz in New Jersey and Lance Corporal James R. Davenport in South Carolina.

□ 0015

On behalf of the American people, I want to extend my sincere apologies to

the families of these soldiers, and to reassure our military servicemembers and their families that such demeaning and disgusting displays will never occur again.

In May, the President signed into law H.R. 5037, the Respect for America's Fallen Heroes Act, which prohibits demonstrations at Arlington National Cemetery and other cemeteries under the control of the National Cemetery Administration.

Approximately 650,000 funerals are conducted each year for our veterans and Active Duty military; however, only 90,000 of these are held at the Nation's 121 Federal cemeteries. Many veterans and servicemembers are laid to rest at private cemeteries. S. 4042 will expand the current law to all military funerals to ensure that all are afforded the utmost respect and dignity.

S. 4042 prohibits any person from intentionally disrupting or impeding access to a military funeral. An offense under this section is punishable by a fine of up to 1 year in jail. This bill is clearly constitutional as its predecessor was under Congress' broad authority under Article I, section 7 to raise and support armies. Congress has the authority to support America's soldiers by acting to preserve the dignity of their funeral ceremonies.

This bill is modeled after an ordinance upheld by the Supreme Court as a constitutional time, place, and manner restriction. The Senate passed S. 4042 yesterday by unanimous consent. I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time

Mr. CONYERS. Mr. Speaker I yield myself such time as I may consume.

I rise in support of the Respect for the Funerals of Fallen Heroes Act, a bill that would promote respect for the funerals of fallen heroes by prohibiting disruptive activities at funerals of deceased members of the Armed Forces.

This bill would build on the respect for America's Fallen Heroes Act by providing similar protection for the funerals of all deceased members or former members of the Armed Services, not only at Federal cemeteries but also at private cemeteries, funeral homes, and houses of worship. I think that we have found that this bill is consistent with constitutional considerations, and I urge that the House support this suspension.

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

Mr. CANNON. Mr. Speaker, I have no further speakers.

Mr. CONYERS. Mr. Speaker, I would yield to the gentleman from Oregon as much time as he may consume.

Mr. WU. Mr. Speaker, I thank the gentleman from Michigan.

I was one of the Members of the House of Representatives who was originally troubled by the House version of the bill and by the balance it struck between respect for the fallen heroes of this Nation and the Federal Constitution for which they died. I am pleased to support a much improved version of this bill returned from the other Chamber. And I thank Mr. DURBIN directly for his good work on this bill to remove the unfettered discretion of Federal officials and to limit some of the proscribed activities to include intent and intent to disturb. I am pleased to support this bill in its final form.

Mr. CANNON. Mr. Speaker, I would like to yield to the gentleman from Indiana (Mr. BUYER) such time as he may consume.

Mr. BUYER. Well, it sure hasn't taken very long. Mr. WU, I guess, would oppose a Republican bill but support Mr. DURBIN's bill. I would invite the gentleman; you know, not long ago you and I got into a debate on this floor and what I asked the gentleman to do is to read the bill. What I would welcome the gentleman again is to read the bill, because the bill that you said you didn't like then, you should like it now. Or you like this one now but you didn't like it then?

What is interesting here is that when we came to this floor, what they have done in this bill is they have essentially taken exactly what we had done earlier in the year and actually said: Okay, for Federal lands, for national cemeteries in Arlington, we already have that bill. We are going to put now a section just after it, and the very same time, manner, place, content neutral restrictions that have been constitutionally upheld are going to be in this bill. I would just ask the gentleman to remain consistent.

Mr. WU. Mr. Speaker, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from Oregon.

Mr. WU. In the original House version of the bill, the person in control of Federal property was given virtually unfettered discretion in determining what activities were acceptable and what activities were not.

I had hoped in the closing hours of this session that we would come together in comity to respect both the fallen dead and the Constitution, which is certainly my intent.

Mr. BUYER. I reclaim my time. Your interpretation of unfettered discretion is a great attempt at artful words, but that is not what we did in that bill.

What I am most concerned about here, and let's just pause for a second. When we came to the floor and we did the Fallen Heroes bill, we did this because we wanted to make sure it was narrowly tailored. And we said, what is our nexus? Our nexus here is Federal land of exclusive jurisdiction. So I remember a conversation about this, and Mr. CONYERS, and it is very important: Federal land. And so we said, okay, Arlington, owned by the United States Army and our national cemeteries. This now is about everything else. So the intent here is solid.

It is unfortunate that we have come to the floor to talk about the standards of dignity at a military funeral. We really shouldn't be having to do that. That is what is sad about this. And I think we all agree that we need to set the standards of dignity. We are talking about now setting a misdemeanor with regard to, we are going to set the content out there with regard to all of these funerals; and my only concern here is, is I do not want this stricken down as overbreadth under the doctrine that the Supreme Court to do that, and I am hopeful that doesn't happen. And I will yield to the scholars of the Judiciary Committee here. But I just want to let you know when we came to the floor and did this before, we did this for it to be narrowly tailored, and hopefully the Supreme Court doesn't strike it down. But I just wanted to speak and say why we did it one way not months ago, and now obviously we are doing it a little bit differently.

Mr. CONYERS. I wanted to thank the gentleman for yielding, and recall that he was a distinguished member of the Judiciary Committee himself for a considerable period of time. We will keep in mind the conversations that we have had here tonight in the closing hours.

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

Mr. CANNON. Mr. Speaker, I would just like to make a couple comments. I thank Mr. CONYERS for his very gracious response, and want to point out that Mr. BUYER was a member of the Judiciary Committee, and himself is a scholar on these issues, and obviously emotional and concerned as he has been an active member of the military and continues, I believe, in the Reserve. And so I want to thank him for his comments and recognize the intensity of his feelings.

Mr. Speaker, I urge my colleagues to support this measure, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from Utah (Mr. CANNON) that the House suspend the rules and pass the Senate bill, S. 4042.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

FUNDING AGREEMENTS

Mr. CANNON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6427) to increase the amount in certain funding agreements relating to patents and nonprofit organizations to be used for scientific research, development, and education, and for other purposes.

The Clerk read as follows:

H.R. 6427

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

SECTION 1. FUNDING AGREEMENTS.

Section 202(c)(7)(E)(i) of title 35, United States Code, is amended—

(1) by inserting ''(or in the case of a facility with an annual budget of less than $40,000,000, 15 percent of the annual budget of the facility)'' after ''equal to 5 percent of the annual budget of the facility''; and

(2) by inserting ''(or in the case of a facility with an annual budget of less than $40,000,000, 15 percent of the annual budget of the facility)'' after ''exceeds 5 percent of the annual budget of the facility''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. CANNON) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from Utah.

GENERAL LEAVE

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 6427 currently under consideration.

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

There was no objection.

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

Mr. Speaker, I rise in support of H.R. 6427 and urge its adoption by the House.

The bill changes the way a particular royalty formula under the Bayh-Dole Act. This is the landmark 1980 law that governs protection of patented inventions developed with the assistance of Federal funding. In brief, H.R. 6427 allows small government-owned, contractor-operated laboratories and their affiliated universities or nonprofits to receive a fair percentage of revenue from a successful patent that they license. The bill produces an equitable result for small entities that perform important research in a number of scientific fields, all of which benefits the American people.

I commend the gentleman from Iowa (Mr. LATHAM) for his work on this issue; I urge the House to pass H.R. 6427 for expeditious consideration by the other body.

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

Mr. CONYERS. Mr. Speaker, I yield myself as much time as I may consume.

Of course we support this legislation, because the bill merely amends the extent to which small nonprofits can keep the profits of inventions they develop in conjunction with the Federal Government.

Under the Bayh-Dole Act of 1980, the Federal Government will provide funds to nonprofits, including universities, for the purpose of conducting important research. Because the government is not equipped to do so, the nonprofits are allowed to patent any discoveries, sell and license the inventions, and keep a portion of the profits. Currently, the nonprofit can keep an amount of the profits up to 5 percent of its annual budget; the balance of the profits must be returned to the taxpayers.

Because of the unique situation of small universities, the bill would permit them to retain a higher percentage of the profits. While small universities may have small budgets, their research and development costs might not be small and can have a significant impact upon their budgets themselves. This legislation would permit small entities, those with a budget of less than $40 million, could retain a higher portion of the profits, up to 15 percent of their budgets.

This is a simple, straightforward proposition, we have heard no objection to it, and I am pleased to urge that it be passed this evening.

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

Mr. CANNON. Mr. Speaker, I am pleased to yield so much time as the gentleman from Iowa (Mr. LATHAM) may consume.

Mr. LATHAM. Mr. Speaker, I thank the gentleman from Utah and I also thank the gentleman from Michigan for supporting this legislation.

H.R. 6427 has no budgetary impact at all. This bill would raise from 5 percent to 15 percent the percentage of patent royalties that can be retained by the government-owned, contractor-operated labs and universities and nonprofits with annual budgets of $40 million or less in any given fiscal year under the patent laws.

The bill would provide relief to smaller contracts, and incentivize these labs and universities to reinvest in their research and educational operations. The bill would only raise the ceiling for very small budgets. The majority of these contracts have much larger budgets of $100 million or more, and for those current larger budgets the 5 percent threshold would remain.

This bill has no opposition, and ensures that these contracts have the necessary funding to continue their successful pursuit of revolutionary inventions by keeping a larger percentage of the patent royalty. The thrust of this bill is to give incentives for smaller institutions and labs to continue investing in research and development. These smaller contracts of $40 million or less should not be penalized for their success just because they reach the current statutory 5 percent ceiling more quickly than the larger contracts in the hundreds of millions of dollars.

Raising the ceiling to 15 percent for these smaller contracts is fair. The bill makes the royalty regime more equitable for all.

Mr. Speaker, again I appreciate the support of both sides of the aisle.

Mr. CONYERS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

I would just like to say that at an earlier phase of my life I had the great privilege of working with the people who helped develop these policies that allowed for the privatization of Federal R&D.

This is a simple bill that makes enormous sense and the underlying bill that it amends has resulted in massive improvements in the lives of all Americans. This is a sensible adjustment to that, and I suggest that all of our colleagues support this reasonable bill.

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

□ 0030

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. CANNON) that the House suspend the rules and pass the bill, H.R. 6427.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

POOL AND SPA SAFETY ACT

Mr. BARTON of Texas. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3718) to increase the safety of swimming pools and spas by requiring the use of proper anti-entrapment drain covers and pool and spa drainage systems, by establishing a swimming pool safety grant program administered by the Consumer Product Safety Commission to encourage States to improve their pool and spa safety laws and to educate the public about pool and spa safety, and for other purposes.

The Clerk read as follows:

S. 3718

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Pool and Spa Safety Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Federal swimming pool and spa drain cover standard.
Sec. 4. State swimming pool safety grant program.
Sec. 5. Minimum State law requirements.
Sec. 6. Education program.
Sec. 7. Definitions.
Sec. 8. CPSC report.

SEC. 2. FINDINGS.

The Congress finds that—

(1) of injury-related deaths, drowning is the second leading cause of death in children aged 1 to 14 in the United States;

(2) many children die due to pool and spa drowning and entrapment, such as Virginia Graeme Baker, who at age 7 drowned by entrapment in a residential spa;

(3) in 2003, 782 children ages 14 and under died as a result of unintentional drowning;

(4) adult supervision at all aquatic venues is a critical safety factor in preventing children from drowning; and

(5) research studies show that the installation and proper use of barriers or fencing, as well as additional layers of protection, could substantially reduce the number of childhood residential swimming pool drownings and near drownings.

SEC. 3. FEDERAL SWIMMING POOL AND SPA DRAIN COVER STANDARD.

(a) CONSUMER PRODUCT SAFETY RULE.—The provisions of subsection (b) shall be considered to be a consumer product safety rule

issued by the Consumer Product Safety Commission under section 9 of the Consumer Product Safety Act (15 U.S.C. 2058).

(b) DRAIN COVER STANDARD.—Effective 1 year after the date of enactment of this Act, each swimming pool or spa drain cover manufactured, distributed, or entered into commerce in the United States shall conform to the entrapment protection standards of the ASME/ANSI A112.19.8 performance standard, or any successor standard regulating the same.

SEC. 4. STATE SWIMMING POOL SAFETY GRANT PROGRAM.

(a) IN GENERAL.—Subject to the availability of appropriations authorized by subsection (e), the Commission shall establish a grant program to provide assistance to eligible States.

(b) ELIGIBILITY.—To be eligible for a grant under the program, a State shall—

(1) demonstrate to the satisfaction of the Commission that it has a State statute, or that, after the date of enactment of this Act, it has enacted a statute, or amended an existing statute, and provides for the enforcement of, a law that—

(A) except as provided in section 5(a)(1)(A)(i), applies to all swimming pools in the State; and

(B) meets the minimum State law requirements of section 5; and

(2) submit an application to the Commission at such time, in such form, and containing such additional information as the Commission may require.

(c) AMOUNT OF GRANT.—The Commission shall determine the amount of a grant awarded under this Act, and shall consider—

(1) the population and relative enforcement needs of each qualifying State; and

(2) allocation of grant funds in a manner designed to provide the maximum benefit from the program in terms of protecting children from drowning or entrapment, and, in making that allocation, shall give priority to States that have not received a grant under this Act in a preceding fiscal year.

(d) USE OF GRANT FUNDS.—A State receiving a grant under this section shall use—

(1) at least 50 percent of amount made available to hire and train enforcement personnel for implementation and enforcement of standards under the State swimming pool and spa safety law; and

(2) the remainder—

(A) to educate pool construction and installation companies and pool service companies about the standards;

(B) to educate pool owners, pool operators, and other members of the public about the standards under the swimming pool and spa safety law and about the prevention of drowning or entrapment of children using swimming pools and spas; and

(C) to defray administrative costs associated with such training and education programs.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commission for each of fiscal years 2008 through 2012 $10,000,000 to carry out this section, such sums to remain available until expended.

SEC. 5. MINIMUM STATE LAW REQUIREMENTS.

(a) IN GENERAL.—

(1) SAFETY STANDARDS.—A State meets the minimum State law requirements of this section if—

(A) the State requires by statute—

(i) the enclosure of all residential pools and spas by barriers to entry that will effectively prevent small children from gaining unsupervised and unfettered access to the pool or spa;

(ii) that all pools and spas be equipped with devices and systems designed to prevent entrapment by pool or spa drains;

(iii) that pools and spas built more than 1 year after the date of enactment of such statute have—

(I) more than 1 drain;

(II) 1 or more unblockable drains; or

(III) no main drain; and

(iv) every swimming pool and spa that has a main drain, other than an unblockable drain, be equipped with a drain cover that meets the consumer product safety standard established by section 3; and

(B) the State meets such additional State law requirements for pools and spas as the Commission may establish after public notice and a 30-day public comment period.

(2) USE OF MINIMUM STATE LAW REQUIREMENTS.—The Commission—

(A) shall use the minimum State law requirements under paragraph (1) solely for the purpose of determining the eligibility of a State for a grant under section 4 of this Act; and

(B) may not enforce any requirement under paragraph (1) except for the purpose of determining the eligibility of a State for a grant under section 4 of this Act.

(3) REQUIREMENTS TO REFLECT NATIONAL PERFORMANCE STANDARDS AND COMMISSION GUIDELINES.—In establishing minimum State law requirements under paragraph (1), the Commission shall—

(A) consider current or revised national performance standards on pool and spa barrier protection and entrapment prevention; and

(B) ensure that any such requirements are consistent with the guidelines contained in the Commission's publication 362, entitled ''Safety Barrier Guidelines for Home Pools'', the Commission's publication entitled ''Guidelines for Entrapment Hazards: Making Pools and Spas Safer'', and any other pool safety guidelines established by the Commission.

(b) STANDARDS.—Nothing in this section prevents the Commission from promulgating standards regulating pool and spa safety or from relying on an applicable national performance standard.

(c) BASIC ACCESS-RELATED SAFETY DEVICES AND EQUIPMENT REQUIREMENTS TO BE CONSIDERED.—In establishing minimum State law requirements for swimming pools and spas under subsection (a)(1), the Commission shall consider the following requirements:

(1) COVERS.—A safety pool cover.

(2) GATES.—A gate with direct access to the swimming pool that is equipped with a self-closing, self-latching device.

(3) DOORS.—Any door with direct access to the swimming pool that is equipped with an audible alert device or alarm which sounds when the door is opened.

(4) POOL ALARM.—A device designed to provide rapid detection of an entry into the water of a swimming pool or spa.

(d) ENTRAPMENT, ENTANGLEMENT, AND EVISCERATION PREVENTION STANDARDS TO BE REQUIRED.—

(1) IN GENERAL.—In establishing additional minimum State law requirements for swimming pools and spas under subsection (a)(1), the Commission shall require, at a minimum, 1 or more of the following (except for pools constructed without a single main drain):

(A) SAFETY VACUUM RELEASE SYSTEM.—A safety vacuum release system which ceases operation of the pump, reverses the circulation flow, or otherwise provides a vacuum release at a suction outlet when a blockage is detected, that has been tested by an independent third party and found to conform to ASME/ANSI standard A112.19.17 or ASTM standard F2387.

(B) SUCTION-LIMITING VENT SYSTEM.—A suction-limiting vent system with a tamper-resistant atmospheric opening.

(C) GRAVITY DRAINAGE SYSTEM.—A gravity drainage system that utilizes a collector tank.

(D) AUTOMATIC PUMP SHUT-OFF SYSTEM.—An automatic pump shut-off system.

(E) DRAIN DISABLEMENT.—A device or system that disables the drain.

(F) OTHER SYSTEMS.—Any other system determined by the Commission to be equally effective as, or better than, the systems described in subparagraphs (A) through (E) of this paragraph at preventing or eliminating the risk of injury or death associated with pool drainage systems.

(2) APPLICABLE STANDARDS.—Any device or system described in subparagraphs (B) through (E) of paragraph (1) shall meet the requirements of any ASME/ANSI or ASTM performance standard if there is such a standard for such a device or system, or any applicable consumer product safety standard.

SEC. 6. EDUCATION PROGRAM.

(a) IN GENERAL.—The Commission shall establish and carry out an education program to inform the public of methods to prevent drowning and entrapment in swimming pools and spas. In carrying out the program, the Commission shall develop—

(1) educational materials designed for pool manufacturers, pool service companies, and pool supply retail outlets;

(2) educational materials designed for pool owners and operators; and

(3) a national media campaign to promote awareness of pool and spa safety.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commission for each of fiscal years 2008 through 2012 $5,000,000 to carry out the education program authorized by subsection (a).

SEC. 7. DEFINITIONS.

In this Act:

(1) ASME/ANSI STANDARD.—The term ''ASME/ANSI standard'' means a safety standard accredited by the American National Standards Institute and published by the American Society of Mechanical Engineers.

(2) ASTM STANDARD.—The term ''ASTM standard'' means a safety standard issued by ASTM International, formerly known as the American Society for Testing and Materials.

(3) BARRIER.—The term ''barrier'' includes a natural or constructed topographical feature that prevents unpermitted access by children to a swimming pool, and, with respect to a hot tub, a lockable cover.

(4) COMMISSION.—The term ''Commission'' means the Consumer Product Safety Commission.

(5) MAIN DRAIN.—The term ''main drain'' means a submerged suction outlet typically located at the bottom of a pool or spa to conduct water to a re-circulating pump.

(6) SAFETY VACUUM RELEASE SYSTEM.—The term ''safety vacuum release system'' means a vacuum release system capable of providing vacuum release at a suction outlet caused by a high vacuum occurrence due to a suction outlet flow blockage.

(7) UNBLOCKABLE DRAIN.—The term ''unblockable drain'' means a drain of any size and shape that a human body cannot sufficiently block to create a suction entrapment hazard.

(8) SWIMMING POOL; SPA.—The term ''swimming pool'' or ''spa'' means any outdoor or indoor structure intended for swimming or recreational bathing, including in-ground and above-ground structures, and includes hot tubs, spas, portable spas, and non-portable wading pools.

SEC. 8. CPSC REPORT.

Within 1 year after the close of each fiscal year for which grants are made under section 4, the Commission shall submit a report to

the Congress evaluating the effectiveness of the grant program authorized by that section.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. BARTON) and the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

Mr. BARTON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support tonight of S. 3718, the Pool and Spa Safety Act that has come to this body with the help and the leadership of the gentleman from Virginia (Mr. WOLF), the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ), and Senator George Allen of Virginia.

This legislation, if the House and Senate pass it this evening, will help to ensure that backyard pools will no longer present an unexpected danger to American children and families.

I urge my colleagues to support this bill. I would point out to my Republican colleagues, there are no Federal mandates in this bill. There is a consumer product safety standard that would require new pool drain covers that are sold or entered into commerce and installed 1 year after date of enactment of this bill to meet certain safety standards. So there is a safety standard in the bill that is not in current law, but in terms of any mandates on swimming pools that are already in existence, there are no Federal mandates in this piece of legislation. I urge passage of the bill.

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

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

Mr. Speaker, I appreciate the gentleman from Texas's support and want to describe the legislation and tell Members that drowning is the second leading cause of accidental childhood deaths by injury in the United States. It is the number one killer of children under 5 years of age in America, and the number two killer of children under 14 years of age.

Mr. Speaker, 335 children across the Nation drowned in swimming pools or spas in 2002. That is 335 lives that were cut very short because we did not act quickly enough to address this problem.

This legislation is named in memory of Secretary of State James A. Baker's granddaughter, 7-year-old Graeme, who drowned in a spa entrapment accident a number of years ago.

Graeme and the roughly 300 children that died that year due to drain entrapment would be with us today if this commonsense legislation had been law.

The pool and spa safety legislation we are considering will encourage States to pass laws that prevent the tragic and preventable loss of children to accidental drowning.

This legislation provides Federal incentives, not mandates, as the gentleman from Texas indicated, for States, and provides layers of protection and puts obstacles in the path of a child when supervision lapses.

We all know when it comes to making sure that children don't drown in swimming pools that supervision is paramount. But as any parent can tell you, and I am a parent of three, we all know that supervision does lapse. Every year each of us across the country, each of us in our own districts, hear news reports and read the newspaper about tragic incidents that occur in swimming pools year after year.

Mr. Speaker, 65 percent of the drownings that occur in swimming pools occur when a child wanders out the back door of home they are in and drowns in the pool in the backyard; 35 percent of the drownings take place when a child from a neighbor's yard comes into the yard a couple of doors down and drowns in the pool. This is a tragedy that can happen in an instant.

When it comes to suction drain entrapment accidents, what happens is young children are actually pulled under because the suction from a single drain in a spa is so strong that the strength of several men cannot even pull the child off the drain. Children have been disemboweled. There are children that because we don't have dual drains or spa drain covers, which this bill would incentivize, there are children drowning needlessly.

We have to make sure that we put obstacles in the path of children when, through no fault of their own, supervision lapses. I urge Members to vote to protect children from drowning and pass the Graeme Baker Pool and Spa Safety Act.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

Mr. Speaker, in closing, this is a good piece of legislation. I have a 15-month-old son, Jack Kevin Barton. We have a hot tub in our back yard in Arlington, Texas. We keep it covered at all times unless one of the family is actually using it.

This type of legislation if passed and implemented will make it much more difficult for small children who are unattended and wander out and get into these pools and spas and drown because they are not as safe as they could be. I hope that the House will unanimously pass the legislation.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. BARTON) that the House suspend the rules and pass the Senate bill, S. 3718.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those voting have responded in the affirmative.

Mr. WESTMORELAND. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

NOTICE

Today's House proceedings will be continued in Book II