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House of Representatives

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

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
November 8, 2007.

I hereby appoint the Honorable ELLEN O. TAUSCHER to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

PRAYER

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

As the creator and guide of the universe, we turn to You, praise You and thank You for the visit yesterday that reminded us of our history and pleaded for renewed friendship between the United States and the Republic of France.

Yesterday, Lord, we were also blessed with the visit of the Religious Council of Jerusalem. Religious leaders of the three great Abrahamic faiths, Jewish, Christian, and Muslim, after their meetings in the Holy City were moved by Your spirit acting within them to come to Capitol Hill. Here they gave witness to common concerns and prayerful hopes for peace in the Holy City where they live.

Lord, hear their prayer, lest the rocks themselves cry out with the anguished cry of Your people who seek justice and reconciliation.

May the mindful process and experience of this interfaith Council of Jerusalem be imitated across our Nation and in the Holy Land so that mutual understanding can build trust. Without compromising religious faith, they are on the road to peace by creating common agreement on principles and formulating a common language in secular terms. Thus will they together give You glory, now and forever. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

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

Mr. FLAKE led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE 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. 680. An Act to ensure proper oversight and accountability in Federal contracting, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 10 one-minutes on each side of the aisle.

WAR DESTRUCTIVE OF NATIONAL AGENDA

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

Mr. KUCINICH. Madam Speaker, the Defense bill contained a request for millions of dollars to retrofit B–2 Stealth bombers so they can carry 30,000-pound bombs, bunker busters, which would be germane to the administration's intention of attacking Iran. Imagine for a moment 30,000-pound bombs dropped on nuclear research labs in Natanz and in Bushehr, and you have a humanitarian and ecological disaster on your hands.

Now, the case for war against Iran is being built on lies, just as the case for war against Iraq was built on lies. Nearly 4,000 troops dead; nearly a million innocent Iraqis perished in the conflict; borrowing money from China to fight a war against Baghdad.

It is time to impeach this Vice President for leading this country into a war that is so destructive of our national agenda. It is time for us to reclaim our Constitution and to reclaim the troops.

SEND H.R. 4104 TO PRESIDENT

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

Mr. WICKER. Madam Speaker, House Democrats have failed in their misguided attempt to hold veterans spending hostage. Yesterday the Senate voted to delink the MilCon-VA bill from the Labor-HHS conference report. The Senate's action was commendable and should have been expected.

Veterans groups from around the Nation have made it clear it is wrong and cynical to use their bill for political purposes. Now the Democratic majority is saying they will not even try to have this vital legislation on the President's desk by Veterans Day. But there is a way out of this box.

Yesterday, I introduced the MilCon-VA conference agreement as a stand-

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alone bill, H.R. 4104. It is identical to the bill already agreed upon by House and Senate negotiators. It could be passed today by unanimous consent and immediately sent to the Senate.

Members who are tired of the political games should cosponsor this bill and urge Speaker PELOSI to take it up today.

PERU TRADE AGREEMENT BY, FOR AND ABOUT WALL STREET

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

Mr. DEFAZIO. It's a beautiful day within the D.C. beltway. And under the dome, another day, another free trade agreement. But on Main Street America, things are not so bright. The dollar is dropping like a rock with skyrocketing oil and gas prices.

We are borrowing $2 billion a day from overseas to buy things that we don't make here in America anymore. We have lost 5 million manufacturing jobs, 40,000 in Oregon. But this isn't the same old failed trade policy, they tell us. Not yet another platform to exploit cheap labor. It is decorated with negligible evironmental and labor protections.

And the burgeoning middle class in Peru, all three of them, are going to go on an orgy of buying U.S. goods after this passes. But the destructive, multinational, corporate-written chapter 11 core that led to the failure of NAFTA, CAFTA and other trade agreements remains at the center of this policy.

This agreement is by, for and about Wall Street, plain and simple. It doesn't address our current economic crisis. It is not in the best interest of American workers, the U.S. economy, or our national security.

FUNDING OUR VETERANS

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

Mrs. DRAKE. Madam Speaker, this is day 39. That is 39 days so far that our veterans have not had the use of the increased funding for their benefits in health care. That is $18.5 million a day not able to be used.

The work on this bill has been done for months. But instead of sending this bill to the President, the Democratic leadership decided to use our veterans as a smoke screen in an effort to pass billions in unrelated domestic spending.

They failed in their scheme when the Senate yesterday split the bills to consider these funding issues separately and on their own merits. But today, with Veterans Day quickly approaching, the Democratic leadership is going to put our veterans aside to consider billions in bloated domestic spending instead of bringing a clean veterans bill to the floor.

I won't stand for it. The American people won't stand for it. I'm standing with our veterans. Send a clean Veterans appropriations bill to the President now.

ENDING ILLEGAL LOGGING

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

Mr. BLUMENAUER. Madam Speaker, illegal logging is a scourge of poor countries and rich countries alike. It damages the environment, often very fragile ecosystems, it disrupts the lives of poor, indigenous people. It corrodes their governments through bribery and often violence. Illegal logging also hurts rich countries as our timber and lumber manufacturing industries lose to those who cheat and bribe, over a billion dollars a year in lost sales in the United States.

We can do something about it. Yesterday, the Natural Resources Committee passed out my illegal logging bill to give the tools for the first time, to our government, to do something about it. Later this morning, we can pass the Peru Free Trade Agreement, with not just the strongest environmental protections ever in a trade agreement, but with specific provisions to halt the illegal mahogany harvest in Peru's forests. This can be the most significant Congress ever in the global fight to end illegal logging by passing these bipartisan measures.

LEAVE POLITICS OF DISRESPECT BEHIND

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

Mrs. BLACKBURN. Madam Speaker, it is a rare opportunity to rise in support of commonsense decisions coming out of the other body, so it gives me great pleasure to rise in full support of the majority's decision on the other side of this Capitol to separate the Labor-HHS approps bill from legislation that funds our military installations and veterans health care. I certainly hope the majority on this side is paying attention.

While the other body has said ''no'' to politicizing veterans health care, ''no'' to putting the security of our military installations at risk, and ''no'' to budget-busting pork, it appears that the majority on this side is, well, a little tone deaf.

So, Madam Speaker, our veterans and men and women in uniform deserve better. They deserve quick action from the leadership in this House to pass a clean veterans bill and provide the funds they need. Let's leave the politics of disrespect behind. Let's pass a clean veterans bill.

ALTERNATIVE MINIMUM TAX FIX

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

Mr. HALL of New York. Madam Speaker, if nothing is done soon, 27 million families across the country will be obligated to pay the alternative minimum tax, the AMT. Over 100,000 of these middle-class families live in New York's 19th District. They will have to go through the tedious process of computing their tax returns twice, and they will end up having to pay thousands more than they otherwise would.

The AMT is an unfair tax which in 1970, when it first took effect, only affected 155 households in the entire country. The people who pay it lose the opportunity to take many of the deductions and exemptions that make the tax code friendlier to families. Under the AMT, it doesn't matter what money is spent on health care, on property tax or on education; everyone pays the same amount of tax regardless.

Tomorrow, we will consider legislation to allow almost 73,000 of my constituents to escape the AMT. Today, millions of middle-class families are in danger of being ensnared by a tax that was never intended to affect them.

COMMENDING FOUR FIRST DISTRICT OHIO SCHOOLS

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

Mr. CHABOT. Madam Speaker, everybody knows that the key to America's future is providing an excellent education for our children. As a former schoolteacher myself, it gives me great pleasure to recognize four schools from my congressional district, Ohio's First, which have truly lived up to this commitment. Elm Avenue Primary School, Hilltop Primary School, Our Lady of Visitation, and St. James School in White Oak have recently been named 2007 Blue Ribbon Schools of Excellence.

Achieving test results in the top 10 percent of the State is truly an accomplishment. Some, like St. James, have received it in the past. On Monday, I presented them a flag that was flown in their honor over this very building, and the atmosphere was really electric. These kids were filled with enthusiasm and pride for the job they had done, and they are to be commended, as are their teachers, their administrators, the parents, but especially the students.

I want to commend all those schools for the excellent work they have done. This is the future of America. And if this is our future, America's future is bright.

DEMOCRATS COMMITTED TO OUR VETERANS

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

Mr. ARCURI. Madam Speaker, regardless of how my colleagues choose to characterize it, the new Democratic

Congress has an impressive record of honoring our veterans and our troops. Since taking control of Congress, we have provided real support for our veterans by passing the largest veterans funding increase in history.

But don't take my word for it, listen to what veterans organizations are saying about our historic veterans funding bills. The American Legion called it ''an impressive commitment to this Nation's servicemembers, veterans and their families.''

The Veterans of Foreign Wars said: ''The record funding level acknowledges the deep debt this Nation owes to its defenders and that the care and services provided to them is the ongoing cost of war.''

The AMVETS wrote: ''Overall, AMVETS believe these funding levels will ensure VA will be able to serve America's veterans and their families with dignity and compassion.''

Madam Speaker, for most of the year President Bush opposed the investment in America's veterans. This legislation simply would not have been possible without a Democratic Congress and their commitment to our veterans.

□ 1015

REMOVE THE EARMARKS FROM THE DEFENSE BILL

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

Mr. FLAKE. Madam Speaker, the day after the House passed the Labor-HHS spending bill containing more than 2,000 earmarks, we got a look at the Defense bill. What we're finding is troubling to say the least.

Again, there are more than 2,000 earmarks in this bill, a bill that is intended for the military. Now, we all know that earmarks draw funds away from more urgent priorities. Nowhere is this more clear than with the military spending bill. Simply put, every dollar that Congress has earmarked in the Defense bill is a dollar that troops won't have for critical equipment.

What's so important that it diverts money away from soldiers? Well, airdropped into this conference report and this Defense appropriation bill, $3 million for a golf program for kids. This earmark might be par for the course in any other bill, but in the Defense bill, it's clearly indefensible.

I don't believe that earmarks like this represent the sentiments of the country when it comes to military spending, and I urge my colleagues to reject the bill until the earmarks are removed.

HONORING FILIPINO VETERANS

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

Ms. BORDALLO. Madam Speaker, in honor of Veterans Day I rise to recognize a special group of veterans whose story and service this Congress must honor.

During World War II, thousands of Filipino soldiers were inducted into the United States Armed Forces by President Roosevelt following the invasion of their country by Imperial Japanese Forces. These Filipino soldiers fought valiantly with us in the name of freedom. They were to be entitled to full veterans benefits, but such promises were reneged by Congress with the passage of the 1946 Rescission Act.

Ironically, the very democracy that these veterans fought to defend was used to take away the recognition of their service. We have a duty to fulfill what President Truman called a ''moral obligation'' to take care of these veterans.

There are 18,000 still with us today. Let us make this right. Support the Filipino Veterans Equity Act.

VOTER REGISTRATION

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

Mr. PITTS. Madam Speaker, several States held elections this week, and now the 2008 Presidential elections are just 1 year away. This is a good time to reflect on the importance of voting and the integrity of our election process.

The right to vote is one of the most important freedoms granted to citizens in the United States. It's a right and a privilege that should not be taken lightly.

Our voter registration process needs to be reformed in order to ensure that only American citizens are eligible to vote. It is alarming that eight of the 9/11 hijackers were registered to vote.

The sanctity of the ballot box must be paramount. If we can't ensure the integrity of our elections, our representative form of government breaks down.

When a person gets a driver's license, they can check a box to register to vote, and there's no guarantee that the person's eligibility to vote will be verified. There are House seats that have been decided by just a few votes per precinct. The American people deserve to know that elections will be won and lost by legal, rightfully registered voters.

HONORING VETERANS DAY

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

Mr. FARR. Madam Speaker, I rise today to honor, as many of us have today, the Veterans Day this weekend that's coming up.

Congress has spent a lot of time this week talking about veterans. We've talked about how this Congress provided the largest increase in the 77-year history of the Veterans Administration. We've debated which side cares more about veterans and who's to blame for the delay.

I think the American people can see who really is holding up the latest VA appropriations bill, but I'm here to remind each and every Member of Congress that, as you go home this weekend and speak to veterans and their families in their district, to honor them, ask yourself what have you done to honor your pledge to our veterans and their loved ones?

I hope the President also takes a hard look in the mirror before he decides on how he intends to honor veterans on Veterans Day.

We have to remember that in honoring our country's veterans that you cannot honor a veteran without honoring their families. They don't come alone. They have parents. They have loved ones. They have children.

And the bill that takes care of that is the bill that we're voting on today, which is the Labor-HHS appropriations bill. In order to support veterans, you've got to support their family. Be family friendly, vote for the appropriations bill.

IN RECOGNITION OF BRIAN EISELE

(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 to bid a fond farewell to a member of my staff, Brian Eisele. Brian will be leaving our office to join the staff of South Carolina Senator JIM DEMINT. Although I will miss his presence, I am confident Brian will be a tremendous addition to Senator DEMINT's staff.

Brian came to the Hill earlier this year as an intern for Congressman BILL SHUSTER of Pennsylvania. His hard work, professionalism, thoughtfulness and personal integrity have been an enormous asset to the people of the 2nd District of South Carolina. He will certainly be difficult to replace.

A graduate of the University of South Carolina, Brian is the son of David, an Iraq war veteran, and Denise Eisele of Aiken, South Carolina. South Carolina is proud of its native son, and I'm excited for Brian's success. I wish him all the best in the years to come.

Brian has a bright future as a capable and competent public servant, and I look forward to working with him in the future.

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

CELEBRATE VETERANS DAY

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

Mr. ISRAEL. Madam Speaker, there is bad news and good news this Veterans Day. The bad news is the study by Harvard Medical School that there

are 2 million veterans who don't have health insurance and are not eligible for veterans care, 2 million veterans. What makes it worse is that President Bush is banning 273,000 veterans from receiving VA care because they are not income eligible. So he is balancing the budget on the backs of middle-class and working veterans.

The good news is that this Democratic majority passed the largest increase in VA health care in the 77-year history of the VA. We are going to add 1,800 new claims processors to make the long lines a little shorter and the wait shorter as well.

Now, we have to go even further. I'm urging my colleagues to sign a letter that I've sent to the President demanding that he reverse the policy of denying health care to 273,000 veterans and not means-test them. We didn't means-test when we asked them to fight our battles. We should not means-test them when they have to come home for health care.

RECOGNIZING TEACHER EXCELLENCE

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

Mr. REGULA. Madam Speaker, one of the most significant factors of a student's academic achievement and success in life is a teacher who inspires. It is my privilege to rise today to recognize two outstanding teachers from my district who have been honored for their exceptional service and dedication.

Just last month, Terra Mann was recognized among 4,000 nominations by the U.S. Department of Education as Ohio's recipient of ''American Stars of Teaching.'' With 19 years of teaching at Worley School in Canton and hundreds of inspired students behind her, Terra's talent and commitment has propelled students forward. In 5 years, she has risen to the challenge and helped move a struggling school to one of the highest designations of success we measure as a Nation, particularly in the critical area of reading proficiency.

Julie Herman teaches at Compton Elementary in Canton, Ohio, and is the most recent recipient of the Milken Family Foundation National Educator Award, an award also known as the ''Oscars of Teaching.'' She is an intervention specialist and engages young at-risk and disabled students to achieve remarkable success academically. In 2005–2006, she helped all of her third graders pass the Ohio Achievement Test.

Before our future entrepreneurs, innovators and leaders stands a teacher, and these women are examples of the truly best. I'm pleased to recognize and congratulate them here today.

FUNDING FOR VETERANS

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

Mr. STUPAK. Madam Speaker, this country must keep its promises made to our servicemen and -women when they choose to serve our country by taking care of them when they return home as veterans. This Democratic Congress has been dedicated to making sure the needs of all America's veterans are fulfilled.

So far this year we've passed legislation providing the largest funding increase for veterans in the 77-year history of the VA. This funding will allow the VA to keep up with the growing number of veterans who need care, maintain its health care facilities, and treat veterans returning from Iraq and Afghanistan who are suffering from PTSD and traumatic brain injuries.

We also voted to increase military pay by 3.5 percent, as well as special pay and bonuses to combat troops, putting an additional $7.3 billion in military paychecks. Unfortunately, the Bush administration is now reneging on these enlistment bonuses to those severely wounded combat veterans.

Madam Speaker, this Democratic Congress has made meeting the needs of the veterans and our military a top priority. This weekend, and every day, let us all remember the service of our Nation's veterans and commit ourselves to keeping this country's promises to them.

INTRODUCTION OF TITLE X ABORTION PROVIDER PROHIBITION ACT

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

Mr. PENCE. Madam Speaker, you know, there aren't many good things happening in federally funded family planning clinics nationwide, but should the largest abortion provider in America also be the largest recipient of Federal family planning funding under title X? I think not. This summer, 189 Republicans and Democrats agreed, supporting my amendment to prohibit tax dollars from funding Planned Parenthood.

Well, in that vein, today I'm introducing the Title X Abortion Provider Prohibition Act, a bill that would prohibit the distribution of title X family planning money to abortion providers here at home. There's simply no reason in the world why the taxpayer dollars of millions of pro-life Americans should be used to underwrite abortion providers in this country.

I urge my colleagues to join me as original cosponsors this week in support of the Title X Abortion Provider Prohibition Act.

IRAQ PRAYERS

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

Ms. DELAURO. Madam Speaker, I rise today to give voice to many of my constituents who, as we approach the fifth Veterans Day since the Iraq war began, are as concerned as ever over our seemingly endless presence in that country and the ever-dimming prospects for peace. I've received a surge of prayers from my constituents regarding the war in recent weeks and would like to read two:

From Orange, Connecticut: ''Loving God, inspire our leaders in Congress to release Your spirit of wisdom, courage and love and end the war, death and suffering in Iraq.''

From Hamden, Connecticut: ''I pray that the hearts and minds of those making decisions concerning the war in Iraq be opened to finding viable, peaceful alternatives to continuing the war. I pray that the withdrawal of troops commence immediately, and continue steadily over the shortest period possible, to bring them all home. I pray that the light of God will fall upon the country and Iraq and bring about peace in that place.''

It is well past time to listen to these prayers, redeploy our troops and bring them safely home.

PASS THE U.S.-PERU FREE TRADE AGREEMENT

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

Mr. WELLER of Illinois. Madam Speaker, you know, trade and exports are important in States like Illinois, and particularly the district that I represent.

In Illinois, 17,000 businesses depend on exports for their survival. Forty percent of the corn soybeans and pork and beef and other livestock products are exported. One out of five manufacturing jobs is dependent on exports.

We have an opportunity today to expand trade. The 14 trade agreements this Congress has adopted in the last 12 years have created 16 million new jobs.

Today, we have before us the U.S.-Peru Free Trade Agreement. What's nice about this agreement is it makes trade a two-way street. Right now, Peruvian products enter the United States duty free. Manufactured goods, agricultural products from Peru enter the United States without tariffs or duties, but it's not reciprocal. Caterpillar, for example, our biggest manufacturer in Illinois, their products face a 12 percent tariff.

What's good about the agreement we're going to vote for today is 80 percent of the tariffs on manufactured goods are gone on day one for U.S. products exported to Peru under this trade agreement.

It is good for Illinois workers, it's good for Illinois manufacturers, and I also note for Illinois farmers. Right now, they're at a disadvantage. It gives them the opportunity to be competitive. Let's have a bipartisan vote for U.S.-Peru.

□ 1030

UNITED STATES-PERU TRADE PROMOTION AGREEMENT IMPLEMENTATION ACT

The SPEAKER pro tempore. Pursuant to House Resolution 801, proceedings will now resume on the bill (H.R. 3688) to implement the United States-Peru Trade Promotion Agreement.

The Clerk read the title of the bill.

The SPEAKER pro tempore. When proceedings were postponed on Wednesday, November 7, 2007, 20 minutes remained in debate.

The gentleman from New York (Mr. RANGEL) has 5 minutes remaining; the gentleman from California (Mr. HERGER) has 10 minutes remaining; and the gentleman from Maine (Mr. MICHAUD) has 5 minutes remaining.

Without objection, the gentleman from Louisiana (Mr. MCCRERY) may resume control of time from the gentleman from California (Mr. HERGER) and, without objection, the gentleman from Michigan (Mr. LEVIN) may resume control of time from the gentleman from New York (Mr. RANGEL).

There was no objection.

Mr. LEVIN. Madam Speaker, I yield 1 minute to the very distinguished gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. I want to thank my friend and colleague for yielding.

Madam Speaker, I rise in strong support of this resolution. I would like to thank Chairman RANGEL, Chairman LEVIN and the minority Members for all of their hard work on this effort. This is not a perfect bill, but it is a good bill. I have always believed that our trade policy must be a reflection of our values.

This legislation moves us a step forward in building a bipartisan trade policy. In this bill, we seek to protect the rights of workers to organize. We look out for the environment. When it comes to trade, we all live in the same House, call it the House of Peru, call it the House of America. What we do today with this resolution is in the best interests of all of us who live on this little planet, this little piece of real estate that we call Earth.

I urge all of my colleagues to vote for the passage of this bill.

Mr. LEVIN. Madam Speaker, as I understand it, Mr. MCCRERY is going to use their time. Mr. MICHAUD is going to use his 5 minutes. Mr. RANGEL on our side is going to do the closing. I now have 4 minutes remaining?

The SPEAKER pro tempore. The gentleman is correct.

Mr. LEVIN. Madam Speaker, I yield myself 2 minutes.

Madam Speaker, I am from Michigan. I have seen firsthand the dislocation from globalization. That's why we have been fighting for a new trade policy, a trade policy that shapes globalization. It shapes trade to expand the benefits and to address the down sides.

Enforceable worker rights and environmental standards have been at the core of this struggle. Worker rights in the trade equation fundamentally alters the power dynamics in developing countries, just as it has in our own. This is important for those workers, for Peru, who needs a middle class, for our workers who should not compete with workers who are suppressed, and our businesses and their workers who need more middle classes to sell to.

Let me close by saying a word about enforcement. The core labor standards and the environmental obligations are on a par with every other provision in this bill, every other. Any person can file a petition if there is a failure to enforce. We have the power of oversight, including subpoena power, if this administration fails to enforce.

We have worked with Peru to bring their legal structure into compliance with ILO standards. There has been reference to a recent mining strike, and we worked with the Peru Government to change their rules regarding what it takes to have a strike. Also, they are working now to determine who is, within ILO rules, the proper authority to declare a strike legal or not.

This Peru FTA is a victory. It's a breakthrough. It's a first step in a new trade policy. Our job is to lead, to build on that history, not to retreat from it.

Madam Speaker, I reserve the balance of my time.

Mr. MCCRERY. Madam Speaker, I ask unanimous consent to allow Mr. LEVIN to control 1 minute of my time.

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

There was no objection.

Mr. LEVIN. I would yield 2 minutes to our very, very distinguished leader, Mr. CLYBURN.

Mr. CLYBURN. I thank the chairman for yielding to me, and I thank the other side for allowing me this minute.

Madam Speaker, I rise today in support of the Peru Free Trade Agreement. This may come as a surprise to many of my colleagues, because I have seldom supported our previous trade agreements that have come before this body.

My reasons have been quite simple. I have considered most of the trade deals that have been offered to this body to be unfair to my constituents and many communities in my region of the country. But I want to thank the drafters of this legislation for bringing a bill to the floor that I consider to be fair. This bill addresses critical environmental and labor concerns that are very important to me and my constituents. This bill will help farmers in my district and all across this country compete in the global marketplace.

Because of the size and the diversity of this body, it is not an easy task to bring legislation to the floor that pleases everyone. Trade bills are almost certain to engender disagreements among our Members.

As I mentioned earlier, I have found many shortcomings with previous trade initiatives that have come before this floor. This bill, however, charts a new direction in trade legislation and should serve as a template for those of us to use in moving our trade policies in a more worker friendly and environmentally protective direction.

We have come a long ways with our trade policies in recent years, and we may still have a long ways to go before we are able to consistently get trade bills that are as good as I would like.

But it is important that this new Congress continue working to bring trade bills to the floor that are fair. This bill is a fair bill, and I encourage my colleagues to support it.

Mr. LEVIN. Madam Speaker, I ask unanimous consent that Mr. RANGEL control the rest of our time.

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

There was no objection.

Mr. MCCRERY. Madam Speaker, I ask unanimous consent to allow Mr. RANGEL, the distinguished chairman of the Ways and Means Committee, to allocate 2 minutes of my time.

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

There was no objection.

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

Mr. MICHAUD. Madam Speaker, I am asking Members who are committed to a fair trade deal to vote against the Peru FTA. While I have been a Member of Congress for only 5 years, I have been a mill worker all my life. The mill I worked at in Maine shut down 3 days after I was sworn in as a Member of Congress. The culprit? Badly flawed trade deals.

This lunch bucket sits proudly in my office. It symbolizes who I am, what I stand for. It also symbolizes what has been lost.

Since the passage of NAFTA, our country has lost over 3 million jobs. When the vote on NAFTA happened, Members of Congress were promised NAFTA would raise the standard of living for all. They were sold a dream, but the dream is now a nightmare of millions of workers all across this country.

The American people get it. Polling indicates that an overwhelming number of Americans, Republicans and Democrats, are concerned about exporting our jobs. They worry whether or not they will have a paycheck in the years to come. We have all seen the ugly face of trade agreements that don't live up to the promises. The debate here today is not whether Peru is a small country and the trade impact is small compared to China. The debate is when will we truly change the course of trade policy.

If this was truly a good trade policy, I would be the first to support it. The bill's supporters claim that enhanced environmental standards in the FTA will preserve our natural resources.

Where is the strong support from Sierra Club, Greenpeace or Friends of the Earth?

The new labor provisions supposedly will improve conditions for workers in Peru and create jobs here at home. So why is no single labor union actively supporting this trade agreement? That's right, not one, not one labor union.

If this so-called new model is so great, then why aren't we hearing from all sides of the trade debate asking us to support it? If you stand with the multinational corporations that seek to offshore jobs, then vote for it. If you stand with the Chamber of Commerce who says that these labor standards are unenforceable, then vote for this trade deal. If you stand by President Bush, who has a track record of listening to corporations instead of the men and women of this country, by all means vote for this trade deal.

But if you stand by the working men and women of this country, I would encourage you, you must vote ''no.'' A ''no'' vote calls for a new model and a new direction on trade. A ''no'' vote means you stand up with the workers of northern Maine; Lorain, Ohio; Flint, Michigan; Galesburg, Illinois, and men and women all across this country who are asking, no, who are begging this Congress for a new direction on trade. These workers don't want more trade adjustment assistance; they want their job back.

It's time to send a message that we embrace globalization so long as it lifts us all up. I will never forget who I am or why I am here. I hope my colleagues will do the same.

I ask my colleagues today to vote ''no'' on this bad trade deal.

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

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

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

Mr. MCCRERY. Madam Speaker, I rise in support of this free trade agreement.

Madam Speaker, I would like to close by making several points about the value of our free trade agreements and the value of this agreement with Peru in particular.

First, free trade agreements implemented under Trade Promotion Authority have been a tremendous success story in expanding U.S. exports and reducing the U.S. trade deficit. Let me point to a very telling statistic: the U.S. trade balance with the 12 countries for which FTAs have been implemented under TPA improved by an overwhelming 162 percent between 2001 and 2006, going from a trade deficit to a trade surplus of $13.9 billion with these countries. Our free trade agreements work.

Second, our free trade agreements create jobs. Let me give you an example. Whirlpool, a company responsible for thousands of jobs in places like Iowa and Ohio, estimates that once the Peru agreement is implemented, its sales to Peru will increase by 400 percent. Current high Peruvian tariffs hamstring Whirlpool's ability to supply its stores in Peru with U.S.-made goods. Instead, Whirlpool primarily supplies stores in Peru with goods made in its manufacturing facility in Brazil to escape those high duties. This agreement will eliminate Peruvian tariffs for U.S. products and will allow Whirlpool to increase exports of its U.S.-made products at the expense of Brazilian goods. That means more jobs in the United States, not Brazil.

Here's another example: Our FTAs, including the Peru agreement, increase opportunities for express delivery services, both because there are more packages to ship and also because such U.S. services providers will enjoy liberalized access to their markets. UPS reports that for every 40 new packages that it ships per day, it must hire a new U.S. worker. That new worker will almost certainly be a union employee, as UPS is the largest employer of Teamsters.

Third, our free trade agreements support small and medium sized businesses. There are over 19,000 small and medium sized U.S. businesses currently exporting to the three Latin countries with whom we have pending FTAs. Nearly 81 percent of the U.S. companies that exported merchandise to Peru in 2005 were small and medium-sized businesses. These companies, which will see reduced tariffs when they export goods under these agreements, are the engine of our economy and are powerful job creators.

Finally, the Peru agreement will end one-way trade and will finally give U.S. companies equal access. Today, without agreement, Peru has almost complete duty-free access to the U.S. market, as it has since 1991, when Congress gave such access through Andean preferences—and which this Congress extended last June with 365 Members voting in favor.

For all of these reasons, in my view, if you are concerned about trade deficits or american jobs, you must support this agreement.

Madam Speaker, I want to reiterate my comments from last night: I am delighted that Chairman RANGEL and I are able to stand together today as partners in strong support of this agreement. If it weren't for his leadership, we would not be here today. I urge my colleagues to vote "aye."

At this time, Madam Speaker, for closing for our side, I would recognize the distinguished minority leader, the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Let me thank my colleague for yielding and thank him and the chairman of the committee and the subcommittee chairman and the ranking member of the Trade Subcommittee for their work on this Peru trade bill and the other trade bills that I hope that we will see on the floor soon.

When you look at America's economy today, I think we have to recognize that 95 percent of the consumers in the world live outside of the United States.

□ 1045

And as the U.S. economy, and certainly in certain sectors, is softening, the one area where our economy is doing very well are on our exports around the world.

And if you look at what's happened in some recent trade agreements, let's point out the facts. In Jordan, since 2001, our exports have risen some 92 percent. If you look at Chile, a trade agreement that was passed, but since 2004, we've had a 151 percent increase in our exports to Chile. Australia, since 2005, we've had a 25 percent increase in our exports.

If I look at my home State of Ohio, Ohio's export shipments in 2006 were $37.8 billion, up 36 percent, up 36 percent since 2002, thanks in part to many of the trade agreements that have been signed. And what this means, in terms of these increased exports, to consumers around the world are more jobs here in the United States.

In my own part of Ohio, Proctor and Gamble is a major employer. Right near my home are a number of their research and development facilities which have continued to expand employment, doing basic research, doing product research, doing marketing and doing sales efforts that support their sales and their development of new products all around the world, which means new jobs for people who live in my part of Ohio.

I understand that there's displacement in our economy; and we ought to be doing everything we can to retrain and train workers for the new economy. But that's going to happen regardless of whether we pass this.

When you look at this Peru Trade Agreement, in particular, we have, or they have open access to our market today. What this trade agreement does is allow us freer access to their economy, increasing our exports to Peru and to the rest of South America.

I'm a big believer that trade has benefited our country in a very significant way. And when you look at the fact that two out of five jobs in America, two out of five jobs are dependent on our ability to export products and services elsewhere in the world, you can begin to understand why opening markets for our companies around the world is so critically important to America's future.

So I want to congratulate my colleagues for their work on this bill and urge my colleagues to support it.

Mr. RANGEL. Madam Speaker, I would like to yield myself such time that remains.

The SPEAKER pro tempore. The gentleman from New York is recognized for 3 minutes.

Mr. RANGEL. Madam Speaker, this is a very exciting, historic day for me. It was an opportunity to break a deadlock of lack of civility on the Ways and Means Committee, which I really, deeply appreciate being a member, as well as being Chair; to get to know JIM MCCRERY, not as a Republican, but as someone that we can have serious philosophical and political differences, at the same time want to do what's best for our constituents and our country; for SANDY LEVIN who is more than a Member of Congress, but in the marrow of his bones he understands what it is for working people to have opportunity

to have self-esteem and to want to do for themselves, their community and their children; and to have a Speaker like NANCY PELOSI, who's prepared to think as to what's not best for Democrats or even the Congress, but what's best for the country and to encourage people who have different views to come together, so that nobody from any country could say that we have a trade policy that's Republican or Democrat, but we have in the United States of America a United States trade policy.

This is a very historic vote. It breaks the ice and opens an opportunity. But also it brings about a lot of candid discussion. And I would suggest, for any Member that has campaigned against trade, that said it over and over that trade is bad, or any person who's campaigned against NAFTA or CAFTA, or all of those things which this is not, then you owe it to yourself and you owe it to your constituents to vote against this bill, because if, in your conscience, you believe that things are so bad in your district, people have lost jobs, lost homes, lost hope, and this country has let them down and the multinationals have let them down and trade agreements have let them down, then your conscience demands that you vote ''no'' because this is what you believe in and this is what you should do.

But for those people who truly believe that they come from communities that God has blessed them with the opportunity to grow more food than this Nation needs, to make more equipment than this Nation needs, and to know that in their towns and villages and congressional districts, they cannot eat and they cannot use, for those people who understand that exporting things means not that we're trying to help other countries, but we need the talents, we need the productivity, we need the competition, we need the workers for the Nation to survive, for those people like the State of New York, there are patches there that people have no hope for the future, and they would want to vote against it.

But they'd better not talk with my mayor, because services are going to be a boon directly for all the people in our city.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

(On request of Mr. MCCRERY, and by unanimous consent, Mr. RANGEL was allowed to proceed for 1 additional minute.)

Mr. RANGEL. For those people on our farms that want to get rid of their surplus and sell it, for those people who really believe that we've got a long way to go to get the hopes of Americans up and to have our U.S. trade Representative, our multinationals to understand that it's not just a good agreement for the shareholders, but it is a good agreement for America, for those that believe in the Speaker and the minorities, that we're doing what's best, not for labor and not just for fund raising, but we're doing what we think is best, don't challenge our integrity. Vote your conscience.

But this is a heck of a time to make certain that we're not known to be against trade. We're for trade. We're for trade that makes sense in terms of honesty, job creation, and what's good for each and every American.

Do we have a long way to go? Yes.

Is this a beginning? You bet your life.

Anytime we're taking down trade barriers and countries are open to buy what we make in the U.S.A., it's almost unpatriotic not to let them do what we do best.

But don't you challenge my integrity, and don't do it for the Speaker, because I won't challenge your ''no'' because you're doing what you think is the right thing.

Mrs. TAUSCHER. Madam Speaker, I rise today to commend the work of my colleagues, Chairman RANGEL and Chairman LEVIN, on the U.S.-Peru Free Trade Agreement.

I applaud them, as well as Speaker PELOSI and Majority Leader HOYER for achieving a new trade policy for America, workers, and the environment.

This groundbreaking agreement is the first FTA to include fully-enforceable rights for workers—an achievement that my Democratic colleagues and I have long sought.

Bolstering workers' rights in Peru is not just the moral thing to do; it also helps to build a stable, more prosperous middle class—creating a larger market for U.S. goods.

This agreement also requires Peru to abide by multilateral environmental accords—such as protecting Peru's rainforests from illegal logging.

Most importantly, Peru may not waver from these commitments to workers or the environment in any way.

Madam Speaker, I chair the New Democrats, a group of 60 pro-growth Members.

We are dedicated to keeping America competitive—through lowering trade barriers and opening foreign markets to U.S. goods and services.

I also come from California, where more than one in five jobs is tied to trade.

I am proud to be a pro-trade Democrat in Congress, and I am proud of this landmark trade agreement the new Democratic majority has achieved.

America will not remain the world's economic and innovation leader if we refuse to do business with the rest of the world.

Likewise, we must equip U.S. workers with the tools to compete and win in a global economy, and help them through the transition, as we have with the expansion of Trade Adjustment Assistance.

Finally Madam Speaker, I urge my colleagues to examine the strategic implications of this agreement.

Deepening ties with our pro-growth allies in Latin America is key to security in the Western Hemisphere.

Passage of the Peru FTA is a first step in a twenty-first century trade policy: It is an expansion of trade in a way that is solidly consistent with Democratic values.

Again, I applaud Chairman RANGEL and Chairman LEVIN for their success, and I urge my colleagues to support implementation of the Peru FTA.

Ms. SOLIS. Madam Speaker, I rise today in opposition to the United States-Peru Trade Promotion Agreement Implementation Act (H.R. 3688), which would implement a trade agreement reached last year between Peru and the Bush Administration.

The Peru free trade agreement (FTA) will not protect American workers nor will it protect workers in Peru. The Peruvian National Convention on Agriculture (CONVEAGRO) has estimated that approximately 1.7 million Peruvian farmers will be negatively affected by the agreement. Although efforts were made to incorporate international labor standards in the Peru FTA, it is unclear whether the Bush Administration will enforce this provision. The International Labor Organization (ILO) has stated that the Peruvian government needs to change labor laws to be in compliance with international treaties.

Serious concerns also remain about language in the Peru FTA that does not eliminate the excessive North American Free Trade Agreement (NAFTA) Chapter 11 foreign investor privileges. These investor privileges create incentives for U.S. firms to move offshore. These investor privileges have also been used to undermine efforts to protect the environment and public health. The provisions also allow foreign investors to bring suits before tribunals to challenge the government's implementation of natural resource contracts or leases, which have the potential to continue threatening the resources in Peru. For that reason, environmental organizations have expressed significant concerns about this trade agreement even though improvements were made to help stop the flow of illegally logged timber in Peru.

The United States trade policy has resulted in a loss of at least three million manufacturing jobs since 1999 and a loss of nearly one million textile and apparel industries jobs in the last 13 years. A recent study by the Economic Policy Institute showed that a typical American working household lost more than $2,000 in wages because of foreign trade. Further expansion of this policy could worsen conditions for workers in America that is why this legislation is opposed by groups such as the American Federation of Labor and Congress of Industrial Organizations, the International Brotherhood of Teamsters, Change to Win, Service Employees International Union, UNITE HERE, the International Association of Machinists and Aerospace Workers, Friends of the Earth, and the Sierra Club. I cannot vote for this legislation when our trade policy does not protect American workers and American jobs. In this new age of globalization, Congress must restore the economic security of working- and middle-class Americans.

Mr. MANZULLO. Madam Speaker, I rise today in strong support of the United States-Peru Trade Promotion Agreement.

According to the International Trade Administration, approximately 91 percent of U.S. exports to Peru are manufactured products. Currently, all of these goods are assessed high tariffs—in some instances at double-digit rates. Peruvian manufacturers are not assessed any tariffs when selling to the U.S. market. This market-opening trade agreement levels the playing field for America's manufacturers by eliminating high tariffs on all U.S. manufactured goods within 10 years. Eighty percent of Peruvian tariffs on consumer and industrial goods would be eliminated immediately upon this agreement coming into force.

To put the cost of these tariffs into perspective, a Caterpillar off-highway truck made in Illinois used for mining exported to Peru costs the end-user an additional $100,000 because of the tariffs. This agreement eliminates this duty immediately. Because Peru does not have a free trade agreement with Japan, H.R. 3688 gives a competitive advantage to Caterpillar over its global competitors such as Komatsu of Japan. The northern Illinois district I am proud to represent has many suppliers to Caterpillar, many of them small manufacturers, selling about $150 million worth of product each year. Having an agreement like this insures the long-term viability of the manufacturing jobs at these firms that may not even know that their product they make eventually finds its way to export markets like Peru.

Madam Speaker, this agreement will greatly benefit other manufacturers of Illinois as well. In 2001, Illinois machinery manufacturers exported $65.8 million worth of goods to Peru. In 2006, that number more than tripled to $198.2 million. Our manufacturers were able to do this in spite of the high tariffs. Imagine what they will be able to do when these tariffs are removed! The independent International Trade Commission estimates that U.S. exports to Peru will increase by $1.1 billion once this agreement is fully implemented. We have seen examples of other market opening agreements that resulted in increasing U.S. exports. Since the adoption of the market-opening agreement with Chile in 2004, U.S. exports to Chile leapt by 33 percent in 2004, 43 percent in 2005, and 38 percent in 2006! Our trade agreement with Australia also helped boost U.S. exports ''down under'' by 25 percent in just two years.

I urge my colleagues to support America's manufacturers by voting ''yes'' for this agreement.

Mr. CONYERS. Madam Speaker, today, I rise against H.R. 3688, the United States-Peru Trade Promotion Agreement Implementation Act. Southeast Michigan has lost tens of thousands of manufacturing jobs due to unfair free trade agreements such as NAFTA and CAFTA. Unfortunately, H.R. 3688 follows in the steps of these lopsided trade deals.

Advocates of today's legislation will insist that there are strong labor and environmental standards. However, members of the Peruvian Congress were working to pass a robust General Labor Law and now it will be tabled for a substantially weaker labor law issued by President Garćia. Furthermore, given President Bush's track record on lack of enforcement of current U.S. law, I cannot be persuaded that many of the labor provisions will be enforced. Unbalanced trade has led to a race to the bottom which has lowered job quality and wages for U.S. workers and H.R. 3688 will further encourage this push for cheap labor.

This bill is also bad for Peruvians. More than three million Peruvians may lose their jobs from U.S. exports and may drive many rural farmers into the illegal cocoa trade. H.R. 3688 will limit Peruvian access to health care. Specifically, by approving this free trade agreement, drug companies will obtain five years of data exclusivity, or monopoly rights for pharmaceutical manufacturers in both countries, which will increase the price of medicine, delay the entry of new drugs, and restrict competition in this market. As a result, millions of Peruvians will be at risk of losing life saving drugs. Furthermore, if Peru chooses to replace its current private Social Security system with its previous public system, then this bill may open the door to allow private foreign investors to file suit at international tribunals.

Madam Speaker, a recent poll indicated that the majority of Americans oppose the concept of free trade. It is no surprise that dozens of labor, environment, human rights, and religious organizations have opposed this bill because it is bad for both the United States and Peru. I urge my colleagues to vote against this bill.

Mr. PATRICK J. MURPHY of Pennsylvania. Madam Speaker, I rise in opposition to the U.S.-Peru Free Trade Agreement.

I oppose this bill because I come from a part of our country that has seen all the drawbacks of free trade without any of the supposed benefits. I oppose this bill on behalf of the countless Americans who spent years of their lives working in a steel mill or manufacturing plant whose lives were uprooted in the wake of NAFTA and CAFTA.

I represent the 8th District of Pennsylvania. My State has been one of the hardest hit by free trade agreements and the unfair trade practices of nations, such as China, that don't play by the rules. Bucks County was hit hard. Manufacturing jobs used to number in the tens of thousands, but by 2005, they had fallen nearly 35 percent. This devastation included major employers like US Steel, Jones Apparel, and Rohm and Haas—companies that now employ a fraction of what they once did. Each one of those lost jobs represents a worker and his or her family whose lives were turned upside down by so called ''free trade.'' Madam Speaker, free trade is not free if it costs American workers their jobs.

I believe that when everyone plays by the rules, American workers will beat out foreign competition every time. Unfortunately, not every nation plays by the rules and even worse, the Bush administration has done nothing to protect American workers from unfair competition. In fact, the President has gone out of his way to sign free trade agreements, like CAFTA, that harm American working men and women.

Madam Speaker, it is for that reason that I must oppose this bill. While this agreement paid heed to labor, health and environmental concerns for the first time in years, we need to back up words with action. Supporters of this bill are saying all of the right things and I am glad that these concerns were taken into account. However, when the livelihoods of American families are at stake, words simply aren't good enough. We need concrete action and this bill offers us no guarantees.

We are debating this bill under ''fast-track'' rules. That means that the Congress gets no say in the details of the agreement and that we simply must trust that the President is going to do right by American workers. This President has broken his word over and over again throughout his time in office and we cannot trust him again. We have seen the Bush administration repeatedly putting the interests of the few ahead of the needs of the many.

For example, if we had the ability to amend this trade agreement, I would fight to include the provisions of a bill I have introduced that would require national security reviews of trade deals before we agree to them. My bill, The Trade-Related American National Security Enhancement and Accountability, TRANSEA, Act also would allow for the suspension of existing trade agreements if the safety, health, and welfare of Americans are in doubt. I think these provisions would have made a vast improvement to the Peru Free Trade Agreement, but unfortunately because of fast track rules, we are prohibited from even trying to offer changes to make the bill better for American workers.

Madam Speaker, I am not an anti-trade crusader. Certainly, if trade is done the right way, with attention paid to labor, environmental and health standards, then it can benefit everybody from workers to business owners, both in the United States and other parts of the world. Unfortunately, with President Bush's disastrous record, we cannot trust him, to enforce the agreement in a way that will be fair to American working men and women. It is for these reasons, Madam Speaker, that I oppose this trade agreement.

Mr. MCDERMOTT. Madam Speaker, it is time that America work for America's workers, farmers and families. The Peru Free Trade Agreement is a step in the right direction. It marks the first time in history that a FTA has incorporated labor and environmental provisions.

This is a major step forward because it signals that the pursuit of trade is not an end, but a means to help raise living standards and provide opportunity. I represent a trade dependent city and yet my constituents are leery of FTAs because they fear that American workers have been left behind.

Today, we are at a crossroads. We can continue down the path we have been on and keep pursing freer trade knowing that many Americans are falling through a domestic safety net built 70 years ago, or we can pursue policies that respond to a new century.

Last week the House made a good start by adopting legislation to reform the Unemployment Insurance program and update the Trade Adjustment Assistance program. We must do more. Health care that is tied to employment is insecure.

Education benefits that aren't available to working adults do not meet the needs of the modern workforce. Our trade agreements need to be smarter, too. We know that supporting core worker rights—human rights—is central to enabling workers to benefit fully from their labor.

We know that the tools of public policy need flexibility to ensure access in areas like affordable prescription drugs. We know that the Earth's environment isn't yours or mine, it's ours.

Chief Si'ahl, the inspired leader of the Duwamish and Suquamish Tribes, for whom my City of Seattle is named, said it best.

A century ago, this great tribal chief said: ''We did not weave the web of life. We are merely a strand in it. Whatever we do to the web, we do to ourselves.''

My support for the Peru Free Trade Agreement is for this particular FTA, in part because of the progress we've achieved in incorporating labor and environmental standards, and health concerns.

I will continue to consider each FTA on its merits, and in its own context.

I will be paying close attention to the Administration and its commitment to Americans through TAA and healthcare for the children of working families.

In the end trade is about people and the jargon—FTA and TAA—had better produce SBA—Standing by Americans.

The research is clear; this FTA will increase American exports in key goods that come from my State, including: IT products, wheat, apples, pears, peaches and cherries. And this agreement will be good for Peru, too. If I didn't believe that, I wouldn't vote for it.

Mr. GENE GREEN of Texas. Madam Speaker, I rise in opposition to the Peru Free Trade Agreement.

While I applaud the efforts to improve worker rights in the Peru FTA, the protections in the agreement fall short of addressing the concerns of workers that have been adversely affected by the passage of the North American Free Trade Agreement, the Central American Free Trade Agreement, and other recent FTAs.

The absence of clear, enforceable labor standards as detailed by the International Labor Organization, ILO, in the Peru FTA make this an agreement I cannot support. These include prohibitions of child labor and guaranteeing the right of workers in Peru to form independent labor unions.

The Peru FTA and the passage of Trade Adjustment Assistance, TAA, last week does not represent the kind of comprehensive policy that workers need to ensure that our globalization policies not only benefit multinational corporations, but workers as well.

I am not opposed to free trade agreements as long as they are fair trade agreements that benefit and protect workers in both countries, however, I have long opposed free trade agreements with countries with significantly lower standards of living, and fewer labor protections than we have here in the U.S.

I am proud to represent one of the most blue-collar districts in the country. The workers in our district benefit from the labor laws on the books in the U.S, and while our labor laws could certainly be strengthened, they ensure that our blue-collar workers receive a living wage and make up a thriving middle class in this country.

I have no doubts whatsoever about the skills and productivity of American workers, but the significant differences in the standard of living puts the American worker—and American products—at a competitive disadvantage, one that this country should not allow to be exploited through a free trade agreement.

U.S. trade policy over the last decade has resulted in the loss of millions of jobs and has led to 5 consecutive years with record setting trade deficits.

I am concerned this trade agreement does not go far enough to address the issues that caused these problems, and I urge my colleagues to join me in opposing H.R. 3688.

Mr. REICHERT. Madam Speaker, I rise in strong support of the Peru Trade Promotion Agreement. We must continue to open markets to encourage American companies to innovate and compete with their global counterparts. This grows our economy and creates jobs.

I am proud to represent a district in Washington State that integrates our Nation's leading technology innovators with a vibrant and highly productive small business community. Opening new global markets gives them incentives to improve their products, produce more goods, and employ more American workers. I have seen these job-creating effects firsthand, with trade accounting for 1 out of every 3 jobs in my State.

The Peru Trade Promotion Agreement will level the playing field and increase market access for American and Peruvian companies. It will grow our Nation's economy by more than $2 billion.

I hope that the passage of this agreement finally advances our broader trade agenda in Congress. I am disappointed that it has taken more than 5 months since the bipartisan deal reached in May—and over 1 year since the Peru Free Trade Agreement was signed—for this measure to finally come to the floor.

We cannot allow important pending agreements with Colombia, Panama, and Korea to languish as the Peru measure did. I urge my colleagues in the majority to stop the delays and pass these free trade agreements. Let's advance the trade measures needed to grow our economy, create jobs, and improve our relations with global partners.

Ms. MCCOLLUM of Minnesota. Madam Speaker, as Americans we do not live in isolation. We live in a world that has been transformed over the past half century through America's political, security and economic leadership. Globalization is a reality that has created both opportunities and challenges, but overall more people on this planet are living better, healthier and more secure lives today than at anytime in human history.

Global economic engagement is a reality that every American encounters every day in our offices or when we shop in any department or grocery store. Trade is essential for a strong, vibrant American economy and to sustain and create the jobs that keep America working. Yet, not all trade agreements are the same or beneficial in my opinion. In fact, most trade agreements that have come before this House in my 7 years in Congress, such as CAFTA, have been harmful because they have ignored key provisions for workers' rights, the environment and necessary safeguards for American workers.

Peru is a nation of 28 million people—one-tenth the size of the United States. It is a South American nation that faces the challenges of extreme poverty, narco-trafficking and an inequitable distribution of income. Peru is searching for economic opportunities that will lift its people and keep its citizens working. It is my hope that the United States will partner with Peru in this effort.

The cost of entering into a trade agreement with the United States is no longer about limitless access to our market without regard for workers' rights or the environment in the exporting nation. That premise has vanished with the new Democratic majority. With new Democratic leadership in Congress priorities have changed and the U.S.-Peru Free Trade Agreement is a positive example of how Democrats are shaping the trade debate to address real concerns. I support this agreement because we need strong, positive political and economic relations with partners like Peru. We also need trade agreements that reflect the priorities of the American people, such as a respect for workers' rights and the environment.

This agreement, because of the determination of Democratic leadership, especially Chairman RANGEL and Chairman LEVIN, delivers a fully enforceable commitment that Peru will adopt, maintain and enforce core labor laws and practice the five basic international labor standards, as set forth by the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. These principals include: the freedom of association; the effective recognition of the right to collective bargaining; eliminating all forms of forced or compulsory labor; the effective abolition of child labor; and, the elimination of discrimination in employment. Furthermore, there is a binding, fully enforceable commitment prohibiting the lowering of labor standards. As a result, the Government of Peru has taken clear action to implement ILO standards which must be recognized as a significant step forward and a direct consequence of a Democratic agenda that values workers' rights. The labor situation in Peru is far from perfect, but these positive steps would not be taking place without Democrats demanding change in order for this FTA to move forward.

On the environment, for the first time in a U.S. free trade agreement, we will have recourse to enforce the environmental commitments our trading partner has made. Beyond merely preventing Peru from scaling back their environmental protections, this agreement contains enforceable provisions that will require significant improvements in their environmental policies. For instance, it requires that they crack down on the illegal logging of endangered species that we know is going on today. Without this trade agreement's provisions, this illegal logging will only continue unabated.

Since 1991, we have granted 98 percent of Peruvian exports free access to United States markets. In 2006, Peru's exports to the United States totaled $5.8 billion, mostly gold, copper, copper ore and petroleum products. The U.S. exports to Peru totaled $2.9 billion. To put the United States-Peru trade relationship into perspective: our neighbor to the north, Canada, has a population of 32 million people, four million more than Peru, and they exported $302 billion worth of goods to the United States in 2006.

Since Peru already has almost unlimited access to the U.S. market, this agreement largely grants U.S. interests, manufacturers and agricultural products expanded access to the Peruvian market. Under the agreement, 80 percent of United States exports of consumer and industrial goods will immediately enter Peru duty-free. The duties on an additional 7 percent of products would be phased out within 5 years and the remainder eliminated in 10 years. Furthermore, two-thirds of our agricultural exports would immediately receive duty free access, including products like high quality beef, wheat, soybeans and processed food products.

What we have before us today is an opportunity to set a new standard for America's trade policy. An opportunity to change the template we will use for future trade agreements away from the flawed policies of the past and towards fair trade, labor protections for all workers, and responsible environmental practices around the globe.

I want to commend the leadership of the House for their determination to demand high standards and a solid trade agreement unlike any we have seen during the previous 6 years of the Bush administration.

Mr. DAVIS of Virginia. Madam Speaker, I rise in support of the United States-Peru Trade Promotion Agreement Implementation Act.

I support this agreement because it's a good deal for American businesses. Most Peruvian goods and services already enter the United States duty-free, yet American businesses face significant barriers to Peruvian markets. This agreement creates a two-way street.

This agreement is important economically, but it is equally important from a foreign policy perspective. This agreement means a great deal to the Peruvian people and government, and will be an important tool to blunt the anti-American rhetoric of Venezuelan President Hugo Chavez. Mr. Chavez envisions himself the heir to Fidel Castro, and has tried to turn all of Central and South America against the United States. Fortunately, his recent efforts to influence Peruvian elections were rejected.

Moreover, this agreement sends a clear signal we appreciate the friendship of the Peruvian people and look forward to a long, prosperous relationship with them.

Although I am pleased we are considering this free trade agreement, it is regrettable it will not soon be followed by FTAs for South Korea, Colombia, and Panama. Our annual trade with Peru currently stands at $5 billion. We do $11 billion per year in trade with Colombia and $55 billion per year with South Korea. Failure to enact FTAs with them would represent lost opportunities.

Colombia is our staunchest ally in South America. In Colombian President Uribe, we have a friend willing to stand up not only to Chavez but to the narco-terrorists, corrupt army officers, right-wing paramilitaries, and left-wing guerillas. In short, he's done what we've asked him to do, yet we continue to contrive reasons to keep a free trade agreement for Colombia off the floor. Certain members of this body are all too ready to point out the lack of friends the United States has in the world today. In Colombia, we have one, but the Democratic leadership insists on poking them in the eye.

Global trade is blamed for a great many ills. As my colleague Mr. FLAKE noted earlier in the debate, it is far easier to focus on the shuttered storefront than on the benefits of a given trade agreement. Indeed, it takes courage to overcome the inclination to insulate ourselves, and it may seem counterintuitive to many Americans who pride themselves on self-reliance. But it is the right thing to do.

We live in a global economy. We in Washington should embrace this reality. Businesses of all sizes, not just giant corporations, already do so. In a column last year, author Thomas Friedman told of a small business owner in Nebraska who makes insulated concrete forms for buildings. With the help of machinery imported from South Korea, he now can make the forms at construction sites, which removes the need to ship them to end users. His main customer is in Kuwait.

Madam Speaker, these are the multinationals of the future. Without aggressive trade promotion by our government, these stories will continue to unfold, but American businesses won't be part of the tale.

Remember, the United States accounts for only 4 percent of the world's customers. Information technology, the cornerstone of my district's economy, accounts for more than $250 billion in exports per year, or 25 percent of U.S. exports. Workers in this industry have suffered as certain jobs have moved overseas, yet it would be a mistake to base our trade policies on that half of the equation. To reject free trade agreements and embrace protectionist policies is to invite other countries to do the same.

Madam Speaker, to remain strong is to open our doors to trade and competition. We can build walls, but they won't make the problem go away. They'll only hide it, allow it to fester and ultimately weaken all of us.

I urge my colleagues to engage the global economy. Pass free trade agreements—for Peru, Panama, Colombia, South Korea, and rise to the challenge ahead of us.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise today in opposition to H.R. 3688, the United States-Peru Trade Promotion Agreement Implementation Act, introduced by my distinguished colleague from Maryland, Representative HOYER. This piece of legislation amends the antiquated Trade Agreements Act of 1979, and while it represents an attempt to incorporate workers' rights and environmental concerns into trade legislation, I believe that it does not contain strong enough guarantees against labor violations and other human rights abuses. Madam Speaker, we cannot ignore the gross violations of labor rights allowed to persist by the Peruvian government or the loss of American jobs this legislation might entail.

The nation of Peru has made many strides forward in recent history. It has begun to move down the path of democracy, fighting off state-sponsored socialism, seen some government accountability to the judiciary, and entered into the global economy.

However, Peru has a long way still to come. Peru has yet to adopt and apply the 1998 International Labor Organization's Declaration of Fundamental Principles and Rights at Work, an obligation that serves as a condition for the current legislation. While this is a step in the right direction, it is more advisory than binding, requiring FTA nations to ''refer only'' to ILO Declarations, and will be incredibly difficult to enforce.

The Free Trade Agreement we are considering today calls on the Peruvian government to apply greater labor rights and environmental standards in order for the agreement to persist. Peru must adopt, maintain, and enforce laws relating to labor rights that meet ILO standards as stated in the ILO 1998 Declaration. This is a step forward, but to make it truly significant, the United States must adopt some sort of accountability mechanism in order to ensure compliance on the part of the Peruvian government. Until such accountability exists, I do not believe we should be approving this agreement.

The Peru FTA agreement further obligates the government of Peru to implement and enforce various environmental multilateral agreements to which Peru is already a part. This too has the potential to lead to a precarious situation. Peru is already a party to the mentioned multilateral environmental agreements and has failed to apply or enforce their obligations outlined therein, why would they change now? We must create incentives for our trade partners to comply with international labor and environmental standards, and I fear there is much more to do in the case of Peru.

The United States-Peru trade agreement as it stands today allows Peruvian products tariff free entry into the United States while products from the United States are taxed upon their entry to Peru. This trade practice has been deeply detrimental to American workers who are consistently undercut by cheaper, tax-free, foreign labor, services, and products. Under the proposed the Peru FTA, products and services from the United States will no longer be muddled by the protections policies of the past, with 80 percent of goods being allowed tax-free entry into the Peruvian market immediately, with the remaining 20 percent gaining free entry over time. While this may prove beneficial to corporations within the United States, we must be careful that this trade policy does not benefit the wealthy few at the cost of both American and Peruvian workers.

A great deal of Americans worry about the effect this legislation will have on their job security. It is important to note that the Peru FTA does not pose a significant threat to American jobs, with trade from Peru not consisting of a heavy intensity and consequently not having any significant impact on the American economy. I acknowledge that we are engaged in a global economy and am eager to move forward in free trade agreements with nations throughout the world, however, I cannot overlook the threats this legislation poses. Since the era that began with the NAFTA agreement, over 3 million manufacturing jobs have been lost and while the Peruvian economy may not be large enough to have a ''significant'' impact upon the United States, I fear that the impact it will have will be enough to further harm the American worker who has already suffered a decrease in job security and wages. The American people elected this Congress to change the trajectory that the United States was on, and this legislation is more of the same foreign investment and procurement policy that the majority of American rejected after the inception of NAFTA and CAFTA.

This bill provides security in the sense that it gives United States the authority to administrate dispute settlement proceedings, arbitrate certain claims made against the United States, and enact specific tariff modifications. This bill does not hold the Peruvian government accountable, the United States' authority to arbitrate disputes and claims made against the United States will not be sufficient to ensure the protection of the Peruvian and American workers that this legislation will harm. The ability to protect American companies does not equate to meaningful security to the parties involved.

I applaud the efforts made by this legislation in ensuring worker rights within Peru, however, I believe it falls short of being comprehensive in a number of areas. Issues of worker rights abroad have been endemic within the United States since the signing of the North American Free Trade Agreement (NAFTA) as reports emerge of the horrific conditions of workers within the countries with whom we engage in trade. Urging Peru to ''refer'' to ILO standards will not ensure that American trade policy is not meant merely to benefit the few multinational corporations and rather protects all our partners in today's globalized economy, including foreign laborers. The Peruvian people have been working hard to restore social justice and labor rights after the ruthless dictatorship of Former President Fujimori. We must be cautious not to undermine any organic social justice movements within Peru that has spent the last 6 years trying to get their Congress to pass the General Labor Law.

Beyond my concerns with this piece of legislation itself is a further concern about the intentions of this Administration. I do not believe we can trust the Bush Administration to enforce the labor and environmental provisions of this or any other FTA. We are not in a position to enter into any new FTA's at this time, I believe we must ensure the security of American economic lives before we rush into any new agreements. Furthermore, only yesterday, Peru's Labor Ministry declared a national mining sector strike as illegal.

This strike, headed by Peru's National Federation of Mining, Metallurgy, and Steel Workers, began Monday and was aimed at 7 pressuring the government to pass legislation ensuring increase rights and benefits of miners. Peru's Labor Ministry responded by "ordering them back to work" and declaring their strike illegal. No concessions have been made by the government and miners face being fired should they not return to work by the end of the week. This is not a government we can trust to uphold labor rights.

The world is now immersed in a globalized economy. We cannot go back in time, nor do we want to. We must work with what we are given now. The U.S.-Peru Trade Promotion Agreement is an important first attempt, however, we must continue to work to ensure that labor rights are universally acknowledged and environmental standards systemically upheld on a larger scale than this legislation entails. I urge my colleagues to join me in opposing this legislation, and to call for still more to be done.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 801, 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.

Mr. MICHAUD. Madam 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. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 285, nays 132, not voting 16, as follows:

[Roll No. 1060]

YEAS—285

Ackerman
Akin
Alexander
Bachmann
Bachus
Baird
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boswell
Boustany
Boyd (FL)
Brady (TX)
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Cardoza
Carter
Castle
Castor
Chabot
Clarke
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Davis (AL)
Davis (CA)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
DeGette
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Drake
Dreier
Edwards
Ehlers
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillibrand
Gingrey
Gohmert
Gonzalez
Goodlatte
Gordon
Granger
Graves
Hall (TX)
Harman
Hastert
Heller
Hensarling
Herger
Herseth Sandlin
Hill
Hinojosa
Hobson
Honda
Hooley
Hoyer
Hulshof
Inglis (SC)
Inslee
Israel
Issa
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Jordan
Keller
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Lampson
Larsen (WA)
Larson (CT)
Latham
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lofgren, Zoe
Lowey
Lucas
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McHenry
McKeon
Meek (FL)
Meeks (NY)
Melancon
Mica
Miller (MI)
Miller, Gary
Mitchell
Moore (KS)
Moran (KS)
Moran (VA)
Murtha
Musgrave
Myrick
Neal (MA)
Neugebauer
Nunes
Ortiz
Pascrell
Pearce
Pelosi
Pence
Perlmutter
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Royce
Ruppersberger
Ryan (WI)
Salazar
Sali
Saxton
Schiff
Schmidt
Schwartz
Sensenbrenner
Sessions
Sestak
Shadegg
Shays
Shimkus
Shuster
Simpson
Sires
Skelton
Smith (NE)
Smith (TX)
Smith (WA)
Snyder
Souder
Stearns
Sullivan
Tancredo
Tanner
Tauscher
Terry
Thompson (CA)
Thornberry
Tiahrt
Tiberi
Towns
Turner
Udall (CO)
Upton
Van Hollen
Walberg
Walden (OR)
Walsh (NY)
Wamp
Wasserman Schultz
Watt
Waxman
Weiner
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—132

Abercrombie
Aderholt
Allen
Altmire
Andrews
Arcuri
Baca
Baldwin
Berkley
Bishop (UT)
Boucher
Boyda (KS)
Brady (PA)
Burgess
Capuano
Carnahan
Carney
Chandler
Cohen
Conyers
Costello
Courtney
Cummings
Davis (IL)
DeFazio
Delahunt
DeLauro
Donnelly
Doyle
Duncan
Ellison
Filner
Goode
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Hastings (FL)
Hastings (WA)
Hayes
Higgins
Hinchey
Hirono
Hodes
Hoekstra
Holden
Holt
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Jones (NC)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kucinich
Langevin
LaTourette
Lee
Lipinski
LoBiondo
Loebsack
Markey
Marshall
McGovern
McHugh
McIntyre
McMorris Rodgers
McNerney
McNulty
Michaud
Miller (NC)
Miller, George
Mollohan
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Nadler
Napolitano
Obey
Olver
Pallone
Pastor
Paul
Payne
Peterson (MN)
Rahall
Richardson
Rodriguez
Roybal-Allard
Rush
Ryan (OH)
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Scott (GA)
Scott (VA)
Serrano
Shea-Porter
Sherman
Shuler
Slaughter
Smith (NJ)
Solis
Space
Spratt
Stark
Stupak
Sutton
Taylor
Thompson (MS)
Tierney
Tsongas
Udall (NM)
Velázquez
Visclosky
Walz (MN)
Waters
Watson
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—16

Boren
Braley (IA)
Buyer
Carson
Cubin
Giffords
Hunter
Jindal
LaHood
Lantos
Lungren, Daniel E.
Miller (FL)
Moore (WI)
Oberstar
Poe
Rothman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining on this vote.

□ 1119

Mr. PALLONE and Mr. CONYERS changed their vote from "yea" to "nay."

Mr. MARCHANT and Mr. YOUNG of Alaska changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. POE. Mr. Speaker, on rollcall No. 1060 I was unavoidably detained. Had I been present, I would have voted "yea."

Stated against:

Ms. MOORE of Wisconsin. Mr. Speaker, earlier today I narrowly missed the vote on rollcall No. 1060. Had my vote been recorded, I would have voted "nay."

PERSONAL EXPLANATION

Mr. LYNCH. Mr. Speaker, during rollcall vote No. 1060 on H.R. 3688, I mistakenly voted my vote as a "yea" when I should have voted "nay." This was on the Peru Trade Agreement. I took the floor last night around 10 o'clock in the evening and spoke strongly against the bill, and then today I thought it was the rule and I voted for it.

CONFERENCE REPORT ON H.R. 3222, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2008

Ms. SLAUGHTER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 806 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 806

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 3222) making appropriations for the Department of Defense for the fiscal year ending September 30, 2008, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

POINT OF ORDER

Mr. FLAKE. Mr. Speaker, I raise a point of order against H. Res. 806 under section 2 of H. Res. 491 because the resolution contains a waiver of all points of order against the conference report and its consideration.

The SPEAKER pro tempore (Mr. ROSS). The gentleman from Arizona makes a point of order that the resolution violates section 2 of House Resolution 491.

Such a point of order made under that resolution shall be disposed of by the question of consideration under the same terms as specified in clause 9(b) of rule XXI.

The gentleman from Arizona and a Member opposed, the gentlewoman from New York, each will control 10 minutes of debate on the question of consideration.

After that debate the Chair will put the question of consideration, to wit: ''Will the House now consider the resolution?''

The Chair recognizes the gentleman from Arizona.

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

H. Res. 491 says it shall not be in order to consider a conference report unless the joint explanatory statement includes a list of congressional earmarks that were air-dropped into it or that were not committed to the conference committee by either Chamber.

It's unfortunate, just like the Labor-HHS bill, the majority has reported a rule that waives all points of order. Yet, I have to ask here: if we've done everything right, if we've done the transparency that we committed to earlier in the year, why are we waiving all points of order against the bill? Why are we doing this again, second time this week?

We have these transparency rules that we hyped at the beginning of the year that we aren't going to have air-dropped earmarks into a conference report that can't be challenged; yet here again, here we go, waiving all points of order against the bill. That is why I am raising the point of order against the rule; it's the only option I have to highlight what is going on here.

In a press conference in March, the Speaker of the House said: ''Before Members vote on a bill, there should be appropriate time for people to be able to read it, that it be a matter of public record. And if there is an earmark that can stand the scrutiny, then that transparency will give the opportunity for it to be there.''

The majority leader, in March, said: ''Let no one be mistaken, after the earmark explosion under Republican leadership, Democrats have led the way in bringing transparency and accountability to earmarks.'' It appears that we're not doing that now.

The majority leader also said: ''This is a new day and a new Congress. The days of hear no evil, see no evil, speak no evil are over. This Congress embraces its constitutional responsibility to conduct real, meaningful oversight, as well as our values of openness and transparency.''

Mr. Speaker, I would suggest that when you have a conference report and we finally get a look at it last night, less than 12 hours ago or so, and there are more than two dozen earmarks air-dropped into it, this is the first we've seen of them, we haven't seen any of them before this time, that is not the model of transparency. That is not openness. We have no ability to challenge those earmarks. None. We can't highlight them and say you vote up or down on this earmark.

The joint explanatory statement says that there are 24 Defense earmarks that were not passed by either Chamber, costing $59 million. Let me give you just one example of what's in there. There is one of these earmarks, $3 million earmark in the Defense bill, remember, this is the Defense bill we're talking about, a $3 million earmark for a program, according to The Hill newspaper, intended to attract disadvantaged and minority children to the game of golf. This is the game of golf in a Defense bill. Is it any wonder, should anybody be surprised that this was an earmark that was air-dropped into the conference report when we don't have the ability in this Chamber to challenge it? This is the only opportunity we have, a procedural vote, as to whether to move forward on the rule. Now, that is not openness, that is not transparency.

It's often brought up that the Republicans, when we were in charge, we did the same thing. We did, and we played the political price for it. We shouldn't have done it. It shouldn't excuse what's going on today. This is supposed to be a new day in Congress. This is business as usual. This is par for the course, to use a bad pun, to put a golf earmark in a Defense bill, and to hide it until the last day, until nobody can challenge it anymore.

Now, we may think that that's cute here, but I can tell you people across the country have got to be incensed with it. And we felt the brunt of it, as Republicans, last year. I would suggest that, unless the majority party sees its way clear to change this practice, they're going to feel the brunt of it as well.

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

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

Mr. Speaker, this point of order is not about whether or not to consider the rule on, ultimately, the funding of our troops, and indeed, the entire government, under a continuing resolution. In fact, I would say that it is simply an effort to try to kill the conference report, and on a faulty premise at that.

Every single earmark in this conference report has been properly disclosed in conformance with House rules. The blanket waiver against consideration of conference did not include a waiver of either clause 9 of rule XXI or House Resolution 491.

This parliamentary ruse won't work. We must consider this conference report, which fully supports our men and women, provides for our wounded warriors by providing for them and for their families, addresses the severe equipment shortfalls facing the National Guard and Reserves, and fully funds a pay increase for all servicemembers. In addition, this measure provides the funds necessary to respond to the wildfires of 2007 and provide continued disaster response and relief efforts.

Voting ''no'' on this question of consideration will prevent consideration of a critical package that has strong House and Senate bipartisan support.

□ 1130

So despite whatever roadblock the other side tries to use to stop the bill, we will stand up for our troops. We must consider this rule. We must pass this conference report today.

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

Mr. FLAKE. I would be glad to yield time to the gentlewoman if she would inform us as to why all points of order were waived against the bill itself. This is not a parliamentary ruse here. This is a response to a parliamentary ruse. The parliamentary ruse is air-dropping earmarks into a bill and then waiving all points of order against or waiving all points of order against that bill so all we can do here is raise a point of order against the rule itself. So the parliamentary ruse here was actually used by the majority party to hide these earmarks, in particular a $3 million earmark for golf in the Defense bill.

Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CAMPBELL).

Mr. CAMPBELL of California. I thank the gentleman from Arizona. I will be very happy to hear what the answer from the lady from New York is because I think the question before us is if the majority party wants to clean up this earmark process, or do they just want to say they are cleaning up the earmark process when it actually doesn't occur? If we are going to have these rules that enable you to raise points of order on earmarks that have been air-dropped in, we have earmarks air-dropped in which shouldn't happen in the first place. Some of these are clearly inappropriate. But yet all opportunity to raise them against the bill

has been waived. So why are you even doing this? It appears that they are not serious about really stopping or reforming earmarks; they simply want to act like they are. If we are serious, none of these earmarks that were air-dropped in should be allowed.

Mr. FLAKE. May I inquire as to the time remaining on my side?

The SPEAKER pro tempore. The gentleman from Arizona has 4½ minutes remaining.

Mr. FLAKE. I would like to yield 1 minute to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. I thank the gentleman for yielding, and I certainly appreciate the gentleman from Arizona's leadership here. I did not realize until I came to the floor that somehow a 9 iron was a vital part of our national defense apparatus. I mean, this is clearly an outrage. The new majority who claim that they were going to clean up the earmark process and bring us unparalleled transparency and accountability have done neither, and their actions speak so much louder than their words. And so here we have air-dropped earmarks that were neither voted on by the House, by the Senate, appearing in the this bill in the dead of night with no accountability, no ability of a Member to come to the floor and challenge. It appears to be another callous effort to wrap pork in the American flag, to take our defense money meant for our war fighters and to hide pork in it. It is an outrage, and the majority ought to admit they have made no serious effort, no serious commitment whatsoever to bring accountability and transparency to the earmark process.

Ms. SLAUGHTER. Mr. Speaker, let me remind my colleagues and dear friends on the other side of the aisle that it was the democratic process and the Democrat Party that brought us section 491, and we are in complete compliance with it.

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

Mr. FLAKE. I yield 1 minute to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. I thank the gentleman for yielding.

Mr. Speaker, I am stunned at this debate. All of our colleagues are watching. Yeah, we brought you a rule that says transparency was a good idea. We still believe transparency is a good idea, but that rule is being waived here. We are not being allowed to debate air-dropped earmarks dropped into this legislation. We are not being allowed to follow the rule.

Now, let's see if I understand this. It is okay for America if you adopt rules that require transparency, but it is also okay if you just waive the rules that require transparency, because after all, you said you were for transparency and adopted a rule for transparency and you just waived it. So there is no transparency. I believe it is vitally important that the American people know how their money is spent. I think they would want to know that we are spending millions of dollars in air-dropped earmarks for things that make no sense in the Defense bill, including golf training. I have yet to meet a soldier who didn't perhaps want to improve his golf game, but I have yet to meet a taxpayer who thought we ought to be funding that. You are either for transparency or not. I think it is simple and straightforward.

Mr. FLAKE. Mr. Speaker, may I inquire as to the time remaining?

The SPEAKER pro tempore. The gentleman from Arizona has 2½ minutes remaining.

Mr. FLAKE. Thank you, Mr. Speaker.

Let's get down to the bottom line about what this is about. At the beginning of the year, we were promised transparency. We were promised that if earmarks were dropped in to a conference report, if they weren't considered by either the House or the Senate, that we would have the opportunity to challenge those earmarks, that we would have the opportunity to shine a light on them, to actually see what they are about. We are not getting that opportunity because we have waived the rule. What good are rules if they are waived routinely?

Let me say, this is not our rule on this side. We were glad to see it. But it is the majority's rule, and it is being waived. It is no surprise here when you look at the earmarks that are in, 24 earmarks, some of them are to private companies. These are sole-sourced contracts, single-source contracts, no-bid contracts to private companies and to universities. We have no opportunity to see what they are about. None. We just got the list 24 hours ago. We don't have the opportunity to challenge those.

The Wall Street Journal, New York Times, Washington Post, many media outlets over the past couple of weeks have raised issues about these defense contracts, the ones that went through the House and the Senate, whether or not they are appropriate, whether they are linked to campaign contributions coming back, a whole host of questions are raised; yet we have no ability here, because the rules are waived, and we can't even challenge these.

And then when you see an earmark for golf in the Defense bill, you have to say, you know, did they intend on hiding this? Would that withstand the scrutiny when it comes to the floor? We have the Woodstock earmark over in the Senate, the hippie museum that didn't withstand the scrutiny. We had one over here on this side this year that didn't withstand the scrutiny. I raised a couple of earmarks, one of which the sponsor came to the floor before I could get here to withdraw his own earmark. In another case, the majority party Appropriations Committee went to the Rules Committee and said remove these earmarks because there is questions about them. That is just on a few earmarks we were able to challenge.

So there may well be those questions here, as well. Or, you have to wonder if this Caddyshack earmark would have made it through the scrutiny that would have come had we been able to challenge it in the House. Or would enough Members say, you know, maybe we shouldn't be funding golf in the Defense bill.

Is it any wonder that an earmark for golf is hidden in the Defense bill? That is what we have to ask.

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

Ms. SLAUGHTER. Mr. Speaker, let me say that this conference report is the standard conference report, the standard rule, and passed the Rules Committee 13–0. There were no dissenting votes from the Republicans at all about this rule. The report has been available since Tuesday. It meets all requirements for layover.

I am going to urge my colleagues to vote ''yes'' to consider the rule.

I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

The question is, Will the House now consider the resolution?

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 220, nays 191, not voting 21, as follows:

[Roll No. 1061]

YEAS—220

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd (FL)
Brady (PA)
Brown (SC)
Brown, Corrine
Butterfield
Capps
Cardoza
Carnahan
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Ellison
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell

Mollohan
Moore (KS)
Moore (WI)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Thompson (CA)
Thompson (MS)
Tiahrt
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NAYS—191

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Donnelly
Doolittle
Drake
Dreier
Duncan
Ehlers
Ellsworth
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Taylor
Terry
Thornberry
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf

NOT VOTING—21

Boren
Boyda (KS)
Braley (IA)
Buyer
Cantor
Capuano
Carson
Cubin
Giffords
Hunter
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
Miller (FL)
Moran (VA)
Oberstar
Rothman
Tauscher
Waxman

□ 1203

Messrs. KIRK, HOEKSTRA, BRADY of Texas, BILIRAKIS, FRELINGHUYSEN, BACHUS, WHITFIELD and GILCHREST changed their vote from ''yea'' to ''nay.''

Mr. BRADY of Pennsylvania and Mr. BROWN of South Carolina changed their vote from ''nay'' to ''yea.''

So the question of consideration was decided in the affirmative.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The gentlewoman from New York is recognized for 1 hour.

Ms. SLAUGHTER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. LINCOLN DIAZ-BALART). All time yielded during consideration of the rule is for debate only, and I yield myself such time as I may consume.

GENERAL LEAVE

Ms. SLAUGHTER. I ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks on H. Res. 806.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. SLAUGHTER. Mr. Speaker, H. Res. 806 provides for consideration of the conference report for H.R. 3222, the Department of Defense Appropriations Act, 2008.

Mr. Speaker, this is one of the important parts that I hope will answer some questions here. The rule is the standard conference report rule which waives all points of order against the conference report and against its consideration and provides that the conference report shall be considered as read.

However, I want to point out that although the rule waives all points of order, the conference report does not violate either House Resolution 491 or clause 9 or 10 of rule XXI which require earmarks to be disclosed in the conference report and requiring conference reports to be in compliance with the PAYGO rule.

Mr. Speaker, this morning I visited the family of a critically injured soldier at Bethesda Naval Medical Center, and I was reminded once again of a sign that stood outside a VA hospital in my former district, a sign that read, ''The price of liberty is visible here.''

This Monday, we will pay tribute to our brave men and women in uniform and remember that they truly are our country's greatest heroes. We must, therefore, do all we can to make certain that they receive the care and benefits that they have earned and the respect and recognition they deserve, not just today, but every single day.

I am proud to bring to the floor the 2008 Department of Defense Appropriations legislation and a continuing resolution, the product of many months of hard work.

In that spirit, Mr. Speaker, this legislation is a smart and compassionate way to strengthen America's security and provide what is necessary for our troops.

We do so by investing in the safety and protection of our service men and women both at home and abroad, while providing them with the tools that are necessary to defend our country. This bill also invests in quality health care for military personnel and works to expand our Armed Forces to meet ever-changing threats to our national security.

The bill also determines how we as a Nation will spend our considerable resources, both at home and abroad, in order to best protect our fellow Americans, our shared values, and our common interests.

This agreement between the House and Senate prioritizes the preparation and safety of our Nation's men and women in uniform and, thus, honors our commitment to our military. It is a definitive statement that we will properly equip our troops before they deploy, provide them with support as they serve in harm's way, and ensure their dignified treatment upon their return.

To accomplish that goal, this bill provides $459 billion for the Department of Defense, a $39.7 billion or a 9.5 percent increase from 2007. The money allows us to invest in equipment, in training, and cutting-edge weaponry. Most importantly, however, it restores balance to our ground forces that are badly overstretched by 5 years of war and multiple extended deployments.

Make no mistake, our commitment to our fighting men and women does not end on the battlefield. It is our responsibility to ensure that each one is properly covered upon their return home. And I am proud to say that this bill does exactly that, by adding $70 million to fund programs authorized under the Dignified Treatment of Wounded Warriors Act and providing $23.5 billion for defense health programs, which I must stress, is nearly $1 billion more than the President's request. And it is long overdue. Far too many veterans are left without the treatment that they need or have to wait far too long.

The dual wars in Iraq and Afghanistan have placed an unimaginable strain on our military that will take many years to repair. To help remedy this problem, the conference report helps grow the military, including 7,000 new members of the Army, 5,000 new marines, and 1,300 new Army Guard to begin to help repair this strain.

It also fully funds a 3.5 percent pay increase for all servicemembers, and

while that is not nearly enough when low-level Blackwater contractors make as much money as four-star generals, it is a step forward.

Mr. Speaker, earlier this week, six U.S. soldiers were killed in three separate attacks across Iraq. Those tragic losses brought the number of U.S. soldiers killed to more than 850 this year, making 2007 the deadliest year of the war in Iraq. Let me repeat that. This year, the fifth year of combat in Iraq, is deadlier than any of the years that preceded it.

I would be remiss if I did not mention a New York Times article on a secret Pentagon study that found, and I hope everybody absorbs this, a secret study found that 80 percent of the marines who died of upper-body wounds in Iraq could have survived if they had been deployed with better body armor.

I was so deeply troubled by reports like these that I asked the Department of Defense's inspector general to investigate the Pentagon's procurement of both vehicle and body armor. The first report issued in July was heartbreaking in its tales of a manufacturer that was unable to produce the number of MRAP vehicles that it had committed to in its contract with DOD; ultimately, without doubt, costing some soldiers their very lives.

As we await the second report from the Pentagon on body armor procurement practices, the former CEO of one of those body armor manufacturers, David Brooks, was indicted on multiple counts of fraud by the United States Attorneys in eastern New York. He is accused of having enriched himself to the tune of over $180 million at the expense of the safety of our Armed Forces. I await the report from the inspector general on how that contract was given. It is unconscionable.

I am relieved to say in light of these findings, the conference report fittingly directs $11.6 billion to the procurement of MRAP vehicles and increases funding for the body armor and other protective equipment which I hope will be closely monitored by this Congress which is trying so hard to keep up with some oversight that has been missing for over 6 years.

The conference report today also provides all of those deploying, deployed, and returning with the resources that they, their families, and our veterans need to sustain them through a time of war. But all of the body armor in the world, all of the MRAPs, cannot stop the violence in Iraq and prevent the casualties and deaths of our young men and women facing combat in Iraq.

It is my fervent hope and desire that we can bring our troops home before next year becomes the deadliest year in this tragic war.

As we face troubles abroad, Mr. Speaker, we here at home are constantly reminded of the toll that the war in Iraq is taking on our national security. The dire shortage of National Guard equipment was underscored these past few weeks as America watched with horror the wildfires devastating Southern California.

The San Francisco Chronicle reported in May that only half of California's National Guard equipment was available because much of it, almost a billion dollars' worth, had been left in Iraq.

In my home State of New York, the National Guard is operating with 40 percent of its equipment and only 35 percent of its trucks and authorized vehicles. Simply put, we cannot afford to continue shortchanging our domestic priorities.

To help put our priorities and Nation back in order, Mr. Speaker, today we will provide $500 million to respond to the California wildfires, along with allocating $2.9 billion to FEMA for continued disaster relief efforts and $3 billion for the ''Road Home'' program to assist people who are still searching for homes damaged by Hurricanes Katrina and Rita.

Additionally, we add $980 million for the National Guard and Reserve to replenish their equipment which has become so strained due to our conflicts abroad.

Mr. Speaker, let us honor the service of our troops, their families, and America's veterans by passing this conference report and fulfilling our commitment to those who sacrifice so much.

I hope my colleagues will use the upcoming Veterans Day to reflect on what kind of an America they wish to create for future generations. And it is my hope that we in Congress take the question very seriously in the coming months and years ahead.

I have faith in this body, just as I have faith in this Nation, that we will possess the wisdom to do what is right and the courage to right what is wrong. The future of our national security depends on it.

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

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I thank the gentlewoman from New York (Ms. SLAUGHTER) for yielding me this time, and I yield myself such time as I may consume.

I believe the distinguished chairman of the Rules Committee stated that this rule was passed by a 13–0 vote. I was not able to be present at that rules meeting, and neither was Mr. DREIER. I believe Ms. SUTTON was not either.

□ 1215

So it would not have been a 13–0 vote. That could not have been possible.

Mr. Speaker, since the terrorist attacks of September 11, 2001, our Armed Forces have been deployed in two major theaters of operation. Too many of our noble servicemembers have given what Abraham Lincoln called the last full measure of devotion to the Nation. Many more of these brave men and women bear the physical and mental scars of battle which will last their lifetimes.

As a Congress, we must continue to work to ensure that our military has all the equipment and training necessary to successfully and safely complete their missions.

I commend the members of the conference committee for working in a bipartisan manner to meet the needs of our military and veterans in the conference report on the Defense appropriations bill for fiscal year 2008. The $459 billion in the bill will provide the necessary resources to our Armed Forces and continue the investments that we have made to make certain that the American military is the finest in the world.

The conference report provides $23.5 billion, over $2.2 billion above the fiscal 2007 level, for Defense health programs. The bill improves the Pentagon's electronic medical records and enables better coordination between DOD and the VA. It also enhances preventative medicine programs and increases investments in medical research. I'd like to highlight that $138 million has been allocated for breast cancer research and $80 million for prostate cancer research.

To support our soldiers' families, the bill provides $2.6 billion for family advocacy and other programs to support families affected by the rigors of war.

The conference report also gives all of our military personnel a much deserved pay raise, as was mentioned by the distinguished chairman, 3.5 percent, and fully funds the efforts to increase our Armed Forces, including equipping and training costs for 7,000 new members of the Army and 5,000 new marines.

The bill also protects our soldiers in combat by providing $11.6 billion for Mine Resistant Ambush Protected vehicles and increases funding for body armor and other protective equipment.

Mr. Speaker, unfortunately, the majority has yet to send the President any appropriations bill this year to sign into law. This is the longest Congress has taken to finish even one appropriation bill in over 20 years. Because the majority has failed to complete its work on these important appropriations bills, funding for the Federal Government is set to expire on November 16. This conference report will extend the current continuing resolution through December 14 so that the government can continue to remain open.

The CR, the continuing resolution, also provides $6.4 billion in emergency spending, including $2.9 billion for FEMA's disaster relief fund, $500 million for fighting wildfires, and $3 billion for the gulf coast Road Home hurricane rebuilding program. It also increases funding to prepare for the 2010 census, as well as another $2.9 billion to bring VA funding up to the President's fiscal year 2008 request.

Obviously, I support this important piece of legislation that the rule brings to the floor today, but I think that it

falls short on one major issue, providing a bridge fund for our troops in theater.

Without a bridge fund, the Department of Defense will be forced to make some very difficult decisions: Will they cut funding for the troops in theater to carry out the worthwhile projects and funding increases in this bill, or will they send funding to troops and put major projects in this bill on hold? The Department of Defense should not have to make such decisions, Mr. Speaker. This conference report should fund both the important projects in the bill and provide our troops in the theater with funding.

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

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from South Carolina, the majority whip, Mr. CLYBURN.

Mr. CLYBURN. Let me thank Congresswoman SLAUGHTER for yielding me this time.

Mr. Speaker, I wanted to come to the floor today to speak about an issue that seems to have occupied the time of some of my colleagues this morning and that led to a particular story in one of the publications here on the Hill this morning.

It has a headline that is about one of the earmarks in this bill, and let me point to it. It very clearly states, I think it's on page 78, that a $3 million request is being made for the First Tee program. It's found on page 78.

Now, in accordance with the rules of the House, this request was made by me and my name is attached to it because I'm very, very proud of it.

What I'm not proud of, however, is the headline that has been published this morning saying that a ''South Carolina Golf Center Nabs a $3 Million Earmark.'' That is utterly untrue.

This $3 million request is so that we can put on military bases the program called First Tee. This program will be there for the children of the men and women, many of whom find themselves in harm's way, so their children that they leave back here on military bases all over this country, some on military bases in foreign countries, their children will have the opportunity to participate in a nationwide character-building program which happens to use as one of its core components the game of golf, a game that has been made very, very popular by a young man of color, who has made this a sport that young, low-income children and children of color have finally become enamored of.

I just want to make sure that these children who live on these military bases will have the same access to this program that they have to softball, to swimming pools, to basketball that we fund in the appropriations bills every year. We put these programs on these military installations, and we say, softball, swimming, basketball, reserved for you all.

So I just want to say that I cannot prevent headline writers. I used to be in this business. I was in the newspaper business, and I know why we write headlines.

Not one dime of this request will go to any civilian facility in South Carolina or anywhere else in the United States of America. Every single dime of this is to be spent on defense facilities to the benefit of those children whose mothers and fathers are off defending our way of life, so that their children can have the same kind of opportunities that our children have.

And I find it a little bit insulting that we say we are going to reserve this kind of activity for the elite and not make it available to the children of the men and women who are preserving our way of life.

There's something about this. We know who is fighting this war. Rural, low-income families are carrying the burden of this war, and I think we've got a responsibility here to say to their children, we're going to treat you the same way we treat the kids downtown. And the kids in downtown, in Sumter, in my hometown, if they can have a First Tee program, I want those kids at Shaw Air Force Base 10 miles away to have that same kind of program. I want those kids at Charleston Air Force Base, while their families are off, that's where they're all leaving from, that base, to go off to fight in Afghanistan and Iraq. They're leaving their children there. I want their children to have the same opportunities on that base as kids have downtown Charleston.

And for us to single this out and write a headline like this, not one dime goes to this center, and they know it.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, it is my privilege to yield 4 minutes to the distinguished gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. I thank the gentleman for yielding, and I rise in support of the rule and this conference report.

I want to commend Chairman MURTHA and Ranking Member YOUNG for the great work they do together each and every year on behalf of our young soldiers and their families, and the great staff that works in a nonpartisan manner for all of those soldiers and families.

The challenge laid before our subcommittee every year, and this year is no exception, is to strike the appropriate balance between present and future needs.

Clearly, we must provide the necessary funding to support our courageous young warfighters, troops in and out of the current fight, and their families and do it as soon as possible.

In this regard, I'm pleased, as others have mentioned, that we fully fund a pay raise for our troops. We also provide an additional $2.5 billion for family support activities, more counselors, teachers, day care providers, better housing.

This bill also contains significant increases in many Defense health accounts and provides funding to improve military mental health and post-traumatic stress syndrome programs.

It includes new efforts on preventative medicine in the Department of Defense and extra medical research. It contains $1.9 billion to erase the shortfall in the military's TRICARE medical program. It fully funds flying hours and home training.

But, Mr. Speaker, our committee has also applied its best judgment as to how we look to the future and how our Nation will confront adversaries in future conflicts.

This bill provides, as others have said, nearly a billion new dollars to upgrade the equipment of our National Guard and Reserves for both military and home State civil operations.

This bill fully funds the end strength increases for the Army and the Marines.

It moves the F–22 Raptor program forward and retains important language that bars its foreign sale.

The bill advances the Joint Strike Fighter program and directs production of a second engine.

Mr. Chairman, if I'd written this bill, I might have written some sections differently. For example, I wonder if we've gotten it right with respect to the future combat systems, the Army's signature modernization program. That's the Army's future, and we need greater investments in that area.

And lastly, Mr. Speaker, I join with many others in being very concerned that this conference report does not include a bridge fund to support our deployed warfighters. I understand that the House may bring a freestanding bridge fund to the floor next week.

However, I believe it's a mistake to attempt to pass a downsized, standalone bridge fund wrapped in so much red tape and conditionality so as to force the President to veto. While this may serve some ends, it slows the process of getting needed support for those who are literally on the front lines in Iraq and Afghanistan.

But all in all, this is an excellent package, worthy of our support. Again, I congratulate Chairman MURTHA and Mr. YOUNG for all they do each and every year, and I support the rule and I support the conference report.

□ 1230

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. MEEK).

Mr. MEEK of Florida. Madam Chairman, I want to thank you for allowing me to have 3 minutes.

Mr. Speaker, I am in support of the rule, and I encourage all of the Members to do so. As a sitting 5-year member on the Armed Services Committee, having an opportunity to look not only over this bill but being a part of the voting for Defense bills or Defense appropriations bills in the past, I am proud of it.

We have the responsibility here in Congress not only to make sure they

have up-armor, bullets, what have you, meals, the things they need in the field, but we also have to make sure that their families are okay too. I asked for a couple of minutes because I couldn't help but witness the passion that the whip had when he came to the floor about making sure that military families have the same opportunities as those who are not in the military.

I think it's important for us to realize, Members, that there are some individuals that are privileged, there are some people that have the opportunity to be with their sons and daughters, but we also have people who are in harm's way. In a time of war, we have to make sure that life doesn't stop for those families that are left behind.

I just want to add, so that we start looking at this issue, not to make it a debate, because it was debated earlier today, but this bill is doing some of the great things as it relates to the MRAP vehicles we have in Iraq. I was just in Fallujah a couple of months ago. It was my third trip to Iraq. I am proud to see some of the work that is starting to take place there as it relates to the equipment getting to the men and women. But I can say that this issue of making sure that families have what they need when we have men and women in harm's way is not a new issue.

I can tell you a former Member of the House, Mr. DeLay, had a $1 million FY03 Labor-HHS appropriations to the First Tee program, and these are for civilians. The program also received $2 million in FY04 Labor-HHS appropriations bill, and $1 million in the State-Justice appropriations bill. I think it's important that Members realize that when we look at these military families, they have to have the same kind of attention and appreciation that we give our men and women in harm's way.

I have my son here on the floor with me today; he is out of school. As Members know, we play golf together. But, guess what? I am here to play golf with him. The First Tee program has instructors to be able to work with young people when their mothers or their fathers are not there to play that role. So let's make sure that we do the right thing.

Madam Chairman, I want to thank you for bringing the rule to the floor. I want to thank those who are in support of the rule, but I think it's very, very important that I expect to vote in an affirmative for the rule, to make sure that we do for military families what we do for men and women in harm's way.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I yield 6 minutes to my friend, the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. I thank my friend from Florida for yielding.

Mr. Speaker, this is a good bill. I support the bill. As Mr. FRELINGHUYSEN stated, if I had been writing it line for line, it wouldn't be quite the way it is, but it is a good bill and worthy of our support.

I support the rule also. I hope that it can be amended to make it even better, and here is why. This is the Defense appropriations bill. It will be acted on today, it will be acted on perhaps tomorrow by the Senate and on the President's desk. There is another bill that very much needs to be on the President's desk by Veterans Day, which is November 11. I suppose we will be celebrating it on Monday, November 12, this year because we don't have the Federal holidays on Sunday. That's the bill making appropriations for Military Construction and Veterans Affairs. That bill is ready to go and also ready to be sent to the President of the United States.

The House passed its version of the MilCon-VA bill on June 15 of this year by a vote of 409–2. The Senate passed its version of MilCon-VA on September 6, over 2 months ago, by a vote of 92–1 in favor of the bill. For over 2 months, we have stood ready to conference this bill to send it on to the President and send vital funds for infrastructure, for our troops and for their families, and also for our heroes who have served in the past.

As we all know, this is the latest the Congress has gone without sending a single appropriation bill to the President in the past 20 years.

Now, what this amendment that the gentleman from Florida will do, if he is allowed to offer the amendment, is simply to instruct the Speaker to appoint conferees immediately for the MilCon-VA bill. It will do nothing to the Defense bill whatsoever, but it is a way for us to proceed immediately on legislation, which all of our veterans service organizations say is important, which is a good bill, and which should be sent to the President by Veterans Day.

I will be joining Mr. DIAZ-BALART and others in voting against the previous question, not because there is anything wrong with the Defense bill, but in order for this amendment to be added and simply allow MilCon-VA to proceed also.

Now, as we say sometimes in the rural south, there is more than one way to skin a cat. If Members feel that defeating the previous question is not what they want to do and requiring the Speaker to appoint conferees immediately, there is another way to move the MilCon-VA immediately and have it sent to the Senate this very day, and that is some legislation which I introduced last night. It's H.R. 4104, and here is what it does. It contains the exact language that was signed by the conferees with regard to MilCon-VA. It is a stand-alone bill with the conference language on MilCon-VA, and it could be adopted this afternoon by unanimous consent. It could be adopted under a suspension of the rules, sent to the Senate immediately, and sent on to the President for his signature before Veterans Day.

What a way to honor our veterans. What a way to honor and pay tribute to the families that will benefit from the MilCon projects and to the troops that need that vital infrastructure.

Defeating the previous question and amending the resolution, I support. But if Members feel they cannot go along with that, I urge them to look at this bill, H.R. 4104. We already have over 100 cosponsors. As I say, it is identical to the bipartisan MilCon-VA conference agreement that Mr. EDWARDS and Mr. OBEY and I and Mr. LEWIS worked out as a conference agreement with Members of the Senate. It is the exact language that was passed as an attachment to the Labor-HHS bill.

You know, this should not be a partisan issue. I strongly disagreed on the floor of this House with my friend Mr. OBEY and the leadership of this House with the strategy of linking MilCon-VA with the Labor-HHS appropriation bill. I stated that I thought it would slow things down, and, indeed, it did slow things down. The strategy didn't work. The Senate delinked those two bills yesterday afternoon, and now we are really not sure where we are.

H.R. 4101 is the best way and the quickest way for this House and for the Senate to simply send that legislation on to the President. He could be signing it tomorrow afternoon.

So I call on my colleagues to vote ''no'' on the previous question. I like Mr. DIAZ-BALART's strategy. Frankly, I like my strategy a little better because it's cleaner. Let's pass a stand-alone MilCon-VA conference report, the exact language that every one of us has already agreed to, send it on to the President and honor our troops by Veterans Day.

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

Mr. KUCINICH. Mr. Speaker, I would submit for the RECORD an article from Congressional Quarterly Today, dated October 23, 2007, and a copy of page 289 from this bill.

[From CQ Today, Oct. 23, 2007]

ITEM IN WAR REQUEST STOKES FEARS OF IRAN STRIKE

(By John M. Donnelly)

Some Democrats are worried that President Bush's funding request to enable B-2 ''stealth'' bombers to carry a new 30,000-pound ''bunker buster'' bomb is a sign of plans for an attack on Iran.

Buried in the $196.4 billion supplemental war spending proposal that Bush submitted to Congress on Oct. 22 is a request for $88 million to modify B-2 bombers so they can drop a Massive Ordnance Penetrator, or MOP, a conventional bomb still in development that is the most powerful weapon designed to destroy targets deep underground.

A White House summary, accompanying the supplemental spending proposal said the request for money to modify B-2s to carry the bombs came in response to ''an urgent operational need from theater commanders.'' The summary provided no further details. The White House and the Air Force, in response to queries, did not provide additional clarification.

Previous statements by the Defense Department and the program's contractors,

along with interviews with military experts, suggest the weapon is meant for the kind of hardened targets found chiefly in Iran, which Bush suspects developing nuclear weapons capability, and North Korea, which already has tested a nuclear device.

Bush has said repeatedly that he prefers to use diplomacy to resolve tensions with Iran over its nuclear program. But his request for funding to deliver the new bunker buster comes amid a sharp escalation of tough White House rhetoric about Iran's nuclear program in recent days.

On Oct. 18, Bush said a nuclear armed Iran could lead to ''World War III.'' Three days later, Vice President Dick Cheney warned of ''serious consequences'' if Tehran continued to enrich uranium.

Against that backdrop, the proposed funding for bunker busters has some in Congress worried.

James P. Moran, D-Va., a senior member of the House Appropriations Defense Subcommittee, said he did not believe the MOP could be used in Iraq or Afghanistan and cited Iran as the potential target for the bomb. He said he would oppose the funding.

''That's a clear red flag,'' Moran said.

Jim McDermott, D-Wash., an outspoken critic of Bush's war policies, said the funding request was the latest of many signs that indicated Bush was contemplating an attack on Iran. McDermott said such a scenario was his ''biggest fear between now and the election.''

''We are not authorizing Bush to use a 30,000-pound bunker buster,'' he said. ''They've been banging the drums the same way as they did in 2002 with Iraq.''

STEALTH DELIVERY

The Boeing Co., in conjunction with Elgin Air Force Base in Florida, has been developing the Massive Ordnance Penetrator for several years and first tested the bomb in March. The 15-ton bomb would be dropped by B–52 or B–2 bombers.

In June, the Northrop Grumman Corp., maker of the B–2, won a $2.5 million contract from the Air Force to retrofit the batwinged, stealth bombers so they could drop the new weapon. The new funding, if approved, would significantly expand that initiative.

The B–2 made its battlefield debut during the Kosovo War in 1999. It is optimal for use against sophisticated enemy air defenses because its radar-evading surface is difficult to detect.

In interviews Tuesday, military experts said the new weapon was not designed for the kind of counterinsurgency campaign being conducted by U.S. forces in Iraq and Afghanistan. They said the MOP could prove useful against other targets, notably underground Iranian facilities that are said to be producing nuclear weapons materials.

''A weapon like this is designed to deal with extremely hard and buried targets such as you would find in Iran or North Korea,'' said Loren Thompson, a defense analyst with the conservative military think tank, the Lexington Institute, who is also a consultant for some defense contractors.

''Clearly, in the case of North Korea, the likelihood of military action is receding as the Pyongyang government becomes more tractable,'' said Thompson, referring to recent progress in diplomatic efforts to persuade North Korea to dismantle its nuclear programs.

John Pike, an expert on defense and intelligence policy with Globalsecurity.org, said the MOP could be used against Iran's main uranium enrichment facility at Natanz.

''It'll go through it like a hot knife through butter,'' Pike said. He noted that the B–2 would be the best aircraft to deliver the bomb ''if you want it to be a surprise party.''

It is not clear how quickly the new weapon could be ready for delivery by a B–2 if the $88 million were enacted. A spokesman for Northrop Grumman declined to provide a time frame.

Not all Democratic lawmakers oppose the weapon. Non-nuclear bunker busters have emerged in recent years as favorites of Democrats concerned about Bush administration's earlier plans to conduct research on nuclear models.

''We need to have this as a conventional weapon,'' said Norm Dicks, D-Wash., a member of the House Defense Appropriations Subcommittee. ''It adds to our deterrent.''

	R–1	Budget Request	House	Senate	Conference
68	SPECIALIZED UNDERGRADUATE FLIGHT TRAINING	12,622	12,622	15,622	15,022
	AT–68 for the Air National Guard			3,000	2,400
70	B–2 ADVANCED TECHNOLOGY BOMBER	244,019	289,219	292,019	297,819
	AF Requested transfer for Radar Modernization Program		38,000	38,000	38,000
	Small Diameter Bomb		7,200		5,800
	Massive Ordnance Penetrator for B–2			10,000	10,000
71	PERSONNEL RECOVERY SYSTEMS	290,059	190,059	98,059	105,000
	Contract award delay		−100,000	−192,000	−86,059
	Transfer to Line 57, Aircraft Procurement, Air Force, only for H–60 upgrades				−99,000
72	ELECTRONIC WARFARE DEVELOPMENT	101,649	103,149	103,649	103,249
	Rapid Replacement of Mission Critical Logistics Electronic Components		1,500	2,000	1,600
76	COUNTERSPACE SYSTEMS	53,412	53,412	65,412	64,412
	Space Control Test Capabilities			5,000	4,000
	RAIDRS Block 20 (Air Force unfunded requirement)			7,000	7,000
77	SPACE SITUATION AWARENESS SYSTEMS	187,804	197,604	187,804	197,604
	Space Fence		9,800		9,800
79	SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD	587,004	614,604	587,004	587,004
	MCSB Upgrade		27,600		0
80	ALTERNATIVE INFRARED SPACE SYSTEM (AIRSS)	230,887	75,887	75,000	75,887
	Program Growth		−155,000	−155,887	−155,000
82	ARMAMENT/ORDNANCE DEVELOPMENT	1,985	3,485	1,985	3,185
	1–1000 Warhead Technology Demonstration		1,500		1,200
84	AGILE COMBAT SUPPORT	10,623	12,623	10,623	12,223
	Improvised Ordnance Detonator-Advanced Development		2,000		1,600
86	LIFE SUPPORT SYSTEMS	12,649	13,649	12,649	13,649
	ACES II Ejection Seat Improvement		1,000		1,000
88	INTEGRATED COMMAND & CONTROL APPLICATIONS (IC2A)	189	13,189	8,189	17,589
	Program Engineering Interoperability Framework		2,000		1,600
	Enterprise Services for Reach Back Capabilities (ESRBC)		3,000		3,000
	MEDSTARS Integration with Global Combat Support System		2,000		1,600
	Airborne Web Services (AWS) Spiral 5		1,000		800
	Distributed Mission Interoperability Toolkit (DMIT)		5,000		4,000
	ASSET eWing and Data Fusion Technology Integration Base			5,000	4,000
	Global Awareness Presentation Services (GAPS)			3,000	2,400
89	INTELLIGENCE EQUIPMENT	1,469	1,469	5,969	5,069
	Electronic Warfare Modeling, Simulation and Wireless Testing Center			4,500	3,600

I have made known in the course of hundreds of speeches the last few years my opposition to the war in Iraq, so I don't need to elaborate on that. I have a bill in H.R. 1234 that would bring our troops home and set in motion an international peacekeeping and security plan that would enable that to move in as our troops leave. I believe the best way to support the troops is to bring them home.

But I rise today to inject a note of caution into these proceedings about an item in this appropriation which could have enormous consequences for United States policy with respect to Iran.

It has been well reported that there is a provision in this bill that will enable the modification of B–2 Stealth bombers so that they can drop what is called a bunker buster or massive ordnance penetrators, as they are called, that would go to destroy deep underground targets. Every defense analyst who has been interviewed about this item has suggested that there is one reason and one reason only why this request was expedited by the administration, and that is to retrofit these B–2 bombers so they will be able to drop 30,000-pound bombs on Iran.

Now, I know there are Members of this House who would, perhaps, support a strike against Iran. I don't. I think diplomacy is the preferred path here.

But I think that if we are looking at this item that is number 70 on page 289, we cannot approve of this without thinking of the consequences of the administration's approach. Because if you drop 30,000-pound bombs, bunker busters, on nuclear research labs, this is, in effect, creating a humanitarian and ecological disaster. There is just no way to avoid it, because you are

talking about the release of radiation that's inevitable from dropping such a bomb.

Now, some could say, well, that's the idea. It cannot be the idea. We are talking about a war crime in motion here. This would have the effect of, perhaps, Chernobyl, which released radiation and ruined, poisoned land in Russia. It would have human health effects that would be catastrophic.

We have got to think about the implications of this particular item. I think it's really important that Congress reflect on it. That's why I oppose the bill.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I will be asking for a ''no'' vote on the previous question, so that we can amend this rule and move toward passing a conference report on the bipartisan Military Construction-Veterans Affairs Appropriations Act.

As Mr. WICKER explained just a few minutes ago, the House passed the veterans and military funding bill on June 15 by a vote of 409–2, with the Senate following suit and naming conferees on September 6. Unfortunately, the majority leadership in the House has refused to move the Military Construction-Veterans Affairs appropriations bill. They have even refused to name conferees.

Why has the majority decided to hold off on moving this bill that has such a bipartisan support? Well, according to several publications, including Roll Call, the majority intends to hold off sending appropriations bills to the President so that they can use an upcoming anticipated veto of the Labor-HHS appropriations bill to serve as, and I quote, an extension of their successful public relations campaign on the SCHIP program.

Unfortunately, that evidently political move failed yesterday when the Senate removed the Military Construction and Veterans Affairs Appropriations Act from the Labor-HHS bill.

□ 1245

Recently, Republican Leader BOEHNER took a step toward naming House Republican conferees. Now the Speaker of the House must follow suit and take the steps necessary to ensure that work can begin on writing the final veterans funding bill that can be enacted into law.

Every day that the majority chooses not to act on this bill, our Nation's veterans lose $18.5 million. Our veterans, Mr. Speaker, deserve better than partisan gamesmanship holding their funding back.

I urge my colleagues to move this important legislation, to allow it to move, and oppose the previous question.

Mr. Speaker, at this time I ask unanimous consent to insert the text of the amendment and extraneous materials immediately prior to the vote on the previous question.

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

There was no objection.

Mr. LINCOLN DIAZ-BALART of Florida. I yield back the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I urge a ''yes'' vote on the previous question and on the rule, and I yield back the balance of my time and move the previous question on the resolution.

The material previously referred to by Mr. LINCOLN DIAZ-BALART of Florida is as follows:

AMENDMENT TO H. RES. 806 OFFERED BY MR. LINCOLN DIAZ-BALART OF FLORIDA

At the end of the resolution, add the following:

SEC. 2. The House disagrees to the Senate amendment to the bill, H.R. 2642, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, and agrees to the conference requested by the Senate thereon. The Speaker shall appoint conferees immediately, but may declare a recess under clause 12(a) of rule I for the purpose of consulting the Minority Leader prior to such appointment. The motion to instruct conferees otherwise in order pending the appointment of conferees instead shall be in order only at a time designated by the Speaker in the legislative schedule within two additional legislative days after adoption of this resolution.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

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

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

Because the vote today may look bad for the Democratic majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's ''American Congressional Dictionary'': ''If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

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

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

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

Mr. LINCOLN DIAZ-BALART 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 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 217, nays 196, not voting 19, as follows:

[Roll No. 1062]

YEAS—217

Abercrombie	Cooper	Hall (NY)
Ackerman	Costa	Hare
Allen	Costello	Harman
Altmire	Courtney	Hastings (FL)
Andrews	Cramer	Herseth Sandlin
Arcuri	Crowley	Higgins
Baca	Cummings	Hill
Baird	Davis (AL)	Hinchey
Baldwin	Davis (CA)	Hinojosa
Bean	Davis (IL)	Hirono
Becerra	Davis, Lincoln	Hodes
Berkley	DeFazio	Holden
Berman	DeGette	Holt
Berry	Delahunt	Honda
Bishop (GA)	DeLauro	Hooley
Bishop (NY)	Dicks	Hoyer
Blumenauer	Dingell	Inslee
Boswell	Doggett	Israel
Boucher	Doyle	Jackson (IL)
Boyd (FL)	Edwards	Jackson-Lee (TX)
Boyda (KS)	Ellison	Jefferson
Brady (PA)	Emanuel	Johnson (GA)
Brown, Corrine	Engel	Johnson, E. B.
Butterfield	Eshoo	Jones (OH)
Capps	Etheridge	Kagen
Capuano	Farr	Kanjorski
Cardoza	Fattah	Kaptur
Carnahan	Filner	Kennedy
Castor	Frank (MA)	Kildee
Chandler	Gillibrand	Kilpatrick
Clarke	Gonzalez	Kind
Clay	Gordon	Klein (FL)
Cleaver	Green, Al	Kucinich
Clyburn	Green, Gene	Lampson
Cohen	Grijalva	Langevin
Conyers	Gutierrez	

Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NAYS—196

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Donnelly
Doolittle
Drake
Dreier
Duncan
Ehlers
Ellsworth
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—19

Boren
Braley (IA)
Buyer
Carson
Cubin
Cuellar
Giffords
Hunter
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
Miller (FL)
Moran (VA)
Oberstar
Rothman
Wexler
Wilson (NM)

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.

□ 1310

Mr. CARNEY changed his vote from ''yea'' to ''nay.''

Mr. MARKEY changed his vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

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

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

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

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

The vote was taken by electronic device, and there were—ayes 226, noes 184, not voting 22, as follows:

[Roll No. 1063]

AYES—226

Abercrombie
Allen
Altmire
Andrews
Arcuri
Baca
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Castor
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Ellison
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Frelinghuysen
Gillibrand
Gonzalez
Gordon
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Kingston
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sullivan
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Tanner
Tauscher
Taylor
Thompson (CA)
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Tierney
Towns
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Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Whitfield
Wicker
Wilson (OH)
Woolsey
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Wynn
Yarmuth
Young (FL)

NOES—184

Aderholt
Akin
Alexander
Bachmann
Bachus
Baird
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Donnelly
Doolittle
Drake
Dreier
Duncan
Ehlers
Ellsworth
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Gallegly
Garrett (NJ)
Gerlach
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Gingrey
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Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
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Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Weller
Westmoreland
Wilson (SC)
Wolf
Young (AK)

NOT VOTING—22

Ackerman	Green, Al	Miller (FL)
Boren	Hunter	Murphy (CT)
Braley (IA)	Jindal	Oberstar
Buyer	LaHood	Rothman
Carson	Lantos	Simpson
Chandler	Levin	Wexler
Cubin	Lungren, Daniel E.	Wilson (NM)
Giffords		

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining on this vote.

□ 1317

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. AL GREEN of Texas. Mr. Speaker, today I was unavoidably delayed and missed the vote on H. Res. 806, the Rule providing for consideration of the conference report to accompany H.R. 3222, making appropriations for the Department of Defense for fiscal year ending September 30, 2008, and for other purposes (rollcall 1063). Had I been present I would have voted ''aye'' on rollcall 1063.

PERSONAL EXPLANATION

Mrs. WILSON of New Mexico. Mr. Speaker, on rollcall Nos. 1062 and 1063, I was unavoidably detained. Had I been present, I would have voted ''no'' on both votes.

Mr. MURTHA. Mr. Speaker, pursuant to House Resolution 806, I call up the conference report on the bill (H.R. 3222) making appropriations for the Department of Defense for the fiscal year ending September 30, 2008, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 806, the conference report is considered read.

(For conference report and statement, see proceedings of the House of November 6, 2007, at page H12814.)

The SPEAKER pro tempore. The gentleman from Pennsylvania (Mr. MURTHA) and the gentleman from Florida (Mr. YOUNG) each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania.

GENERAL LEAVE

Mr. MURTHA. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include tabular and extraneous material on the conference report to accompany H.R. 3222.

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

There was no objection.

Mr. MURTHA. Mr. Speaker, this bill provides for a 3.5 percent pay raise for military personnel. It rejects the President's proposed increase in TRICARE copays and funds TRICARE by $1.9 billion, appropriates $2.6 billion to provide our military families with the immediate need for more counselors, teachers and child care providers. It also looks to the future.

The bill provides $938 billion above the President's request for advance construction funding for additional ships, provides an additional $980 million to purchase essential National Guard and Reserve equipment. We're looking beyond Iraq, trying to take care of any threat that may threaten this country in the future.

CONFERENCE AGREEMENT TOTALS AND OVERVIEW

The President requested $463.1 billion in total FY 2008 new budget authority for the Department of Defense and intelligence community programs that fall under the purview of the Defense Subcommittee. This is an increase of $43.3 billion over last year's enacted level—a 10.3 percent increase in nominal terms. The lion's share of the increase over FY 2007 (some 80 percent) was allocated to operation and maintenance and procurement programs.

The conference agreement meets the budget authority allocation of $459.6 billion for FY 2008. This figure is a little more than $3.5 billion below the President's budget request. Nonetheless, the conference agreement provides an increase for Defense of $39.7 billion over the FY 2007 enacted level, or about 9.5 percent in nominal growth.

The House bill shifted funding for certain programs between the FY 2008 base budget bill and the FY 2008 war supplemental in order to meet the budget authority allocation. However, because consideration of the FY 2008 supplemental has been delayed, some items deferred in the House bill have been restored to the base bill in the conference agreement to prevent production gaps and other consequences that might arise if funding were delayed until next May. This largely affected appropriations for the Department's operation and maintenance activities and ammunition procurement accounts. The House bill recommended an overall reduction to the operation and maintenance accounts of some $5.7 billion below the request. The conference agreement includes a total reduction of $2.8 billion. Nonetheless, the conference agreement fully funds home-station training, equipment maintenance, and other key military readiness programs covered in these accounts.

Meeting the allocation also required deferring consideration of several high profile programs until the FY 2008 war supplemental is taken up. These include:

The Air Force Reserve Basic Allowance for Housing shortfall

War-Related Special Pays—Hostile Fire Pay, Hardship Duty Pay, Foreign Language Proficiency Pay.

The ground forces' strategic reserve readiness and equipment rehabilitation.

Funding for additional Stryker vehicles ($1.1 billion).

The purchase of at least 10 C–17 cargo aircraft ($2.9 billion).

The purchase of additional Black Hawk MEDEVAC helicopters.

The Department's Global Train and Equip program.

HIGHLIGHTS

The conference agreement achieves a balance between preparing units for near-term deployments, supporting our military members and their families, and modernizing our forces to meet future threats. Highlights of the agreement are:

Supporting Our Troops and Their Families: First and foremost, the conference agreement recommends robust funding for programs important to the health, well-being, and readiness of our forces. In addition, the agreement proposes several initiatives that address issues raised by troops, their families, and Department of Defense officials in testimony before the Committee and visits to military bases in the United States and overseas.

The conference agreement includes funding of about $2.2 billion to cover the full cost of a 3.5 percent military pay raise, supported by both the House and Senate version of the Fiscal Year 2008 National Defense Authorization bill.

Under their ''grow-the-force'' initiatives, the Army and Marine Corps propose to add 7,000 and 5,000 new troops, respectively. The personnel costs of these increases are fully covered in the conference agreement, as are the associated equipping and outfitting costs. For the Army the equipping costs for these new troops amount to more than $4 billion; for the Marines the costs exceed $2 billion.

Home-stationing training, optempo, and flying-hour costs are funded at robust levels. All told, the conference agreement provides for a 19 percent increase in funding for these activities over last year's level. Home station training dollars increase by 32 percent and 45 percent for Army and Marine Corps respectively.

The military services' force structure and basing infrastructure are in a state of transition. The Army, in particular, has been forced to manage significant changes in force structure (known as Army Modularity), base closures, and a global repositioning of forces, all while meeting the demands of war. Based on detailed information provided by the Army, the conference agreement includes a House initiative to assist the service in meeting this challenge. The conference agreement adds $615.7 million to the Army's facilities sustainment and restoration budget request to offset the growing infrastructure costs associated with the global repositioning of its forces. This funding, however, will only partially cover the Army's needs. It will be necessary to address additional infrastructure requirements of approximately $686 million in operation and maintenance costs and over a billion in military construction costs during consideration of the FY 2008 emergency supplemental request.

The conference agreement also includes a House initiative to directly respond to the needs of our military families. Total funding of $2.6 billion is recommended for the military's family advocacy programs, childcare centers, and dependent's education programs. This amount is an increase of $237 million over the Administration's request, with most of the increase allocated to DoD's family advocacy programs. This program provides counseling, education, and support to military families affected by the demands of war and episodes of child or spouse abuse.

The agreement includes several initiatives and additional funding to address health care issues raised over the past year, including improving the Department's electronic medical records and fostering better coordination between DoD and the Department of Veterans Affairs, enhancing preventative medicine programs, and advancing military medical research. Also, the conference agreement fully covers the $1.9 billion shortfall in health funding created by the disapproval of DoD's proposed fee and premium increases.

Preparing for the Future: The conference agreement provides robust funding for weapons systems purchases and research programs designed to meet future threats.

The conference agreement supports full funding, as requested, for the F–22 tactical fighter aircraft procurement programs.

The conference agreement includes increases above the President's request allocated for development programs that address so-called ''asymmetric'' threats from weapons of mass destruction and cruise missiles. Additional funding of $10 million is provided to pursue cruise missile defense, $20 million for chemical and biological defense research programs, $21 million to improve fissile material detection systems, and $50 million for the Former Soviet Union Threat Reduction account to counter weapons proliferation and chemical/biological agents. Finally, the conferees agreed to add $100 million to improve U.S. space situational awareness in light of the Chinese anti-satellite missile test in January of this year.

To support the Army's evolution to a larger, more lethal, and more rapidly deployable force, the conference agreement recommends $3.4 billion for continued development of Future Combat Systems, a cut of slightly more than $200 million, $925 million for additional Stryker vehicles, and full funding for procurement of four Joint Cargo Aircraft.

Testimony before the committee revealed that our National Guard and Reserve forces continue to suffer from equipment shortfalls. To address this need the conference agreement recommends providing an additional $980 million to purchase Guard and Reserve equipment. These additional funds will enhance these forces' ability to meet overseas deployment demands, and respond to natural disasters here at home.

Economic Stability: Fostering economic stability in DoD's weapons modernization programs has been a consistent theme of the Committee. As such, the conference agreement includes a series of recommendations that will help stabilize certain programs by adding funds and/or adjusting procurement or development schedules.

The Navy's shipbuilding program has been beset by planning and resource instability for many years, resulting in ever-increasing costs to the American taxpayer. Clearly, at current production rates and price levels, the Navy will be unable to meet its force structure requirements in the future. The conferees respond by providing advance procurement funding for an additional five ships. To purchase these ships or to initiate planning and construction, the conference agreement provides an additional $938 million above the Navy's request for shipbuilding and sealift.

The success of the Department's Joint Strike Fighter, F–35, program is critical to our nation's ability to field a modern, capable fighter aircraft fleet for decades to come. To maintain stability in this program—and limit the potential for cost increases over time—the conference agreement recommends an increase of $200 million for F–35 production enhancements. These funds are to be used to outfit facilities with the latest in production line equipment and work-flow technology. In addition, the conference agreement recommends adding $480 million to continue development of an alternative engine for this aircraft, thereby ensuring a competitive base for engine production. The conference agreement reduces the JSF budget request by $266 million to account for payments the program will receive in fiscal year 2008 for double billing by the contractor. This reduction does not adversely affect the aircraft production schedule.

Accountability: The Committee's fiduciary responsibility to the American taxpayer requires holding accountable organizations, officials, and programs that have performed poorly. The conference agreement focuses attention on the following issues:

Fiscal discipline: The conference agreement affirms several important House initiatives to improve DoD's fiscal discipline and Congressional oversight. (These are described in an appendix to this memorandum.)

Contracting Out: The conference report also includes recommendations to adequately manage and oversee the growth in and cost-effectiveness of contracting out. (These are described in an appendix to this memo.)

Basic research: The conference agreement includes a 35 percent cap on the amount of overhead charges that can be charged on a basic research grant or contract.

SUMMARY OF RECOMMENDATIONS BY TITLE

Military personnel

The conference agreement provides $105.3 billion for military personnel pay and benefits accounts, a slight decrease of $111 million to the President's FY 2008 request, but an increase of $5.4 billion over the FY 2007 level.

The military personnel pay raise of 3.5 percent is funded at $2.2 billion. This rate is 0.5 percent greater than the President requested. Also, the conference agreement includes $2.4 billion for retention bonuses and recruiting incentives.

The conference agreement increases the Basic Allowance for Housing, BAH, 4.2 percent to $15 billion, which is $1.6 billion over the projected FY 2007 enacted level. This continues to ensure no out-of-pocket expenses for service personnel and supports the privatization of housing units for military families.

Army end-strength is increased by 7,000 in the conference agreement, to a total of 489,400, or $5.7 billion over the FY 2007 enacted budget amount. The conferees increase and fully fund Marine Corps end-strength by 5,000 to a total of 180,000.

The Navy and Air Force, on the other hand, will continue to reduce their manpower levels. Navy plans to cut 12,300 in 2007; Air Force intends to reduce their force by about 5,600. The conference agreement includes a mandated review of Air Force end-strength requirements.

The conference agreement assumes the Special Operations Command will grow to a level of about 54,250 personnel, up about 6,400 over FY 2007 levels. By FY 2013, the Command projects its end-strength to grow to about 59,000.

Operation and maintenance

The conference agreement provides a total of $140.1 billion for operation and maintenance accounts, a decrease of $2.8 billion from the request, but an increase of $12.8 billion or 10 percent over the FY 2007 baseline O&M enacted level.

The conference agreement makes significant reductions to the military services' O&M accounts, particularly the Army and Air Force, for the following reasons:

Unjustified growth over FY 2007 funding levels, beyond amounts necessary to fully fund all training, optempo, and maintenance activities.

Excessive buildups of spare parts inventories.

Excess cash in working capital funds, beyond levels necessary to ensure cash flow.

The conference agreement fully funds a 3 percent civilian pay raise, which is scheduled to take effect January 1, 2008.

Procurement and R&D

Procurement is funded at $98.2 billion, $1.4 billion below the request and the House bill. This is still an increase of 21 percent, the largest percentage increase of all the major accounts in the DoD budget. R&D is funded at a total of $77.3 billion, about $2.1 billion more than requested. Of note, the conference agreement provides funding for shipbuilding that totals $15 billion. This funding allows for the procurement of 5 ships and advance construction funding for an additional 5 ships above the President's request.

Funding of $3.9 billion is provided to fund the purchase of 20 F–22 aircraft, as requested. Additionally, the conference agreement recommends $2.7 billion for the procurement of 12 F–35 Joint Strike Fighter aircraft and $2.0 billion for the procurement of 24 F/A–18E/F aircraft.

The conference agreement includes $99 million for modifications to the Air Force's combat search and rescue platform, the HH–60.

Funding for the Missile Defense Agency decreases to $8.6 billion from last year's level of $9.4 billion.

Defense Health Program

The Defense Health Program is funded at $23.5 billion, an increase of $0.9 billion above the President's request.

Major increases for this activity include: $70 million for the Wounded Warrior Assistance program; $138 million for peer reviewed breast cancer research; $80 million for prostate cancer research; and $10 million for ovarian cancer research.

HIV/AIDS research and prevention programs receive a total increase of $16 million in the conference agreement.

The conference agreement includes $50 million for the Congressionally Directed Medical Research Program.

The conference agreement also includes $379 million to cover the ''efficiency wedge'' shortfall.

Special Operations Command

The conference agreement for the Special Operations Command is $5.5 billion, a slight increase to the President's request. This amount includes $3.3 billion for operation and maintenance, a reduction of $23 million from the President's request based on past obligations data and other reductions provided by the Command.

For procurement, the conferees recommend $1.8 billion, a decrease of $50 million from the request. This reduction includes a decrease of $23 million for equipment and modifications associated with one CV–22; the agreement provides that funding for one of the five mods requested can slip based on the ability of the contractor to outfit the aircraft. The conference agreement also includes a $19 million reduction for C–130 modifications associated with the 30 mm weapons program and problems

assimilating this weapon onto the C–130. Within the funding provided, an increase of $17 million is included for SPEAR body armor and eye protection.

Finally, for R&D the conference agreement includes $450 million, an increase of $5 million above the request. Within this amount, an increase of $5 million is provided for an ongoing Special OpslNavy joint program to improve UAV systems. This initiative is a high priority of the House Armed Services Committee.

NOTABLE GENERAL PROVISIONS

A provision is included allowing the Department of Defense general transfer authority of $3.7 billion. The Department requested transfer authority of $5 billion.

The conference agreement includes a general provision limiting the amount of reimbursable indirect costs on a basic research contract to not more than 35 percent of the total cost of the contract.

A new provision is included permitting a competitive expansion of domestic VIM/VAR steel production capacity.

A provision is retained from previous Defense Appropriations acts which prohibits the sale of F–22 fighters to foreign countries.

A provision is included appropriating $10 million for Fisher Houses.

Funds are provided to the joint U.S.-Israeli Arrow missile defense system in a general provision. Also, funds are added for a study of future Israeli missile defense requirements.

A new provision is included which prohibits the Department from initiating new programs through reprogramming requests, as proposed by the House.

Another new provision proposed by the House is included which establishes a separate ''major force program'' budget and program designation for DoD's space programs. This will improve the Committee's oversight of these activities.

The conference agreement includes two provisions restricting the establishment of permanent bases in Iraq and prohibiting torture as carried in the House bill. These provisions are consistent with existing law.

The conference agreement includes a provision restricting the payment of any award fees to contractors who fail to meet contractual requirements.

SELECTED WEAPONS SYSTEMS COMMITTEE RECOMMENDATIONS FOR FY 2008

[$ Millions]

Program	2008 Request		2008 Conference	
	(Qty)	$$	(Qty)	$$
Army Black Hawk helicopter	(42)	705	(42)	705
Army Apache helicopter	(36)	712	(36)	712
Armed Reconnaissance helicopter	(37)	468	(12)	176
Navy MH–60R (Black Hawk var.)	(27)	998	(27)	998
Navy MH–60S (Black Hawk var.)	(18)	503	(18)	503
Navy F/A–18 E/F fighter a/c	(24)	2,104	(24)	2,089
Navy EA–18G a/c	(18)	1,319	(18)	1,317
Air Force C–17 airlift a/c	.....	261	.....	261
Air Force F–22 fighter a/c	(20)	3,153	(20)	3,153
Air Force C–130J cargo a/c	(9)	686	(9)	686
Navy KC–130J tanker a/c	(4)	258	(4)	254
Joint Strike Fighter (R&D)	.....	3,488	.....	3,910
Joint Strike Fighter (Procurement)	(12)	2,411	(12)	2,411
V-22 airlift a/c	(26)	2,693	(26)	2,670
Air Force Unmanned Aerial Vehicles				
Global Hawk	(5)	514	(5)	514
Predator	(24)	278	(24)	278
Reaper	(4)	58	(4)	58
CVN–21 Aircraft Carrier	(1)	2,848	(1)	2,828
DDG–1000 Destroyer	.....	2,954	.....	2,927
Littoral Combat Ship	(3)	910	(1)	339
LPD–17 amphibious ship	(1)	1,399	(2)	1,392
LPD–17 amphibious ship (AP)	.....	0	.....	50
Virginia Class submarine	(1)	2,499	(1)	3,087
T–AKE auxiliary ship	(1)	456	(1)	456
T–AKE auxiliary ship (AP)	.....	0	(3)	300

SELECTED WEAPONS SYSTEMS COMMITTEE RECOMMENDATIONS FOR FY 2008—Continued

[$ Millions]

Program	2008 Request		2008 Conference	
	(Qty)	$$	(Qty)	$$
LHA(R) amphibious ship	(1)	1,377	.....	1,375
Army Future Combat System (R&D)	.....	3,563	.....	3,357
Army Stryker armored vehicle	(127)	1,039	(104)	925
Army Joint Cargo Aircraft	(4)	157	(4)	157
Evolved Expendable Launch Vehicle	(5)	1,167	(4)	1,102
Missile warning satellites:				
Space-based Infrared satellite	.....	1,066	.....	985
Alternative Infrared Space System	.....	231	.....	75
Communications satellites:				
Transformational satellite	.....	964	.....	814
Advanced EHF	.....	604	.....	729
Wideband Gapfiller	(1)	345	(1)	345
Global Positioning System:				
GPS III	.....	587	.....	487
GPS Extension	.....	81	.....	35
GPS User Equipment	.....	93	.....	156
Missile Defense:				
Missile Defense Agency	.....	8,796	.....	8,611
Patriot missiles and MEADS	(108)	845	(108)	845
Total		9,641		9,456

APPENDIX

Sections in the committee report regarding fiscal management and contracting out agreed to in the Conference Report.

Fiscal Management

For some time now, the Committee has expressed considerable concern over an erosion of DoD's fiscal discipline. That erosion is reflected primarily in the Department's use of emergency supplemental funding to cover what were once considered to be base budget costs, particularly weapons modernization and force structure costs. The conference agreement begins restoring traditional funding criteria to these respective appropriations matters. Recommendations in the conference agreement focus on non-incremental war costs and preparing for future threats by funding enduring personnel benefits, force structure initiatives (such as Army modularity and ''Grow-the-Force'' programs), infrastructure improvements, home-station training, and weapons modernization programs. Deliberations on the fiscal year 2008 war supplemental, however, will be tailored to funding those programs and incremental costs that are arguably related to the war efforts. Satisfying these criteria requires the shifting of funds between the base bill and supplemental requests.

To ensure that sound budgetary and fiscal procedures are reinvigorated, the conference agreement recommends a general provision (GP 8106) that requires the Department to include all funding for both non-war and war-related activities in the President's fiscal year 2009 annual Defense budget request.

PPBS. For over 40 years, the Department of Defense followed the Planning, Programming and Budgeting System (PPBS) as the process for assessing and prioritizing requirements and allocating resources. The PPBS process established long-range national security planning objectives, analyzed the costs and benefits of alternative programs that would meet those objectives, and translated programs into budget proposals. The improvements that PPBS offered over previous budgeting processes were that: (1) It emphasized objectives, focusing less on changes from the prior-year budget and more on long-term objectives, and (2) it linked planning and budgeting. PPBS instilled a process that clearly defined a procedure for distributing available resources equitably among competing programs.

Beginning in 2003, the PPBS process has been significantly altered, splintering planning into two phases and requiring that the program and budget reviews occur simultaneously. The process changes were ill-conceived and have had significant and lasting adverse implications. Today, sequential steps to plan adequately or refine a plan into budget-level detail do not exist. Further, simultaneous program and budget review eliminated the inherent discipline in the process which forced resource allocation decisions to occur deliberatively, resulting in unnecessary confusion and wasted effort.

Accordingly, the Committee recommends that the Secretary of Defense institute a process for assessing and prioritizing requirements and allocating resources which is supportive of thorough, deliberative program and budget review and more fully utilize the efforts of the dedicated and talented DoD civil servants. The conference agreement includes several directions to address the budget execution process within the Department, as discussed below.

Re-baselining. The conference agreement directs the Department to cease the reallocation of funds through a re-baselining procedure, and further directs the Department to comply fully with the reprogramming procedures contained in the Statement of Managers.

Base for Reprogramming Actions.—In the House report it was noted that the Department was not able to provide in a timely manner the Base for Reprogramming Actions report, or DD form 1414, for the current fiscal year. The conference agreement includes a provision (GP 8006) that requires the Department to submit the DD 1414 within 60 days after the enactment of the Act. In addition, the provision prohibits the Department from executing any reprogramming or transfer of funds for any purpose other than originally appropriated until the aforementioned report is submitted to the Committees of Appropriations of the Senate and the House of Representatives.

New starts.—The conference agreement includes a general provision, proposed by the House, that prohibits the initiation of a new start program through a reprogramming of funds unless such program must be undertaken immediately in the interest of national security and only after written notification by the Office of the Secretary of Defense.

General transfer authority (GTA).—The conference agreement includes a general provision, consistent with previous appropriations Acts, providing for the transfer of funds for higher priority items, based on unforeseen military requirements than those for which originally appropriated. This authority has been included annually to respond to unanticipated requirements that were not known at the time the budget was developed and after which time appropriations were enacted. This authority has grown significantly over the past several years, from $2,000,000,000 in fiscal years 1997 through 2001, rising precipitously in fiscal year 2005 to $6,185,000,000. In fiscal year 2007, the GTA was $4,500,000,000 and the Department has requested $5,000,000,000 in GTA for fiscal year 2008. While the waging of war certainly has increased the need for flexibility in executing the Department's resources, the Committee fears that the Department has come to rely on reprogramming and transfer authority in lieu of a thoughtful and deliberative budget formulation and fiscal management process. In an effort to restore fiscal

management to the Department, while allowing for the flexibility in executing appropriations for a nation at war, the conference agreement recommends for fiscal year 2008 general transfer authority of $3,700,000,000.

Reprogrammings for operation and maintenance accounts.—Beginning in fiscal year 2008, the conference agreement imposes new accountability and reprogramming guidelines for programs, projects and activities within the Operation and Maintenance appropriations.

Contacted Services and Acquisition Management

A year ago, the Committee expressed concern about the increasing costs of operating our military forces. To gain better insight about the factors generating an increase in operation and maintenance costs, the Committee directed, in House Report 109–504, that the GAO prepare a comprehensive analysis of contracting out services, as well as other factors that may be driving up costs. GAO found that between the years 2000 to 2005, the cost of O&M service contracts increased more than 73 percent. Over the same period, DoD civilian pay costs increased 28 percent, and total DoD pay costs went up by 34 percent. However, despite the growing and seemingly unconstrained reliance on contractors to accomplish DoD's mission, no system of accountability for contract service cost or performance has been established.

Increased contractor oversight.—The conference agreement includes the House directive that the Department provide more robust staffing of contractor management and oversight personnel. Additional funds for DoD civilian personnel to provide enhanced contract-service management and oversight are approved, as shown below:

Contract-service Management and Oversight

[$ in millions]

	Conference recommendation
Defense Contract Audit Agency	+10.0
Defense Contract Management Command	+14.0
Defense Inspector General	+24.0
Reimbursable GSA Assistance	–

Minimum Standards for Contracted Security Service Personnel.—DoD relies heavily on contracted security, both in the theaters of operation as well as at home. The Committee is particularly concerned that the oversight and administration of contracted security services is woefully inadequate. This lack of oversight seemingly has resulted in few, if any, operational standards and rules of engagement to which contracted security organizations and individuals must adhere. As such, the conferees direct the Secretary of Defense to develop, no later than 90 days after the passage of this Act, uniform minimum personnel standards for all contract personnel operating under contracts, subcontracts or task orders performing work that includes private security functions. The standards, at a minimum, must include determinations about contractors using personnel with criminal histories, must determine the eligibility of all private contract personnel to possess and carry firearms, and determine what assessments of medical and mental fitness of contracted security personnel must be undertaken. The Secretary of Defense should develop a mechanism for contract accountability that specifies consequences for noncompliance with the personnel standards, including fines, denial of contractual obligations or contract rescission. Finally, the Secretary is directed to establish a clear set of rules of engagement for all contracted security personnel operating in the Iraq and Afghanistan theaters of operation. The Secretary shall submit the prescribed standards to the congressional defense committees once the 90-day period referenced above is completed.

Improving the Acquisition Workforce.—The conference agreement directs the Undersecretary of Defense for Acquisition, Technology, and Logistics to submit, within 90 days of enactment of this Act, a report to the congressional defense committees analyzing the current acquisition workforce personnel needs and the tools to recruit and retain a workforce best positioned to provide appropriate contract management and oversight of contractor performance.

Improvements in contract management need not take years to implement; rather, with intent leadership and executive attention, considerable efficiencies can be achieved in the near-term. Accordingly, the conference agreement reduces the Department's funding requests for contracted services by two percent, recognizing contract service efficiencies and savings with enhanced oversight.

And lastly, I would like to thank my staff for their contributions: David Morrison, John Blazey, Ann Reese, Kevin Jones, Leslie Albright, Sarah Young, Kris Mallard, Paul Terry, Greg Lankler, Tim Prince, Paul Juola, Adam Harris, Linda Pagelsen, Sherry Young, Brooke Boyer, Linda Muir, John Shank, and Jennifer Miller.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT - FY 2008 (H.R. 3222)
(Amounts in thousands)

	FY 2007 Enacted	FY 2008 Request	House	Senate	Conference	Conference vs. Enacted
TITLE I						
MILITARY PERSONNEL 1/						
Military Personnel, Army	29,813,905	31,623,865	31,346,005	31,734,076	31,535,016	+1,721,111
Military Personnel, Navy	22,776,232	23,305,233	23,300,801	23,338,772	23,318,476	+542,244
Military Personnel, Marine Corps	9,174,714	10,278,031	10,269,914	10,291,831	10,280,180	+1,105,466
Military Personnel, Air Force	23,564,706	24,097,354	24,379,214	24,155,054	24,194,914	+630,208
Reserve Personnel, Army	3,364,812	3,734,620	3,629,620	3,672,440	3,684,610	+319,798
Reserve Personnel, Navy	1,755,953	1,797,685	1,776,885	1,801,985	1,790,136	+34,183
Reserve Personnel, Marine Corps	541,768	594,872	513,472	595,372	583,108	+41,340
Reserve Personnel, Air Force	1,335,838	1,370,479	1,365,679	1,368,897	1,363,779	+27,941
National Guard Personnel, Army	5,209,197	5,959,149	5,815,017	5,947,354	5,924,699	+715,502
National Guard Personnel, Air Force	2,325,752	2,642,410	2,621,169	2,616,560	2,617,319	+291,567
Total, title I, Military Personnel	99,862,877	105,403,698	105,017,776	105,522,341	105,292,237	+5,429,360
TITLE II						
OPERATION AND MAINTENANCE 1/						
Operation and Maintenance, Army	24,208,355	28,924,973	26,404,495	28,598,563	27,361,574	+3,153,219
Operation and Maintenance, Navy	30,954,034	33,334,690	32,851,468	33,150,380	33,087,650	+2,133,616
Operation and Maintenance, Marine Corps	3,811,437	4,961,393	4,471,858	5,061,649	4,792,211	+980,774
Operation and Maintenance, Air Force	30,458,947	33,655,633	31,613,981	32,599,333	32,176,162	+1,717,215
Operation and Maintenance, Defense-Wide	20,035,185	22,574,278	22,343,180	23,239,227	22,693,617	+2,658,432
Operation and Maintenance, Army Reserve	2,160,214	2,508,062	2,510,890	2,510,286	2,510,022	+349,808
Operation and Maintenance, Navy Reserve	1,275,764	1,186,883	1,144,454	1,187,151	1,148,083	-127,681
Operation and Maintenance, Marine Corps Reserve	209,036	208,637	207,087	208,688	208,637	-399
Operation and Maintenance, Air Force Reserve	2,617,601	2,692,077	2,684,577	2,816,103	2,815,417	+197,816
Operation and Maintenance, Army National Guard	4,711,362	5,840,209	5,893,843	5,800,933	5,764,858	+1,053,496
Operation and Maintenance, Air National Guard	5,009,178	5,041,965	5,021,077	5,471,745	5,468,710	+459,532
Overseas Contingency Operations Transfer Account	---	5,000	---	---	---	---
United States Court of Appeals for the Armed Forces	11,721	11,971	11,971	11,971	11,971	+250
Environmental Restoration, Army	403,786	434,879	434,879	444,879	439,879	+36,093
Environmental Restoration, Navy	302,222	300,591	300,591	300,591	300,591	-1,631
Environmental Restoration, Air Force	402,396	458,428	458,428	458,428	458,428	+56,032
Environmental Restoration, Defense-Wide	27,885	12,751	12,751	12,751	12,751	-15,134
Environmental Restoration, Formerly Used Defense Sites	254,352	250,249	268,249	295,249	280,249	+25,897
Overseas Humanitarian, Disaster, and Civic Aid	63,204	103,300	103,300	63,300	103,300	+40,096
Former Soviet Union Threat Reduction Account	372,128	348,048	398,048	448,048	428,048	+55,920
Total, title II, Operation and maintenance	127,288,807	142,854,017	137,135,127	142,679,275	140,062,158	+12,773,351
TITLE III						
PROCUREMENT						
Aircraft Procurement, Army	3,502,483	4,179,848	3,891,539	4,273,998	4,185,778	+683,295
Missile Procurement, Army	1,278,967	1,645,485	2,103,102	1,756,979	1,911,979	+633,012
Procurement of Weapons and Tracked Combat Vehicles, Army	1,906,368	3,089,998	4,077,189	3,122,889	3,021,889	+1,115,521
Procurement of Ammunition, Army	1,719,879	2,190,576	2,215,976	2,208,976	2,223,176	+503,297
Other Procurement, Army	7,004,914	12,647,099	11,217,945	11,697,265	11,428,027	+4,423,113
Aircraft Procurement, Navy	10,393,316	12,747,767	12,470,280	12,599,744	12,464,284	+2,070,968
Weapons Procurement, Navy	2,573,820	3,084,387	2,928,126	3,094,687	3,113,987	+540,167
Procurement of Ammunition, Navy and Marine Corps	767,314	760,484	1,067,484	1,058,832	1,064,432	+297,118
Shipbuilding and Conversion, Navy	10,579,125	13,656,120	15,303,820	13,205,438	13,597,960	+3,018,835
Other Procurement, Navy	4,927,676	5,470,412	5,298,238	5,376,530	5,317,570	+389,894
Procurement, Marine Corps	894,571	2,999,057	2,500,882	2,091,897	2,326,619	+1,432,048
Aircraft Procurement, Air Force	11,643,356	12,393,270	11,690,220	12,133,900	12,021,900	+378,544
Missile Procurement, Air Force	3,914,703	5,131,002	4,920,959	4,920,219	4,985,459	+1,070,756
Procurement of Ammunition, Air Force	1,054,302	868,917	342,494	854,167	754,117	-300,185
Other Procurement, Air Force	15,493,486	15,421,162	15,255,186	15,517,127	15,440,594	-52,892
Procurement, Defense-Wide	2,903,292	3,318,834	3,335,637	3,246,843	3,269,035	+365,743
National Guard and Reserve Equipment	290,000	---	925,000	1,000,000	980,000	+690,000
Defense Production Act Purchases	63,184	18,592	64,092	65,092	94,792	+31,608
Total, title III, Procurement	80,910,756	99,623,010	99,608,169	98,224,583	98,201,598	+17,290,842
TITLE IV						
RESEARCH, DEVELOPMENT, TEST AND EVALUATION						
Research, Development, Test and Evaluation, Army	11,054,958	10,589,604	11,509,540	11,355,005	12,126,591	+1,071,633
Research, Development, Test and Evaluation, Navy	18,673,894	17,075,536	17,718,624	17,472,210	17,918,522	-755,372
Research, Development, Test and Evaluation, Air Force	24,516,276	26,711,940	26,163,917	26,070,841	26,255,471	+1,739,195
Research, Development, Test and Evaluation, Defense-Wide	21,291,056	20,559,850	20,659,095	20,303,726	20,790,634	-500,422
Operational Test and Evaluation, Defense	185,420	180,264	180,264	180,264	180,264	-5,156
Total, title IV, Research, Development, Test and Evaluation	75,721,604	75,117,194	76,231,440	75,382,046	77,271,482	+1,549,878

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT - FY 2008 (H.R. 3222)
(Amounts in thousands)

	FY 2007 Enacted	FY 2008 Request	House	Senate	Conference	Conference vs. Enacted
TITLE V						
REVOLVING AND MANAGEMENT FUNDS						
Defense Working Capital Funds	1,345,998	1,352,746	1,352,746	1,352,746	1,352,746	+6,748
National Defense Sealift Fund: Ready Reserve Force	1,071,932	1,079,094	2,489,094	1,044,194	1,349,094	+277,162
Pentagon Reservation Maintenance Revolving Fund	18,500	---	---	---	---	-18,500
Defense Coalition Support Fund	---	22,000	---	---	---	---
Total, title V, Revolving and Management Funds	2,436,430	2,453,840	3,841,840	2,396,940	2,701,840	+265,410
TITLE VI						
OTHER DEPARTMENT OF DEFENSE PROGRAMS						
Defense Health Program 1/:						
Operation and maintenance	20,494,000	22,044,381	22,140,381	22,650,758	22,559,501	+2,065,501
Procurement	375,000	362,261	363,011	362,261	362,861	-12,139
Research and development	348,000	134,482	453,792	477,032	536,330	+188,330
Total, Defense Health Program	21,217,000	22,541,124	22,957,184	23,490,051	23,458,692	+2,241,692
Chemical Agents & Munitions Destruction, Defense:						
Operation and maintenance	1,046,290	1,198,086	1,198,086	1,186,500	1,181,500	+135,210
Procurement	---	36,426	36,426	18,424	18,424	+18,424
Research, development, test and evaluation	231,014	221,212	221,212	312,800	312,800	+81,786
Total, Chemical Agents 2/	1,277,304	1,455,724	1,455,724	1,517,724	1,512,724	+235,420
Drug Interdiction and Counter-Drug Activities, Defense	977,632	936,822	945,772	962,603	984,779	+7,147
Joint Improvised Explosive Device Defeat Fund 2/	---	500,000	500,000	120,000	120,000	+120,000
Rapid Acquisition Fund 2/	---	100,000	---	---	---	---
Office of the Inspector General 2/	216,297	215,995	239,995	225,995	239,995	+23,698
Total, title VI, Other Department of Defense Programs	23,688,233	25,749,665	26,098,675	26,316,373	26,316,190	+2,627,957
TITLE VII						
RELATED AGENCIES						
Central Intelligence Agency Retirement and Disability System Fund	256,400	262,500	262,500	262,500	262,500	+6,100
Intelligence Community Management Account	621,611	705,376	683,276	709,376	725,526	+103,915
Transfer to Department of Justice	(39,000)	(16,000)	(39,000)	(16,000)	(39,000)	---
Total, title VII, Related agencies	878,011	967,876	945,776	971,876	988,026	+110,015
TITLE VIII						
GENERAL PROVISIONS						
Additional transfer authority (Sec. 8005)	(4,500,000)	(5,000,000)	(3,200,000)	(3,700,000)	(3,700,000)	(-800,000)
Indian Financing Act incentives (Sec. 8020)	8,000	---	8,000	15,000	15,000	+7,000
FFRDCs (Sec. 8025)	-53,200	---	-57,725	-53,428	-57,725	-4,525
Overseas Military Facility Invest Recovery (Sec. 8031)	1,000	1,000	1,000	1,000	1,000	---
Rescissions (Sec. 8043)	-870,143	---	-367,786	-653,313	-539,599	+330,544
Travel Cards (Sec. 8067)	51,000	52,000	52,000	52,000	52,000	+1,000
Special needs students (Sec. 8087)	5,500	---	---	5,500	5,500	---
Fisher House (Sec. 8077)	2,500	---	15,000	---	10,000	+7,500
Other Contract Growth	-158,100	---	---	---	---	+158,100
Contracted Advisory and Assistance Services	-71,000	---	---	---	---	+71,000
Military Recruitment Assessment & Vet Empl (Sec. 8086)	5,400	---	990	---	990	-4,410
Various grants (Sec. 8089)	11,100	---	70,000	---	62,700	+51,600
Ship transfer authority (outlays)	---	---	---	---	---	---
Travel costs/Contractor efficiencies (Sec. 8097)	-85,000	---	---	-39,693	-506,900	-421,900
Revised Economic Assumptions (Sec.8104)	-1,034,425	---	-126,787	-1,353,000	-1,353,000	-318,575
Tanker replacement transfer fund (Sec. 8112)	---	---	200,000	---	150,000	+150,000
Border security (emergency)	---	---	---	3,000,000	---	---
Army and Air Guard pilot programs	---	---	---	---	---	---
Mine Resistant Ambush Protected Vehicle (emergency)	---	---	---	---	11,630,000	+11,630,000
Total, Title VIII, General Provisions	-2,187,368	53,000	-205,308	974,066	9,469,966	+11,657,334
TITLE IX - ADDITIONAL APPROPRIATIONS (emergency) 3/	70,000,000	186,878,633	---	---	---	-70,000,000
TITLE X-FY 2006 WILDLAND FIRE EMERGENCY APPROPRIATIONS (emergency) 5/	200,000	---	---	---	---	-200,000
Total for the bill (net)	478,799,350	639,100,933	448,673,495	452,467,500	460,303,497	-18,495,853

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT - FY 2008 (H.R. 3222)
(Amounts in thousands)

	FY 2007 Enacted	FY 2008 Request	House	Senate	Conference	Conference vs. Enacted
OTHER APPROPRIATIONS						
U.S. TROOP READINESS, VETERANS' CARE, KATRINA RECOVERY AND IRAQ ACCOUNTABILITY APPROPRIATIONS ACT, 2007						
Public Law 110-28:						
Title I, Chapter 3 (emergency)	87,019,295	---	---	---	---	-87,019,295
New transfer authority (emergency)	(3,500,000)	---	---	---	---	(-3,500,000)
Title III, Chapter 3 (emergency)	7,674,375	---	---	---	---	-7,674,375
Total, Public Law 110-28 (emergency)	94,693,670	---	---	---	---	-94,693,670
Total, Other Appropriations	94,693,670	---	---	---	---	-94,693,670
Net grand total (including other appropriations)	573,493,020	639,100,933	448,673,495	452,467,500	460,303,497	-113,189,523
CONGRESSIONAL BUDGET RECAP						
Scorekeeping adjustments:						
Lease of defense real property (permanent)	12,000	12,000	12,000	12,000	12,000	---
Disposal of defense real property (permanent)	15,000	18,000	18,000	18,000	18,000	+3,000
Army Venture Capital Fund (reappropriation)	15,000	15,000	15,000	15,000	15,000	---
O&M, Army transfer to National Park Service:						
Defense function	-2,000	---	---	---	---	+2,000
Non-defense function	2,000	---	---	---	---	-2,000
O&M, Army transfer to Army Corps of Engineers:						
Defense function	-2,499	---	-12,500	---	-12,500	-10,001
Non-defense function	2,499	---	12,500	---	12,500	+10,001
Navy transfer to Department of the Interior:						
Defense function	---	---	---	-20,000	-20,000	-20,000
Non-defense function	---	---	---	20,000	20,000	+20,000
Title IX O&M, Navy transfer to Coast Guard, Op.Exp (By transfer) (emergency)	(90,000)	(225,400)	---	---	---	(-90,000)
Title IX O&M, Defense-wide transfer to Department of State (By transfer) (emergency)	(20,000)	---	---	---	---	(-20,000)
Personnel security investigations (outlays)	---	---	---	---	---	---
Tricare accrual (permanent, indefinite auth.) 4/	11,230,629	10,876,000	10,876,000	10,876,000	10,876,000	-354,629
Less Title X FY 2006 emergency appropriations 5/	-200,000	---	---	---	---	+200,000
Less emergency appropriations 3/	-164,693,670	-186,878,633	---	-3,000,000	-11,630,000	+153,063,670
Total, scorekeeping adjustments	-153,621,041	-175,957,633	10,921,000	7,921,000	-709,000	+152,912,041
Adjusted total (includ. scorekeeping adjustments)	419,871,979	463,143,300	459,594,495	460,388,500	459,594,497	+39,722,518
Appropriations	(420,742,122)	(463,143,300)	(459,962,281)	(461,041,813)	(460,134,096)	(+39,391,974)
Rescissions	(-870,143)	---	(-367,786)	(-653,313)	(-539,599)	(+330,544)
Total (including scorekeeping adjustments)	419,871,979	463,143,300	459,594,495	460,388,500	459,594,497	+39,722,518
Amount in this bill	(573,493,020)	(639,100,933)	(448,673,495)	(452,467,500)	(460,303,497)	(-113,189,523)
Scorekeeping adjustments	(-153,621,041)	(-175,957,633)	(10,921,000)	(7,921,000)	(-709,000)	(+152,912,041)
Prior year outlays	---	---	---	---	---	---
Total mandatory and discretionary	419,871,979	463,143,300	459,594,495	460,388,500	459,594,497	+39,722,518
Mandatory	256,400	262,500	262,500	262,500	262,500	+6,100
Discretionary	419,615,579	462,880,800	459,331,995	460,126,000	459,331,997	+39,716,418
RECAPITULATION						
Title I - Military Personnel	99,862,877	105,403,698	105,017,776	105,522,341	105,292,237	+5,429,360
Title II - Operation and Maintenance	127,288,807	142,854,017	137,135,127	142,679,275	140,062,158	+12,773,351
Title III - Procurement	80,910,756	99,623,010	99,608,169	98,224,583	98,201,598	+17,290,842
Title IV - Research, Development, Test and Evaluation	75,721,604	75,117,194	76,231,440	75,382,046	77,271,482	+1,549,878
Title V - Revolving and Management Funds	2,436,430	2,453,840	3,841,840	2,396,940	2,701,840	+265,410
Title VI - Other Department of Defense Programs	23,688,233	25,749,665	26,098,675	26,316,373	26,316,190	+2,627,957
Title VII - Related Agencies	878,011	967,876	945,776	971,876	988,026	+110,015
Title VIII - General Provisions (net)	-2,187,368	53,000	-205,308	974,066	9,469,966	+11,657,334
Title IX - Additional Appropriations (net)	70,000,000	186,878,633	---	---	---	-70,000,000
Title X - Wildland Fire Management (net)	200,000	---	---	---	---	-200,000
Total, Department of Defense	478,799,350	639,100,933	448,673,495	452,467,500	460,303,497	-18,495,853
Other defense appropriations	94,693,670	---	---	---	---	-94,693,670
Total funding available (net)	573,493,020	639,100,933	448,673,495	452,467,500	460,303,497	-113,189,523
Scorekeeping adjustments	-153,621,041	-175,957,633	10,921,000	7,921,000	-709,000	+152,912,041
Total mandatory and discretionary	419,871,979	463,143,300	459,594,495	460,388,500	459,594,497	+39,722,518

1/ For FY 2007, includes H.J.Res.20 appropriations.
2/ Included in Budget under Procurement title.
3/ Title IX budget request will be considered in a separate bill. Appropriations also include Title IX contingency operations funds
4/ Contributions to Department of Defense Retiree Health Care Fund (Sec. 725, P.L. 108-375).
5/ Pursuant to Sec. 501 of H.Con.Res.376 (H.Res.818) and Sec. 402 of S.Con.Res.83 (Sec. 7035/P.L.109-234).

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

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

Mr. Speaker, I rise in support of this bill. I think this is a very good bill.

As has been mentioned during the debate on the rule, maybe someone else might have written it a little bit differently. I don't think any legislation is ever totally perfect, but this is a good package. It's a good bipartisan package. The subcommittee worked hard; had many, many hearings; required the military to justify the requests; and we have come up with a pretty good bill.

Chairman MURTHA has chaired this subcommittee before we became the majority, then I chaired the subcommittee for 6 years, now he is chairman again. We have always worked this bill together in the best interests of the United States of America and the troops who provide our defense and that support us.

Mr. MURTHA mentioned the pay raise. Yes, we did give a pay raise. We wish we could have given more. But the 3.5 percent was more than was requested in the budget request.

We are also providing funding for increasing the size of our military. And I don't think anyone would deny the fact that our military is tired. They are being used and deployed a lot. And so I think it is appropriate that we increase the size of military, especially the Army and the Marine Corps.

Some other things were mentioned by the Members speaking on the rule, so I'm not going to repeat them, but I will submit for the RECORD a written statement.

But there are two points that I want to make: one is, as Mr. MURTHA suggested briefly, the growth in shipbuilding. Do you remember President Ronald Reagan thought that the United States should have a 600-ship Navy to guarantee that we had free access to the international waters of this planet of ours? If we don't take the direction that this subcommittee recommends, we would be below 300 ships in our Navy, and that is not big enough.

And so we provide the LPD–17 that was requested by the administration. We provide advance funding, which is in addition to the request, advance funding for a second LPD–17, which the Navy strongly supports. But one of the Navy's premier programs is the Littoral Combat Ship, the LCS. We provided for four ships; the other body did not have the same number. We prevailed, and the funding for up to four ships that the Navy really feels they need for naval superiority are in this bill.

Now the last point that I want to make, Mr. Speaker. So many times in our hearings soldiers who would fight on the ground, marines who would invade on the beaches have told us over and over again that they will go anywhere that their country sends them, they will fight any fight that their country asks them to fight, but when they do, if there is an aircraft overhead, they want that aircraft to be an American airplane manned by an American crew.

Our air superiority weapon today is the F–15, a very, very good aircraft, but very old. The F–15 is older than some of the Members in this Chamber. The F–15 is now suffering some metal fatigue. And as you know, the F–15 fleet has been grounded because one of our planes basically came apart in midair in Missouri. And so we provide funding for the F–22, which is the follow-on to the F–15, an aircraft that will guarantee America's air superiority. So it's important that we fund this package of fighter aircraft. It is important that if we send a soldier or marine or any member of our military services to war, that the air over head will be controlled by the United States of America and not by an enemy. And so this bill goes a long way towards accomplishing air superiority.

Mr. Speaker, I rise in support of the conference report on Defense appropriations for fiscal year 2008.

This agreement totals over $459 billion, and is $3.5 billion below the President's request. However, it is almost $40 billion above the fiscal year 2007 level. It contains $11.6 billion in emergency funding for additional MRAP vehicles for use by the Army and Marines in Iraq and Afghanistan.

This conference report provides for a number of Presidential and Congressional priorities, including: $6 billion in equipment to increase the size of the Army and Marine Corps; restoration of the $1.9 billion cut in the Defense Health program associated with proposed increases in insurance co-payments that have not been authorized by Congress; an additional $980 million in equipment for the National Guard and Reserve, which is important for disaster response throughout the country, including the Gulf Coast; full funding for the Congressionally proposed 3.5 percent pay increase for the military; $4.1 billion for continued development of the Joint Strike Fighter and $3.1 billion to procure twenty F–22 aircraft; the F–22 program becomes even more important with the revelation that some F–15s are experiencing metal fatigue; procurement and advance procurement for 10 ships for the Navy, including initial funding for the next-generation aircraft carrier.

There is one item not in this conference agreement that I wish we were addressing today. For the past 3 years we have provided a Bridge Fund to allow the Defense Department to finance war on terror operations until enactment of a supplemental appropriations bill in the spring. Last year's bridge totaled $70 billion for 6 months of war operations and was broadly supported by both sides of the aisle. This conference report contains no such funding.

When this Defense conference report is enacted into law, Defense spending will drop out of the continuing resolution. So will funding under the fiscal year 2007 Bridge Fund. Without this authority, the Department of Defense will be forced to use base funds to support the operations of the global war on terror. By mid to late January, the Army will run out of money.

We need to move quickly in the next few weeks to address this shortfall. Our troops in the field need our support, no matter what position we take on the war.

I know there are many on the other side of the aisle that do not want to support war on terror funding. Ironically, by voting for this conference report without a Bridge Fund, everyone voting for this bill will be effectively voting to support war operations. The question is whether we do so by forcing the Department to use base funds in this bill, or by enacting a Bridge Fund, or by allowing current rates to continue until enactment of a supplemental appropriations bill.

Aside from that, however, I want to reiterate my support for this conference report. I appreciate the cooperation and courtesy shown by my Chairman, Mr. MURTHA, throughout this process.

I also want to thank the members of the Defense subcommittee for their contributions to this conference report, especially those on the Republican side of the aisle. Mr. HOBSON, Mr. FRELINGHUYSEN, Mr. TIAHRT, Mr. WICKER, Mr. KINGSTON, and the ranking member of the full committee, Mr. LEWIS, all made important contributions to this legislation.

Mr. Speaker, again I want to say that I strongly support this legislation, and urge its adoption by the House.

Mr. BLUMENAUER. Mr. Speaker, while I support the efforts of Democratic leadership to fund vital programs like the Veterans Administration and health care for our serving military, I cannot support the FY08 Defense Appropriations bill. This final draft provides too much money for the wrong priorities and enables the administration to continue its tragically misguided Iraq policy.

I made a pledge to vote against any further funding for the Iraq war unless it is used for immediate troop redeployment. I will honor this pledge, and I will continue to fight against funding for major weapons systems that have little to do with current security threats.

Programs like the Future Combat System's fighting vehicles and the National Missile Defense system would be justifiable if the major threat to our security was a modern version of the Soviet Union. It is not. I applaud the Democratic cuts to the funding levels requested by the President, though we must do better.

Continuing to pour billions of dollars into these programs is a waste of money and a threat to our readiness. We must invest in personnel and systems that confront the real and looming threats of terrorists and rogue states.

This bill contains glimmers of hope that we are moving in the right direction on defense spending. But I will not vote for a bill that funds a Cold War-era military and approves any additional funding for the war in Iraq.

Mr. ORTIZ. Mr. Speaker, given the many challenges faced by our Nation—and our military—I'm pleased that the House moved the Defense Appropriations Conference Report so quickly.

Chairman MURTHA is doing some very heavy lifting for the Nation, and I thank him for his work as well.

This bill contains a significant investment for south Texas, which contributes notably to the Nation's military readiness.

As the House point man on readiness matters in our military, I have been deeply concerned that the Iraq conflict has eroded the

readiness of the U.S. Armed Forces, perhaps for a generation.

At a time when we need to be more ready than before, this is a tremendous cause for alarm, as we are prosecuting two separate wars.

Today's bill addresses many of our current needs associated with:

A pay raise for the men and women who wear the uniform of the United States,

Beefing up today's ground forces—our boots on the ground overseas,

Addressing the many failings of this administration and the last Congress in ensuring our military is ready for any challenge we need to meet, such as finally providing oversight of contractors in Iraq and Afghanistan,

Equipping our National Guard to help offset some of the equipment lost to active duty needs in Iraq, and

Providing assistance for the men and women who are hospitalized at Walter Reed Army Medical Center, which was the center of tremendous shortcomings earlier this year.

I thank the gentleman from Pennsylvania for his hard work on the bill—as well as the rest of the leadership in the House—for their deep and abiding respect of the U.S. Armed Forces and the unique challenges they face at this moment in time.

I urge my colleagues to support the bill.

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

Mr. MURTHA. 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.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 400, nays 15, not voting 17, as follows:

[Roll No. 1064]

YEAS—400

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillibrand
Gingrey
Gohmert
Gonzalez
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Lamborn
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Pearce
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Richardson
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stearns
Stupak
Sullivan
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NAYS—15

Baldwin
Blumenauer
Ehlers
Ellison
Filner
Frank (MA)
Kucinich
Lee
Lewis (GA)
McDermott
Paul
Payne
Stark
Welch (VT)
Woolsey

NOT VOTING—17

Boren
Braley (IA)
Buyer
Carson
Cubin
Feeney
Giffords
Goode
Hunter
Kuhl (NY)
LaHood
Lantos
Levin
Lungren, Daniel E.
Miller (FL)
Oberstar
Rothman

□ 1350

Ms. VELÁZQUEZ changed her vote from ''nay'' to ''yea.''

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.

Mr. FEENEY. Mr. Speaker, on rollcall No. 1064, had I been present, I would have voted "yea."

Mr. KUHL of New York. Mr. Speaker, on rollcall No. 1064, adoption of the conference report to accompany H.R. 3222, Defense Appropriations, I was unavoidably detained and missed the vote. Had I been present, I would have voted "yea."

A FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate having proceeded to reconsider the bill (H.R. 1495) ''An Act to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes'', returned by the President of the United States with his objections, to the House in which it originated, and passed by the House on reconsideration of the same, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

APPOINTMENT OF CONFEREES ON H.R. 3074, TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2008

Mr. OLVER. Mr. Speaker, pursuant to clause 1 of rule XXII and by direction of the Committee on Appropriations, I move to take from the Speaker's table the bill (H.R. 3074) making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

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

The motion was agreed to.

A motion to reconsider was laid on the table.

MOTION TO INSTRUCT OFFERED BY MR. KNOLLENBERG

Mr. KNOLLENBERG. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. KNOLLENBERG moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 3074, be instructed to insist on section 416 and section 417 of the House-passed bill.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Michigan (Mr. KNOLLENBERG) and the gentleman from Massachusetts (Mr. OLVER) each will control 30 minutes.

The Chair recognizes the gentleman from Michigan.

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

Mr. Speaker, my motion is very straightforward. It simply instructs the managers on the part of the House to insist that two important provisions included in the House bill be included in the conference report. The first provision, House section 416, prohibits funds in the bill from being used to provide housing assistance to illegal or otherwise unauthorized immigrants. This provision was offered as an amendment on the House floor and adopted unanimously. The second provision, House section 417, prohibits any funds in the bill from being used to hire illegal aliens. This, too, was an amendment adopted unanimously when the House considered the bill.

The House has clearly spoken on this matter, and I think it is important the conferees uphold the will of the House. I urge the adoption of the motion.

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

Mr. OLVER. I thank the gentleman from Michigan for his motion.

Mr. Speaker, as the gentleman from Michigan has already said, the provisions that are in the legislation on the House side, section 416 and 417, are two provisions that relate to illegal immigration. The first of those provisions is one which states that no funds in this act can be used to provide homeownership assistance for illegal immigrants. The second, section 417, says that no funds may be used to employ workers who are illegal immigrants.

The first of these sections applies to the Department of Housing and Urban Development, the second one applies to the Department of Transportation and relates to people who might otherwise be employed in construction under the Department of Transportation.

As the gentleman from Michigan has pointed out, those were adopted unanimously by voice vote here in the House during the passage of this legislation. So they are before the conference and, because they were adopted earlier, I am willing to adopt them now and adopt the motion as is.

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

Mr. KNOLLENBERG. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BILBRAY).

Mr. BILBRAY. Mr. Speaker, I want to say I appreciate the bipartisan support for the concept that people should not be rewarded for breaking our immigration laws. I appreciate the ranking member and the chairman agreeing on this.

I would just ask both of you to take a look at the leadership that the gentleman from North Carolina (Mr. SHULER) has made with a piece of legislation that I feel should be the enforcement part of this direction, and that is that the e-verification be used before people benefit from public funds. That is a very simple system to allow anyone to check that Social Security numbers and names match. It's not an onerous check system to use, and it is one that many of us are looking forward to not only Federal Government but all employers using in the future.

I just ask that you consider the fact that to fulfill the intent of this motion, that the e-verification specifically try to be considered here as the vehicle that before anyone gets these benefits that we check that they are legally here as verified by the e-verification.

If anybody has any questions about that, I am sure Congressman SHULER can brief you extensively on it. But it is sort of the consensus of most of us working on these issues that this is a simple, clear way to allow everyone, including those who are providing public benefit, the assurance that those benefits are not going to somebody who's not qualified to be able to provide it.

So I would raise that as a discussion, that the e-verification be used to verify this motion.

Mr. OLVER. Mr. Speaker, I am grateful for the comments by the gentleman from California, but just point out that that is a very complicated issue, not a part of the conference that we are involved in, and will take a bit more time, probably more than we can resolve today.

I am ready to yield back if the gentleman from Michigan has no other speakers.

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

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

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

There was no objection.

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

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

Mr. KNOLLENBERG. 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, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

□ 1400

PROVIDING FOR CONSIDERATION OF H.R. 3355, HOMEOWNERS' DEFENSE ACT OF 2007

Ms. CASTOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 802 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 802

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3355) to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived except those arising under clause 10 of rule XXI. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII and except pro forma amendments for the purpose of debate. Each amendment so printed may be offered only by the Member who caused it to be printed or a designee and shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. During consideration in the House of H.R. 3355 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.

The SPEAKER pro tempore (Mr. ROSS). The gentlewoman from Florida is recognized for 1 hour.

Ms. CASTOR. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. SESSIONS). All time

yielded during consideration of the rule is for debate only.

I yield myself such time as I may consume.

GENERAL LEAVE

Ms. CASTOR. Mr. Speaker, I ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks on H. Res. 802.

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

There was no objection.

Ms. CASTOR. Mr. Speaker, H. Res. 802 provides for consideration of H.R. 3355, the Homeowners' Defense Act of 2007, under an open rule with a preprinting requirement. This rule allows for floor consideration of any amendment that is in compliance with the House rules and the Congressional Budget Act and has been preprinted in the CONGRESSIONAL RECORD.

Mr. Speaker, in the face of natural catastrophes that too often strike our communities, the Congress today will initiate a new planning effort through H.R. 3355 and this rule. This new effort will assist our communities and hopefully tackle the rising cost of homeowners property insurance.

My colleagues from Florida, Representative RON KLEIN and Representative TIM MAHONEY, have led this bipartisan effort. I thank them for their tireless work and leadership, their leadership that should help our neighbors back home and folks across this country find affordable and available homeowners insurance.

Following some of the most expensive natural disasters in our Nation's history, like Hurricanes Katrina and Rita and Wilma and the fires and the floods and the earthquakes, homeowners across this country have been subjected to wild fluctuations and horrendous cost increases for their property insurance. Insurance premiums are out of sight. They have skyrocketed. Well, we understand. We feel it in our own bills.

I hear it from the retired older woman in West Tampa back home who has owned her house for 30 years and is on a fixed income. But this exponential increase in insurance that she has suffered may force her to sell her longtime home.

I also hear it from the hardworking folks in south St. Petersburg who have been cancelled by their insurance companies after decades of paying their premiums without making any claim upon that insurer.

Due to all of the policy cancellations, we now have a crisis. Insurers have fled the State. In some areas, insurance premiums have gone beyond what any reasonable person would consider anything that they can handle in their everyday lives. A rate increase of over 600 percent is not unheard of. Some of our neighbors are having to rethink their retirements because they can no longer afford to live in their homes. But if they tried to sell, nobody can afford to buy those homes.

And, unbelievably, the State of Florida is now the largest provider of homeowners property insurance in our State. This problem is not limited to the State of Florida, however. Across the country over the past 5 years, homeowners insurance premiums have increased by over 45 percent on average. In Florida, that average increase is over 77 percent. And there seems to be no end in sight unless we work to create innovative options, like this bill, that will bring stability back to the marketplace and sanity back to insurance premiums.

Over 3 million loyal policyholders, many of whom have never submitted a single claim, have received letters from their insurance companies, nondescript envelopes that carry the message, ''Your policy is not eligible to be renewed.''

Last month a story caught my eye entitled, ''Home Insurers Canceling in the East.'' It said that insurance companies have essentially begun to redraw the outline of the eastern United States somewhere west of the Appalachian Trail.

Faced with the risk of their citizens being priced out or thrown out of private insurance markets, States have begun to take action. The State insurance program in Massachusetts has doubled as a result of the insurance crisis. My home State of Florida is now insuring 1.3 million policyholders. But the States did not ask to be put in this position. They tried to reason with the private insurance companies. They created incentives, they pushed, they urged them not to leave folks high and dry and to keep insurance available and affordable. Even though the insurance industry made record profits the year of Hurricane Katrina, private insurers have still left the gulf coast.

Times of crisis like these often lead to innovative solutions, however. My colleagues, Representative RON KLEIN and Representative TIM MAHONEY, national insurance risk consortium that will allow States better access to private capital as a backstop for these huge, catastrophic losses. The consortium will help States work together to bundle that risk into bonds that can succeed on the private capital markets. Because this program is voluntary and relies on private investment, the new consortiums should not expose Federal taxpayers to any risk whatsoever. Catastrophe bonds through the consortium will help stabilize insurance markets, bring down premiums, and move forward in providing available, affordable insurance to our constituents.

The bill, with foresight and commonsense, also addresses the worst-case scenario, because, God forbid, there will be another catastrophic event and States will be on the hook to pay claims. And most of the time this will not be a problem, but there are some disasters for which no preparation is enough. In those cases, historically this body, the Congress, has written emergency assistance bills, and it is right that we should do so. But this bill allows States to take control of their own fates by lessening the need for those Federal disaster appropriations by making Federal loans available to help States pay claims when that colossal disaster happens.

This is a compassionate, fiscally responsible way to ensure that Americans are not left without aid in their time of greatest need. This bill is a simple, effective way to tackle the crisis of skyrocketing property insurance. I ask my colleagues to support the rule and the underlying legislation.

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

Mr. SESSIONS. Mr. Speaker, I rise today in opposition to this rule and to the underlying legislation which asks taxpayers from across the country to subsidize the risky housing choices of residents of one State at the expense of the private marketplace.

This legislation does nothing to promote responsible and effective disaster mitigation standards or any other risk-reduction measures to lower the costs in the terrible event of a natural disaster. Instead, it promotes widespread moral hazard and inefficient decision-making by distorting the costs associated with living in high-risk areas through national subsidies.

These bail-out mechanisms will promote overdevelopment in areas most vulnerable to hurricanes, flooding, and other natural disaster damage, which is why groups like the National Wildlife Federation have come out in opposition to this bill, recognizing that the legislation subsidies will ''result in continued encouragement of risky development in our Nation's coastal areas and floodplains,'' and that more development in these areas will lead to ''more loss of life, more loss of property, and more loss of wildlife habitat.''

Mr. Speaker, I include for the CONGRESSIONAL RECORD a letter signed by the National Wildlife Federation and the chairman of The Florida Coalition for Preservation, both of whom are opposing this bill.

NATIONAL WILDLIFE FEDERATION,
Washington, DC, September 24, 2007.

Hon. BARNEY FRANK,
Chair, House Financial Services Committee, Washington, DC.

Hon. SPENCER BACHUS,
Ranking Member, House Financial Services Committee, Washington, DC.

DEAR CHAIRMAN FRANK AND RANKING MEMBER BACHUS: On behalf of the National Wildlife Federation and the Florida Coalition for Preservation, we write to express our opposition to H.R. 3355, the Homeowners' Defense Act of 2007, as it is currently drafted. For over 20 years, the environmental community has worked to promote change in the public insurance arena, especially through reform of the National Flood Insurance Program (NFIP). We support reforms that promote ecologically-sound floodplain management to reduce loss of life, property, and important wildlife habitat.

We applaud Representatives Klein and Mahoney and the Financial Services Committee for raising the Nation's awareness of the increasing risks associated with coastal

storms, which are predicted to become more powerful and of longer duration, due to rising sea levels and warming of the climate. The UN-sponsored Intergovernmental Panel on Climate Change (IPCC) and many of the Nation's prominent climate scientists have warned that the increasing intensity of such destructive storms is a likely result from global warming due to buildup of greenhouse gases, especially carbon dioxide.

We understand that the devastating human toll that Hurricanes Katrina, Rita, and Wilma created in 2005, plus the four powerful hurricanes that struck Florida in 2004, have increased the public's awareness of the need for adequate insurance coverage after natural disasters. H.R. 3355 establishes a federally-chartered national catastrophe risk consortium, where States can pool risk and sell catastrophe bonds and reinsurance contracts. It also establishes a national homeowners insurance stabilization program, which mandates that the Secretary of the Treasury give liquidity and catastrophe loans to State reinsurance and insurance plans. We are concerned, however, that H.R. 3355's subsidies could inadvertently result in continued encouragement of risky development in our Nation's coastal areas and floodplains. With more development in these environmentally-sensitive areas, the bill could lead to more loss of life, of property, and of wildlife habitat. The safety of our citizens should be the number one priority of any government program dealing with natural disasters. Unfortunately, H.R. 3355 falls short of this goal.

Specifically, we have the following concerns with H.R. 3355:

No Requirement for Meaningful Hazard Mitigation. As currently drafted, H.R. 3355 does not require any demonstration that a State has implemented meaningful hazard mitigation reforms to be eligible to participate in the consortium. Hazard mitigation must be a primary goal of any Federal backstop for State insurance and reinsurance programs. Effective hazard mitigation will save lives, reduce damage, limit Federal taxpayers burdens, and will help reduce the cost of insurance.

Low Interest Loans Provide Added Incentive for Increased Risky Development in Hazard-Prone, Ecologically-Sensitive Coastal Areas and Floodplains. We are concerned that the liquidity and catastrophe loans in Title II of H.R. 3355 do not have any real ceiling amounts, so that the taxpayers' liability may be limitless. The loans are well below market rates, mandatory, and of at least 5 to 10 years duration. The Secretary of the Treasury may extend the loans upon a simple request. These loans may also result in the creation of more State catastrophe funds, which may unreasonably concentrate risk at the State level, and effectively subsidize development in high risk areas. According to the Insurance Information Institute, for example, the State of Florida's Citizens Property Insurance Corporation, which was supposed to be only the insurer of last resort, has become Florida's largest homeowners' insurer. It is predicted that Citizens will grow to nearly 2 million policyholders by the end of the year, giving it more than one third of the total market and exposure to loss of more than $400 billion. Citizens was expected to shrink gradually, but it has expanded exponentially. Some critics of H.R. 3355 have called this bill a ''pre-emptive bailout'' of Florida's state insurance program and others have called it ''The Developers' Dream Act.''

As Evidenced by the National Flood Insurance Program, Continued Subsidized Risky Development in Ecologically-Sensitive Areas Will Jeopardize Citizen Safety and Unnecessarily Burden Taxpayers. The experience of the National Flood Insurance Program (NFIP) should provide some degree of caution to the framers of H.R. 3355. We have been concerned for many years that the NFIP is having severe difficulties managing the growth of flood-related risk (as well as the costs). Nearly a decade ago, the National Wildlife Federation released a report called ''Higher Ground'' on the problems of repetitive losses in the NFIP, where, in thousands of communities, buildings were experiencing repeated flood losses only to be reconstructed again and again with little or no mitigation of risk, in part for lack of incentive to ''move out of harm's way.'' Part of the lack of incentive for mitigation was driven by rates that are below (some of them far below) true actuarial rates, flood hazard maps that are inaccurate or out of date and failing to consider changing conditions, and failure of communities and FEMA to enforce even minimum standards of the program, let alone set higher standards to reduce or avoid risk.

Today, we still find that after Congress passed amendments in 2004 to reform the NFIP and began to provide funds to address repetitive losses, the new program is still largely not implemented and has failed to spend much of the funds made available to start changing the pattern. Since 1998, the number of repetitive loss properties has grown from 74,500 at the time of the NWF study to now over 135,000 properties, and the cost to the NFIP of these buildings has more than tripled to over $8.5 billion in payments. The NFIP continues to face enormous challenges, and public confidence is lacking in the program's ability to reduce risks, manage costs and protect the environment. Another taxpayer-funded ''backstop'' has the potential to increase the myriad of problems with our current public insurance programs.

We therefore oppose H.R. 3355 in its current form. We hope that the Committee will address our concerns during mark-up, and we urge the Committee to work with the Nation's private insurance industry to assure that insurance adjustments are completed quickly, fairly, and accurately after natural disasters. We also urge the Committee to consider creating incentives for homeowners in high risk areas to use a full range of mitigation techniques, including retrofitting properties to mitigate storm damage or to relocate out of harm's way.

We believe that the intricacies of H.R. 3355 require thoughtful assessment, and we urge the Committee not to rush to judgment on a bill of this complexity. Safety is of paramount importance to our organizations, and we cannot support legislation that does not consider meaningful hazard mitigation. Nor can we support public subsidies in this legislation that, in turn, could further result in additional loss of human life, property, and wildlife habitat in the Nation's most ecologically-sensitive coastal areas and floodplains. We stand ready to work with you to address these concerns.

We very much appreciate your consideration of our views on H.R. 3355.

OPPOSE H.R. 3355, THE HOMEOWNERS' DEFENSE ACT OF 2007

This bill does nothing to promote responsible and effective mitigation standards or other risk-reduction measures. Instead it creates a bailout mechanism which will promote over-development in areas known to be vulnerable to substantial damage resulting from hurricanes, flooding, and other natural disasters.

This bill has no retained loss requirement for participating State reinsurance funds. Once the trigger is met, a fund may qualify for a loan, without any ''skin in the game.'' This bill could be improved by requiring States to first sustain a loss before receiving a loan from Treasury. The loans could help States manage their losses above the retained loss requirement.

Although the trigger has been raised for catastrophic loans, according to the manager's amendment, a State reinsurance fund is eligible for a liquidity loan if it has a ''capital liquidity shortage,'' no matter the size of the event. This change makes the liquidity loan provision very open-ended and could discourage States from sufficiently capitalizing their reinsurance funds.

The Consortium created by this bill is unnecessary. States can currently diversify their natural catastrophe risk right now through the global reinsurance market. While there is no indication that the Consortium would even work, it could potentially dump billions of dollars in catastrophe bonds into the market, irrespective of demand.

This bill will encourage States other than Florida to create reinsurance funds in order to provide cheap reinsurance, possibly crowding out the private reinsurance market. Reinsurance is more expensive in States like Florida, where the risk is higher. Masking the true cost of insurance does nothing but encourage risky development, and in the case of these Federal loans, could expose taxpayers to billions of dollars in losses.

The loans created by this bill represent a transfer from States that do not suffer frequent natural catastrophes to those that do. If States suffer repeated losses and qualify for multiple loans, there will be incredible pressure on Congress to forgive the loan.

This bill mandates that Treasury provide open-ended, subsidized loans to States, but ties its hands. It does not grant Treasury the appropriate discretion to adjust the program as conditions warrant.

Sincerely,

DAVID R. CONRAD,
Senior Water Resources Analyst, National Wildlife Federation.

HONORABLE THOMAS B. EVANS, Jr.,
Chairman, The Florida Coalition for Preservation.

It is without doubt, Mr. Speaker, that as the Nation's most hurricane-prone State, Florida has had a long-vested interest in providing its residents with accessible and affordable property insurance. Despite this desire, there has been a noticeable lack of political will in Florida for enacting good public policies to encourage this desired result.

State regulations that prevent insurers from charging risk-based prices, limits on capital movement and well-founded uncertainty over the legal and regulatory enforcement of contracts in Florida have caused many private insurers to reduce their exposures to this political risk by reducing new underwriting in the State.

But rather than addressing the root causes of this market failure, Florida has decided to deal with the problem by creating a State-backed insurer to compete with private companies in the delivery of this coverage, which was billions of dollars in debt within 3 years of its creation. Things have not gotten much better for the government entity with its overwhelming exposure of almost $450 billion, which has already been bailed out by Florida taxpayers at a cost of $715 million.

So now once again, instead of addressing the root causes of their problem, Florida supporters of this fund have come to Congress to try and spread their State's exposure nationwide, meaning to other States and other States' taxpayers, by exposing them to massive liabilities which would further encourage development along hurricane-prone coastlines.

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Mr. Speaker, supporters of this legislation will undoubtedly come to the floor to explain that participation in this Federal consortium is voluntary. What they will undoubtedly omit, however, is that there is nothing stopping States from engaging in this kind of partnership already today and that only one additional value being placed on this bill is an implicit Federal guarantee that provides a subsidy to this government program and that the private sector does not enjoy and places the Federal Government at risk for covering any potential losses experienced by this program.

In other words, said another way, this new Democrat majority is looking for other States to pay for taxpayers, caused by mistakes in one State.

Mr. Speaker, I oppose this legislation that the Congressional Budget Office estimates will cost taxpayers $120 million over the next 5 years just to implement, and that is only counting what they will have to pay before they are asked to bail out this program.

I insert the Congressional Budget Office's score of this legislation into the CONGRESSIONAL RECORD at this point, as well as the administration's Statement of Policy which makes it clear that the President's senior advisers would advise this legislation's veto if it makes it to the President's desk.

OCTOBER 30, 2007.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3355, the Homeowners' Defense Act of 2007.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Daniel Hoople.

Sincerely,

PETER R. ORSZAG.

Enclosure.

H.R. 3355—Homeowners' Defense Act of 2007

Summary: H.R. 3355 would authorize the appropriation of $120 million over the 2008–2013 period to establish a National Catastrophe Risk Consortium to help coordinate the availability of reinsurance contracts between state reinsurance entities and the private market. The consortium also would act as an information repository for states on the risk of natural disasters and research on the standardization of risk-linked securities (for example, catastrophe bonds). Assuming the appropriation of the specified amounts, CBO estimates that implementing this provision would cost $75 million over the 2008–2012 period.

The bill also would establish two new federal direct loan programs within the Department of the Treasury for state reinsurance programs facing certain levels of insured losses following a natural disaster. Loans could be made only if a reinsurer could not access capital in the private market and repayment was secured by the full faith and credit of the state. Treasury would develop procedures for state reinsurance programs to prequalify for loans, including the assessment of fees to cover the cost of administering the program. CBO expects that such loans would be made very rarely and would involve a minimal subsidy cost under the terms specified in the legislation. As such, CBO estimates that loans made under the bill would have an insignificant cost over the next five years. Enacting H.R. 3355 would not affect direct spending or revenues.

This bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of this legislation is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By fiscal year, in millions of dollars—				
	2008	2009	2010	2011	2012
Authorization Level	20	20	20	20	20
Estimated Outlays	3	12	20	20	20

Note: H.R. 3355 also would authorize the appropriation of $20 million in fiscal year 2013.

Basis of estimate: For this estimate, CBO assumes that the bill will be enacted in early fiscal year 2008 and that the necessary amounts will be appropriated for each fiscal year.

National Catastrophe Risk Consortium

H.R. 3355 would authorize the appropriation of $20 million for each of fiscal years 2008 through 2013 to establish the National Catastrophe Risk Consortium. The consortium would be a federal entity managed by a board of directors made up of designees from the Departments of Treasury, Commerce, and Homeland Security, and members from each participating state. Responsibilities of the Consortium would include: encouraging and facilitating different avenues for state insurers to enter into reinsurance agreements with the private market, conducting research and analysis into the standardization of risk-linked securities, and gathering insurance information. Assuming the appropriation of the specified amounts, CBO estimates that implementing this provision would cost $3 million in 2008 and $75 million over the 2008–2012 period for staff and research expenses.

Liquidity and catastrophe loans for state reinsurance programs

H.R. 3355 would establish two new direct loan programs within the Department of Treasury for state reinsurance programs facing a certain level of insured losses following a natural disaster. Reinsurance programs insure primary insurers or other reinsurers against losses in excess of amounts specified by contract or law. Reinsurance programs eligible for the new loan programs created under the bill would only be those in which the authorizing state maintained a financial interest. Examples of such reinsurance programs include the Florida Hurricane Catastrophe Fund (FHCF) and the California Earthquake Authority. In cases where a state does not have a reinsurance program that meets the requirements for a loan under the bill, a state residual insurer (for example, wind pool programs) would be eligible to apply during the five-year period following enactment.

Procedures to Establish Loan Eligibility. H.R. 3355 would direct the Secretary of the Treasury to develop procedures for reinsurance programs to establish loan eligibility prior to a natural disaster. At a minimum, insurance entities covered by the reinsurer would be required to establish rate structures sufficient to cover expected annualized costs and ensure that any new construction or substantial renovation of insured properties comply with applicable state and local building codes. As a part of the precertification process, the Secretary would assess a fee on state reinsurance programs to cover the costs of administering the loan program. Those fees would be credited in the budget as an offsetting collection and would be available upon subsequent appropriation of a loan subsidy.

Based on information about the characteristics of existing state reinsurance programs and on information from the Treasury, CBO expects that most state reinsurance programs would meet the eligibility requirements set forth under the bill and thus would be eligible to receive loans. In addition, other qualified reinsurance programs may be established in the future that also would be eligible to receive loans.

Liquidity Loans. Under H.R. 3355, a qualified reinsurance program would be eligible to receive a liquidity loan if the program demonstrates it is facing a liquidity shortage and is not able to access capital at a reasonable rate in the private market. The principal of such loans could not exceed the ceiling coverage level—the maximum amount of liability the program could incur under law. In addition, the full faith and credit of the state in which the reinsurance program is authorized would be required. Loans would be made at a rate of not less than 3 percentage points above the applicable Treasury rate and for a term of between five and ten years.

Based on information from the state of Florida, CBO expects that those loans would most likely be used to address short-term liquidity shortages and would be repaid once adequate capital became available through established reinsurance agreements or through the private market. In cases where a liquidity loan is held to term (which CBO expects would be unlikely to occur because of the high interest rate of the loan), CBO estimates that those loans would have no significant cost to the federal government. As of June 2007, rating agencies like Standard and Poor's have not issued a credit rating below ''A'' for new general obligation bonds issued by a state. Based on historical default rates and the minimum terms specified in the bill, CBO estimates that the default risk associated with a state's general obligation bond rating would have to increase significantly before such a loan would be estimated to have more than a negligible subsidy cost. While the default risk of loans backed by the full faith and credit of a state would likely increase following a disaster, CBO expects that this increase would not be significant. (Following Hurricane Katrina, for example, Standard and Poor's announced it would adjust a state's credit rating for the first time as a result of a natural disaster by lowering Louisiana's rating from an A+ to an A.) As such, CBO estimates that any liquidity loan made under the bill would have an insignificant cost over the next five years.

Catastrophe Loans. Under the bill, a qualified reinsurance program would be eligible to receive a catastrophe loan following a disaster if insured losses exceeded 150 percent of the aggregate amount of premiums assessed (whether collected or not) for private property and casualty insurance issued in the state over the previous 12-month period. The principal of such a loan could not exceed the difference between the total insured loss and the program's ceiling coverage level, and repayment would be afforded the full faith and

credit of the state. Loans would be made at a rate of not less than 20 basis points above the applicable Treasury rate and for a term of not less than 10 years.

Based on information from the states, CBO expects that few, if any, reinsurance programs would apply for a catastrophe loan following a disaster. State insurance commissions and rating agencies often require that primary insurers are able to cover at least a 100-year event to maintain their credit rating. As such, not only would losses exceeding the ceiling coverage level be outside the responsibility of the reinsurer, they likely would be covered through existing reinsurance agreements between the primary insurer and the private market.

For example, as a result of Hurricane Katrina, the Gulf Coast faced insured losses of over $40 billion. Such losses well exceeded the minimum eligibility threshold for a catastrophe loan under the bill. (Based on the aggregate amount of direct written premium for private property and casualty insurance, CBO estimates that the threshold probably would have been around $12 billion for Louisiana in 2005.) However, CBO expects that there would have been little demand for a catastrophe loan following Katrina because a state reinsurance program (if one had existed) would not have been responsible for losses above its ceiling coverage level. Furthermore, such losses would have been covered by existing reinsurance agreements between primary insurers and the private market. For those reasons, CBO estimates that implementing this provision would have no cost over the next five years.

Intergovernmental and private-sector impact: H.R. 3355 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal Costs: Daniel Hoople; Impact on State, Local, and Tribal Governments: Melissa Merrell; Impact on the Private Sector: MarDestinee C. Perez.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

STATEMENT OF ADMINISTRATION POLICY

H.R. 3355—HOMEOWNER'S DEFENSE ACT

The Administration seeks to ensure that there is a stable and well-developed private market for natural hazard insurance and reinsurance. The Administration believes that private markets are the most efficient, lowest cost, and most innovative insurance providers. Therefore, the Administration strongly opposes H.R. 3355, which creates a permanent role for the Federal government in natural hazard insurance markets. Accordingly, if H.R. 3355 were presented to the President, his senior advisors would recommend that he veto the bill.

The Administration strongly opposes provisions creating a Federally-backed consortium of States in order to pool catastrophe risk. Although pooling can be an effective mechanism for managing risk, there is no need for a Federal role because States are currently free to associate to address catastrophe risk. Further, the consortium's Federal charter would create an implicit guarantee that the Federal government backstops the consortium's financial obligations. This implicit guarantee would result in an inequitable Federal subsidy for certain State insurance programs and policyholders.

The Administration also strongly opposes provisions establishing a Federal loan program to fund losses incurred by State-sponsored reinsurance programs. This subsidized Federal backstop would displace reinsurance currently available from the private market and would clearly result in a subsidy for insurers, State insurance programs, and their policyholders. Federal subsidies for State insurance programs would also encourage the creation of new State programs and discourage States from charging risk-based rates, resulting in the State programs crowding out the private sector. Subsidized insurance rates also undermine economic incentives to mitigate risks. Individuals facing subsidized rates would be encouraged to take on risks that are inappropriate, specifically putting themselves in harm's way because they do not bear the full expected costs of potential damages. Finally, shifting liabilities for catastrophe exposure from the private sector and State insurance programs to the Federal government would be fiscally irresponsible as the Federal government could expect to face steep losses in certain years. Financing these losses would require Federal taxpayers to subsidize insurance rates for the benefit of those people living in high-risk areas.

Mr. Speaker, once again, the new Democrat majority is bringing to the floor something which will not only increase spending for all taxpayers, in addition to the high taxation that this new majority is already bringing to the floor, in addition to the rules and regulations which the new Democrat majority is bringing to the floor, and today we see an opportunity for the United States to bail out one State because they've got problems with their private sector initiatives.

I will ask all of my colleagues to stand up for the American taxpayer today, not to subsidize the homeowners of one specific State. I urge them to vote ''no'' on this rule and the underlying legislation.

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

Ms. CASTOR. Mr. Speaker, I would inquire of the gentleman from Texas if he has any additional speakers.

Mr. SESSIONS. I appreciate the gentlewoman asking. At this time, I do not have any additional speakers.

Ms. CASTOR. Then I will reserve the balance of my time. Because I have the right to close, I will wait for the gentleman from Texas to make his closing remarks, and then I will make my closing statement.

Mr. SESSIONS. Mr. Speaker, I will be asking Members to oppose the previous question so that I can amend the rule to have Speaker PELOSI, in consultation with Republican Leader BOEHNER, immediately appoint conferees to move forward a clean Military Construction and Veterans Affairs appropriations bill for 2008.

Despite the fact that Veterans Day will likely come and go this year without the House living up to its commitments to our Nation's veterans, Democrats continue to play politics with this important funding for their own political gain.

While the House Democrat leadership plays politics, however, our Nation's veterans are the ones paying the price. The Senate has already done its work and appointed conferees for the veterans appropriations bill, and for every day that House Democrats allow the veterans funding bill to languish without conferees for their own political agenda, our Nation's veterans lose $18.5 million, money that could be used for veterans housing, veterans health care, and other very important veterans support activities.

The American Legion and the VFW already have, along with multiple requests from this Member, as well as Republican Members of the House, urged both Speaker PELOSI and Democrat Senate Majority Leader REID to end their PR campaign and begin conference work on this important veterans funding issue.

Unfortunately, it appears as though all these commonsense requests have fallen on deaf ears, and our Nation's veterans are being forced to pay the price for continued Democrat partisanship and lack of leadership on this issue.

I ask all of my colleagues to support this motion to defeat the previous question so that we can put partisanship aside and move this important legislation forward without any further gimmicks or games.

I know that this is a bold idea that hasn't yet been focused on by groups around the Democrat Party or by pollsters or those who work with moveon.org, but I think that our veterans deserve nothing less.

Mr. Speaker, I ask unanimous consent to have the text of the amendment and extraneous material appear in the RECORD just prior to the vote on the previous question.

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

There was no objection.

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

Ms. CASTOR. Mr. Speaker, we're here on the Homeowners' Defense Act of 2007 and this rule. This is an innovative solution crafted by my very thoughtful colleagues from Florida, Representative RON KLEIN and Representative TIM MAHONEY, to tackle the rising cost of property insurance.

While the problem is especially acute in the State of Florida, it is not limited to the State of Florida. Look all the way up the coastline from Florida to Georgia, up through New York. Everyone is suffering these double-digit percentage increases in their property insurance bills. Look across the country to California and, yes, to Texas. Florida is not alone and the gulf coast is not alone.

What this requires is some innovative, thoughtful thinking that sometimes is all too often missing here in Washington, but thankfully this new Congress has elected some self-starters who have experience in business and know how business and government can work together to bring real solutions for the American people.

These times of crisis demand innovative solutions, and my colleagues from Florida and the Financial Services Committee that passed this bill in a bipartisan vote, that has brought this to the floor today that we can act on will provide a voluntary, not all States participate, it's a voluntary national insurance risk consortium that will

allow States to tap private capital. Despite the protests from the other side of the aisle, the way this bill is crafted is the taxpayers will not be on the hook for additional disaster claims. To the contrary, this is an attempt to alleviate having to come back to the Congress time and time again in a time of natural disasters.

Now, will we be able to solve natural catastrophes in this bill? No. But is it a smart tool to plan ahead, to try to put some money aside early and create a backstop? Yes.

So I thank all of my colleagues from Florida, especially Representative KLEIN and Representative MAHONEY, because we have got to do something, and this is a simple and effective way to tackle the rising costs for property insurance. I ask my colleagues to support the rule and to support this innovative solution.

I urge a ''yes'' vote on the previous question and on the rule.

The material referred to previously by Mr. SESSIONS is as follows:

AMENDMENT TO H. RES. 802 OFFERED BY MR. SESSIONS OF TEXAS

At the end of the resolution, add the following:

SEC. 3. The House disagrees to the Senate amendment to the bill, H.R. 2642, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, and agrees to the conference requested by the Senate thereon. The Speaker shall appoint conferees immediately, but may declare a recess under clause 12(a) of rule I for the purpose of consulting the Minority Leader prior to such appointment. The motion to instruct conferees otherwise in order pending the appointment of conferees instead shall be in order only at a time designated by the Speaker in the legislative schedule within two additional legislative days after adoption of this resolution.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

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

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

Because the vote today may look bad for the Democratic majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's ''American Congressional Dictionary'': ''If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: ''Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

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

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

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

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on ordering the previous question will be followed by 5-minute votes on adoption of the resolution, if ordered, and adoption of the motion to instruct on H.R. 3074, if ordered.

The vote was taken by electronic device, and there were—yeas 222, nays 191, not voting 19, as follows:

[Roll No. 1065]

YEAS—222

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Brown, Corrine
Brown-Waite, Ginny
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NAYS—191

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Buchanan
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller

King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Mack
Manzullo
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—19

Bean
Boren
Braley (IA)
Buyer
Carson
Cubin
Dicks
Giffords
Hunter
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
Marchant
McMorris Rodgers
Miller (FL)
Oberstar
Rothman

□ 1449

Ms. GRANGER and Mr. ROGERS of Alabama changed their vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

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

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

RECORDED VOTE

Ms. CASTOR. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

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

The vote was taken by electronic device, and there were—ayes 225, noes 190, not voting 17, as follows:

[Roll No. 1066]

AYES—225

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Brown, Corrine
Brown-Waite, Ginny
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gillibrand
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth
Young (FL)

NOES—190

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Buchanan
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)

NOT VOTING—17

Bean
Boren
Braley (IA)
Buyer
Carson
Cubin
Giffords
Hunter
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
McMorris Rodgers
Miller (FL)
Oberstar
Rothman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining on this vote.

□ 1458

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.

APPOINTMENT OF CONFEREES ON H.R. 3074, TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2008

MOTION TO INSTRUCT OFFERED BY MR. KNOLLENBERG

The SPEAKER pro tempore. The unfinished business is the de novo vote on the motion to instruct on H.R. 3074 offered by the gentleman from Michigan (Mr. KNOLLENBERG).

The Clerk will redesignate the motion.

The Clerk redesignated the motion.

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

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

RECORDED VOTE

Mr. SESSIONS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

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

The vote was taken by electronic device, and there were—ayes 397, noes 16, not voting 19, as follows:

[Roll No. 1067]

AYES—397

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boswell

Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Castle
Castor
Chabot
Chandler
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillibrand
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Hooley
Hoyer
Hulshof
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Richardson
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sanchez, Loretta
Sarbanes
Saxton
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Wu
Yarmuth
Young (AK)
Young (FL)

NOES—16

Baldwin
Clarke
Crowley
Ellison
Grijalva
Honda
Jackson-Lee (TX)
Kucinich
Lee
Sánchez, Linda T.
Schakowsky
Serrano
Sires
Towns
Woolsey
Wynn

NOT VOTING—19

Bean
Boren
Braley (IA)
Buyer
Carson
Carter
Cubin
Giffords
Hunter
Jindal
Keller
LaHood
Lantos
Levin
Lungren, Daniel E.
McMorris Rodgers
Miller (FL)
Oberstar
Rothman

□ 1507

Ms. WATERS changed her vote from ''no'' to ''aye.''

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. BRALEY of Iowa. Mr. Speaker, on rollcall vote No. 1060, had I been present, I would have voted "nay."

On rollcall vote No. 1061, had I been present, I would have voted "aye."

On rollcall vote No. 1062, had I been present, I would have voted "aye."

On rollcall vote No. 1063, had I been present, I would have voted "aye."

On rollcall vote No. 1064, had I been present, I would have voted "aye."

On rollcall vote No. 1065, had I been present, I would have voted "aye."

On rollcall vote No. 1066, had I been present, I would have voted "aye."

On rollcall vote No. 1067, had I been present, I would have voted "aye."

The SPEAKER pro tempore (Mr. CARDOZA). Without objection, the Chair appoints the following conferees:

Messrs. OLVER, PASTOR, RODRIGUEZ, Ms. KAPTUR, Mr. PRICE of North Carolina, Mr. CRAMER, Ms. ROYBAL-ALLARD, Messrs. BERRY, OBEY, KNOLLENBERG, WOLF, ADERHOLT, WALSH of New York, GOODE, and LEWIS of California.

There was no objection.

GENERAL LEAVE

Mr. KLEIN of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3355 and to insert extraneous material thereon.

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

There was no objection.

HOMEOWNERS' DEFENSE ACT OF 2007

The SPEAKER pro tempore. Pursuant to House Resolution 802 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 3355.

□ 1510

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 3355) to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events, with Mr. ROSS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Florida (Mr. KLEIN) and the gentlewoman from West Virginia (Mrs. CAPITO) each will control 30 minutes.

The Chair recognizes the gentleman from Florida.

Mr. KLEIN of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to discuss H.R. 3355, the Homeowners' Defense Act. This bill responds to the growing crisis in the availability and affordability of homeowners insurance and further works to protect the financial solvency of States. This bipartisan legislation represents many months of deliberation and thoughtful input from members of both parties and across each region of the United States. We recognize that disasters will continue to occur across the country and are moving proactively to ensure that a plan is in place before the next one strikes.

Every region of the United States is susceptible to some form of natural disaster, be it earthquakes, hurricanes, blizzards, tornadoes, or wildfires, and we are here to provide relief.

It is important to understand that insurance availability and affordability problems have become a national issue. Hundreds of thousands of homeowners across the country have already had their insurance coverage dropped or are currently slated for nonrenewal by their insurance company. Those who remain insured are confronted with crippling premiums, which in some cases is forcing homeowners to make tough decisions about whether to go with or without property insurance, if they have that choice.

Insurance problems are not isolated to Florida, Mississippi, or Louisiana. Last year property insurers indicated that they plan to stop offering new coverage in Maryland and Virginia's

coastal markets, and property insurers have also stopped writing new policies for residents in Delaware, New Jersey, and Connecticut, no matter where in the State the property is located.

Furthermore, tens of thousands of homeowners in Massachusetts, New York, North Carolina, South Carolina, Alabama, and Texas have also been dropped as well. And adding to that, even with California's known record of seismic activity, over 84 percent of California homeowners currently do not have earthquake policies. It is simply unacceptable for property owners not to be able to get reliable coverage in these markets, and it is precisely this reason that legislation is necessary.

The Homeowners' Defense Act aims to take a twofold approach by establishing a program to help States responsibly manage their risk before disaster strikes while also providing financial assistance to ensure that they can quickly and efficiently respond to homeowners insurance claims following a natural disaster.

Specifically, this bill provides a venue for State-sponsored insurance funds to voluntarily bundle their catastrophic risk with one another and then transfer that risk to the private markets through the use of catastrophic bonds and reinsurance contracts. The legislation also allows for the Federal Government to extend loans to cash-strapped States after a large-scale natural disaster so that they can meet their obligations to homeowners.

By utilizing new strategies and an innovative capital market approach, the bill allows investors to assume some of the risk currently held by the States in return for an interest payment. The voluntary nature of the program, coupled with the use of the capital markets, ensures that homeowners in less disaster-prone States will not be on the hook if a disaster strikes a neighboring State.

I want to emphasize that the opt-in nature of this plan creates no burden or obligation whatsoever on States that do not choose to participate. This is essential.

The total economic impact accompanying natural disasters resonates throughout our entire Nation. The total economic damages from the 2005 hurricanes will likely exceed $200 billion, with the Federal Government taking responsibility for paying out in excess of $109 billion for disaster relief.

□ 1515

Although we all agree that it is necessary, this Federal spending is drawn equally from taxpayers across the country, not simply from those in affected regions.

Through this legislation, we are looking to take a proactive approach where States responsibly plan in advance of a disaster, rather than a reactive approach, where the Federal Government and every taxpayer opens up the Treasury after a catastrophe. It is important to emphasize, however, that the status quo is no longer an option. We must work together to establish a system to make sure that property insurance is both available and affordable for hardworking families and those most in need.

I urge Members to vote in favor of this much-needed legislation.

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

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

First of all, I would like to thank the two gentlemen from Financial Services from Florida for bringing this bill forward.

Mr. Chairman, we are all concerned about insurance rates that are increasing in Florida and other States. Representatives BROWN-WAITE, PUTNAM, BUCHANAN and FEENEY have all been very effective and passionate advocates for their constituencies, and I would like to commend them for their hard work.

We can all agree that many States are facing considerable problems with the affordability of homeowners insurance. However, at this point, there is no consensus that H.R. 3355 is the best solution to the problem. In fact, there is quite a bit of disagreement amongst a broad spectrum as to what is the best manner to address this problem. Instead of granting long-term relief to middle-income coastal homeowners confronted with rising insurance costs, this bill could potentially place taxpayers at risk for bailing out insolvent State insurance companies.

In the past few years, some of the largest hurricanes on record tore through the gulf coast and coastal Florida. Some of the affected States have tried to protect their local markets, to limit rate increases, force coverage, or restrict market freedom. Unfortunately, these efforts have had severe unintended consequences and have done little to lower the cost of insurance for consumers. Competition has been reduced and homeowners have been left with fewer choices. Ironically, State initiatives designed to secure more coverage for their constituents have resulted in less affordability.

Florida created Citizens Property Insurance Corporation in 2002 because private insurers have reservations about insuring risky coastal development. While Citizens was supposed to be an insurer of last resort, it is now Florida's largest insurer, with over 1.3 million policyholders, and a total exposure of $434 billion, yet only enough funding to pay approximately $9.4 billion in claims. This undercapitalization means that if a major hurricane hits Florida, Citizens could be bankrupt by hundreds of billions of dollars.

To bring down the cost of insurance even more, Florida created a State reinsurance fund to sell inexpensive reinsurance to private companies to encourage them to write more business in the State. This fund has never had enough cash on hand to pay claims and has driven out the global reinsurance market, recouping losses through taxpayer assessments. According to a Georgetown University report released last summer, the Florida catastrophe fund offers $32 billion in coverage and has $1 billion on hand.

Of the two main titles of the bill, H.R. 3355, the first doesn't add anything new that States cannot already do on their own. The second one makes inexpensive federally subsidized loans available to State insurance companies that are curtailing the private market, resulting in less competition and higher costs to the customer. And I will add here that anytime you're federally subsidizing somebody, that's a cost to every single taxpayer in the country.

The Congressional Budget Office estimates that over the next 5 years implementing this bill would cost $75 million, but even this number seriously underestimates the true cost to the American taxpayers. CBO concluded that few States would actually be interested in these loans and that they would only be made on rare occasions. Nevertheless, taxpayers could potentially be exposed to billions of dollars, leaving them with an enormous cost of capital for the loan's duration and subjecting leaders here in Congress to the inevitable pressure to later forgive loans at the taxpayers' expense.

Mr. Chairman, the federally headed consortium provided for in this bill, while a novel approach, likely offers nothing but an implicit Federal backing for any insured securities, much like the GSEs; not to mention States already have the ability to engage in these pooling arrangements at this day. Further emphasized in the President's Statement of Administration Policy on this bill: ''There is no need for a Federal role because States are currently free to associate to address catastrophic risk.''

It is also debatable whether securitization represents any significant advantages over the sophisticated private reinsurance markets. According to the Georgetown Environmental Law and Policy Institute: ''The mere creation of this consortium would likely skew insurance premiums and encourage unwise development.''

Of concern as well is that the Treasury would make loans to State catastrophe programs. Florida is currently the only State with a reinsurance fund that would qualify for these loans, but there is no doubt that this bill would encourage other States to create these programs, most likely in the Florida mode, further undermining the private market.

The legislation at hand even allows an interim period where other state-run insurers, such as the financially troubled Citizens in Florida, could receive these loans. We should think twice about bankrolling State insurance companies. A Federal loan to an insolvent State catastrophe fund sounds eerily similar to me to the Federal Government's ongoing loan to the

National Flood Insurance Program, which is currently carrying $18 billion in debt.

Republicans will offer a number of critical amendments today to try to steer this debate towards fiscal responsibility, mitigation, and free market competition. We will consider an amendment by Congressman SHAYS to replace the text of the bill with a bipartisan, blue-ribbon commission to report to Congress specific proposals to improve the affordability and availability of national catastrophe insurance. It would be very prudent of this body to take a step back, allow for further study, and gain a consensus that we do not have on this proposal before us today.

Mr. Chairman, we need to be careful when confronting this very complex issue affecting millions of homeowners that could expose all American taxpayers to huge liabilities, and we shouldn't rush to judgment for an appropriate response.

All of us Members of Congress here know that natural disasters can strike anywhere and everywhere in this country; and by no means are we saying, in opposition to this bill, that we shouldn't have the American response of a helping hand. We just don't feel that this is the right way to do it. We need to work together on bipartisan reforms to address market dysfunction. I think H.R. 3355 falls short on that standard.

There will be many productive ideas put forward this afternoon that will improve the legislation that we're considering; however, if these are not adopted, I would urge my colleagues to vote against this bill.

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

Mr. KLEIN of Florida. Mr. Chairman, I yield 6½ minutes to the gentleman from Florida (Mr. MAHONEY).

Mr. MAHONEY of Florida. Mr. Speaker, today is a turning point for how the Federal Government responds to natural catastrophes. Today, the House of Representatives has the ability to ensure that homeowners across the country will have access to affordable property insurance. More importantly, we have the opportunity to protect and preserve the American Dream of home ownership with the passage of H.R. 3355, the Homeowners' Defense Act of 2007.

Before I begin summarizing the national catastrophe insurance crisis affecting the 16th Congressional District of Florida, I want to reiterate that this is a national problem. Let me be clear: Congress has been forced to act because private markets for homeowners insurance have failed. The issue is not the industry's ability to pay claims or write policies. It is the American's ability to purchase affordable homeowners insurance.

This legislation we are considering today, the Homeowners' Defense Act of 2007, is essential, as an individual's home is the single biggest investment an average American has, and it is vital that we protect it.

North America has the greatest occurrence of natural disasters of any continent. And thanks to global warming, science is forecasting that we are going to see the incidence and severity of disasters increase.

I am proud that the legislation we are considering today preserves the private homeowners insurance industry. H.R. 3355 recognizes that no one got into the insurance business to underwrite a catastrophic event, whether it be an act of war or an act of Mother Nature. The bill gives the insurance industry the ability to operate without fear of insolvency due to a mega-catastrophe we all know will happen. However, because no one can predict when the next earthquake, hurricane or tornado will strike, the industry is forced to plan and incur the expense necessary to cover a 1-in-200 year event every year.

The program established by this legislation is voluntary. Each State will have the opportunity to assess its risk of natural catastrophes. After analyzing its exposure to natural catastrophes, a State can choose to participate or not.

H.R. 3355 is fiscally responsible. The legislation sets a historic precedent. No longer will the American taxpayer have to foot the cost of a natural disaster with an expensive government bailout. As I said earlier, we know that these catastrophic events will happen. The Homeowners' Defense Act ensures that we plan for them in a fiscally responsible manner and does not cost the American taxpayer a dime, while ensuring that homeowners take personal responsibility for their choice to live in areas prone to more frequent natural catastrophes.

In 2004 and 2005, natural disasters resulted in approximately $89 billion in privately insured catastrophic losses. Science tells us that these disasters, their severity and frequency, are going to increase and have caused the insurance industry to adjust their models for insuring these events. As a result, insurers are pulling out or reducing their exposure in disaster-prone areas of the country. In some cases, new companies encouraged to enter the market do not have the financial strength to pay claims following a natural disaster because they are undercapitalized. Likewise, larger insurance companies have created smaller State subsidiaries for the purpose of limiting their liability. This problem has concentrated risk in States, further complicating the problem.

In some situations, like in my home State of Florida, the market has deteriorated so drastically homeowners can't get insurance, regardless of price. In an effort to address this growing problem, Florida has had to step up to avert an economic disaster by creating a State-owned insurance company. Today, unfortunately, the citizens of my State are the owners of the biggest homeowners insurance company in Florida with over 30 percent of the market.

Lost insurance capacity is not the only issue confronting homeowners today. Families have seen their insurance premiums skyrocket. The toxic cocktail of rising gas prices, health care costs, and homeowners insurance have created a vicious cycle of terror for our seniors living on fixed incomes and our middle-class families struggling to provide for their children.

Just yesterday, I spoke with a single mother in Stuart, Florida, who is making a good income of approximately $60,000 per year. She told me that, without warning, her monthly payment went up almost $500 per month. She is struggling to save money to put her daughter through college, and she's fearful she won't be able to pay her bills.

The Financial Services Committee has held numerous hearings this year on this issue. During these hearings, several facts became clear. The risk posed by natural catastrophes is not going away. The damage caused by disasters will keep growing, and insurance premiums are likely to remain high.

As Congressman KLEIN noted, the Homeowners' Defense Act is a two-pronged approach designed to address the property insurance crisis, which I have outlined, and ensures a stable insurance market that will give States impacted by severe natural catastrophes the ability to help their citizens rebuild their homes and their lives.

Title II of the bill, ''The National Homeowners Insurance Stabilization Program,'' extends Federal loans to States impacted by severe natural disasters. These loans, which will be paid back by the States, will allow a State's catastrophe program the ability to cover its liability in the event it is not fully funded at the time of the disaster.

Because the legislation utilizes private capital markets and a loan program that requires repayment in affected States, it eliminates cross-subsidization. Taxpayers will not be asked to subsidize homeowners that choose to live in high-risk communities.

In a letter dated November 6, the National Association of Insurance Commissioners stated that H.R. 3355 provides a viable solution for the State and Federal governments to work together to address this dilemma and address the natural catastrophe threat.

In closing, I would like to thank Chairman FRANK, Congressman KANJORSKI and Congresswoman MAXINE WATERS, as well as their staff, for their continued commitment to America's homeowners. Their support and leadership has been essential to making this legislation a reality. I would also like to thank my colleagues from Florida, Representatives GINNY BROWN-WAITE and ADAM PUTNAM. Their input on this legislation has been invaluable and serves as an example of what Congress can achieve when we work together in a bipartisan manner.

I would ask my colleagues to stand up for the American homeowner and taxpayer by voting ''yes'' on H.R. 3355.

□ 1530

Mrs. CAPITO. Mr. Chairman, I would like to yield 3 minutes to the gentleman from Illinois (Mr. ROSKAM), a member of the Financial Services Committee.

Mr. ROSKAM. I thank the gentlewoman for yielding.

I want to commend our colleagues on the other side of the aisle from Florida as good advocates for their districts in recognizing that Florida has a serious problem. I think that if everybody had that same confidence that Federal taxpayers weren't going to be involved and that this ultimately was an insurance program that was going to be completely clearly funded, the money was going to come in, it was actuarially sound, and it was going to go out, a lot of us would say ''no harm, no foul, great.''

But a lot of us have a real sense of concern because what we have done is we have looked at Florida, and my conclusion is that part of the problem of Florida and the difficulty that they are facing is because of governmental intervention in the insurance marketplace. It seems to me that the State of Florida came in and began to manipulate the marketplace insofar as other companies then ultimately made decisions, ''look, this is too high maintenance, this is too complicated, we are not able to price this appropriately, we are out of here.''

We heard testimony during the Financial Services Committee from folks who said the depth and breadth of building in Florida, in many cases, is simply inappropriate, building in very risky areas. Now, the bill speaks to some to mitigation, but I think we can do much better. And over the course of this afternoon, in a series of amendments that we intend to offer, some of them on the manager's amendment and some of them specific roll calls that we will be seeking, we are going to try and drive the conversation toward market solutions to this problem.

We are told time and again, I have heard both speakers this afternoon on the other side talk about an opt-in, talk as if this is a voluntary program. Well, I will tell you what; it is not a voluntary program for the Federal taxpayers that I represent. Federal taxpayers that I represent, I believe, are ultimately going to be on the hook for the liabilities and the commitments that are made either explicitly or implicitly through the language of this bill.

I urge a great sense of caution not to get caught up in the emotion of this, but to be clear-eyed and clear-thinking in how we debate this, and ultimately to oppose this bill in its current form.

Mr. KLEIN of Florida. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ).

Ms. WASSERMAN SCHULTZ. Mr. Chairman, I rise today in support of the Homeowners' Defense Act of 2007.

Over the past few years, most Americans have witnessed devastating images of natural catastrophes strike our fellow citizens, from wildfires in California, tornadoes in the Midwest, to the hurricanes hitting the Gulf States in Florida, and wondered if they might be next. Even as the recovery begins after these disasters, for many, a new nightmare of rising insurance rates and dropped policy coverage begins. However, thanks to the sponsor of the Homeowners' Defense Act of 2007, Congressmen RON KLEIN and TIM MAHONEY, many homeowners across America will be spared a similar nightmare. This bipartisan bill, and it is good to see my colleagues on the other side of the aisle from Florida here as well, this bipartisan bill provides a critical tool that will help provide a fair and equitable solution to this crisis.

I cannot think of an issue that is more important to the economic survival of the homeowners of my State of Florida than dealing with the homeowners insurance crisis. Thank you, Congressmen KLEIN and MAHONEY, and thank you to Chairman BARNEY FRANK for bringing this bill to the floor today. It has been a long time in coming.

I urge Members to support it.

Mrs. CAPITO. Mr. Chairman, I would like to yield 3 minutes to the gentleman from Florida (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, there is no larger issue in my home State of Florida than the high cost of homeowners insurance. Like many Floridians, my constituents are finding property insurance more expensive and, many times, impossible to get. Skyrocketing insurance is hurting the middle class and it is damaging our real estate market and our economy. Insurance in the State of Florida has gone up 385 percent in last 5 years, 77 percent a year.

This bill is necessary to encourage insurance companies to write policies that will work for families and small businesses that they can afford. One of our businesses, and I don't want to leave them out either, in our community, their insurance went from $25,000 to $125,000. They called me and asked me what could they do. I said, ''Well, get some other prices.'' He called back and said there was nobody else that will even write it. One insurance company. They had to have it because they had a mortgage.

I am pleased the House will pass a manager's amendment that includes language authorized by my colleague GINNY BROWN-WAITE. I want to thank her for her leadership on this effort for the last 3 years. She is going to establish a Federal catastrophic fund. This amendment mirrors legislation I introduced with her at the beginning of the year. I also want to thank my Florida colleagues Congressman TIM MAHONEY and Congressman RON KLEIN for introducing this legislation.

Mr. Chairman, I am proud that we have been able to work on a bipartisan basis in Florida.

Mr. KLEIN of Florida. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I rise in support and thank Congressmembers KLEIN and MAHONEY for their leadership.

I have long held the belief that we need solutions to the growing crisis of availability and affordability of homeowner insurance. That is why I was the sponsor of the National Catastrophe Insurance Act in previous congresses, which would have established a Federal reinsurance plan following a disaster with more than $50 billion in insured losses.

Right now we are seeing the consequences of not having these products available. In the wake of a series of devastating hurricanes, large swaths of our country are seeing insurance companies either leaving the market or premiums that are simply too high for homeowners to afford. The legislation before us focuses on stabilizing the catastrophic insurance market by expanding private insurance capacity to cover natural disasters and by helping States better manage risk. This legislation allows States to participate in the plan by allowing their State-sponsored insurance funds to voluntarily pool their catastrophic risk with one another.

The private market, and not taxpayers, will take on the risk through the purchasing of catastrophic bonds and reinsurance contracts. Just as I support other efforts such as TRIA to provide certainty after catastrophic events, I believe it is prudent to put in place a system that insures risk. This allows affected communities and our economy as a whole to respond to each and every disaster in a clear and rational manner while protecting the residents, and I urge my colleagues to support the bill.

Mrs. CAPITO. Mr. Chairman, I yield 3 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) who has been very active on this issue.

Ms. GINNY BROWN-WAITE of Florida. I thank the gentlewoman for yielding time.

The bill that we have before us today is one that is not just about Florida. The bill that is before us today is about the availability of any State being able to participate if they form a catastrophic fund in their State. Whether it is hurricanes in Florida or earthquakes or perhaps wildfires in California, whatever the State wants to cover in their catastrophic fund is what would be covered.

Let me point out also that this is purely voluntary. This isn't mandatory. We are not mandating States to participate. We are encouraging States to be responsible. Sometimes we tend to, especially at the Federal level, we tend to wait until something happens

and then we react. Well, we all remember how many hurricanes hit, Hurricane Katrina, but other hurricanes also in 2005.

As a matter of fact, in 2005, the Federal taxpayer alone paid $89.6 billion in post-disaster assistance. That is post disaster. That is after the fact. Wouldn't it be better to encourage States with some Federal backstop to work to have a plan there to plan and have the availability of a catastrophic fund?

I have served on the Financial Services Committee now, this is my third term. I have spent 5 years on the Financial Services Committee. I want to thank the gentleman who just walked in, Chairman BARNEY FRANK, who has worked in a very bipartisan manner to help get this bill in the form that it is today. Later we will be seeing the manager's amendment. I certainly want to thank Representatives KLEIN and MAHONEY and their great staffs and also Annie Woeber from my staff, who I think lives, eats, drinks and breathes this issue.

Mr. KLEIN of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. WEXLER).

Mr. WEXLER. Mr. Chairman, opponents of the Homeowners' Defense Act suggest we should not get caught up in the emotion of the moment. But, Mr. Chairman, our Nation is suffering from a property insurance crisis that desperately demands Federal action.

Millions of American homeowners are enduring the skyrocketing costs of homeowner insurance premiums at the same time that their coverage is reduced. And millions more in Florida and throughout the Nation have had their policies cancelled. Those fortunate enough to still have coverage have experienced 200 and 300 percent increases in premiums, even though they have not filed a single claim. This is a terrible situation. I applaud Congressmen KLEIN and MAHONEY for leading this critical effort.

The insurance crisis is not a Florida-specific crisis, nor is it a coastal only crisis. Homeowners across the Nation are starting to see the same premium increases and cancellations that Floridians have endured for the past several years.

Let me be clear. This is a crisis that affects each and every State in our Nation. As we have tragically seen in recent weeks and months, all Americans are vulnerable to hurricanes, floods, fires and other natural disasters. The economic impact of these catastrophes do not recognize State borders. We must act together as Americans to end this insurance crisis.

This bill brings substantial savings to homeowners without degrading the private insurance market. It would be inexcusable for Congress to waste this golden opportunity to provide relief to millions of Americans suffering from the devastating combination of rising gas prices, health care costs, and homeowners insurance. Again, thank you to Mr. KLEIN, thank you to Mr. MAHONEY, thank you for the time.

Mrs. CAPITO. Mr. Chairman, I would like to yield 2 minutes to the gentleman from Florida (Mr. BILIRAKIS).

Mr. BILIRAKIS. Mr. Chairman, in the early morning hours of August 29, 2005, a catastrophe obliterated New Orleans. The ocean had breached the city's levees and our Nation looked on while tens of thousands clung to rooftops. Hundreds of thousands of Americans were suddenly homeless and scattered across the country. Many coastal States have been in crisis ever since, including my home State of Florida.

Upon arriving in Congress this year, I introduced two bills to help with this crisis. One bill would strongly encourage homeowners to hurricane-proof their homes by providing a tax credit for the cost of specific home modifications. The second bill I introduced would authorize Gulf Coast States to enter into an interstate compact to pool their resources and spread the risk of disaster.

Today, I am pleased to have an opportunity to vote on H.R. 3355, the Homeowners' Defense Act. This important legislation authorizes loans to States that will have to be repaid to the Treasury. This is a fiscally sound approach to disaster planning. Further, Chairman FRANK, with my colleague, Ms. BROWN-WAITE, who has been working on this issue for 4 years, and the sponsors of this bill, and as a result of genuine bipartisanship, the manager's amendment will implement a critically needed Federal catastrophe fund.

I thank the sponsors of this legislation, and I thank the chairman and Ms. BROWN-WAITE for their efforts in bringing this bill to the floor. I strongly encourage my colleagues to vote for this bill and the manager's amendment and protect Americans from the devastating effects of natural disasters.

Mr. KLEIN of Florida. Mr. Chairman, may I inquire as to the time we have remaining.

The CHAIRMAN. The gentleman from Florida has 14 minutes remaining. The gentlewoman from West Virginia has 15½ minutes remaining.

□ 1545

Mr. KLEIN of Florida. Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana (Mr. MELANCON).

Mr. MELANCON. Mr. Chairman, I want to thank my colleagues from Florida for devising this great program which will be national, voluntary, and fiscally sound for the people that are experiencing problems with insurance throughout the country.

I am proud to speak today on H.R. 3355, the Homeowners' Defense Act. Recovering from the two hurricanes that devastated our State and the gulf coast in 2005 continues to be a challenge to the people of Louisiana. One of the biggest roadblocks to our recovery remains the lack of affordable and available property insurance.

However, as we have seen in the past few weeks with the wildfires that have ravaged California, affordable insurance isn't just a problem for the residents of the gulf coast. This is a nationwide problem that needs our immediate attention and a practical and effective long-term solution. I believe that this bill offers that long-term solution.

Mr. Chairman, in the wake of Hurricanes Katrina and Rita in 2005, after the victims of these storms suffered two of the worst natural disasters in this country's history, our people were forced through the indignity of another battle, a battle with their insurance companies. All along the coast, insurance companies have packed up and moved out. They have canceled their policies, refused to write new ones, or raised their rates exponentially, with less coverage and higher deductibles.

In Louisiana, more and more people are being forced to turn to Louisiana's State-sponsored insurer of last resort and, again, paying premiums way above the market rates. For those lucky enough to have their policies renewed, they are now being hit with skyrocketing premium increases, often as much as two, three, four, five times what they paid before, and some even higher.

The district in Louisiana that I represent is entirely in the ''new'' hard-to-insure part of the State. Every day I get calls, e-mails, and letters from constituents begging Congress to do something about the insurance crisis. Here is just a sample:

Roy Barrios of Lafourche Parish wrote to me, saying that Allstate recently canceled his homeowners insurance and he is now having to pay three times as much coverage, which he is thankful to get, but still in all, from Louisiana's insurer of last resort. He is only two months shy of being covered by Louisiana's consumer protection laws that would have kept his policy from being canceled, although he noted that Allstate is happy to renew his more profitable car insurance policy.

Jeanette Tanguis of Houma, Louisiana, said a premium increase of $200 a month stretches her budget tremendously. In a letter to me she wrote: ''Having spent most of my life living in Terrebonne Parish, it never occurred to me that I would ever be forced to move from the place I love and have called home for most of my life. Unfortunately, my family and I are being forced to make this sad decision,'' because of the insurance situation.

Similarly, Nolan Falgout of Thibodaux wrote to me and said: ''In the event we do not get a handle on this issue, this will become the next reason why your constituents who enjoyed growing up in this section of 'Cajun' Louisiana will no longer be able to afford to live here.''

These are only a few of the many stories I hear from people forced to leave their homes and their communities. If claimants from the two hurricanes had been awarded the settlements that they were entitled to from their insurance companies, this may not have

been an issue that requires the attention of Congress.

Sadly, this is not the case. It is time we recognize that market failures exist. The victims of these hurricanes, the victims of the wildfires and unforeseen natural disasters all deserve to know that the insurance system will not abandon them when they need it the most.

Mr. Chairman, I believe that H.R. 3355 will provide for this stability and the long-term solution we need to solve this insurance crisis so that America's families will not have to abandon their communities and can return to their homes. I again thank my friends, my colleagues, the chairman of the committee and others that have put so much time and effort into this good legislation.

Mrs. CAPITO. Mr. Chairman, I reserve the balance of my time.

Mr. KLEIN of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I am from Cleveland, Ohio; and it would seem from this discussion that while this is all about Florida, it is not. All over this country there are communities that are in coastal areas and flood plains, in hurricane alleys; and they are all looking at this legislation, realizing that the insurance companies are just withdrawing from areas where there's a high number of claims. They don't want to take the risk anymore, even though people, many of whom have been paying premiums, have never filed a claim.

So it is appropriate for this legislation to be passed. I have to say that the occasion of this legislation raises even deeper questions about the insurance industry across this country as to their practices, as to a new form of environmental redlining. And what we are looking at is we also have to see the interplay between environmental and energy policies and weather and climate patterns.

We are at a moment of transition here. Certainly this legislation ought to be supported.

Mrs. CAPITO. Mr. Chairman, I would like to point out a couple of things. I represent the State of West Virginia. In our home State for many, many, many years we had a state-run workers comp program, which caused businesses to leave, which caused workers comp rates to rise because of the nature of a state-run insurance company. Maybe this is what is going on in Florida to a certain degree with the catastrophic insurance situation and the state-run insurance company.

The solution we went to in West Virginia is to move workers comp to the private sector to incent private markets to come into our State. Starting January 1, we are going to have competitive bidding on our workers comp and workers comp rate. They are beginning to slide now, and our great hope is that it will become more reasonable as time goes on.

One concern I think that I ought to also raise and that has been raised to me, the Wildlife Federation opposes this bill because of the concerns the gentleman from Ohio alluded to in his statements in terms of the environmental aspects of this bill. Are we encouraging redevelopment in areas, particularly in our very fragile coastal areas, that are in dangerous kinds of environmental situations but also maybe were developed under less stringent rules and regulations?

What kind of protections do we have for our fragile coastal regions in this bill? I think it's a logical question to ask and one that has been brought forth to all of us in the Committee on Financial Services.

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

Mr. KLEIN of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. INSLEE).

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

Mr. INSLEE. Mr. Chairman, before I comment on this bill, I want to comment on two leaders who helped to get it here, Mr. KLEIN and Mr. MAHONEY. Usually, when freshmen Congressmen have bills in the House, it is something like naming a post office or something. These two fellows have worked a very well-crafted bill that I hope has broad consensus, and they have my admiration for their great work.

I think it is a very important bill for all of us because it responds to the need for a stable insurance market in these areas. Some have suggested somehow this displaces the private insurance industry. In fact, it just allows that market to work. It is preferable to have catastrophe bonds and some reinsurance contracts in advance, rather than trying to deal with catastrophe afterwards through Federal Government bailouts. This is a market-driven way to do it. It makes the market stronger. It spreads the risk in a way that is consistent with our economic system, and we need to pass this bill.

Mrs. CAPITO. Mr. Chairman, as I have said in my opening statement and some of my comments, I think that this bill presents an implicit Federal backstop for catastrophe insurance to spread the risk. It has potential to cost the taxpayers of this country enormous amounts of money.

Let's just do a scenario where, say in Florida, hopefully this never happens, there is a catastrophe of a hurricane of very large proportions, and Florida goes through all the insurance that is available to them and comes to the Federal Government and asks for a loan. Let's say this catastrophe is of such proportions that Florida looks to their lawmakers and looks to their taxpayers and realizes they can't pay this loan back. What are we going to do here in the United States Congress? We know what we are going to do: we are going to forgive the loan.

I think therein lies one of the big problems in this bill, that it does go to every taxpayer in this country, it does have a formal liability to every taxpayer. Whether it says it explicitly in the bill, it is going to result in that.

My suggestion and some of the suggestions coming from my side of the aisle are going to be, let's step back. Let's do a study. Let's look at this. Let's make sure we have mitigation and let's make sure we are doing this responsibly.

I don't happen to live in Florida, and there are many times during the year when I really wish I did. Although I love living in West Virginia, many West Virginians do live in Florida, by the way, during certain parts of the year, and I know how difficult some of the catastrophes that Floridians suffer are, as well as across the coastline and across the Nation.

This is not about shutting them out or making them not have the ability to be able to insure their properties and live a good, wonderful life in the State of Florida. This is about finding the best solution, not only for Floridians but for the rest of the Nation.

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

Mr. KLEIN of Florida. Mr. Chairman, with the indulgence of the gentlewoman from West Virginia, I yield such time as he may consume to my cosponsor, the gentleman from Florida (Mr. MAHONEY).

Mr. MAHONEY of Florida. Mr. Chairman, I want to thank everybody for having this open debate today and discussing something that is very important to people across this country. This is all about the dream of homeownership. This is about markets working. This is about stabilizing the insurance market so that people who go to work every day can fulfill their dream of homeownership.

What we have today is a situation that is understandable. We have a situation where as a result of an increase in the severity and the frequency of natural disasters, insurance companies are prudently increasing premiums. What they are seeing is, as a result of this, an unfunded liability in the billions that they have no other recourse but to either leave markets or raise rates so high that working families can't afford their homeowners insurance.

Today, we have the ability to help those people; and we have a very special opportunity, because we can do something here in Washington, DC that we can all be proud of when we go back home, and that is we can fix a problem and do it responsibly. We can end the bailout. We can end the cycle of writing checks and expecting nobody to pay them back, which is exactly what has happened over the years with Katrina and Wilma and other major storms across the Nation.

I hope that everybody takes a very close look at this. Many people have described this as a payoff or a bailout for Florida. This is not. This is responsible legislation. It not only expands

the market for private insurance; it makes sure that States have the ability to get money to people after a disaster so they can get in their homes and so they can keep their communities alive. Finally, it is responsible because it encourages mitigation and it encourages building codes. It supports the idea of responsible development.

In conclusion, I want to thank my dear friend Congressman KLEIN and the journey over the last year to the week when we both got elected to Congress and came here with the hope of trying to solve this problem and being here today.

I want to thank my staff. I want to thank Patrick Givens for all the work that he has done. I want to thank Garrett Donovan, who has done an amazing job, and the complete staff of the Financial Services Committee.

In closing, I want to thank BARNEY FRANK and the leadership for understanding that this is about people. This is not about companies.

NATIONAL ASSOCIATION
OF INSURANCE COMMISSIONERS,
Kansas City, MO, November 6, 2007.

Re H.R. 3355, the Homeowner's Defense Act.

Hon. RON KLEIN,
Cannon House Building,
Washington, DC.
Hon. TIMOTHY MAHONEY,
Longworth House Building,
Washington, DC.

DEAR CONGRESSMEN KLEIN AND MAHONEY: The NAIC congratulates you for putting forth legislation intended to help States better manage the threat of natural catastrophes. We appreciate your willingness to consider our perspective during the bill's development. States have developed a variety of tools to fill insurance gaps in areas where the private market is either unwilling to provide property coverage, or where consumers are unable to afford it. Your legislation provides another tool for States to consider, without handing down a federal mandate to participate.

H.R. 3355 provides a strong correlation to guiding principles the NAIC adopted when evaluating federal catastrophe proposals. For example, the bill is voluntary; it does not impede State functions; it encourages availability; it recognizes the States' important role in insurance regulation; it forms a State-federal partnership approach to address availability; it follows actuarial principles; and it allows States to pool risk and utilizes the capital markets.

The insurance and reinsurance markets have a significant amount of capacity, and access to that capacity for events that are small yet frequent is generally affordable. But for those that live in areas where events can be infrequent yet catastrophic, access to insurance capacity after a significant event is either unavailable or unaffordable. This is the dilemma that regulators and legislators must face together.

H.R. 3355 provides a viable solution for the State and federal government to work together to address this dilemma and address the natural catastrophe threat. We encourage our members to strongly consider this program for their needs.

We thank you for your leadership on this critical, national issue, and we look forward to continuing to work with you to enhance the bill through passage.

Sincerely,

WALTER BELL,
Alabama Insurance Commissioner, NAIC President.
CATHERINE J. WEATHERFORD,
NAIC Executive Vice President and CEO.

Mr. KLEIN of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would also like to acknowledge Chairman BARNEY FRANK, who, without his guidance and leadership and thoughtfulness and process of good ideas, we wouldn't be here today, as well as Tom Glassic, Kathleen Mellody, Lawranne Stewart, Peter Roberson, Patrick Givens from Congressman MAHONEY's office, and Garrett Donovan from my office, and all the staff and experts from around the country who have participated in this very carefully thought out piece of innovative legislation.

We are very honored to be here today, because the bill that we have before us is a comprehensive step in the right direction. As a Member of Congress from south Florida, I have lived under the threat of natural disasters for some time. It was only when I came to Washington, however, that I began to discuss this issue with Members from other parts of country who also shared stories about disasters that their constituents faced, earthquakes, hurricanes, wildfires, tornadoes. It was then that I began to realize that this is not a regional problem; it is a national one.

I further reflected on the fact that the Federal response following a major disaster is very predictable. We open up the Treasury and start spending. This spending is entirely necessary, but often is delivered with only few restraints and comes equally from taxpayers in every corner of our country. So even if you are not in a high-risk region, you are still impacted by the event.

Under this bill, participating States would be better protected, again, States that only opt in on their own if they choose; and they would be increasingly able to provide services for those who are not able to find insurance on their own. The State-Federal partnership would present States with the tools necessary to responsibly, fiscally responsibly, manage their risk before disaster strikes, while also ensuring that States can quickly and efficiently respond to homeowners' insurance claims following a natural catastrophe.

□ 1600

This legislation employs several new ideas to help States address the property insurance crisis, such as the transfer of States' insurance risk through the use of catastrophe bonds. By utilizing an innovative capital market approach, the bill allows investors to assume some of the risk, while at the same time putting the burden on local homeowners to do all the necessary mitigation responsibility they have to reduce risk to their own home, to the State, and to the Federal Government.

This is a fundamental rethinking of disaster planning and response, and it is long overdue. Our bill works because it's voluntary, actuarially sound, and stabilizes the market by ensuring that homeowners will always get their claim paid while capping the State liability.

In addition, our bill is fiscally responsible. The Homeowners' Defense Act will end the policy of Federal bailouts following natural disasters.

The steps taken in this bill provide us with a blueprint of how States can responsibly plan for catastrophes ahead while also providing them with a path to recovery.

As I have said time and time again, the status quo is no longer an option. I urge Members of this body to vote ''yes'' on this bill.

Ms. CORRINE BROWN of Florida. Mr. Chairman, as a Member from Florida, I rise in strong support of the Homeowners' Defense Act, H.R. 3355.

The terribly high cost for homeowners paying property insurance in my State of Florida, as well as for those on the Gulf Coast, and as we saw just recently, in California, has become a growing concern for homeowners. We saw what happened after hurricane Katrina and Rita and the four hurricanes that hit my district in Florida back in 2004.

These hurricanes, and other recent natural disasters, have led the insurance companies to limit their exposure to such disasters by outright pulling out, or reducing their risk. And this back peddling on their obligations on the part of the insurance industry has resulted in homeowner insurance rates rising by 100 percent to over 600 percent in higher-risk areas. This is entirely unacceptable. How can homeowners possibly afford this? This is just outrageous. We need to take action and step in. Just last week we saw the insurance companies out in California saying they will not provide insurance to hundreds of thousands of people that lost their homes in the terrible wildfires that hit the coast, all the way from LA to the Mexican border.

This is why people buy insurance: to protect themselves. How is it then that after disaster after disaster can we just sit back and allow these companies to pull out of the market.

Rising insurance rates are affecting homeowners across the country, not just in Florida. Clearly, the insurance market is not working, and it is time to put through a plan to stabilize the market and lower insurance rates for consumers.

Mr. BACHUS. Mr. Chairman, many of us are sympathetic to the insurance rate increases coastal catastrophe-prone areas have experienced recently, but there is no consensus that H.R. 3355 would offer any long-term help. Instead of granting long-term relief for middle-income coastal homeowners confronted with rising insurance costs, this bill would stick taxpayers wiith the tab of bailing out insolvent State insurance companies. In the past few years since some of the largest hurricanes on record tore through the gulf coast and coastal Florida, affected States have tried to protect their local markets, to limit rates increases, force coverage, or restrict market freedom. Competition is reduced

and homeowners are left with fewer choices—State efforts to secure more coverage for their constituents have ironically resulted in less affordability.

The Florida members on the minority side of the Financial Services Committee—GINNY BROWN-WAITE, TOM FEENEY, and ADAM PUTNAM—have been very attentive to the needs of their constituents and have constantly kept us updated on the problems there. We commend them for their service.

Of the two primary titles, the first does nothing that States can't already do under current law. The second is nothing more creative then giving cheap federally-subsidized loans to State insurance companies that are driving out the private market. The Congressional Budget Office estimates that over the next 5 years, implementing this bill would cost $75 million. But even this number grossly underestimates the true cost for American taxpayers. CBO apparently finds little value in Title II of this bill, finding that the federally subsidized loans would be made ''very rarely,'' as CBO does not expect any states would even bother applying for a loan following a disaster. In essence, they agreed this provision is of little value. However, taxpayers could potentially be on the hook for tens of billions of dollars, stuck with an enormous cost of capital for the loan's duration, and subject to the inevitable pressure to forgive the loans on the taxpayers' dime. This is the old two step ''ask for'' by people borrowing from government—ask for the money now and then ask for debt forgiveness later.

Because private insurers don't want to provide underpriced, risky coastal insurance, Florida created Citizens Property Insurance Corporation in 2002. While Citizens was supposed to be an insurer of last resort, it is now Florida's largest insurer with over 1.3 million policyholders and total exposure of more than $434 billion, yet only enough funding to pay approximately $9.4 billion in claims. This undercapitalization means that if a major hurricane hits Florida, Citizens could be bankrupt by hundreds of billions of dollars. To bring down the cost of insurance even more, Florida created a state reinsurance fund to sell cheap reinsurance to private companies to encourage them to write business in the state. This fund is chronically undercapitalized and has driven out the global reinsurance market, recouping losses through taxpayer assessments. According to a Georgetown University report released last summer, the Florida cat fund offers $32 billion in coverage despite having only $1 billion in hand [or, according to the Florida Cat Fund staff, around $28 billion in liabilities and $2.2 billion in non-debt cash assets].

Mr. Chairman, the federally-headed consortium, while novel, likely offers nothing but an implicit federal backing for any issued securities, much like a GSE. According to the President's Statement of Administration Policy for this bill, ''there is no need for a federal role because states are currently free to associate to address catastrophe risk.'' It is also questionable whether such securitization represents any significant advantages over the sophisticated private reinsurance markets. According to the Georgetown Environmental Law & Policy Institute, ''the mere creation of the consortium would likely skew insurance premiums and encourage unwise development.'' Masking the true cost of insurance puts homeowners in harm's way while subsidizing state cat funds and developers.

Perhaps most troubling are the provisions of the bill that would mandate cheap Treasury loans to state catastrophe programs. Today, Florida is the only state with a reinsurance fund that would qualify for these loans, but there is no doubt this bill would spur the creation of other state programs based on the Florida ''model.'' One property and casualty insurance trade association stated that that these loans would ''impede private markets and would send the wrong signals to states.'' H.R. 3355 even allows an interim period where other state-run insurers—such as the bankrupt Citizens in Florida—could receive these loans. We should question the wisdom of bankrolling state insurance companies like Citizens. Congress should also consider whether a Federal loan to an insolvent state catastrophe fund would be like the Federal Government's ongoing ''loan'' to the National Flood Insurance Program, which is currently carrying $18 billion in debt to the U.S. Treasury that is unlikely to ever be repaid.

Republicans will offer a number of important amendments today to steer this debate towards fiscal responsibility, taxpayer protection, and free market competition. We will also consider an amendment by Congressman SHAYS to replace the text of this bill with a bipartisan, blue-ribbon commission to report to Congress specific proposals to improve the affordability and availability of natural catastrophe insurance. We need to look more closely at the various solutions proposed by members on both sides of the aisle that could help homeowners access more coverage through the private market.

Mr. Chairman, we have an obligation to be thoughtful and deliberate when confronting this complex issue affecting millions of homeowners. The problem has many root causes, namely overregulation, overbuilding, and overreaching by state insurance entities. This bill, nor any one proposal, is the silver bullet. Congress should craft meaningful bipartisan reforms that address market dysfunction and the growing threat excessive coastal development poses. The Nation's homeowners and taxpayers deserve better than a scramble to rush a partisan bill through Congress. If the amendments are not accepted, we should vote it down but keep working.

Mr. HASTING of Florida. Mr. Chairman, I rise today in strong support of the Homeowners' Defense Act of 2007. I can think of no other bill which has the ability to help the people in my district rebuild following a natural disaster.

I applaud the leadership of my good friends and congressional neighbors, Representatives RON KLEIN and TIM MAHONEY. In championing this vital legislation, they are providing the leadership that we all knew they both would show when elected last November. Indeed, they are leaders not only in Florida, but as evidenced today, in this great institution and the entire country.

In the aftermath of the wildfires in California, tornadoes and floods in the Midwest and Northeast, and the hurricanes in the Gulf Coast and Florida, insurance companies are abandoning homeowners in need. In many vulnerable states, including my own, insurance companies have stopped offering coverage or increased rates exponentially where their services are most needed. These companies have protected their own pocketbooks at the expense of the American people for far too long.

The bill before us today establishes the necessary safety net which is needed in the absence of a stable insurance market. The legislation gives states a choice on whether or not they wish to participate in this safety net. In investing a little today, states will effectively stabilize their own insurance markets and ensure access to necessary homeowners' insurance at affordable rates. Importantly, these funds will then be used to rebuild our communities quickly and cost efficiently.

I have said for years that our approach toward natural disasters is too responseoriented. We wait and we wait for something bad to happen. Then we react. Time and time again, Congress passes emergency appropriations to rebuild but never makes the necessary investments to plan for the future. This legislation changes the way we go about doing business around here.

This legislation establishes a mechanism for states to acquire necessary funds for recovery after a natural disaster in an orderly and equitable manner. Frankly, it is high time that we proactively address disaster mitigation by stabilizing the insurance market and establishing a reliable funding mechanism for recovery.

In Florida, my constituents are being put out of their homes because they cannot afford their insurance rates. With the instability of the housing market leaving so many homeowners on the verge of foreclosure, we cannot afford to allow skyrocketing insurance rates to push them over the edge. In the event of a natural disaster, homeowners should never be forced to risk everything because they can not afford the necessary coverage.

My two colleagues from Florida have drafted balanced legislation which incorporates the bipartisan contributions and expertise of many stakeholders. By passing this legislation, the House can once again demonstrate its solidarity and compassion for those Americans who find themselves victims of natural disasters.

I have seen with my very own eyes what happens to people when a hurricane barrels through their neighborhood. I have seen the damage, and I have seen the emotional pain.

Americans should no longer be forced to place their livelihoods at risk in the event that a natural disaster strikes their home, and states should not be forced to participate in a program of which they do not wish to be a part. To both of these ends, this legislation is a success.

Rest assured, when this bill becomes law, Florida will participate. Unfortunately, many states will not. Though I hope that every state ultimately participates, under this bill, the choice is rightfully theirs.

Not one of the 50 states nor any of the territories is immune to natural disasters. Whether today, tomorrow, next year, or sometime in the future, we will all be affected by a natural disaster flrst-hand. States which participate in this disaster insurance program will have a much easier time recovering and they will do so by placing a smaller burden on the American taxpayer. This is a common sense solution to an unfortunately all too common problem.

Mr. KLEIN of Florida. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

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

H.R. 3355

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 ''Homeowners' Defense Act of 2007''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.

TITLE I—NATIONAL CATASTROPHE RISK CONSORTIUM

Sec. 101. Establishment; status; principal office; membership.
Sec. 102. Functions.
Sec. 103. Powers.
Sec. 104. Nonprofit entity; conflicts of interest; audits.
Sec. 105. Management.
Sec. 106. Staff; experts and consultants.
Sec. 107. Federal liability.
Sec. 108. Authorization of appropriations.

TITLE II—NATIONAL HOMEOWNERS' INSURANCE STABILIZATION PROGRAM

Sec. 201. Establishment.
Sec. 202. Liquidity loans and catastrophic loans for state and regional reinsurance programs.
Sec. 203. Reports and audits.
Sec. 204. Funding.

TITLE III—GENERAL PROVISIONS

Sec. 301. Qualified reinsurance programs.
Sec. 302. Definitions.
Sec. 303. Regulations.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the United States has a history of catastrophic natural disasters, including hurricanes, tornadoes, flood, fire, earthquakes, and volcanic eruptions;

(2) although catastrophic natural disasters occur infrequently, they will continue to occur and are predictable;

(3) such disasters generate large economic losses and a major component of those losses comes from damage and destruction to homes;

(4) for the majority of Americans, their investment in their home represents their single biggest asset and the protection of that investment is paramount to economic and social stability;

(5) historically, when a natural disaster eclipses the ability of the private industry and a State to manage the loss, the Federal Government has stepped in to provide the funding and services needed for recovery;

(6) the cost of such Federal ''bail-outs'' are borne by all taxpayers equally, as there is no provision to repay the money and resources provided, which thereby unfairly burdens citizens who live in lower risk communities;

(7) as the risk of catastrophic losses grows, so do the risks that any premiums collected by private insurers for extending coverage will be insufficient to cover future catastrophes (known as timing risk), and private insurers, in an effort to protect their shareholders and policyholders (in the case of mutually-owned companies), have thus significantly raised premiums and curtailed insurance coverage in States exposed to major catastrophes;

(8) such effects on the insurance industry have been harmful to economic activity in States exposed to major catastrophes and have placed significant burdens on existing residents of such States;

(9) Hurricanes Katrina, Rita, and Wilma struck the United States in 2005, causing over $200,000,000,000 in total economic losses, and insured losses to homeowners in excess of $50,000,000,000;

(10) since 2004, the Congress has appropriated more than $58,000,000,000 in disaster relief to the States affected by natural catastrophes;

(11) the Federal Government has provided and will continue to provide resources to pay for losses from future catastrophes;

(12) when Federal assistance is provided to the States, accountability for Federal funds disbursed is paramount;

(13) the Government Accountability Office or other appropriate agencies must have the means in place to confirm that Federal funds for catastrophe relief have reached the appropriate victims and have contributed to the recovery effort as efficiently as possible so that taxpayer funds are not wasted and citizens are enabled to rebuild and resume productive activities as quickly as possible;

(14) States that are recipients of Federal funds must be responsible to account for and provide an efficient means for distribution of funds to homeowners to enable the rapid rebuilding of local economies after a catastrophic event without unduly burdening taxpayers who live in areas seldom affected by natural disasters;

(15) State insurance and reinsurance programs can provide a mechanism for States to exercise that responsibility if they appropriately underwrite and price risk, and if they pay claims quickly and within established contractual terms; and

(16) State insurers and reinsurers, if appropriately backstopped themselves, can absorb catastrophic risk borne by private insurers without bearing timing risk, and thus enable all insurers (whether State-operated or privately owned) to underwrite and price insurance without timing risk and in such a way to encourage property owners to pay for the appropriate insurance to protect themselves and to take steps to mitigate against the risks of disaster by locally appropriate methods.

(b) PURPOSES.—The purposes of this Act are to establish a program to provide a Federal backstop for State-sponsored insurance programs to help homeowners prepare for and recover from the damages caused by natural catastrophes, to encourage mitigation and prevention for such catastrophes, to promote the use of private market capital as a means to insure against such catastrophes, to expedite the payment of claims and better assist in the financial recovery from such catastrophes.

TITLE I—NATIONAL CATASTROPHE RISK CONSORTIUM

SEC. 101. ESTABLISHMENT; STATUS; PRINCIPAL OFFICE; MEMBERSHIP.

(a) ESTABLISHMENT.—There is established an entity to be known as the ''National Catastrophe Risk Consortium'' (in this title referred to as the ''Consortium'').

(b) STATUS.—The Consortium is not a department, agency, or instrumentality of the United States Government.

(c) PRINCIPAL OFFICE.—The principal office and place of business of the Consortium shall be such location within the United States determined by the Board of Directors to be the most advantageous for carrying out the purpose and functions of the Consortium.

(d) MEMBERSHIP.—Any State that has established a reinsurance fund or has authorized the operation of a State residual insurance market entity shall be eligible to participate in the Consortium.

SEC. 102. FUNCTIONS.

The Consortium shall—

(1) work with all States, particularly those participating in the Consortium, to gather and maintain an inventory of catastrophe risk obligations held by State reinsurance funds and State residual insurance market entities;

(2) at the discretion of the affected members and on a conduit basis, issue securities and other financial instruments linked to the catastrophe risks insured or reinsured through members of the Consortium in the capital markets;

(3) coordinate reinsurance contracts between participating, qualified reinsurance funds and private parties;

(4) act as a centralized repository of State risk information that can be accessed by private-market participants seeking to participate in the transactions described in paragraphs (2) and (3) of this section;

(5) use a catastrophe risk database to perform research and analysis that encourages standardization of the risk-linked securities market;

(6) perform any other functions, other than assuming risk or incurring debt, that are deemed necessary to aid in the transfer of catastrophe risk from participating States to private parties; and

(7) submit annual reports to Congress describing the activities of the Consortium for the preceding year.

SEC. 103. POWERS.

The Consortium—

(1) may make and perform such contracts and other agreements with any individual or other private or public entity however designated and wherever situated, as may be necessary for carrying out the functions of the Consortium; and

(2) shall have such other powers, other than the power to assume risk or incur debt, as may be necessary and incident to carrying out this Act.

SEC. 104. NONPROFIT ENTITY; CONFLICTS OF INTEREST; AUDITS.

(a) NONPROFIT ENTITY.—The Consortium shall be a nonprofit entity and no part of the net earnings of the Consortium shall inure to the benefit of any member, founder, contributor, or individual.

(b) CONFLICTS OF INTEREST.—No director, officer, or employee of the Consortium shall in any manner, directly or indirectly, participate in the deliberation upon or the determination of any question affecting his or her personal interests or the interests of any Consortium, partnership, or organization in which he or she is directly or indirectly interested.

(c) AUDITS.—

(1) ANNUAL AUDIT.—The financial statements of the Consortium shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants.

(2) REPORTS.—The report of each annual audit pursuant to paragraph (1) shall be included in the annual report submitted in accordance with section 102(7).

SEC. 105. MANAGEMENT.

(a) BOARD OF DIRECTORS; MEMBERSHIP; DESIGNATION OF CHAIRPERSON.—

(1) BOARD OF DIRECTORS.—The management of the Consortium shall be vested in a board of directors (referred to in this title as the ''Board'') composed of not less than 3 members.

(2) CHAIRPERSON.—The Secretary of Treasury, or the designee of the Secretary, shall serve as the chairperson of the Board.

(3) MEMBERSHIP.—The members of the Board shall include—

(A) the Secretary of Homeland Security and the Secretary of Commerce, or the designees of such Secretaries, respectively, but only during such times as there are fewer than two States participating in the Consortium; and

(B) a member from each State participating in the Consortium, who shall be appointed by such State.

(b) BYLAWS.—The Board may prescribe, amend, and repeal such bylaws as may be necessary for carrying out the functions of the Consortium.

(c) COMPENSATION, ACTUAL, NECESSARY, AND TRANSPORTATION EXPENSES.—

(1) NON-FEDERAL EMPLOYEES.—A member of the Board who is not otherwise employed by the

Federal Government shall be entitled to receive the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, as in effect from time to time, for each day (including travel time) during which such member is engaged in the actual performance of duties of the Consortium.

(2) FEDERAL EMPLOYEES.—A member of the Board who is an officer or employee of the Federal Government shall serve without additional pay (or benefits in the nature of compensation) for service as a member of the Consortium.

(3) TRAVEL EXPENSES.—Members of the Consortium shall be entitled to receive travel expenses, including per diem in lieu of subsistence, equivalent to those set forth in subchapter I of chapter 57 of title 5, United States Code.

(d) QUORUM.—A majority of the Board shall constitute a quorum.

(e) EXECUTIVE DIRECTOR.—The Board shall appoint an executive director of the Consortium on such terms as the Board may determine.

SEC. 106. STAFF; EXPERTS AND CONSULTANTS.

(a) STAFF.—

(1) APPOINTMENT.—The Board of the Consortium may appoint and terminate such other staff as are necessary to enable the Consortium to perform its duties.

(2) COMPENSATION.—The Board of the Consortium may fix the compensation of the executive director and other staff.

(b) EXPERTS AND CONSULTANTS.—The Board shall procure the services of experts and consultants as the Board considers appropriate.

SEC. 107. FEDERAL LIABILITY.

The Federal Government and the Consortium shall not bear any liabilities arising from the actions of the Consortium. Participating States shall retain all catastrophe risk until the completion of a transaction described in paragraphs (2) and (3) of section 102.

SEC. 108. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $20,000,000 for each of fiscal years 2008 through 2013.

TITLE II—NATIONAL HOMEOWNERS' INSURANCE STABILIZATION PROGRAM

SEC. 201. ESTABLISHMENT.

The Secretary of the Treasury shall carry out a program under this title to make liquidity loans and catastrophic loans under section 202 to qualified reinsurance programs to ensure the solvency of such programs, to improve the availability and affordability of homeowners' insurance, to incent risk transfer to the private capital and reinsurance markets, and to spread the risk of catastrophic financial loss resulting from natural disasters and catastrophic events.

SEC. 202. LIQUIDITY LOANS AND CATASTROPHIC LOANS FOR STATE AND REGIONAL REINSURANCE PROGRAMS.

(a) CONTRACTS.—The Secretary may enter into a contract with a qualified reinsurance program to carry out the purposes of this Act as the Secretary may deem appropriate. The contract shall include, at a minimum, the conditions for loan eligibility set forth in this section.

(b) CONDITIONS FOR LOAN ELIGIBILITY.—A loan under this section may be made only to a qualified reinsurance program and only if—

(1) before the loan is made—

(A) the State or regional reinsurance program submits to the Secretary a report setting forth, in such form and including such information as the Secretary shall require, how the program plans to repay the loan; and

(B) based upon the report of the program, the Secretary determines that the program can meet its repayment obligation under the loan and certifies that the program can meet such obligation;

(2) the program cannot access capital in the private market, including through catastrophe bonds and other securities sold through the facility created in title I of this Act, as determined by the Secretary, and a loan may be made to such a qualified reinsurance program only to the extent that such program cannot access capital in the private market;

(3) the Secretary determines that an event has resulted in insured losses in a State with a qualified reinsurance program;

(4) the loan complies with the requirements under subsection (d) and or (e), as applicable; and

(5) the loan is afforded the full faith and credit of the State and the State demonstrates to the Secretary that it has the ability to repay the loans.

(c) MANDATORY ASSISTANCE FOR QUALIFIED REINSURANCE PROGRAMS.—The Secretary shall upon the request of a qualified reinsurance program and subject to subsection (b), make a loan under subsection (d) or (e) for such program in the amount requested by such program (subject to the limitations under subsections (d)(2) and (e)(2), respectively).

(d) LIQUIDITY LOANS.—A loan under this subsection for a qualified reinsurance program shall be subject to the following requirements:

(1) PRECONDITIONS.—The Secretary shall have determined that the qualified reinsurance program—

(A) has a capital liquidity shortage, in accordance with regulations that the Secretary shall establish; and

(B) cannot access capital markets at effective rates of interest lower than those provided in paragraph (3).

(2) AMOUNT.—The principal amount of the loan may not exceed the ceiling coverage level for the qualified reinsurance program.

(3) RATE OF INTEREST.—The loan shall bear interest at an annual rate 3 percentage points higher than marketable obligations of the Treasury having the same term to maturity as the loan and issued during the most recently completed month, as determined by the Secretary, or such higher rate as may be necessary to ensure that the amounts of interest paid under such loans exceed the sum of the costs (as such term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) of such loans, the administrative costs involved in carrying out a program under this title for such loans, and any incidental effects on governmental receipts and outlays.

(4) TERM.—The loan shall have a term to maturity of not less than 5 years and not more than 10 years.

(e) CATASTROPHIC LOANS.—A loan under this subsection for a qualified reinsurance program shall be subject to the following requirements:

(1) PRECONDITIONS.—The Secretary shall have determined that an event has resulted in insured losses in a State with a qualified reinsurance program and that such insured losses in such State are in excess of 150 percent of the aggregate amount of direct written premium for privately issued property and casualty insurance, for risks located in that State, over the calendar year preceding such event, in accordance with regulations that the Secretary shall establish.

(2) AMOUNT.—The principal amount of the loan made pursuant to an event referred to in paragraph (1) may not exceed the amount by which the insured losses sustained as a result of such event exceed the ceiling coverage level for the qualified reinsurance program.

(3) RATE OF INTEREST.—The loan shall bear interest at an annual rate 0.20 percentage points higher than marketable obligations of the Treasury having a term to maturity of not less than 10 years and issued during the most recently completed month, as determined by the Secretary, or such higher rate as may be necessary to ensure that the amounts of interest paid under such loans exceed the sum of the costs (as such term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) of such loans, the administrative costs involved in carrying out a program under this title for such loans, and any incidental effects on governmental receipts and outlays.

(4) TERM.—The loan shall have a term to maturity of not less than 10 years.

(f) USE OF FUNDS.—Amounts from a loan under this section shall only be used to provide reinsurance or retrocessional coverage to underlying primary insurers or reinsurers for losses arising from all personal real property or homeowners' lines of insurance, as defined in the Uniform Property & Casualty Product Coding Matrix published and maintained by the National Association of Insurance Commissioners. Such amounts shall not be used for any other purpose.

SEC. 203. REPORTS AND AUDITS.

The Secretary shall submit a report to the President and the Congress annually that identifies and describes any loans made under this title during such year and any repayments during such year of loans made under this title, and describes actions taken to ensure accountability of loan funds. The Secretary shall provide for regular audits to be conducted for each loan made under this title and shall make the results of such audits publicly available.

SEC. 204. FUNDING.

(a) PROGRAM FEE.—

(1) IN GENERAL.—The Secretary may establish and collect, from qualified reinsurance programs that are precertified pursuant to section 301(c), a reasonable fee, as may be necessary to offset the expenses of the Secretary in connection with carrying out the responsibilities of the Secretary under this title, including—

(A) costs of developing, implementing, and carrying out the program under this title; and

(B) costs of providing for precertification pursuant to section 301(c) of State and regional reinsurance programs as qualified reinsurance programs.

(2) ADJUSTMENT.—The Secretary may, from time to time, adjust the fee under paragraph (1) as appropriate based on expenses of the Secretary referred to in such paragraph.

(3) USE.—Any fees collected pursuant to this subsection shall be credited as offsetting collections of the Department of the Treasury and shall be available to the Secretary only for expenses referred to in paragraph (1).

(b) COSTS OF LOANS; ADMINISTRATIVE COSTS.—To the extent that amounts of negative credit subsidy are received by the Secretary in any fiscal year pursuant to loans made under this title, such amounts shall be available for costs (as such term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a)) of such loans and for costs of carrying out the program under this title for such loans.

(c) FULL TAXPAYER REPAYMENT.—The Secretary shall require the full repayment of all loans made under this title. If the Secretary determines at any time that such full repayment will not made, or is likely not to be made, the Secretary shall promptly submit a report to the Congress explaining why such full repayment will not be made or is likely not to be made.

TITLE III—GENERAL PROVISIONS

SEC. 301. QUALIFIED REINSURANCE PROGRAMS.

(a) IN GENERAL.—For purposes of this Act only, a program shall be considered to be a qualified reinsurance program if the program—

(1) is authorized by State law for the purposes described in this section;

(2) is an entity in which the authorizing State maintains a material, financial interest;

(3) provides reinsurance or retrocessional coverage to underlying primary insurers or reinsurers for losses arising from all personal residential lines of insurance, as defined in the Uniform Property & Casualty Product Coding Matrix published and maintained by the National Association of Insurance Commissioners;

(4) has a governing body, a majority of whose members are public officials;

(5) provides reinsurance or retrocessional coverage to underlying primary insurers or reinsurers for losses in excess of such amount that the Secretary has determined represents a catastrophic event in that particular State;

(6) is authorized by a State that has in effect such laws, regulations, or other requirements, as the Secretary shall by regulation provide, that—

(A) ensure, to the extent that reinsurance coverage made available under the qualified reinsurance program results in any cost savings in providing insurance coverage for risks in such State, such cost savings are reflected in premium rates charged to consumers for such coverage;

(B) require that any new construction, substantial rehabilitation, and renovation insured or reinsured by the program complies with applicable State or local government building, fire, and safety codes;

(C) require State authorized insurance entities within that State to establish an insurance rate structure that takes into account measures to mitigate insurance losses;

(D) require State authorized insurance and reinsurance entities within that State to establish rates at a level that annually produces expected premiums that shall be sufficient to pay the expected annualized cost of all claims, loss adjustment expenses, and all administrative costs of reinsurance coverage offered; and

(E) encourage State authorized insurance and reinsurance entities within that State to establish rates that do not involve cross-subsidization between any separate property and casualty lines covered under the State authorized insurance or reinsurance entity; and

(7) complies with such additional organizational, underwriting, and financial requirements as the Secretary shall, by regulation, provide to carry out the purposes of this Act.

(b) TRANSITIONAL MECHANISMS.—For the five-year period beginning on the date of the enactment of this Act, in the case of a State that does not have a qualified reinsurance program for the State, a State residual insurance market entity for such State shall be considered to be a qualified reinsurance program, but only if such State residual insurance market entity was in existence before such date of enactment.

(c) PRECERTIFICATION.—The Secretary shall establish procedures and standards for State and regional reinsurance programs and the State residual insurance market entities described in section (b) to apply to the Secretary at any time for certification (and recertification) as qualified reinsurance programs.

(d) REINSURANCE TO COVER EXPOSURE.—This section may not be construed to limit or prevent any insurer from obtaining reinsurance coverage for insured losses retained by insurers pursuant to this section, nor shall the obtaining of such coverage affect the calculation of the amount of any loan under this title.

SEC. 302. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) CEILING COVERAGE LEVEL.—The term ''ceiling coverage level'' means, with respect to a qualified reinsurance program, the maximum liability, under law, that could be incurred at any time by the qualified reinsurance program.

(2) INSURED LOSS.—The term ''insured loss'' means any loss insured by a qualified reinsurance program.

(3) QUALIFIED REINSURANCE PROGRAM.—The term ''qualified reinsurance program'' means a State or regional program that meets the requirements under section 301.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

(5) STATE.—The term ''State'' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, and American Samoa.

SEC. 303. REGULATIONS.

The Secretary shall issue such regulations as may be necessary to carry out this Act.

The CHAIRMAN. No amendment to that amendment shall be in order except those printed in the portion of the CONGRESSIONAL RECORD designated for that purpose and pro forma amendments for the purpose of debate. Amendments printed in the RECORD may be offered only by the Member who caused it to be printed or a designee and shall be considered read.

AMENDMENT NO. 17 OFFERED BY MR. KLEIN OF FLORIDA

Mr. KLEIN of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 17 offered by Mr. KLEIN of Florida:

Page 2, after line 7, in the item in the table of contents relating to section 202, strike ''STATE AND REGIONAL'' and insert ''QUALIFIED''.

Page 4, line 6, strike ''(known as timing risk)''.

Page 4, line 15, strike ''existing''.

Page 6, strike lines 3 through 12, and insert the following new paragraph:

(16) State catastrophe reinsurance programs, if appropriately structured and regulated, assume catastrophic risk borne by private insurers without incurring many of the additional costs imposed on private insurers, and thus enable all insurers within the State to underwrite and price coverage at rates designed to encourage property owners to acquire levels of insurance appropriate to their individual risks.

Page 6, line 14, strike ''a Federal backstop'' and insert ''Federal support''.

Page 7, line 18, after ''entity'' insert '', or State-sponsored provider of natural catastrophe insurance,''.

Page 8, line 1, strike ''and'' and insert a comma.

Page 8, line 2, before the semicolon insert '', and State-sponsored providers of natural catastrophe insurance''.

Page 13, line 19, strike ''state and regional'' and insert ''qualified''.

Page 14, line 5, strike ''State or regional'' and insert ''qualified''.

Page 14, line 16, before the comma insert ''at a commercially reasonable rate''.

Page 14, line 21, before the semicolon insert ''at a commercially reasonable rate''.

Page 15, line 2, strike ''and'' the first place such term appears.

Page 15, lines 3 and 4, strike ''the loan is afforded the full faith and credit of the State and''.

Page 15, strike lines 21 through 23 and insert the following new subparagraph:

(B) cannot access capital in the private markets at a commercially reasonable rate.

Page 17, line 4, strike ''privately issued''.

Page 18, lines 9 and 10, strike ''real property or homeowners'' and insert ''residential''.

Page 19, strike ''section 301(c)'' each place such term appears in lines 3 and 11 and insert ''section 401(d)''.

Page 20, line 9, after ''not'' insert ''be''.

Page 20, after line 12, insert the following new title:

TITLE III—REINSURANCE COVERAGE FOR QUALIFIED REINSURANCE PROGRAMS

SEC. 301. PROGRAM AUTHORITY.

Subject to section 304(c), the Secretary of the Treasury, shall make available for purchase, only by qualified reinsurance programs (as such term is defined in section 401), contracts for reinsurance coverage under this title.

SEC. 302. CONTRACT PRINCIPLES.

Contracts for reinsurance coverage made available under this title—

(1) shall not displace or compete with the private insurance or reinsurance markets or the capital market;

(2) shall minimize the administrative costs of the Federal Government; and

(3) shall provide coverage based solely on insured losses covered by the qualified reinsurance program purchasing the contract.

SEC. 303. TERMS OF REINSURANCE CONTRACTS.

(a) MINIMUM ATTACHMENT POINT.—Notwithstanding any other provision of this title, a contract for reinsurance coverage under this title for a qualified reinsurance program may not be made available or sold unless the contract requires that the qualified reinsurance program sustain an amount of retained losses from events in an amount, as determined by the Secretary, that is equal to the amount of losses projected to be incurred from a single event of such magnitude that it has a 0.5 percent chance of being equaled or exceeded in any year.

(b) 90 PERCENT COVERAGE OF INSURED LOSSES IN EXCESS OF RETAINED LOSSES.—Each contract for reinsurance coverage under this title shall provide that the amount paid out under the contract shall, subject to section 304, be equal to 90 percent of the amount of insured losses of the qualified reinsurance program in excess of the amount of retained losses that the contract requires, pursuant to subsection (a), to be incurred by such program.

(c) MATURITY.—The term of each contract for reinsurance coverage under this title shall not exceed 1 year or such other term as the Secretary may determine.

(d) PAYMENT CONDITION.—Each contract for reinsurance coverage under this title shall authorize claims payments to the qualified reinsurance program purchasing the coverage only for insured losses provided under the contract.

(e) MULTIPLE EVENTS.—The contract shall cover any insured losses from one or more events that may occur during the term of the contract and shall provide that if multiple events occur, the retained losses requirement under subsection (a) shall apply on a calendar year basis, in the aggregate and not separately to each individual event.

(f) TIMING OF CLAIMS.—Claims under a contract for reinsurance coverage under this title shall include only insurance claims that are reported to the qualified reinsurance program within the 3-year period beginning upon the event or events for which payment under the contract is provided.

(g) ACTUARIAL PRICING.—The price of coverage under a reinsurance contract under this title shall be an amount, established by the Secretary at a level that annually produces expected premiums that shall be sufficient to pay the reasonably anticipated cost of all claims, loss adjustment expenses, all administrative costs of reinsurance coverage offered under this title, and any such outwards reinsurance, as described in section 305(c)(3), as the Secretary considers prudent taking into consideration the demand for reinsurance coverage under this title and the limits specified in section 304.

(h) INFORMATION.—Each contract for reinsurance coverage under this title shall contain a condition providing that the Secretary may require the qualified reinsurance program that is covered under the contract to submit to the Secretary all information on the qualified reinsurance program relevant to the duties of the Secretary under this title.

(i) OTHERS.—Contracts for reinsurance coverage under this title shall contain such other terms as the Secretary considers necessary to carry out this title and to ensure the long-term financial integrity of the program under this title.

SEC. 304. MAXIMUM FEDERAL LIABILITY.

(a) IN GENERAL.—Subject to subsection (b) and notwithstanding any other provision of law, the aggregate potential liability for payment of claims under all contracts for reinsurance coverage under this title sold in any single year by the Secretary shall not exceed $200,000,000,000 or such lesser amount as is determined by the Secretary based on review of the market for reinsurance coverage under this title

(b) LIMITATION.—The authority of the Secretary to enter into contracts for reinsurance coverage under this title shall be effective for any fiscal year only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal year for the aggregate potential liability for payment of claims under all contracts for reinsurance coverage under this title.

SEC. 305. FEDERAL NATURAL CATASTROPHE REINSURANCE FUND.

(a) ESTABLISHMENT.—There is established within the Treasury of the United States a fund to be known as the Federal Natural Catastrophe Reinsurance Fund (in this section referred to as the ''Fund'').

(b) CREDITS.—The Fund shall be credited with—

(1) amounts received annually from the sale of contracts for reinsurance coverage under this title;

(2) any amounts appropriated under section 304; and

(3) any amounts earned on investments of the Fund pursuant to subsection (d).

(c) USES.—Amounts in the Fund shall be available to the Secretary only for the following purposes:

(1) CONTRACT PAYMENTS.—For payments to purchasers covered under contracts for reinsurance coverage for eligible losses under such contracts.

(2) ADMINISTRATIVE EXPENSES.—To pay for the administrative expenses incurred by the Secretary in carrying out the reinsurance program under this title.

(3) OUTWARDS REINSURANCE.—To obtain retrocessional or other reinsurance coverage of any kind to cover risk reinsured under contracts for reinsurance coverage made available under this title.

(d) INVESTMENT.—If the Secretary determines that the amounts in the Fund are in excess of current needs, the Secretary may invest such amounts as the Secretary considers advisable in obligations issued or guaranteed by the United States.

SEC. 306. REGULATIONS.

The Secretary shall issue any regulations necessary to carry out the program for reinsurance coverage under this title.

Page 20, line 13, strike ''**TITLE III**'' and insert ''**TITLE IV**''.

Page 20, line 15, strike ''**SEC. 301.**'' and insert ''**SEC. 401.**''.

Page 22, line 4, after the semicolon insert ''and''.

Page 22, line 17, strike ''and''.

Page 22, strike lines 9 through 11 and insert the following: ''the reasonably anticipated cost of all claims, loss adjustment expenses, and all administrative costs of the insurance or reinsurance coverage offered by such entities, and any such outwards reinsurance as the program administrator deems prudent;''.

Page 22, strike lines 12 through 17 and insert the following new paragraphs:

(7) to the extent possible, seeks to avoid cross-subsidization between any separate property and casualty lines covered under the State authorized insurance or reinsurance entity;

(8) complies with the risk-based capital requirements under subsection (b); and

Page 22, line 18, strike ''(7)'' and insert ''(9)''.

Page 22, after line 21, insert the following new subsection:

(b) RISK-BASED CAPITAL REQUIREMENTS.—

(1) IN GENERAL.—Except for programs deemed to be qualified reinsurance programs pursuant to section 401(c), each qualified reinsurance program shall maintain risk-based capital in accordance with requirements established by the Secretary, in consultation with the National Association of Insurance Commissioners and consistent with the Risk-Based Capital Model Act of the National Association of Insurance Commissioners, and take into consideration asset risk, credit risk, underwriting risk, and such other relevant risk as determined by the Secretary.

(2) TREATMENT OF ACCESS TO LIQUIDITY LOANS.—

(A) IN GENERAL.—To the extent that a qualified reinsurance program is deficient in complying with any aspect of the risk-based capital requirements established pursuant to this subsection, the Secretary shall recognize and give credit for the ability of such qualified reinsurance program to access capital through the liquidity loan program established under section 202(d).

(B) ANNUAL DIMINUTION.—The extent of credit recognized and given for a qualified reinsurance program pursuant to subparagraph (A) shall diminish annually in a proportion equal to the earned premium for the program for the prior calendar year.

(C) RESET UPON OCCURRENCE OF CATASTROPHE.—To the extent that a qualified reinsurance program is obligated to pay losses as a result of the occurrence of a catastrophe, the Secretary shall increase the credit recognized and given for the program pursuant to subparagraph (A) by an amount equal to the losses paid by the program as a result of the catastrophe.

(D) RESUMPTION AFTER CATASTROPHE.—After a reset occurs pursuant to subparagraph (C) for a qualified reinsurance program, the diminution described in subparagraph (B) shall resume and continue until the program has accumulated capital sufficient to satisfy the risk-based capital requirement determined by the Secretary to be appropriate given the ceiling coverage level of that particular qualified reinsurance program.

(3) REPORT.—For each calendar year, each qualified reinsurance program shall prepare and submit to the Secretary a report identifying its risk based capital, at such time after the conclusion of such year, and containing such information and in such form, as the Secretary shall require.

Page 22, line 22, strike ''(b)'' and insert ''(c)''.

Page 23, line 1, after ''entity'' insert '', or State-sponsored provider of natural catastrophe insurance,''.

Page 23, line 3, after ''entity'' insert '', or State-sponsored provider of natural catastrophe insurance,''.

Page 23, line 5, strike ''(c)'' and insert ''(d)''.

Page 23, line 11, strike ''(d)'' and insert ''(e)''.

Page 23, after line 16, insert the following new section:

SEC. 402. STUDY AND CONDITIONAL COVERAGE OF COMMERCIAL RESIDENTIAL LINES OF INSURANCE.

(a) STUDY.—The Secretary shall study, on an expedited basis, the need for and impact of expanding the programs established by this Act to apply to insured losses of qualified reinsurance programs for losses arising from all commercial insurance policies which provide coverage for properties that are composed predominantly of residential rental units. The Secretary shall consider the catastrophic insurance and reinsurance market for commercial residential properties, and specifically the availability of adequate private insurance coverage when an insured event occurs, the impact any such capacity restrictions has on housing affordability for renters, and the likelihood that such an expansion of the program would increase insurance capacity for this market segment.

(b) CONDITIONAL COVERAGE.—To the extent that the Secretary determines that there is such a need to expand such programs and such expansion will be effective in increasing insurance capacity for the commercial residential insurance market, the Secretary shall, in consultation with the National Association of Insurance Commissioners—

(1) apply the provisions of this Act, as appropriate, to insured losses of a qualified reinsurance program for losses arising from commercial insurance policies which provide coverage for properties that are composed predominantly of residential rental units, as described in paragraph (a); and

(2) provide such restrictions, limitations, or conditions with respect to the programs under this Act that the Secretary deems appropriate, based on the study under subsection (a).

Page 23, line 17, strike ''sec. 302.'' and insert ''sec. 403.''.

Page 23, lines 22 and 23, strike '', under law,''.

Page 24, line 7, strike ''section 301'' and insert ''section 401''.

Page 24, line 15, strike ''**SEC. 303.**'' and insert ''**SEC. 404.**''.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. Mr. Chairman, the amendment before us is testament to the fact that this legislation is truly a work of bipartisanship. Democrats and Republicans came together as this legislation began to work its way through the process. A number of interested Members reached out to us with well-thought suggestions on how to improve the underlying bill. I am pleased to say we were able to incorporate many suggestions into this amendment, including the adoption of a provision that the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) has been developing over the last couple of years.

This amendment would establish a high-level natural catastrophe reinsurance fund which would be authorized to write reinsurance contracts to cover catastrophic natural disasters. The addition of such a fund would add a third layer of protection to the legislation, which could further help to increase availability and stabilize rates for homeowners. The fund would provide reinsurance contracts for coverage that is available after the qualified reinsurance program has sustained losses resulting from a 1-in-200-year event.

Coverage would be provided on an actuarially sound basis and would not displace or compete with the private market. This provision will go a long way with providing high-level protection for States coping with natural disasters.

The amendment also provides for a study and conditional authorization for the inclusion of commercial residential lines of coverage. It is important for us to make sure that renters are not left behind following a disaster, and this

provision takes us in the right step of determining how capacity restrictions impact housing affordability for renters. I know this was a concern brought up, and I am glad to include it in this amendment.

I am also pleased that we were able to include a provision suggested by the gentleman from Florida (Mr. PUTNAM) which ensures that qualified reinsurance programs will engage in responsible reserving. This provision would use an NAIC-developed formula to ensure that participating States will be operating in a sound fashion.

We also wanted to make sure that States would not become overly reliant on programs established under the legislation, and this addition will add a safeguard against that concern.

Again, I would like to thank those Members who have come forward with suggestions on how to improve the bill. I urge a ''yes'' vote on the amendment.

I yield back the balance of my time.

Mr. ROSKAM. Mr. Chairman, I rise in opposition to the amendment and to engage in a colloquy.

The Acting CHAIRMAN (Mr. CARDOZA). The gentleman from Illinois is recognized for 5 minutes.

Mr. ROSKAM. Mr. Chairman, I had previously presented or put at the desk 11 amendments to the manager's amendment that I am not going to be offering this afternoon. Instead, and in the interest of time, since I wasn't seeking roll calls on them, anyway, I just raise a series of questions that I am putting forward in good faith. They have been brought to my attention by our staff. Some you may have answers for; some you may have contemplated. Others you may say, let's think through that a little further, because my sense is, while the House is about to act, this is still very much a work in progress on Capitol Hill when it goes to the other Chamber.

The first question I had is the term ''capital liquidity shortage.'' It is a term that is used exclusively in the text of the bill itself, but it is not defined anywhere else. It is not a legal term of art that I am aware of. We have done some Google searches on the Internet, and it is a phrase that is unique to this bill. It is not defined.

My concern is that it could create, really, the maximum liability that could be incurred at any time. I am wondering if the gentleman from Florida is open to further defining ''capital liquidity shortage''?

And I will be happy to yield.

Mr. KLEIN of Florida. I thank the gentleman from Illinois, and I do appreciate the fact in our committee, the Committee on Financial Services, you had a number of interesting inquiries, some of which were incorporated and some are still a work in progress.

I will be more than happy to sit down, as this bill goes through the process. Obviously the Senate is going to begin to consider this bill. There will be opportunity through the conference, and I think there should be an opportunity to take a closer look at this issue.

Mr. ROSKAM. I yield to the chairman.

Mr. FRANK of Massachusetts. I appreciate it and I appreciate the gentleman's cooperation.

I would just say, to move this along, as the gentleman from Florida responds, he will be speaking for the committee leadership. These are matters on which we have some general agreement that work needs to be done. I won't have to say this every time, but when the gentleman from Florida gives you that assurance, it comes from the committee leadership as well.

Mr. ROSKAM. I thank the gentleman.

Another term is the term ''commercially reasonable rate.'' It is also not defined anywhere, and I would just submit that is another area that we ought to be looking at.

The other notion is that State programs should be required to charge actuarially sound rates and build up reserves based on a 1-in-200 year standard used elsewhere in the manager's amendment. My concern is we run into a situation like we have with the flood insurance program. We should learn from that mistake.

The weakness of the flood insurance program was that it contemplated simply anticipating the actual output, as it were, the actual claims, rather than thinking from an actuarial point of view where you contemplate the unanticipated. The way we have to do this, the way this process has to be set up, is it has to literally anticipate the unanticipated. And the way the manager's amendment is currently crafted, it doesn't do that. In other words, it doesn't allow the building up of reserves over a period of time so that the fund itself is actuarially sound and that it can sustain an unexpected loss, the massive storm, the unbelievable event that is literally not contemplated.

There are two things that are inconsistent within the bill, it seems to me. There is this lower view of contemplation of what you can build up. But it also says you have to pass on the savings to the consumer. So, literally, the fund is not able to build up the reserves that are necessary in anticipation of what can't be anticipated.

With that, I yield to the gentleman.

Mr. KLEIN of Florida. I thank the gentleman from Illinois. And just to respond to a couple of points there, the building up of reserves and the passing of savings to consumers are not necessarily inconsistent points. One of the goals of this bill is not to make more money for insurance companies, many of them are doing just fine, it is to try to create stability in the market at an actuarially sound rate. I take your points, and they are well taken in terms of making sure we learn from mistakes. I commit to the fact that we will continue to work through this and make sure that it is based on sound actuarial principles by which definition usually sound actuarial estimations do take into account future anticipated events. I commit to that point.

Mr. ROSKAM. Reclaiming my time, I thank you. I just submit that the language, as I understand it in the manager's amendment, doesn't achieve the goal that you and I are seeking.

The Acting CHAIRMAN. The time of the gentleman from Illinois has expired.

(On request of Mr. FRANK of Massachusetts, and by unanimous consent, Mr. ROSKAM was allowed to proceed for 5 additional minutes.)

Mr. ROSKAM. Finally, I would also like to draw attention to the notion of, sort of what I am characterizing in my fear as that repayment is a myth fear.

Under the manager's amendment, if a State program is somehow going to incur losses that exceeds its maximum liabilities, shouldn't it have to show how it is going to prevent that in the future? And there is no point in the manager's amendment where there is that reporting requirement. Again, I don't think that is onerous. I don't think it is difficult, but I think it would be a good idea to require a State before they make a claim or before they default to come forward and say, look, this is how we are going to avoid this in the future. I think it is a de minimis reporting requirement.

I yield to the gentleman from Florida.

Mr. KLEIN of Florida. I thank the gentleman from Illinois. The notion of the terms of repayment are to be negotiated with the Treasury. Each State may have a slightly different scenario in terms of terms and conditions.

What I would expect to be negotiated would be, just like any other private sector contract with a set of covenants and defaults in terms of understanding what the expectations are. So I would expect the Treasury, and if we need to get that clarified in the future, I would be happy to, but I expect the terms to be very clear regarding notification and things like that.

Mr. ROSKAM. I thank the gentleman.

Another observation is that States should pay the cost of the consortium. Now, as drafted, the cost of the consortium is by Federal taxpayers. There is no payment mechanism in the manager's amendment for the consortium to be funded by the States. I think that is an oversight and it should be revisited.

The manager's amendment sets up $120 million over 6 years, I think, but I think there should be a way for the States to pony up. At least theoretically you can contemplate where the Federal Government would create this consortium, and maybe nobody's in. At that point it would be a foolish enterprise. I think there has to be a way.

I yield to the gentleman.

Mr. KLEIN of Florida. I thank the gentleman from Illinois.

I think the thinking is this is an authorization. It is not an appropriation.

The general notion is in the early stage of this thing, it is a relatively small amount of dollars. It creates authorization if necessary.

If you have a number of States that do participate, which we anticipate, I think the language of the bill talks about the fact that they will pay for that. The notion is there is an authorization. And to get more States involved to pay for it, there is this limited amount of Federal responsibility. I think the thinking is that the States will take responsibility.

Mr. ROSKAM. Finally, on the basis of time, and I will be happy to continue the conversation with you and the chairman, in my view, I think the grace period for States is too long for their mitigation efforts. For those States currently with a program in place, the manager's amendment says all of these mitigation components are excellent, but we are going to give you 5 years to get your act together.

My suggestion would be let's shorten that up. Let's make it 2 years, and I think that is still very gracious, to follow on the word of grace. But 5 years is almost the length of the entire program that is being proposed. That is a suggestion regarding a way that I think the bill can be improve.

I yield to the gentleman.

Mr. KLEIN of Florida. I am a true believer, if you give somebody 5 years to do it, it will take 5 years. At the same time I realize from the experience we have had in Florida and many other States that have tried to move forward with building codes and other things, it does take some time. But I am all for encouraging as strong as possible to move as quickly as possible.

Mr. ROSKAM. I yield to the chairman.

Mr. FRANK of Massachusetts. I want to express my appreciation to the gentleman, both for the cogency of the points he raised, because we want this to work well, and he has helped us both previously and today in refining this. I also appreciate his courtesy in helping us move this. I thank the gentleman from Illinois.

Mr. ROSKAM. Mr. Chairman, I yield back the balance of my time.

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The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. KLEIN).

The question was taken; and the Acting Chairman announced that the ayes appeared to have it.

Mrs. CAPITO. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Florida will be postponed.

AMENDMENT NO. 6 OFFERED BY MR. ROSKAM

Mr. ROSKAM. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. ROSKAM:

Page 21, strike lines 21 through 25.

Page 22, line 1, strike ''(C)'' and insert ''(B)''.

Page 22, line 5, strike ''(D)'' and insert ''(C)''.

Page 22, line 12, strike ''(E)'' and insert ''(D)''.

Page 22, line 17, strike ''and''.

Page 22, after line 17, insert the following new paragraph:

(7) develops, maintains, and enforces best practices in building codes that the Secretary deems adequate to address the natural disaster exposures of the State, taking into consideration the geography, catastrophe risk, and building patterns in the State; and

Page 22, line 18, strike ''(7)'' and insert ''(8)''.

The Acting CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. ROSKAM. Thank you, Mr. Chairman.

Today I offer an amendment essential to stopping this Congress from running down a road that I've expressed caution about earlier today, and that is causing further government involvement in self-sufficient, available, and reliable private markets.

Congress recently passed the National Flood Insurance Reform; and while I didn't agree with the wind provision inclusion, it made crucial strides in reducing damage from flooding and storms, especially in areas suffering repeat events. However, H.R. 3355 does not specifically prescribe mitigation guidelines. In title II, it merely alludes to Treasury providing a general directive; and, in my view, that's not good enough.

Currently, H.R. 3355 only requires the reinsurance fund receiving the loan to provide coverage for properties that adhere to applicable State building codes, leaving open the possibility that States with substandard codes, or even lacking codes, can still access the loans.

Instead, Treasury should be required to certify that the State has implemented best practices building codes for the applicable exposures, taking into account the State's geography, catastrophe risk and building patterns, which is what my amendment does here today.

This would not be a national building code, but rather, a regionally specific criteria for program participation.

The language in my amendment also gives broad flexibility to the Treasury to certify whether State building codes are appropriate for the types of risks they face. It doesn't apply specific, bureaucratic and unreachable one-size-fits-all standards for the Treasury to abide by.

The language is necessary because the current language in the bill would create an implicit guarantee that would result in an inequitable Federal subsidy for certain State insurance programs and policyholders, thus creating no need for local municipalities and developers to stop development in risk-prone areas. This was made very clear during the testimony that we heard in the hearings several weeks ago.

The further subsidization of rates would undermine economic incentives to mitigate risks. Individuals facing subsidized rates would be encouraged to take on risks that are inappropriate, specifically putting themselves in harm's way because they don't bear the full weight of the potential damages.

Now, I represent citizens from Illinois, and we would never choose to participate in this program. And let me tell you, the view from Lombard, Illinois, is very different from Key West, and God bless the folks that live in Key West, but I don't think that the residents I represent should be in a position to subsidize someone else's view.

Why should Illinois bail out States that can't address their own problems? While I'm sensitive and I admire my colleagues from Florida, I do believe that some of this is simply an exacerbation of government programs that have completely failed. Many other States have taken into account and addressed market issues based on increasing private market participation.

South Carolina introduced policyholder or catastrophe savings accounts to assist consumers and address cost issues. Louisiana and South Carolina addressed rating and regulatory matters by encouraging greater competition among insurers rather than rate controls that discourage private market competition. Louisiana has committed financial incentives for insurers to underwrite or take policies from the residual market and write-in coastal areas. Several States have also improved building codes and their enforcement as part of the long-term solution to catastrophic risk.

Floods are the majority of disasters that my congressional district faces, and we haven't sat by and waited for the government to help. The State of Illinois has one of the strongest floodplain management programs in the country. Illinois leads all Midwest States for the number of NFIP-participating communities, flood insurance policies, and flood insurance claims. Illinois outpaces the other States in local floodplain assistance, mitigation activities, and flood control projects.

Specifically, two cities in my district, Des Plaines and Mt. Prospect, were badly hurt by floods in August of this year. But they didn't suffer as much as they could have, because they are moving forward on major flood mitigation efforts by building levees on the Des Plaines River. This project will move hundreds of homes and businesses out of the floodplain, thus reducing the amount of damage during flood season and lowering insurance rates for homeowners.

There's been an unprecedented population growth and significant development in coastal and disaster-prone areas in recent decades, and total property exposures have increased dramatically.

We certainly cannot anticipate what storms will be like in the future, but we can and should take steps to reduce and lessen these risks.

I urge my colleagues to support this important amendment.

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

Mr. KLEIN of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. Mr. Chairman, with all due respect to my friend, and all of us are freshmen here, Mr. MAHONEY and Mr. ROSKAM, we're all new to this process, but with all due respect to his approach here, the problem with the amendment is that this takes the Federal Government and puts its stamp of approval on local building codes.

And from my perspective, I don't think we want the U.S. Treasury or FEMA or anybody else to be responsible for making decisions on local building codes. These are very localized functions, certainly will encourage mitigation, and we've got some standards in place and our colleague from Connecticut (Mr. MURPHY) in a few minutes I understand is going to be offering a very good amendment which deals with some Federal standards that are outside the Federal Government's role, but some trade industry standards on building code which relate to mitigation and reducing the hazard and reducing the potential exposure.

So while I do appreciate the fact that Illinois may have different issues than Iowa, that has different issues than California, there's different issues in Florida, we certainly, in my view, don't want to federalize, if you will, the building code process. And it's something that I believe that we should allow local governments, within the confines of standards that are adopted by the industry, to reduce exposure to natural disasters. I think that's a better way to do it.

So I would suggest that this amendment be opposed and that the Members of the House vote against it.

Mr. Chairman, I yield back my time.

Mr. BAKER. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman from Louisiana is recognized for 5 minutes.

Mr. BAKER. Mr. Chairman, I want to make clear my motivations here for the purposes of debate.

I certainly am in support of the Roskam amendment, but with or without its adoption, even the underlying bill, without the manager's amendment, is problematic. However, the manager's amendment presents an additional level of concern above those raised at the committee consideration.

Insurance is in the business of pricing risk, and I can honestly say as a Louisianan we are really adjusting in a significant way to the new risk now identified for our exposure along our coastal area.

Our legislature has responded with the adoption of a building code that really is leading the class in the United States, and to suggest that free markets should not price the risk and provide insurance where they know they will lose money is not a policy that makes a great deal of sense.

Hence, the underlying bill will provide a mechanism for the United States Treasury to provide a security backstop to the consortium that now is issuing insurance to Florida residents at a below-market rate.

I can recall in great detail the criticisms by many in this House by those of us in Louisiana who are the beneficiaries of a flood insurance program that provides coverage at a governmentally subsidized rate. For the record, I'm for raising those premiums on Louisiana citizens to get that program in actuarial soundness because I know without that the program is eventually doomed.

The underlying manager's amendment, although requiring risk-based capital, goes to great steps to avert the requirement, first by exempting companies who now exist from the consortium for the next 5 years. Secondly, there is no full faith and credit of the beneficiary State on the loan that's made by the United States taxpayer and virtually no guarantee of repayment.

Let's call this what it is. It is a way to provide stability in the Florida insurance market by accessing taxpayer money without guarantees of repayment. What can we do to improve this?

Well, the Roskam amendment now pending is at least the most meager step one should take who is concerned about proprietary action in the insurance world. It does not say the Treasury Secretary will establish the building codes. It merely says the Treasury will examine whether there are even codes in place that are reasonable for the risks that are presented to the occupants of low-lying coastal areas before you extend taxpayer assistance.

It's sort of like making sure that you've taken appropriate action to protect your family and that there's not a likelihood of probable loss, and then you're going to sell insurance on the assumption that the risk is low. In this case, rebuilding is taking place in low-lying areas at a rapid pace, and there is an absolute certainty there will be a repeat of significant storms and unquestioned amounts of loss.

At least we should say that those who are building in exposures of great risk should exercise the highest level of construction standards before having access to taxpayer money to pay off the loss.

Think about your constituents. How many times are we going to ask them to pay for the decisions of others to build in low-lying coastal areas when the coastal area residents themselves are not paying actuarial rates for coverage they are provided.

I wish I could say it more clearly, but this is not a balanced approach; and certainly without the Roskam amendment we are opening this Congress and the American taxpayer to enormous financial risk without taking the first meager steps for rational self-protection.

I urge the adoption of the Roskam amendment.

Mr. Chairman, I yield back my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ROSKAM).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. ROSKAM. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Illinois will be postponed.

AMENDMENT NO. 14 OFFERED BY MR. MURPHY OF CONNECTICUT

Mr. MURPHY of Connecticut. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 14 offered by Mr. MURPHY of Connecticut:

Page 21, strike lines 21 through 25 and insert the following new subparagraph:

(B) require that an appropriate public body within the State shall have adopted adequate mitigation measures (with effective enforcement provisions) which the Secretary finds are consistent with the criteria for construction described in the International Code Council building codes.

Page 22, line 12, insert:

(7) to the extent possible, seeks to encourage appropriate state and local government units to develop comprehensive land use and zoning plans that include natural hazard mitigation.

Page 22, after line 21, insert the following new paragraph:

(8) has been certified by the Secretary, for such year, in accordance with an annual certification process established by the Secretary for such purpose, as being in compliance with the requirements under paragraphs (1) through (7).

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. MURPHY of Connecticut. Mr. Chairman, I'd like to applaud my colleagues, Representative KLEIN, Representative MAHONEY and Representative GINNY BROWN-WAITE, for bringing this measure before us today.

The rising premiums in the insurance world, the instability that this recent rash of natural catastrophes have brought to the insurance industry mandate a response from this Congress; and it's time, as Mr. KLEIN and Mr. MAHONEY have said, to stop closing our eyes and pretend that the solution is to just continue to have a policy of crisis reaction, where we put Federal dollars after Federal dollars on top of these disasters.

This measure before us, very carefully considered and brought to the floor on a bipartisan basis, is a planful and market-based approach to the

issue of crisis mediation, especially on the eastern seaboard.

But to the extent that we are setting up a new Federal role, to the extent that we're contemplating potentially committing Federal dollars through loans, frankly as Mr. KLEIN has said in a much more responsible way than we have done in previous situations, we need to make sure that these dollars are being used wisely.

Now, the manager's amendment before us right now goes a very long way towards that goal in making sure that the programs themselves at the State level are fiscally sound or actuarially sound.

The amendment before us, brought to the floor today by myself, Representative MATSUI, Representative BEAN and Representative LARSON, seeks to build on that duty of fiscal responsibility that we have as we potentially commit, in a planful way, Federal dollars through loans to coastal areas.

Therefore, this amendment that we're offering today would require that before a State insurance program qualifies to borrow from the Federal Government, the Treasury Department will ensure that the State has taken adequate steps to mitigate future losses. It's a pretty common sense measure.

To do this, the amendment simply requires that the Secretary of the Treasury certify that participating States, entities, these State insurance funds, have implemented internationally recognized building codes to ensure that the new homes that are being built in these States can withstand severe natural catastrophes like earthquakes and floods and hurricanes.

□ 1630

These State programs have also developed land use plans to further mitigate the risk and losses stemming from natural disasters. This amendment doesn't provide for new Federal building codes. It doesn't provide for new Federal land use requirements or Federal risk mitigation regulations. It just merely seeks to assure that before we are putting Federal tax dollars in State programs that these States have done everything that they can to reduce future risks from natural catastrophe.

I would like to thank my colleagues, Mr. MAHONEY and Mr. KLEIN, for working with me and the staffs for working with my staff on this issue. I think it addresses many of the issues that Mr. ROSKAM and others on the other side of the aisle have and will raise today. I think it assures that this very positive step forward that has been introduced by Mr. MAHONEY and Mr. KLEIN will be made even safer and sounder if it comes to the point of using Federal taxpayer dollars in these programs.

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

Mr. KLEIN of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. I would like to thank the gentleman from Connecticut for coming up to a response to what I think the gentleman from Illinois was raising; that is, we want to encourage mitigation. We want to encourage reduction of the scope of the hazard.

I think all of us understand that the more you can do to protect your home in terms of the roof, if it's an earthquake zone, the foundation, lots of different kinds of risks out there, but the more we can do to solidify that, the less deductible you are going to pay as a homeowner, which is good for you as a homeowner, the less risk you are creating for the insurance underwriter, the less payout, the less the State is going to have to take responsibility if there is a State risk catastrophe fund. With a Federal system to back it up, beyond that, in terms of the State catastrophe bonds, it reduces that as well.

The whole purpose of this is to reduce that. What the gentleman from Connecticut has come up with in a broad-based way is to bring in the international code, council building codes, which is an organized effort, well thought out, well designed. Instead of having the secretary of the Treasury, which I am not quite sure who or what qualifications he or she would have to make an independent judgment of whether a building code makes sense or not, let's put professionals, the experts, the people who understand building codes, let's put them in the middle of this thing and say this is the standard by which we will judge whether a State is doing what it is supposed to do to reduce that risk.

I think that's a very sound, logical way of solving the problem, encouraging the mitigation, reducing the hazard. I think it's something that deserves to be supported.

I would like to thank the gentleman from Connecticut. Hopefully the gentlewoman from West Virginia and the gentleman from Illinois will join us in what I think is something that addresses their concern, and probably we can all come together and say this is a solid way of doing it.

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

Ms. MATSUI. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentlewoman from California is recognized for 5 minutes.

Ms. MATSUI. Mr. Chairman, I rise today to ask my colleagues to support the Murphy, Matsui, Bean and Larson amendment.

I am sponsoring this amendment because it carries forward important public policy initiatives. It encourages local governments to develop comprehensive land use and zoning plans that include natural hazard mitigation. It also requires participating States to adopt internationally recognized building code standards.

I applaud the overall goal of this bill to provide access to insurance coverage for homeowners and disaster-prone communities. Our amendment today is about public safety.

As a representative from Sacramento, the Nation's most at-risk river city for catastrophic flooding, I am all too familiar with risk and vulnerability. Preparedness is a first step toward public safety. Strong building codes are key to being prepared and to reducing the damage caused by catastrophic events. This amendment ensures that States take steps to minimize risk.

Last week, I introduced the Safe Building Code Incentive Act of 2007 to encourage States to adopt stronger building codes. Our communities and homeowners should be better prepared, and Congress should be setting high standards for public safety.

Over the last few weeks, residents of my home State of California experienced devastating wildfires and an earthquake. We know that another event will occur and that it is only a matter of time.

To rapidly growing regions around the country such as Sacramento, the building standards we adopt now will ensure a safer future for our communities and property owners.

In January 2006, a Louisiana State University Hurricane Center study concluded that wind-related damage to homes by Katrina could have been reduced by 65 percent if current building code standards had been used. In short, we should be elevating public policy standards before disaster impacts our communities, not after.

Our amendment today raises the standard for public safety and encourages smarter planning to mitigate risk. I ask my colleagues to support this amendment.

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

Mr. LARSON of Connecticut. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. LARSON of Connecticut. Mr. Chairman, let me associate myself with the remarks earlier today of Mr. INSLEE and commend two of our colleagues for an extraordinary job they have done in putting together this thoughtful piece of legislation, one that I think we all understand and recognize is much needed throughout the country because of the natural catastrophes we are bound to face.

I also want to commend them for being willing to work with everyone on both sides of the aisle and reach out on what are some thoughtful questions that have been posed to them and the continued manner in which they embrace a solid piece of legislation and make it stronger. To those ends I rise in strong support of the Murphy, Matsui, Bean and Larson amendment that I think goes a long way towards doing that.

I commend Mr. KLEIN and, again, Mr. MAHONEY for working to make sure that a good bill becomes even stronger.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. MURPHY).

The amendment was agreed to.

AMENDMENT NO. 13 OFFERED BY MR. ROSKAM

Mr. ROSKAM. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. ROSKAM:

Page 17, line 2, strike ''and'' and insert a comma.

Page 17, line 8, before the period insert the following: '', and that the qualified reinsurance program has retained losses in excess of the amount of losses that would result from a single event of a catastrophic peril covered by the program of such magnitude that it has a one percent chance of being equaled or exceeded in any year, as determined by the Secretary''.

The Acting CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. ROSKAM. Mr. Chairman, this is what I characterize as the skin-in-the-game amendment.

The bill currently has no retained loss requirement for participating State reinsurance funds before they can get a catastrophic loan from the Treasury. Once the trigger is met, a fund may qualify for a loan without having any skin in the game.

To improve fiscal accountability, States should be required to first sustain a loss before receiving a loan from Treasury, similar to paying deductible in an insurance policy. The loans could be better put to use helping States manage their losses above the retained loss requirement.

This amendment says that before a State insurance fund can access one of the loans created in the bill, it must first retain sufficient losses amounting to a 1-in-100-year event with respect to State catastrophe perils. This amendment will encourage State funds to handle a predictable level of loss before putting Federal taxpayers on the hook for billions of dollars in catastrophic loans.

With no retained loss requirements, State insurance funds will have no incentives to price their risk with a catastrophe factor but, instead, rely on post-event debt financing from the Federal Government and Federal taxpayers. Adding the retained loss requirement in this bill will also encourage States to utilize the global reinsurance market instead of turning directly to the Federal Government to capitalize their funds.

Currently, Florida is the only State with a reinsurance fund that would qualify under this bill. The bill would undoubtedly spur the creation of other State funds, and requiring States to have skin in the game will encourage these new funds to properly capitalize instead of taking out a huge loan from the Feds after every natural catastrophe.

Without loss requirements, State insurance funds will have no incentives to actuarially price their risk since they will be getting cheap loans to assist them in paying their claims.

I urge the adoption of the amendment and yield to the gentleman from Louisiana.

Mr. BAKER. I thank the gentleman for yielding.

Mr. Chairman, I just want to make sure I am understanding the effect of the gentleman's amendment properly. If I am a homeowner and I am paying a premium for my coverage and I have a loss, there generally is some sort of deductible, maybe $500 or $1,000, depends on what kind of policy I will have to buy. But I am going to have to put my premium money up, and then I am going to have to have a personal loss to get the benefit of the insurance coverage that I bought for my home.

What you are suggesting with this amendment is that the States who are going to avail themselves of the advantage of the Treasury extended loan are going to have to have their own money in the game. They can't just call up and say, Mr. Secretary, send me a few billion dollars. I am kind of short right now. They are going to have to have their own State losses in their own insurance pool before they can get access to the United States Treasury extension of credit; is that correct?

Mr. ROSKAM. The gentleman has an incredible gift of clarity and insight, and that is exactly it.

Mr. BAKER. My point here is in speaking, in asking the gentleman the question, is it is absolutely essential, no matter what the government program or service, did you know, that whoever is the beneficiary always makes some contribution to his own well-being or else the program will run amok. There will be no reason to exercise constraint.

You are absolutely correct. Premiums charged will never be actuarially sound. The gentleman's amendment, which in my opinion is, by the way, insightful and articulate, has drafted a constructive amendment which I hope others will find beneficial.

Mr. ROSKAM. Reclaiming my time, I think part of the reason we are in this state today and one of the reasons we are having this conversation is because of, really, a lack of some of those commonsense approaches towards their problem in the past, which is now why Representative KLEIN and Representative MAHONEY feel in good faith that they have got to come here on behalf of their constituents, and I understand that.

I would submit that this amendment brings some clarity, brings a little bit of pause, brings some reality to this so that over a period of time a future Congress doesn't have to come in and request an abundance from the Federal Treasury due to mismanagement and squander.

Mrs. CAPITO. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentlewoman from West Virginia is recognized for 5 minutes.

Mrs. CAPITO. Mr. Chairman, I rise in support of Mr. ROSKAM's very thoughtful amendment. I feel that it helps to work this bill, which I have obviously voiced some questions about, because it would simply require States to pay their fair share before tapping into a Federal line of credit. This will encourage State funds to handle a predictable level of loss before putting Federal dollars and Federal taxpayers on the hook for what could be billions of dollars in catastrophic loans.

Very briefly, I would like to say, without loss requirements, State reinsurance funds will have no incentive to actuarially price their risk since they will be getting cheap loans to assist them in paying their claims. I would like to voice support for the Roskam amendment.

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

Mr. KLEIN of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. Mr. Chairman, let's get down to the bottom of what we are trying to accomplish here. There is a problem in the United States, in certain parts of the United States, where the insurance market, unfortunately, cannot deal with a very large disaster.

Now, some of our colleagues may not have been exposed to this problem because in their markets they haven't had any large-scale natural disasters, but the more time that passes, the more communities are affected by large-scale natural disasters.

The impact of a very large-scale natural disaster is that the insurance industry in these areas retrenches, pulls back, cancels policies or they call them nonrenewal.

I have to tell you, one of the most frustrating things after living through some hurricanes in Florida was members of my communities calling me up, as a State Senator, saying, I paid my premium for 15 years straight, and now I am afraid to make a claim because I have had some damage, never made a claim before, but I am afraid to make a claim because the insurance company is going to cancel me.

Something is wrong with the market, free market, as we like to think of it, if that is happening. People want to know the bargain is if I have paid my premium my insurance company is going be there and there is some stability behind it.

What we have tried to do is recognize that in some cases, not many, but in some cases, and the very high scale of large-scale natural disasters, there is some reaction that has to be provided. What we have done, instead of putting the government in the middle of it, which is exactly where it is right night now, no matter how you slice it, every time there is a large-scale natural disaster that the insurance company can't

deal with, the States can't deal with, then the Federal Government comes rushing in, from Washington, with a big check.

What we have been trying to do is something proactive, up front. We have come up with some plans from experts in the insurance industry and the consumer side and everything else to balance this out.

What this amendment does is it arbitrarily limits the ability of programs to meet the reinsurance needs of the respective States not provided for by the private sector. The limit shows, and it is a 100-year event. Why 100? Why 1 in 100? Why not 1 in 50? Why not 1 in 250? As you can imagine, a 1-in-250-year event really changes the dynamics of the equation of what will have to be paid in reserves and make sure that the money is there.

They have chosen 100 years. That is consistent with the way we have very carefully, with a lot of input, chosen to work on this formula. We have chosen events where the losses have exceeded 150 percent of the aggregate amount of direct premium over the prior year.

□ 1645

That is a direct reflection of what's going on in that local market, how much premium's been paid. It's a 1.5 factor over and above that. It's very well thought out. It may not be perfect. It may be over time there's a better way to do it, but this is a very consistent approach we've taken throughout the bill.

If you adopt this amendment, we are now creating two inconsistent measures which I don't think will ever work together. So I would suggest that this amendment not be adopted.

I believe that we have come up with something that is logical, it's common sense, it reacts to the fact that there is a need here.

And again, for those folks who live in parts of the country that don't have natural disasters up to this point, let's all continue to pray and hope that we don't have many natural disasters.

But we're a country that's in this together. Certainly our insurance is something that we want to make sure everyone has the ability to have private homeowners insurance. But more importantly, every taxpayer is part of a bail out. We're trying to avoid that for the future.

So I would suggest the amendment should not be supported.

I yield back my time, Mr. Chairman.

Mr. MAHONEY of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. MAHONEY of Florida. I'd like to join in support of my friend here from Florida (Mr. KLEIN) in opposing this amendment.

The point I'd like to make is very simple, and that is, the whole purpose of the bill is to stabilize the private homeowners insurance marketplace. And the goal of the bill is to work with the industry to continually find ways to expand the market so that the market takes the responsibility.

Right now, the problem that we're facing in the homeowners insurance market is unfunded liability, where we have the opportunity or the specter of a disaster, where the combination of States and the insurance industry do not have the financial wherewithal to pay claims.

The purpose of this bill in the first title is to try to work with States to consolidate risk in order to expand the private market's activity so that it can handle these claims.

So when the gentleman from Illinois proposes to arbitrarily set a 1-in-100-year mark, what it's doing is it's running counter to the goal of the legislation, which is to get the private insurance companies to take on more and more of the responsibility.

So with that, I think that the bill that we have right now recognizes that there needs to be some variability in some cases. One in 100 years, depending on States, might be too little; and in some cases it might be too much.

So, therefore, I would urge that this amendment be defeated.

I yield back the balance of my time.

Mr. BAKER. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman from Louisiana is recognized for 5 minutes.

Mr. BAKER. Mr. Chairman, I wish to make clear that my interest in this matter is based on my representation of a portion of coastal Louisiana, so I get the problem. And we are struggling, even today, 2 years after Katrina, in trying to restore our State to what it once used to be. So I do not come to the floor in opposition to this matter in a cavalier manner.

The statement that this bill is intended to keep the American taxpayers from being responsible financially for future natural disasters is in direct contravention with the effect of the bill, if it ever does become law.

Let's start with the basics. People didn't like the fact that some Louisianans built at the water's edge. How can we be more responsible and elevate structures and build them to a certain code?

I support Mr. ROSKAM's amendment, which provides that the Secretary of the Treasury, before making such a loan, shall certify that the recipient entity in question has such safe and sound building codes. Sounds logical to most taxpayers, I would think.

The pending amendment simply says that the recipient entity getting the benefit of the Treasury loan shall have its own money at risk, and shall have suffered some monetary loss.

One-in-100 event. Some have suggested this is just a number pulled out of the air. It is a typical actuarial number of risk used by the insurance industry in rating the likelihood of recovery of loss in policies nationwide. It's not something that one can say was simply grabbed out of the air.

The risk-based capital provisions in the manager's amendment are completely obliterated for the first 5 years for companies now in existence in the program who would qualify for such loans. And in the event a loan would be made, there's a specific prohibition that the full faith and credit of the State getting the benefit of the credit would not be placed on that note. Translation: they don't have to pay this back.

Now, the bigger point is that when you look at the applicability of where NATCAT, national catastrophe funds, would likely be made operational, Florida, yes, California, maybe, and ladies and gentlemen of the Congress, not anywhere else.

Our insurance commissioner in our State has carefully evaluated the advantages and possibility of a NATCAT structure being utilized in Louisiana. It will not work. The applicability of this program will be for a narrow, narrow slice of the insurance market at risk on coastal Louisiana.

There are much better ways to do this. But do not support this measure on the assumption that the American taxpayer will not be put at risk.

In fact, if you really dig into the bill, you find a little provision that says commercial residential may be covered if the Secretary of the Treasury determines that the benefits are appropriate, without any conditions as to the requirement, style, nature or manner of repayment. We're going to be taking care of Hilton and their golf courses.

Really, really take a careful look at this. I am troubled to be opposed to a bill that could potentially be beneficial to my own State and my own constituents. But I have arrived at the conclusion that this is not the right way to perform this task. And not enough careful thought from varied interests has been taken into consideration in this matter.

I urge you, please adopt the Roskam amendment.

I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ROSKAM).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. ROSKAM. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Illinois will be postponed.

AMENDMENT NO. 2 OFFERED BY MS. CASTOR

Ms. CASTOR. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. CASTOR:

Page 21, after line 25, insert the following new subparagraphs:

(C) limit new development and increases in density, intensity, or range of use allowances in zoning and planning programs in coastal and other areas subject to a higher risk of catastrophic financial loss from natural disasters and catastrophic events, as such areas are determined in accordance with standards established by the Secretary, in consultation with the Administrator of the Federal Emergency Management Agency and other appropriate agency heads;

(D) limit rebuilding of substantially demolished structures after catastrophic events to current density, intensity, use, and structural limits;

Page 22, line 1, strike ''(C)'' and insert ''(E)''.

Page 22, line 5, strike ''(D)'' and insert ''(F)''.

Page 22, line 12, strike ''(E)'' and insert ''(G)''.

The Acting CHAIRMAN. The gentlewoman from Florida is recognized for 5 minutes.

Ms. CASTOR. Mr. Chairman, I rise to offer an amendment that, over time, will keep insurance rates down by directing that State and local governments not approve intensified development in high-risk areas like our coastal high-hazard areas.

Insurance premiums are on the rise for many reasons, but one of the most significant reasons for skyrocketing costs of insurance is developer overbuilding in high-risk areas.

Developers and homebuilders have crowded on to the coasts and into the flood plains, fire zones, and other high-risk areas, without considering the consequences. The subsequent consequences to the folks that we represent have been very expensive.

These developers set up homeowners and businesses for financial ruin and personal tragedy when they locate in areas that are at high risk of natural disasters, and the developers are profiting at the expense of every policyholder whose premiums continue to rise without relief once another disaster hits.

Unfortunately, State and local governments have been too often complicit in this irresponsible behavior.

The amendment I offer today requires that States that participate in this innovative risk pool adopt policies to limit development in high-risk areas. It would also end the practice of rebuilding properties after a catastrophe with development that is of a greater size or a greater density or intensity, because the right to rebuild in high-risk areas is not the right to expand.

Now, this bill, carefully crafted by my thoughtful colleagues from Florida, provides States with an innovative tool to tackle the property insurance crisis. And my amendment improves the bill by preventing any greater problems down the road. The amendment aims to stop developer overbuilding that will lead to even greater disasters in the future and higher property insurance rates.

Now, I do appreciate the suggestion from the chairman of the Financial Services Committee that this amendment can be improved still, and I'll yield to the gentleman, because I am interested in your advice and assurance that maybe down the road, if I happen to withdraw the amendment, that we can work to improve.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentlewoman yield?

Ms. CASTOR. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I thank the gentlewoman. I appreciate the initiative, and she's clearly right in concept.

We would say that this bill, we hope, will pass today, but it's not going to pass the Senate until we come back early next year. We do obviously hope to get this bill in place before the next hurricane season so we could get started. But that would give us time to work on this before our final passage was done.

And as the gentlewoman understands, because she's been involved herself, the State-Federal issue can become complicated. So while we very much agree on the substance, we don't want to engender a kind of State-Federal issue which could go beyond Florida. This is obviously something for all the States.

So with that in mind, it's a common objective, indeed. We think the gentleman from Connecticut's amendment goes in that general direction. But we really want to be very careful about the State-Federal-local interactions here.

So if the gentlewoman is agreeable, we would be working with her between now and some time in March or April when we finally hope to get this bill done so we can improve these kinds of requirements, but in a way that isn't going to jeopardize the whole thing by a big Federal-State dispute.

Ms. CASTOR. I greatly appreciate the assurances by the chairman; and with those assurances, I'd like to thank my colleagues again from Florida for this very innovative, thoughtful tool to reduce property insurance rates. And at this time I will withdraw my amendment.

Mr. FRANK of Massachusetts. I appreciate that. I also appreciate the fact that today no Republicans object to you withdrawing the amendment.

The Acting CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 1 OFFERED BY MR. MANZULLO

Mr. MANZULLO. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. MANZULLO:

Page 15, line 2, strike ''and''.

Page 15, line 5, strike the period and insert ''; and''.

Page 15, after line 5, insert the following new paragraph:

(6) the qualified resinsurance program and the State authorizing the program are not delinquent, as determined by the Secretary, with respect to any payment due under any loan previously made under this Act or under any other loan provided by any agency or establishment of the Federal Government to the program or the State for assistance in connection with a natural or other major disaster.

The Acting CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. MANZULLO. Mr. Chairman, H.R. 3355 requires the Treasury Department to offer low-cost subsidized Federal loans to State reinsurance funds. This bill employs the lesser used loan approach for States, rather than block grants or emergency funding, the usual methods of Federal assistance.

The concept of the loan is unique from a block grant, as a loan implies a temporary extension of funds with agreed-upon terms of repayment. The concept of a loan also implies that there are consequences for those who do not abide by the terms of the loan, such as ineligibility to receive additional loans should one become delinquent on a current loan. It is not in the lender's interest to lend money to someone who has proven that he or she will not pay it back according to the contracted terms.

This bill contains no prohibition on continued lending to States that are delinquent on loans authorized under this bill or extended through other Federal entities as found in other Federal loan programs. This consequence free-lending program will also allow States that choose to ignore the repayment responsibility to treat the loans as being in a state of eternal deferral, and expose the taxpayer to a tremendous amount of risk.

My amendment seeks to protect the taxpayer by insuring that Federal loans go only to States with a proven track record of fiscal responsibility. Specifically, this fiscally responsible amendment will disqualify States that are delinquent on any Federal disaster loans from receiving additional loans under this program.

H.R. 3355 already entitles these States to subsidized loans at below-market rates from the Federal Government. It only makes sense that they should be held to the same responsible standard that applies in the private market and elsewhere in the Federal Government. Without this standard, the loan program becomes no different than a block grant or a taxpayer-financed giveaway.

□ 1700

H.R. 3355 requires very little of the States in the way of mitigation to reduce the cost to taxpayers. By ensuring that States act responsibly before receiving another subsidized loan, my amendment is a small but important step towards protecting the interest of the tax-paying Americans that will be funding this bill.

I urge support for this amendment and would cite as precedent TANF

funds, for example, under title 42, chapter 7, a failure to timely repay a Federal loan fund for State welfare programs, if the Secretary determines that a State has failed to repay any amounts borrowed from the Federal loan program, then they become ineligible or that the amounts they receive in the future are deducted to pay the prior amounts that are due.

I would urge support of this amendment. This makes sure that this is a loan program and not a grant program.

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

Mr. KLEIN of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. Mr. Chairman, I appreciate the gentleman from Illinois' proposition that if you are in default, you probably shouldn't be able to get anything further because maybe you haven't acted responsibly. But there are two faults that make this amendment unnecessary.

Number one, if a State is a recipient of a loan and it has defaulted or hasn't made the terms of payback, that has nothing to do with a State risk catastrophe fund, which is independent of the State. Most State risk catastrophe funds are not backed by the full faith and credit of the State. They're separate, independent organizations. So one has really nothing to do with the other. The fact that the State of Illinois may not have paid back something that it had received from the Federal Government should have nothing to do with an Illinois risk catastrophe fund if it has been doing whatever it's supposed to do. So I think that's number one.

Number two, the notion of the one disaster and then the Illinois risk catastrophe fund defaulting or not paying back, we have already taken care of that problem in terms of a future disaster that hits Chicago. And that is the Treasury who would be responsible for authorizing the second loan would not grant that. It is already provided in the content of our bill.

So I do support the proposition that if you are in default, you probably shouldn't be a continued further drag. And I think that we have taken care of that in the bill, and I think it's not necessary to pass this amendment.

Mr. MANZULLO. Mr. Chairman, will the gentleman yield?

Mr. KLEIN of Florida. I yield to the gentleman from Illinois.

Mr. MANZULLO. It's obvious that the gentleman agrees with me on the absolute necessity of making sure that this is a loan program and not a grant program. This amendment simply gives more teeth to the assurance that the gentleman gave us as to the language that is in the bill. Therefore, I would suggest that he agree with the amendment.

Mr. KLEIN of Florida. Reclaiming my time, Mr. Chairman, I don't agree with the amendment because what it does is it creates an unnecessary regulatory burden. You already have in place the Treasury. Our Treasury Department in Washington would look at it. There's a default. Under the current language of the bill. Take a look at the language of the bill. It specifically says they would not be entitled to another loan, so we've already taken care of that problem.

As it relates to the State itself being in default, the State is independent of a State risk catastrophe fund. So the fact that the State of Illinois doesn't repay something to the Federal Government doesn't necessarily or should not necessarily put a burden on an independent organization that has a State risk catastrophe fund that does not operate under the full faith and credit of the State of Illinois.

So, again, I support the notion that a deadbeat should not receive more. But, again, we are dealing with States and organizations where we've already taken care of the problem or that we are looking to solve a problem that really isn't there.

So I would suggest that this amendment should be opposed. It's unnecessary and duplicative, and I think we've already addressed the problem very clearly in the legislation.

Mr. MAHONEY of Florida. Mr. Chairman, will the gentleman yield?

Mr. KLEIN of Florida. I yield to the gentleman from Florida.

Mr. MAHONEY of Florida. I would just like to also point out, too, that after an event of a natural catastrophe, I don't think it's in anybody's best interest in terms of getting people back in their homes and preserving communities to get into an administrative argument as to whether or not a particular loan has been paid or repaid based on what's going on between the State and a particular community that's in need of funding.

So although I appreciate the gentleman's point, I think that the danger here is that there could be a lot of ways that people could look at this issue and determine that there is a conflict between the way a State looks at a particular loan.

And it's not just catastrophe loans, as the gentleman's amendment talks about. It's any loan where there might be a conflict between the State and the Federal Government. And all I can tell you is that I don't think you would want to put your citizens in a bureaucratic mess when they are out of their homes and they need to get back in and that we need to save their communities.

Mrs. CAPITO. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentlewoman from West Virginia is recognized for 5 minutes.

Mrs. CAPITO. Thank you, Mr. Chairman.

I yield to the gentleman from Illinois.

Mr. MANZULLO. Thank you.

I actually concur with what the gentleman from Florida said. But what he was talking about was in terms of the traditional FEMA emergency funds. That's not the topic of this bill. Those funds are totally separate and independent of the topic that we have here.

What we are talking about is making loans to the reinsurance fund of the State. We're not talking about emergency grants under FEMA, nor are we talking about emergency loans under the Small Business Administration for purpose of reconstruction or for loss of business, et cetera. This is an entirely separate program to make sure that the reinsurance fund of each State remains solvent.

What we are saying here is that we want to make this as ironclad as possible that this not become a grant program but that it is a loan program. And the only way to make sure that that is the case is that those States that are delinquent as to repayment on these funds simply do not qualify to accept any more funds. What that does is it places the responsibility upon the States to come up with a plan themselves in order to make sure that their reinsurance fund would remain solvent.

Mr. KLEIN of Florida. Mr. Chairman, will the gentlewoman yield?

Mrs. CAPITO. I yield to the gentleman from Florida.

Mr. KLEIN of Florida. I'm looking back at the amendment. And the point I was trying to make, which I think is pretty clear here, is that it says ''under any loan previously made under this Act or any loan provided by any agency or establishment of the Federal Government to the program,'' that's the risk catastrophe fund, ''or the State for assistance in connection with a natural or other major disaster.''

First of all, a question for you is the money that goes to a State, are you talking about FEMA money?

Mr. MANZULLO. Is it FEMA money?

Mr. KLEIN of Florida. You're saying ''the State for assistance in connection with a natural or other major disaster.'' To the State. You're saying if there's a default in money that went to the State.

Mr. MANZULLO. Right. FEMA doesn't lend money to the States.

Mr. KLEIN of Florida. Then what are you referring to? What is the default you're speaking of, then?

Mr. MANZULLO. Under this program. If you are in default under this program, then you are not eligible to receive further moneys.

Mr. KLEIN of Florida. There is no money that under this program goes to the State. It goes to the participants of the risk catastrophe funds. Those are independent.

Mr. MANZULLO. But it is set up under the State. What reassurance can you give that these loans will be paid and paid on time? That's what I am trying to get at.

Mr. KLEIN of Florida. The way this is designed is that the loans are structured between the risk catastrophe fund and the Treasury under terms and conditions that are acceptable to the

Treasury. Now, if there is a default under those terms and conditions, it's already clear in our bill that the Treasury will not lend under any future natural disaster, if that's what you are concerned about, and I think it says here. It's already part of the bill, and I think that answers the question.

Mr. MANZULLO. I think the gentleman and I agree on the fact that the loan should be repaid and not be a grant, but I think we disagree fundamentally on how it would be administered. That's why this amendment is a backup amendment to make sure that the loans are repaid.

Mrs. CAPITO. Reclaiming my time, Mr. Chairman, I would like to ask the gentleman if he could show us where in the bill it states that the Treasury has that kind of discretion in this particular case.

Mr. KLEIN of Florida. The good news is that we are in agreement that we certainly want to make sure this is fiscally sound and responsible. I think we all agree on that.

The only thing I'm suggesting, as we pull up this language, is that it's already in the bill. The intention is that the Treasury have this authority. If it isn't clear, we would be glad to fix it. But I think it is crystal clear and we'll just pull it up.

The Acting CHAIRMAN. The time of the gentlewoman from West Virginia has expired.

(By unanimous consent, Mrs. CAPITO was allowed to proceed for 1 additional minute.)

Mrs. CAPITO. I yield to the gentleman from Florida.

Mr. KLEIN of Florida. I thank the gentlewoman for yielding.

The Full Taxpayer Repayment section of the bill, page 20, line 6: ''The Secretary shall require the full repayment of all loans made under this title. If the Secretary determines at any time that such full repayment will not be made, or is likely not to be made, the Secretary shall promptly submit a report to the Congress explaining why such full repayment will not be made or is likely not to be made.''

Mrs. CAPITO. Did you say page 20, section c?

Mr. KLEIN of Florida. Line 6, section c.

Mrs. CAPITO. Thank you.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MANZULLO).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. MANZULLO. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Illinois will be postponed.

AMENDMENT NO. 4 OFFERED BY MR. MATHESON

Mr. MATHESON. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. MATHESON:

Page 8, line 24, before the period insert the following: '', and the first such annual report shall include an assessment of the costs to States and regions associated with catastrophe risk and an analysis of the costs and benefits, for States not participating in the Consortium, of such nonparticipation.''

The Acting CHAIRMAN. The gentleman from Utah is recognized for 5 minutes.

Mr. MATHESON. Mr. Chairman I rise today, first of all, in strong support of H.R. 3355, the Homeowners' Defense Act, and I offer an amendment that I believe will further support the intent of this legislation, namely to better enable State-sponsored reinsurance programs to protect themselves by transferring catastrophic risk into capital markets.

I should first commend Congressman KLEIN and Congressman MAHONEY for their proactive approach in this legislation, which allows States to responsibly plan for disasters ahead of time by pooling risk. By accessing capital markets to transfer risk, State-sponsored insurance funds will be better protected in the event of future disaster and will be increasingly able to provide affordable services for homeowners.

This legislation will provide an important backstop for many of the larger State-sponsored insurance plans but will also provide States like my home State of Utah with an opportunity to prepare for future catastrophes. The State of Utah does not currently have a State-sponsored catastrophic insurance plan but is considering developing one.

Utah has been ranked as one of the top ten U.S. earthquake States in the United States, and in some areas of the State, catastrophe risks also include wildfires, flooding, and mudslides. Of course many of these risks are unique to Utah, but many of these risks, things like fault lines or forest ranges, are spread over many States. I believe that States should be assessing many of these risks on a regional basis given the nature of those risks.

Very simply, Mr. Chairman, my amendment would require that the first annual report of the consortium that's established by this legislation should include an assessment of the costs associated with catastrophic risk for States and regions and an analysis of the costs and benefits of participation in the program for States that are not part of the consortium.

It is my hope that in providing States with an assessment of the catastrophic risks posed to their respective State and region and the costs associated with trying to address those risks, those States could evaluate and consider developing a State-sponsored catastrophic insurance plan if they do not already have one. I believe this legislation provides an important mechanism for States to protect themselves in the event of catastrophe, and I urge support of this amendment so that States can make a more informed decision going forward.

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

Mrs. CAPITO. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentlewoman from West Virginia is recognized for 5 minutes.

Mrs. CAPITO. Mr. Chairman, I have no opposition to Mr. MATHESON's amendment.

I just want to go back to the last point we were taking about with Mr. MANZULLO, the gentleman from Illinois. His amendment was putting forth the fact that if there is a loan to the State under these provisions that if they were in default or were not repaying their loan that there shouldn't be any further loans.

□ 1715

And the gentleman offered me a clarification by reading me some text.

On further looking at the text, yes, the text does say that the Secretary of the Treasury requires full payment of the loan; but it also says that the Secretary can then determine that if full repayment is not made or is unlikely to be made, that the only punishment or the only enforcement mechanism is the Secretary will then submit a report to the Congress explaining why repayment is not being made. It does not state in here, at least to my mind in the way I read it, that that State would be precluded from being able to attain another or further loan under the provisions of this bill.

I appreciate the opportunity to make that clarification. I think it strengthens Mr. MANZULLO's amendment, which I fully support. And, again, I thank the gentleman for his indulgence.

Mr. KLEIN of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. I want to thank the gentleman from Utah for an excellent amendment which really adds some good value to the bill. And basically what it does is it creates a metric by which States can determine whether joining the consortium in the future would provide a benefit. It's information. The more information the States have, the better, the more consumers will benefit. I think that's the kind of ongoing accountability, both to the taxpayers and to the States themselves, in terms of whether this is something that a particular State should join.

So I appreciate the suggestion. We didn't think of it. It's another good example of us all coming together and trying to put something together that makes some sense. So I would like to support the amendment, and I thank the gentleman.

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

The Acting CHAIRMAN. The question is on the amendment offered by

the gentleman from Utah (Mr. MATHESON).

The amendment was agreed to.

The Acting CHAIRMAN. The Committee will rise informally.

The Speaker pro tempore (Mr. MAHONEY of Florida) assumed the chair.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Ms. Evans, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

HOMEOWNERS DEFENSE ACT OF 2007

The Committee resumed its sitting.

AMENDMENT NO. 12 OFFERED BY MS. GINNY BROWN-WAITE OF FLORIDA

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 Offered by Ms. GINNY BROWN-WAITE of Florida:

Page 22, line 11, strike ''and''.

Page 22, after line 17 insert the following new subparagraph:

(F) prohibit price gouging in any disaster area located within the State; and

Page 24, after line 3 insert the following new paragraph:

(3) PRICE GOUGING.—The term ''price gouging'' means the providing of any consumer good or service by a supplier related to repair or restoration of property damaged from a catastrophe for a price that the supplier knows or has reason to know is greater, by at least the percentage set forth in a State law or regulation prohibiting such act (not withstanding any real cost increase due to any attendant business risk and other reasonable expenses that result from the major catastrophe involved), than the price charged by the supplier for such consumer good or service immediately before the disaster.

Page 24, line 4, redesignate paragraph (3) as paragraph (4).

Page 24, line 8, redesignate paragraph (4) as paragraph (5).

Page 24, line 10, redesignate paragraph (5) as paragraph (6).

The Acting CHAIRMAN. The gentlewoman is recognized for 5 minutes.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, for too long, Congress has taken a reserved and reactionary approach to helping victims of disasters. For too long, Members have fallen back on a naive notion that a national plan would only put taxpayers at risk. We have refused to admit that in the event of a natural disaster, we either pay now or we pay later, and paying later is a whole lot more expensive.

Please consider this: in 2005 the insurance industry, not the taxpayers, paid out $61.2 billion for the 24 disasters that occurred that year; $40 billion of that went to the insured losses of Hurricane Katrina. That same year, Congress, using taxpayer dollars, awarded over $89 billion in post-disaster assistance, $89 billion that will never be recouped, that came from hardworking constituents from Illinois, for example, from my colleague who offered the amendment before, from West Virginia, from the State of the lady who is handling the bill on this side. Unless these constituents were directly affected by these events, they will never see a return of those dollars that the Federal Government provided. What is the lesson here? When Congress pays later, it's with taxpayer money that's never paid back.

For the first time, this bill and the manager's amendment provide a national plan to protect against losses. H.R. 3355 provides incentives to States to join a national consortium to issue catastrophic bonds. These bonds act as an alternative to costly reinsurance. It also provides some loans to the States that take the time to plan for their insured needs.

The amendment that we have at the desk today also relates to when a natural disaster strikes. How many natural disasters have we heard about, whether it's a tremendous snowstorm in the Northeast, whether it's a hurricane, whether it's an earthquake in California, where price gouging takes effect?

My amendment says, in order to qualify for the loans and Federal catastrophe fund under the bill, the various States would have to establish anti-price gouging laws for post-event materials, that's goods and materials that people need after a catastrophe. The amendment defines price-gouging as a supplier charging a price he knows is greater post-event than he charged pre-event, notwithstanding any reasonable business increases.

Certainly, this kind of an amendment would help stem the double-whammy of a natural disaster. You might, for example, have your home damaged, and then when someone comes in to put a blue tarp on the roof, the price is outrageous, or even the delivery of goods and services after such a disaster. We need to protect homeowners from people who would rip them off, people who are simply trying to rebuild their lives after such an event.

I urge the Members to support the anti-price gouging amendment that is before us today.

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

AMENDMENT OFFERED BY MR. KLEIN OF FLORIDA TO THE AMENDMENT OFFERED BY MS. GINNY BROWN-WAITE OF FLORIDA

Mr. KLEIN of Florida. Mr. Chairman, I offer an amendment to the amendment.

The Acting CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. KLEIN of Florida to the amendment offered by Ms. GINNY BROWN-WAITE of Florida:

In the matter proposed to be inserted at page 22, after line 17, strike ''prohibit'' and insert ''discourage''.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. Thank you, Mr. Chairman, and I would like to thank the gentlelady from Florida on this work on price-gouging. She and I served in the legislature in Florida and worked together with many others on price-gouging legislation. I don't think anybody can condone any kind of price-gouging in a natural disaster or at any other time, but certainly in a time of a natural disaster.

What the amendment to the amendment does is it provides some flexible language in the implementation of this. It certainly is something that we want to encourage States to move forward on as part of their eligibility, but recognizing we also want to make sure we're not creating impediments in terms of many States getting involved in the natural disaster consortium as quickly as possible.

So I am in full support of this flexibility language, and that's exactly what the amendment does.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentlewoman is recognized for 5 minutes.

Ms. GINNY BROWN-WAITE of Florida. The gentleman from Florida, with whom I have worked so closely on this issue, and I obviously disagree. We disagree because I would like to have this as absolutely a mandatory part of participation, and he would prefer to have it as a suggestion.

I still believe that we need to make this mandatory. It's like, you know, somebody once said, the Ten Commandments are now a suggestion, they're not commandments. I don't want to just suggest it; I want to make sure that the price-gouging language is strong so that we do protect people at that time of a natural disaster.

Most States do have good price-gouging laws already on the books. I'm not very happy with the term ''encourage.'' I think we need to mandate this as part of the process.

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

Mr. MAHONEY of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. MAHONEY of Florida. I appreciate the work the gentlelady from Florida has done on helping us do this bill. And I agree with her that I am also concerned, and we are concerned in this legislation about price-gouging.

Again, the issue is what's the role of the Federal Government with regard to this legislation? And the problem that we have with her amendment is that what she is proposing is to define for each State the definition of price-gouging. And while we accept and support the idea of encouraging legislation, the problem is when you take the next step and you start defining what price-gouging is, it's a relative standard that may or may not fit the circumstance; and, so, therefore, it may

be too low or it may be too high. So what we would prefer to do is we would prefer to let the experts who are running the program make the determination and make sure that what we're not doing is we're not putting and dictating to the States what they should or should not be doing with regards to that.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. KLEIN) to the amendment offered by the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

The amendment to the amendment was agreed to.

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), as amended.

The amendment, as amended, was agreed to.

AMENDMENT NO. 15 OFFERED BY MR. PUTNAM

Mr. PUTNAM. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mr. PUTNAM:

Page 14, line 9, strike ''and''.

Page 14, line 14, after the semicolon insert ''; and''.

Page 14, after line 14, insert the following new subparagraph:

(C) the State or regional reinsurance program enters into an agreement with the Secretary, as the Secretary shall require, that the State will not use Federal funds of any kind or from any Federal source (including any disaster or other financial assistance, loan proceeds, and any other assistance or subsidy) to repay the loan;

Page 20, line 12, after the period insert the following: ''The Secretary may not accept any repayment of any loan made under this title that does not comply with the agreement for such loan entered into in accordance with section 202(b)(1)(C).''.

The Acting CHAIRMAN. The gentleman from Florida is recognized for 5 minutes.

Mr. PUTNAM. Mr. Chairman, it's good to be here joining my Florida colleagues on an issue of such great importance not only to the State of Florida, but to the whole country.

As we discussed during committee, I believe there is a role for a public-private partnership in managing risk. Whether it's a hurricane on the gulf coast, an earthquake or wildfire in California, tornadoes across the central plains, the truth of the matter is any catastrophe is a terrible experience for a State, a business, or certainly a family to endure.

But we're not here to just talk about any catastrophe. We're here to talk about mega-catastrophes, or mega-disasters, the kind of the scale and the scope that displace entire towns, entire regions for months, if not years.

This amendment, in my view, offers a commonsense protection for the taxpayers who are not affected by that particular disaster in holding participating States accountable for any liquidity or catastrophic loans that they may be eligible to receive should they experience this type of disaster that the private marketplace cannot cover, in which case they may seek this temporary financial assistance.

The amendment says that as a condition for a State to receive a loan, it is required to agree not to repay with Federal funds, and the Secretary of the Treasury has to enforce that agreement. If a State qualifies for a loan and then proceeds to get a liquidity or a catastrophic loan, they have to pay it back with State funds. They can't transfer Federal disaster money and then use that as a way of repaying what the Feds have given them. That is, essentially, double dipping.

□ 1730

I believe this amendment goes a long way to ensure that a State uses caution when entering into a loan for which that State is solely responsible for repayment.

Let me state clearly that this legislation we are debating is not meant to, nor should it ever, alleviate a State of its fiduciary responsibilities, nor should it replace the private marketplace. Rather, it is meant to assist in those times of extreme damage and ruin when a State or the private market cannot meet the State's or region's capacity. I encourage any State that decides to participate in the consortium or has a qualified reinsurance program to work beyond the bill's scope and promote greater mitigation, actuarially sound rates, and fiscal responsibility.

I recognize that some of my colleagues have concerns about this, but I believe we are all trying to find the right balance. I believe that the sponsors of this have done their very best to find that right balance and move this public policy forward to the House floor, and I appreciate that. One of the things that make our country great is the way we all rise to the occasion in solidarity with our fellow citizens who are suffering when a major disaster strikes. Rather than expect the Federal Government to save a State from all such liability, we should be encouraging those located in, high-risk, catastrophic areas to be better prepared for the inevitable. This legislation takes an important step forward toward that, and instead of expecting the Federal Government to take on that entire responsibility, we are working towards that partnership that allows for States to voluntarily participate in the program and finally bring them to the table as a true stakeholder.

Mr. Chairman, I yield back.

Mr. MAHONEY of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. MAHONEY of Florida. I want to make the comment that I am in full support of my friend from Florida, and as I have had the opportunity to work with him more and more, I always appreciate his wisdom in terms of making things better, and in this particular case the concept of making sure that Federal dollars are not being used to pay back Federal loans is a lot wisdom, and as such, I applaud him. I appreciate his work with us on this piece of legislation.

Mr. Chairman, I urge my colleagues to support his amendment.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. PUTNAM).

The question was taken; and the Acting Chairman announced that the ayes appeared to have it.

Mr. PUTNAM. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Florida will be postponed.

AMENDMENT NO. 5 OFFERED BY MR. SHAYS

Mr. SHAYS. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. SHAYS:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Commission on Natural Catastrophe Risk Management and Insurance Act of 2007''.

(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. Establishment.
Sec. 4. Membership.
Sec. 5. Duties of the Commission.
Sec. 6. Timing.
Sec. 7. Powers of the Commission.
Sec. 8. Commission personnel matters.
Sec. 9. Termination.
Sec. 10. Authorization of appropriations.

SEC. 2. FINDINGS.

The Congress finds that—

(1) catastrophic hazards, including tornadoes, earthquakes, volcanoes, landslides, tsunamis, flooding, and hurricanes, directly affect hundreds of millions of people each year;

(2) during the 1990s, 2,800 natural disasters killed more than 500,000 people and directly affected 1,300,000,000 people worldwide;

(3) property damage from natural catastrophes has dramatically increased in recent decades, roughly doubling every seven years—a 14-fold increase over the past 40 years;

(4) risk costs have particularly soared in coastal areas, where hurricane frequency and severity has significantly increased, along with home values and building costs;

(5) increased risk costs are being reflected in increased catastrophe insurance and reinsurance costs;

(6) an inefficient legal and regulatory environment in some States has further exacerbated insurance cost increases, including through ineffective price controls, restrictions on capital movement, sub-optimal solvency regulation, and duplicative or unnecessary regulation;

(7) consumers further suffer from temporary rate and availability volatility after

major catastrophes while the marketplace adjusts to the losses;

(8) government catastrophe mitigation requirements have been sub-optimal, sometimes ineffective, and uncoordinated;

(9) some State efforts to reduce insurance prices in catastrophe-prone areas have sometimes reduced long-term availability and competitive affordability of coverage, as well as subsidized excessive development in environmentally sensitive areas at the expense of taxpayers;

(10) several proposals have been introduced in the Congress to address the affordability of natural catastrophe insurance, but there is little consensus on the appropriate role of the Federal Government in facilitating the private insurance marketplace while avoiding cross-subsidies; and

(11) therefore, an efficient and effective approach to assessing natural catastrophe risk management and insurance is to establish a nonpartisan commission to study the management of natural catastrophe risk, and to require such commission to report to the Congress on its findings before the next hurricane season begins.

SEC. 3. ESTABLISHMENT.

There is established a nonpartisan Commission on Natural Catastrophe Risk Management and Insurance (in this Act referred to as the ''Commission'').

SEC. 4. MEMBERSHIP.

(a) APPOINTMENT.—The Commission shall be composed of 16 members, of whom—

(1) 2 members shall be appointed by the Majority Leader of the Senate;

(2) 2 members shall be appointed by the Minority Leader of the Senate;

(3) 2 members shall be appointed by the Speaker of the House of Representatives;

(4) 2 members shall be appointed by the Minority Leader of the House of Representatives;

(5) 2 members shall be appointed by the Chairman of the Committee on Banking, Housing, and Urban Affairs of the Senate;

(6) 2 members shall be appointed by the Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate;

(7) 2 members shall be appointed by the Chairman of the Committee on Financial Services of the House of Representatives; and

(8) 2 members shall be appointed by the Ranking Member of the Committee on Financial Services of the House of Representatives.

(b) QUALIFICATION OF MEMBERS.—

(1) IN GENERAL.—Members of the Commission shall be appointed under subsection (a) from among persons who—

(A) have expertise in insurance, reinsurance, insurance regulation, policyholder concerns, emergency management, risk management, public finance, financial markets, actuarial analysis, flood mapping and planning, structural engineering, building standards, land use planning, natural catastrophes, meteorology, seismology, environmental issues, or other pertinent qualifications or experience; and

(B) are not officers or employees of the United States Government or of any State government.

(2) DIVERSITY.—In making appointments to the Commission—

(A) every effort shall be made to ensure that the members are representative of a broad cross section of perspectives within the United States; and

(B) each member of Congress described in subsection (a) shall appoint not more than 1 person from any single primary area of expertise described in paragraph (1)(A) of this subsection.

(c) PERIOD OF APPOINTMENT.—

(1) IN GENERAL.—Each member of the Commission shall be appointed for the duration of the Commission.

(2) VACANCIES.—A vacancy on the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) QUORUM.—

(1) MAJORITY.—A majority of the members of the Commission shall constitute a quorum, but a lesser number, as determined by the Commission, may hold hearings.

(2) APPROVAL ACTIONS.—All recommendations and reports of the Commission required by this Act shall be approved only by a two-thirds vote of all of the members of the Commission.

(e) CHAIRPERSON.—The Commission shall, by majority vote of all of the members, select 1 member to serve as the Chairperson of the Commission (in this Act referred to as the ''Chairperson'').

(f) MEETINGS.—The Commission shall meet at the call of its Chairperson or a majority of the members.

SEC. 5. DUTIES OF THE COMMISSION.

The Commission shall examine and report to the Congress on the natural catastrophe insurance marketplace, including the extent to which insurance costs and availability are affected by the factors described in section 2, which factors the Federal Government can and should address to increase catastrophe insurance availability and competitiveness, and which actions the Federal Government can undertake to achieve this goal without requiring a long-term cross-subsidy from the taxpayers. In developing its report, the Commission shall consider—

(1) the current condition of, as well as the outlook for, the availability and affordability of insurance and reinsurance for natural catastrophes in all regions of the United States;

(2) the current ability of States, communities, and individuals to mitigate their natural catastrophe risks, including the affordability and feasibility of such activities;

(3) the impact of Federal and State laws, regulations, and policies (including rate regulation, market access requirements, reinsurance regulations, accounting and tax policies, State residual markets, and State catastrophe funds) on—

(A) the affordability and availability of catastrophe insurance;

(B) the ability of the private insurance market to cover losses inflicted by natural catastrophes;

(C) the commercial and residential development of high-risk areas; and

(D) the costs of natural catastrophes to Federal and State taxpayers;

(4) the benefits and costs of—

(A) a national, regional, or other pooling mechanism designed to provide adequate insurance coverage and increased underwriting capacity to insurers and reinsurers, including private-public partnerships to increase insurance capacity in constrained markets, including proposed Federal natural catastrophe insurance programs (specifically addressing the costs to taxpayers, tax equity considerations, and the record of other government insurance programs, particularly with regard to charging actuarially sound prices);

(B) improving Federal and State tax policy to allow insurers or individuals to set aside catastrophe reserves;

(C) directing existing Federal agencies to begin selling catastrophe insurance to individuals;

(D) creating a consortium of Federal and State officials to facilitate state catastrophe bonds and reinsurance purchasing as well as providing temporary Federal disaster loans to the States for insurance purposes;

(E) expanding the Liability Risk Retention Act of 1986 to allow businesses to pool together to buy insurance and set up their own insurance funds;

(F) providing temporary Federal assistance to low-income individual homeowners whose catastrophe insurance rates have increased beyond a certain level after a major disaster, with the possibility that the assistance would be repaid upon sale of the underlying home;

(H) providing for limited Federal development and oversight of the sale of catastrophe insurance in high-risk areas during periods of relative unavailability; and

(I) facilitating further growth of the catastrophe bond marketplace and other competitive alternatives to the traditional insurance and reinsurance marketplace;

(5) the present and long-term financial condition of State residual markets and catastrophe funds in high-risk regions, including the likelihood of insolvency following a natural catastrophe, the concentration of risks within such funds, the reliance on post-event assessments and State funding, the adequacy of rates, and the degree to which such entities have been actuarially solvent in comparison to comparably sized private insurers;

(6) the need for strengthened land use regulations and building codes in States at high risk for natural catastrophes, and methods to strengthen the risk assessment and enforcement of structural mitigation and vulnerability reduction measures, such as zoning and building code compliance;

(7) the ability of the private insurance market in the United States—

(A) to cover insured losses caused by natural catastrophes, including an estimate of the maximum amount of insured losses that could be sustained during a single year and the probability of natural catastrophes occurring in a single year that would inflict more insured losses than the United States insurance and reinsurance markets could sustain; and

(B) to recover after covering substantial insured losses caused by natural catastrophes;

(8) the impact that demographic trends could have on the amount of insured losses inflicted by future natural catastrophes;

(9) the appropriate role, if any, for the Federal Government in stabilizing the property and casualty insurance and reinsurance markets; and

(10) the role of the Federal, State, and local governments in providing incentives for feasible risk mitigation efforts.

SEC. 6. TIMING.

Before the beginning of the 2008 hurricane season, which for purposes of this section shall be considered to be June 1, 2008, the Commission shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a final report containing—

(1) a detailed statement of the findings and assessments conducted by the Commission pursuant to section 5; and

(2) specific and detailed recommendations for legislative, regulatory, administrative, or other actions at the Federal, State, or local levels that the Commission considers appropriate, in accordance with the requirements of section 5.

SEC. 7. POWERS OF THE COMMISSION.

(a) MEETINGS; HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers necessary to carry out the purposes of this Act. Members may attend meetings of the Commission and vote in person,

via telephone conference, or via video conference.

(b) AUTHORITY OF MEMBERS OR AGENTS OF THE COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this Act.

(c) OBTAINING OFFICIAL DATA.—

(1) AUTHORITY.—Notwithstanding any provision of section 552a of title 5, United States Code, the Commission may secure directly from any department or agency of the United States any information necessary to enable the Commission to carry out this Act.

(2) PROCEDURE.—Upon request of the Chairperson, the head of such department or agency shall furnish to the Commission the information requested.

(d) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(e) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, any administrative support services necessary for the Commission to carry out its responsibilities under this Act.

(f) ACCEPTANCE OF GIFTS.—The Commission may accept, hold, administer, and utilize gifts, donations, and bequests of property, both real and personal, for the purposes of aiding or facilitating the work of the Commission. The Commission shall issue internal guidelines governing the receipt of donations of services or property.

(g) VOLUNTEER SERVICES.—Notwithstanding the provisions of section 1342 of title 31, United States Code, the Commission may accept and utilize the services of volunteers serving without compensation. The Commission may reimburse such volunteers for local travel and office supplies, and for other travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

(h) FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949.—Subject to the Federal Property and Administrative Services Act of 1949, the Commission may enter into contracts with Federal and State agencies, private firms, institutions, and individuals for the conduct of activities necessary to the discharge of its duties and responsibilities.

(i) LIMITATION ON CONTRACTS.—A contract or other legal agreement entered into by the Commission may not extend beyond the date of the termination of the Commission.

SEC. 8. COMMISSION PERSONNEL MATTERS.

(a) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(b) SUBCOMMITTEES.—The Commission may establish subcommittees and appoint members of the Commission to such subcommittees as the Commission considers appropriate.

(c) STAFF.—Subject to such policies as the Commission may prescribe, the Chairperson may appoint and fix the pay of such additional personnel as the Chairperson considers appropriate to carry out the duties of the Commission. The Commission shall confirm the appointment of the executive director by majority vote of all of the members of the Commission.

(d) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—Staff of the Commission may be—

(1) appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service; and

(2) paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay prescribed for GS–15 of the General Schedule under section 5332 of that title.

(e) EXPERTS AND CONSULTANTS.—In carrying out its objectives, the Commission may procure temporary and intermittent services of consultants and experts under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for GS–15 of the General Schedule under section 5332 of that title.

(f) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the Chairperson, any Federal Government employee may be detailed to the Commission to assist in carrying out the duties of the Commission—

(1) on a reimbursable basis; and

(2) such detail shall be without interruption or loss of civil service status or privilege.

SEC. 9. TERMINATION.

The Commission shall terminate 90 days after the date on which the Commission submits its report under section 6.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission, such sums as may be necessary to carry out this Act, to remain available until expended.

The Acting CHAIRMAN. The gentleman from Connecticut is recognized for 5 minutes.

Mr. SHAYS. Mr. Chairman, this amendment would strike the text of the bill in favor of creating a blue ribbon commission to develop a full array of policy options that Congress could pursue to address the concerns of insurance affordability and availability in disaster-prone areas of our country.

I introduced this language as a freestanding bill on a bipartisan basis with my colleague from Oregon (Mr. BLUMENAUER). It would bring together 16 of the country's leading experts on catastrophe-related issues who would be tasked with studying the issue in depth, gathering information from a host of constituencies affected by natural disasters and then reporting back to Congress with specific and detailed recommendations for legislative, regulatory, administrative or other actions to improve the natural catastrophe insurance marketplace.

The idea of this commission was originated by the chairman of the Senate Banking Committee, the senior Senator from Connecticut, Senator CHRISTOPHER DODD. Just before the August recess, Senate Banking Committee reported a bill out of committee unanimously creating the Commission, and I hope it will be considered on the Senate floor soon. I would like to highlight a few of the duties we will task the committee with examining. The full list of duties is found on page 7 of my amendment in section 5.

We will ask the Commission to consider the current condition of, as well as the outlook for, the availability and affordability of insurance and reinsurance for natural catastrophes in all regions of the United States not just in some; the current ability of States, communities and individuals to mitigate their natural catastrophe risks, including the affordability and feasibility of such activities; the benefits and costs of a national, regional or other pooling mechanism designed to provide adequate insurance coverage and increase the underwriting capacity to insurers and reinsurers; the need for strengthening land use regulations and building codes in States at high risk for natural catastrophes; and the appropriate role, if any, for the Federal Government in stabilizing the property and casualty insurance and reinsurance markets and the role of the Federal, State and local governments in providing incentives for feasibility risk mitigation efforts.

We have heard a host of arguments already today on the merits and drawbacks of the underlying bill proposed by my colleague from Florida. I happen to believe the underlying bill is an overreach that could potentially expose taxpayers to massive liabilities. I am mostly concerned about encouraging States to create qualifying State insurance funds which are likely to further crowd out the private marketplace.

It seems to me there exists a happy medium between those who have total confidence in the private marketplace to correct problems in the insurance market and those who believe the Federal Government must intervene to set the market right.

We should not underestimate the weight of our decisions to move forward with the underlying bill. Inserting the Government's hand into the insurance marketplace threatens to disrupt the interrelationship of risk mitigation; threatens to disrupt population growth and economic development in vulnerable regions; threatens to disrupt private insurance and reinsurance markets for catastrophic risk management; threatens to disrupt insurance rate regulation, and threatens to disrupt the role of State-run catastrophic insurance mechanisms which are only beginning to be systematically examined.

Rather than rushing to vote on the underlying bill, I believe Congress should tap the growing body of knowledge and expertise that is now just coming together.

The bottom line is there are several proposals that have merit, and each would benefit from the kind of rigorous objective study that an impartial commission of experts could provide.

I believe this amendment is a measured approach, an approach supported by the Senate, at least the committee, and urge my colleagues to support the creation of a commission on natural catastrophic risk management and insurance in lieu of the current proposal.

I also want to point out that the existing bill, besides likely not being supported by the Senate, has a veto threat

by the President because of the massive liabilities and the incredible disruption that this legislation may cause the insurance marketplace.

Mr. Chairman, I yield back.

Mr. MAHONEY of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. MAHONEY of Florida. Mr. Chairman, I want to thank the gentleman from Connecticut for his amendment. I just want to make a couple of comments.

This is a problem that has been afflicting Americans now for over a decade. This Congress has looked at this problem for over a decade. For over a decade, this Congress has failed to do anything. And right now, as we are sitting here in the comfort of this great Chamber, there is a grandmother in Okeechobee, Florida, who has to sit down and write a check tonight to pay her mortgage, her insurance, and her property taxes. Let me just say this for all of the people, the millions of people right now who are afraid that they cannot make that payment. The idea after a decade of do nothing to continue to recommend to do nothing is unconscionable. It is also unconscionable that when Hurricane Katrina hit Louisiana and Mississippi, of the $110 billion bailout, that the people in the State of Connecticut coughed up $1.39 billion to pay off a disaster. This has to stop.

What the gentleman from Connecticut is trying to do is he is trying to kill this legislation with this amendment. He is trying to hurt the people in Okeechobee right now who are suffering, trying to figure out how to pay their bills. I would urge people to defeat this amendment because this is not the people's business. What we need to do is we need to act responsibly. We need to take care of people who should be able to live in their homes and afford their homes. Having a home and home ownership is the American Dream. It is important that we protect it. The time has long passed, over a decade, the time has long passed for study. Today, this House has the opportunity to take action.

Mr. Chairman, I would encourage my colleagues to vote ''no'' on this amendment.

I yield back the balance of my time.

Ms. GINNY BROWN-WAITE. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentlewoman is recognized for 5 minutes.

Ms. GINNY BROWN-WAITE. Mr. Chairman, I am very fond of the gentleman from Connecticut, and I know his heart is in the right place. He has been very supportive of many of the things that are proposed in this Chamber, and on many, many issues we agree; however, this is an issue that we do not agree on.

Study, study, study. Let's just study it again. That is what Congress has done for so many issues for so many years. Another colleague of ours, JO ANN EMERSON, came to Congress a little over 10 years ago taking her husband's place in Congress. He had passed away. The reason I mention this is her husband chaired a study group on this very subject in 1995 or 1996. How much longer do people have to believe that Congress is going to do nothing other than create another bound study that is going to sit on somebody's bookshelf someplace and not accomplish one darn thing? This isn't just about Florida. It is about every State that faces natural catastrophes. It is about finally having a solution.

The gentleman from Connecticut was elected to serve in the House. Quite honestly, there are many times when, on this very floor, we all say, I don't care what the Senate is going to do. Well, it just so happens that a bill recently was introduced, very similar to this bill, by Senator NELSON and a neighbor of the gentleman from Connecticut, Mrs. CLINTON, Senator CLINTON, so there is a companion bill over in the other House. While that companion bill is not bipartisan, it is some movement. It is acknowledgement to the people out there who are paying outrageous insurance rates that Congress is finally stepping up and doing something and not just creating another study killing who knows how many trees. I know the gentleman from Connecticut is an environmentalist. I would think he would want to save a few trees.

Mr. Chairman, I disagree with the gentleman's amendment, and I encourage my colleagues to vote against it.

Mr. KLEIN of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. Mr. Chairman, what has just been expressed by our colleagues from around the country is that this is a time for action on an issue that is well overdue. There have been many parts of the country that have been hit by this insurance problem for a long time. But I can tell you that whether you are in the State legislature, like I was in the past, or in the Congress, or in any local government, or even a lot of businesses, a lot of times when you want to study something and you want to put it on the shelf and collect dust, it is not going anywhere. This particular provision, this particular idea sounds nice. It says, oh, we are going to study this and we're going to study that and have qualified people come together. Well, do you know something? That is what we have been doing. We have been bringing together qualified people.

We have spent a lot of time, bipartisan, a lot of experts in the field, consumer groups and experts on Wall Street and people in the industry to really figure out what is the right way to do this. Is this perfect? I don't know. But we have certainly tried to do what we think is common sense and we are moving in the right direction.

The notion of studying it and coming back, and this particular provision says coming back on June 1 of 2008 with a report which will then be presented to the Financial Services Committee, which will then hold hearings and more hearings and more hearings, and then it will end up in the Senate, we are talking about 2015 before they even bring a bill up.

Well, we have something here today that is a bill. It is an idea, a set of ideas that have been developed, and we are ready to move on it. And the people back home are ready for us to move it. They want action. They want relief from their insurance bills. They want to know as taxpayers there is a better way of doing this than the Federal Government writing a check every time. That is what this bill does.

So with all due respect to those folks who say, let's study it more, it hasn't been studied enough, yes, it has. It has been studied enough. And we will continue to study it when it goes over to the Senate. But we are looking to make a bill, finalize a bill here in the House today. Let the Senate take it up over the next couple of months and let's get some relief to the homeowners of the United States when it comes to their homeowners insurance.

Mr. Chairman, I yield back my time.

□ 1745

Mrs. CAPITO. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentlewoman from West Virginia is recognized for 5 minutes.

Mrs. CAPITO. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I thank the gentlewoman for yielding to me.

I want to say to my colleagues from Florida that I would probably be saying the same things they are if I was from Florida. And I would say them with all the sincerity that you are saying them and I would attack any proposals that took a different position.

First, we are capable in this Chamber of acting quickly. I do agree with my colleagues that it has been a number of years that we have done nothing. I don't agree that we have had the kind of study that we need and the kind of study that you would see in my proposal.

But what I would also say, for whatever it's worth, not that it's going to change votes, but I want to go on record that if such a study is ultimately passed because of the Senate, even if this Chamber doesn't pass my amendment, that I will go out of my way to fight for a bill to deal with this issue next year. That is just a commitment I want to put on the record because I don't think we can continue to wait.

What concerns me is I feel like in an effort to deal with the very real problem of Florida, we are going to screw things up for 49 other States, or 40, or 35, and that we are going to do something that a lot of Members don't want

to do and that is create huge liabilities for the Federal Government.

I am not suggesting that this is a perfect solution. My problem is I think the bill that is being promulgated by the Florida delegation is fatally flawed. I think if there was a study, we would come back with a proposal that would have similarities to this legislation, but not so negatively impacting the rest of the country and not providing the kind of potential liabilities to the tax payers.

I do respect what my colleagues from Florida are saying. I think they are fighting for their constituencies. But I think those of us who aren't in Florida have an obligation to step up and voice the kind of reservations that exist elsewhere throughout the country.

Again, if this amendment fails and this bill passes as it is and is sent to the Senate and dies, or passes both Chambers and the President vetoes it so nothing happens, I will be on your side of the issue working with my Florida colleagues to deal with the issue next year.

Mrs. CAPITO. Mr. Chairman, I yield back my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

The ACTING Chairman. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Connecticut will be postponed.

VACATING ORDERING OF RECORDED VOTE ON AMENDMENT NO. 15

Mr. PUTNAM. Mr. Chairman, against my better judgment, I asked for a recorded vote on something I had won. As good as it would feel to see it up there in lights, I ask unanimous consent to vacate the request for a recorded vote on the Putnam amendment to the end that the Chair put the question de novo.

The Acting CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. PUTNAM).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. CAMPBELL OF CALIFORNIA

Mr. CAMPBELL of California. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. CAMPBELL of California:

Page 2, line 5, before ''Homeowners' '' insert ''Business Owners' and' ''.

Page 6, line 15, before ''homeowners'' insert ''business owners and''.

Page 13, lines 5 and 6, strike ''**HOMEOWNERS'**''.

Page 13, line 13, before ''homeowners' '' insert ''property and''.

Page 18, line 9, strike ''personal real''.

Page 20, line 25, insert ''property and'' after ''all''.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. CAMPBELL of California. Mr. Chairman, I stand here before you as a Member of Congress not from Florida; in fact, from California. But I support this bill. If a tsunami were to hit Honolulu, there is not enough insurance base in the entire State for all the types of insurance there could possibly be to cover the effects of that kind of disaster.

I come from California, which is not a small State. It is in fact the largest State. But we have earthquakes. After the Northridge earthquake, you could not buy earthquake insurance pretty much from anywhere at any price in the entire State of California after that earthquake. So even in a large State like California you can have problems getting disaster insurance for various disasters, even today; and it has been a number of years since we have had any significant number of earthquakes in California. The earthquake insurance, currently there's a State program to cover earthquake insurance and it vacillates between not providing very much coverage and being not actuarially sound.

So I support this bill because we do need to look at tsunamis in Hawaii, earthquakes in California, hurricanes in Florida and tornadoes in Kansas, and ways that we can pool those risks. Now, if a disaster of any type hits any one of those States, as I mentioned, that earthquake or that hurricane or that tornado will not discriminate between single families' homes and apartment buildings or commercial property. The amendment that I offer today, Mr. Chairman, would add commercial property to this bill because, as I said, the disasters don't discriminate. But also, when you think about it, if a hurricane hits, and I know the sponsors of this bill are very familiar with that, or an earthquake hits and an apartment building goes down, the people living in that apartment building need that apartment building rebuilt every bit as much as the people in the single family home need their single family home rebuilt.

If jobs and economic activity are to be restored in the region hit by the disaster, then the businesses that were destroyed or severely damaged in that disaster also need to be rebuilt. So what this bill would do is it would not compel any State to include commercial property in their State program. But if a State chooses to include commercial property in their State program, then it could be included in the risk pools that will be set up as a result of this bill.

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

Mr. KLEIN of Florida. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. KLEIN of Florida. Thank you, Mr. Chairman, and I thank the gentleman from California. Although we are from different parts of the country and sort of the extreme points of the country, we share, along with many people in other quarters of the country, the same problem; and it is a problem with dealing with these large-scale natural disasters which are difficult to predict and, at the higher end, difficult to insure. Whether it is mud slides or wildfires or earthquakes or tornadoes or major floods or hurricanes or blizzards or any number of other things which cause very large-scale damage, we need to find a way to come together and resolve this, which is what, of course, this plan is trying to do.

What the gentleman has proposed, and is something I think we should all recognize, is the fact that earthquakes don't distinguish between a house and an office building, or a house and an apartment building, or any other number of commercial or private structures. I think the notion here of trying to, again, pool interests is something that deserves a lot of attention.

I would like to pose a notion to the gentleman. I know the Chair of Financial Services has mentioned that he would like to hold a hearing, because as we developed this, we were pretty close to certain this would work with the residential property community, and even put something in the bill at the gentleman's request about the multi-family properties as well, because I think that is a big issue.

As it relates to the broader issue, I think we want to continue to investigate this, to understand from the Congressional Budget Office's point of view, making sure that, as this does meet PAYGO, we want to make sure this continues to meet PAYGO; and I think if we were to adopt this amendment, I think there would be some question about that.

If the gentleman would respond as to whether he would withdraw the amendment now, with the commitment, I think from chairman of the Financial Services Committee, to, number one, hold a hearing and bring all the necessary information together and continue to work on this, whether it is in this piece of legislation as it moves to the Senate, or we all work together on another piece of legislation to deal with the same issue.

Mr. CAMPBELL of California. Mr. Chairman, will the gentleman yield?

Mr. KLEIN of Florida. I yield to the gentleman from California.

Mr. CAMPBELL of California. I thank the gentleman.

With the commitment from the gentleman from Florida and the understanding of the chairman of committee that we would hold a hearing on this and that we would then consider perhaps free-standing legislation or putting it in this, if as a result of that hearing we believe that there would be

a way to add the commercial property, with that understanding I would ask unanimous consent to withdraw the amendment.

Mr. KLEIN of Florida. Reclaiming my time, I thank the gentleman, and look forward to working with him on that issue.

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

Mr. CAMPBELL of California. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The Acting CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment No. 17 by Mr. KLEIN of Florida of Florida.

Amendment No. 6 by Mr. ROSKAM of Illinois.

Amendment No. 13 by Mr. ROSKAM of Illinois.

Amendment No. 1 by Mr. MANZULLO of Illinois.

Amendment No. 5 by Mr. SHAYS of Connecticut.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 17 OFFERED BY MR. KLEIN OF FLORIDA

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Florida (Mr. KLEIN) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 253, noes 159, not voting 25, as follows:

[Roll No. 1068]

AYES—253

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Bonner
Bordallo
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Butterfield
Cannon
Capps
Capuano
Cardoza
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Feeney
Ferguson
Filner
Fortuño
Frank (MA)
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stearns
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOES—159

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Blackburn
Blunt
Boehner
Bono
Boozman
Brady (TX)
Broun (GA)
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson, Sam
Jordan
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McKeon
McMorris Rodgers
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Norton
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Royce
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf

NOT VOTING—25

Bean
Bishop (UT)
Boren
Buyer
Carnahan
Carson
Christensen
Cubin
Giffords
Hastert
Hunter
Jindal
Jones (OH)
LaHood
Lantos
Levin
Lungren, Daniel E.
McCrery
Miller (FL)
Oberstar
Ryan (OH)
Ryan (WI)
Saxton
Slaughter
Wynn

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1822

Mr. PICKERING, Mrs. DRAKE, and Mr. HELLER of Nevada changed their vote from ''aye'' to ''no.''

Mr. SHERMAN and Mr. MILLER of North Carolina changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 6 OFFERED BY MR. ROSKAM

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Illinois (Mr. ROSKAM) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 15-minute vote.

The vote was taken by electronic device, and there were—ayes 168, noes 249, not voting 20, as follows:

[Roll No. 1069]

AYES—168

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Boyda (KS)
Brady (TX)
Brown-Waite, Ginny
Buchanan
Burgess
Camp (MI)
Cannon
Cantor
Capito
Carney
Carter
Castle
Castor
Chabot
Chandler
Coble
Cole (OK)
Cooper
Costa
Davis (KY)
Davis, David
Davis, Tom
Dent
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney

Ferguson
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
LaTourette
Linder
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris Rodgers
Miller (MI)
Moran (KS)
Murphy, Tim
Myrick
Neugebauer
Nunes
Paul
Pearce
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Ryan (WI)
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Spratt
Stearns
Stupak
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wolf
Young (AK)

NOES—249

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Bordallo
Boswell
Boucher
Boyd (FL)
Brady (PA)
Braley (IA)
Broun (GA)
Brown (SC)
Brown, Corrine
Burton (IN)
Butterfield
Calvert
Campbell (CA)
Capps
Capuano
Cardoza
Carnahan
Clarke
Clay
Cleaver
Clyburn
Cohen
Conaway
Conyers
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Filner
Fortenberry
Fortuño
Frank (MA)
Gillibrand
Gohmert
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Kingston
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
Lee
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Musgrave
Nadler
Napolitano
Neal (MA)
Norton
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pence
Perlmutter
Peterson (MN)
Pomeroy
Price (GA)
Price (NC)
Rahall
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Stark
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walberg
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Westmoreland
Wexler
Wilson (OH)
Wilson (SC)
Woolsey
Wu
Yarmuth
Young (FL)

NOT VOTING—20

Bean
Bishop (UT)
Boren
Buyer
Carson
Christensen
Cubin
Giffords
Hastert
Hunter
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
McCrery
Miller (FL)
Oberstar
Rangel
Wynn

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1842

Messrs. TAYLOR, GEORGE MILLER of California, PENCE, PRICE of Georgia, LEWIS of Kentucky and BURTON of Indiana changed their vote from ''aye'' to ''no.''

Mr. CHANDLER and Mr. ALTMIRE changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 13 OFFERED BY MR. ROSKAM

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Illinois (Mr. ROSKAM) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 172, noes 245, not voting 20, as follows:

[Roll No. 1070]

AYES—172

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Boyda (KS)
Brady (TX)
Broun (GA)
Burgess
Burton (IN)
Calvert
Camp (MI)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Doolittle
Drake
Dreier
Duncan
Ehlers
English (PA)
Everett
Fallin
Feeney
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jordan
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Linder
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris Rodgers
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Royce
Ryan (WI)
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)

NOES—245

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Bordallo
Boswell
Boucher
Boyd (FL)
Brady (PA)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Butterfield
Campbell (CA)
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Emerson
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Ferguson
Filner
Fortuño
Frank (MA)
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)

Meeks (NY)
Melancon
Mica
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Norton
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth
Young (FL)

NOT VOTING—20

Bean
Bishop (UT)
Boren
Buyer
Carson
Christensen
Cubin
Giffords
Hastert
Hunter
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
McCrery
Miller (FL)
Oberstar
Obey
Wynn

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1850

Mr. MITCHELL changed his vote from ''aye'' to ''no.''

Mr. ISSA changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 1 OFFERED BY MR. MANZULLO

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Illinois (Mr. MANZULLO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 176, noes 242, not voting 19, as follows:

[Roll No. 1071]

AYES—176

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Boyda (KS)
Brady (TX)
Broun (GA)
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (GA)
Johnson (IL)
Johnson, Sam
Jordan
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (KY)
Linder
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Royce
Ryan (WI)
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)

NOES—242

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Bordallo
Boswell
Boucher
Boyd (FL)
Brady (PA)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Butterfield
Capps
Capuano
Cardoza
Carnahan
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Ferguson
Filner
Fortuño
Frank (MA)
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Norton
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Putnam
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth
Young (FL)

NOT VOTING—19

Bean
Bishop (UT)
Boren
Buyer
Carson
Christensen
Cubin
Giffords
Hastert
Hunter
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
McCrery
Miller (FL)
Oberstar
Wynn

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1900

Mr. LYNCH changed his vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 5 OFFERED BY MR. SHAYS

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Connecticut (Mr. SHAYS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 166, noes 246, not voting 25, as follows:

[Roll No. 1072]

AYES—166

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Boyda (KS)
Brady (TX)
Broun (GA)
Burgess
Burton (IN)
Calvert
Camp (MI)
Cannon
Capito
Carter
Castle
Chabot
Coble
Cole (OK)

Conaway
Cooper
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Doolittle
Drake
Dreier
Duncan
Ehlers
Ellsworth
Emerson
English (PA)
Everett
Fallin
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jordan
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris Rodgers
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Petri
Pickering
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Royce
Ryan (WI)
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)

NOES—246

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Bordallo
Boswell
Boucher
Boyd (FL)
Brady (PA)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Butterfield
Campbell (CA)
Cantor
Capps
Capuano
Cardoza
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Feeney
Ferguson
Filner
Fortuño
Frank (MA)
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Keller
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Norton
Obey
Olver
Ortiz
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pitts
Pomeroy
Price (NC)
Putnam
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stearns
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth
Young (FL)

NOT VOTING—25

Bean
Bishop (UT)
Boren
Buyer
Carnahan
Carson
Christensen
Cubin
Giffords
Hastert
Hunter
Jindal
Kaptur
LaHood
Lantos
Levin
Lungren, Daniel E.
McCrery
Miller (FL)
Oberstar
Pallone
Paul
Peterson (PA)
Radanovich
Wynn

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 1906

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The Acting CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SERRANO) having assumed the chair, Mr. CARDOZA, Acting Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3355) to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events, pursuant to House Resolution 802, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

Is a separate vote demanded on any amendment to the amendment reported from the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

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

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

MOTION TO RECOMMIT OFFERED BY MRS. CAPITO

Mrs. CAPITO. Mr. Speaker, I offer a motion to recommit.

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

Mrs. CAPITO. Yes, in its current form I am.

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

The Clerk read as follows:

Mrs. Capito moves to recommit the bill H.R. 3355 to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendments:

Redesignate sections 402, 403, and 404 as sections 403, 404, and 405, respectively.

After section 401, insert the following new section:

SEC. 402. PROHIBITING CROSS-SUBSIDIZATION FROM MIDDLE AMERICA.

Notwithstanding any other provision of this Act, a program shall not be considered to be a qualified reinsurance program for purposes of this Act unless the Secretary certifies that the program is not cross-subsidizing any geographic region, including by subsidizing coastal homeowners and developers at the cost of other taxpayers or policyholders.

The SPEAKER pro tempore. The gentlewoman from West Virginia is recognized for 5 minutes.

Mrs. CAPITO. Mr. Speaker, valid questions have been asked about this, and this bill could make West Virginians and other taxpayers across America liable for what the bill says itself, hundreds of billions of dollars in loans and subsidized insurance to State insurance companies that are displacing the private sector and charging inadequate rates.

It is unclear how much this bill will actually cost the taxpayers. The Congressional Budget Office has said at least tens of millions of dollars if fully implemented, and it could have been higher by several magnitudes if they thought that States would actually use the provisions of the bill with any meaningful frequency. Now the manager's amendment has added up to 200 billion more dollars in taxpayer exposures that would not be repaid. There is no sunset on this bill, and this is a permanent liability for the taxpayers. The hard facts are that the bill itself recognizes that taxpayers could be asked to cough up enormous sums of taxpayer dollars.

Another consideration is the environment. The National Wildlife Foundation and the Florida Coalition for Preservation oppose this bill because they say it ''would result in continued encouragement of risky development in our Nation's coastal areas and floodplains. With more development in these environmentally sensitive areas, this bill could lead to more loss of life, property, and of wildlife habitat. The safety of our citizens should be the number one priority of any government program dealing with natural disasters.

The administration says that H.R. 3355 would ''displace the private market,'' ''clearly result in a subsidy for insurers, State insurance programs, and their policyholders,'' ''undermine economic incentives to mitigate risks,'' ''be fiscally irresponsible as the Federal Government could expect to face steep losses in certain years,'' and that ''financing these losses would require Federal taxpayers to subsidize insurance rates for the benefit of those living in high-risk areas.

Mr. Speaker, this amendment simply says, if we are going to put taxpayers on the hook for billions of dollars in loans Treasury will be forced to give under this bill, then we should also make a commitment that homeowners who do not live on the coast will not have to pay for this subsidy in the form of increased insurance rates. One group of taxpayers should not be compelled to cover the inherent costs of risky, high-priced coastal development for developers.

Without this amendment, homeowners, who are taxpayers too, would be hit twice. First, they would essentially guarantee these loans in the event States default, and according to Treasury, ''it is more than likely that there will be significant pressures to forgive outstanding debt in the case of a huge catastrophe'' and that ''taxpayers nationwide subsidize insurance rates in high-risk areas, which would be both costly and unfair.''

Second, the extension of these loans will implicitly subsidize high-risk areas at the expense of other homeowners. When a State repays these loans, it could assess a fee or tax on all homeowners in the State, including those who don't receive the benefit of this subsidy. Also, the State insurance companies that stand to gain from this bill squeeze out private insurers, meaning less competition for consumers, higher prices, and fewer choices.

□ 1915

On October 10, a Wall Street Journal editorial put it this way: Congress is volunteering ''middle-class taxpayers nationwide as the financial backstop for beachfront properties.''

Mr. Speaker, this bill does nothing to address the development and zoning that could be encouraged with these new programs. We can add mitigation and other requirements. The fact is, if the Federal Government is making something cheaper, you're probably going to buy more of it and do more of it.

Today, with this bill, we are giving a gift to coastal development and dysfunctional State agencies at the expense of Middle America. Homeowners all over the country have been hit hard lately; and for the millions of taxpayers who do not live in these areas, this bill would be another blow. My amendment simply ensures that we will be mindful of the vast majority of homeowners and taxpayers who, like West Virginians, do not stand to benefit from this bill at all.

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

Mr. FRANK of Massachusetts. I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. FRANK of Massachusetts. I yield to the gentlewoman from Florida (Ms. BROWN-WAITE).

Ms. BROWN-WAITE of Florida. I thank the gentleman for yielding.

I am very much opposed to the motion to recommit.

States have comprehensive plans controlling development. What States don't want is the Federal Government telling them what to do. There are excellent new building requirements, new building codes that are in place to ensure that anything that has been built since 1990 is built to much stronger standards.

On the insurance costs: let's face it, ladies and gentlemen, if this bill doesn't pass and a catastrophe happens, the first thing that will be the bill du jour is to bail out California if there is an earthquake, Florida if there is a hurricane, or any other State where tornadoes hit down. If you voted for TRIA because it was the right thing to do to stabilize the reinsurance market for terrorism insurance, then you should vote for the bill and against the motion to recommit. This is an attempt to stabilize the insurance market; it is not an attempt to take over the insurance market.

Mr. FRANK of Massachusetts. Mr. Speaker, first my friend from West Virginia said, well, we would be displacing the private insurance market. We have fellow citizens represented here who are trying desperately to find that private insurance market. This is hardly a case of our intruding in a perfectly functioning market.

And then the amendment bans cross-subsidies; it bans cross-subsidies that do not exist. The CBO report: ''Assuming the appropriation of the specified amount CBO estimated in implementing this provision would cost $75 million over the next 5 years.'' That's the total on one provision. On the other provision: ''CBO estimates that loans made under the bill would have an insignificant cost over the next 5 years. Enacting H.R. 3355 would not affect direct spending or revenue.'' So there is no taxpayer expenditure; so there is no subsidy.

Then as to cross-subsidy, it is very carefully worded. It says: ''No cross-subsidizing in any geographic region.'' It doesn't say across State lines because that could not happen. No State is in this program unless it volunteers to get in. So now, apparently, the worry is that north Florida will subsidize south Florida. I think we leave that to Florida.

One last point. Many of my colleagues have had this button, article I. This does not attempt to change the program substantively. It does not try to deal with the subsidies because they're nonexistent. It says: ''The Secretary of the Treasury has to certify.'' It is a very disturbing provision. It gives to a Secretary of the Treasury, who might be ideologically opposed to this, the power to kill the program voted by both Houses of Congress. If it said the Secretary could make a report and we would consider it, that would be one thing. But there is no taxpayer subsidy, according to CBO. There is no interstate involvement unless the States have volunteered to get in.

And then it says that these nonexistent hazards will stop the program. And it doesn't say, by the way, that the Secretary stops it if he certifies it's causing a problem. He has to certify the negative. He has to certify that it's not causing the problem. To give that kind of power to the Secretary on a carefully drafted bill that already says no subsidy, that bans any interstate involvement unless the States want to, is just a way to kill the bill. I do not think that it's fair to our colleagues from Florida on both sides of the aisle who have brought this forward and colleagues from other States who may want to join.

The worst thing about this is the title: ''Prohibiting Cross-Subsidization from Middle America.'' Well, the gentlewoman left out apple pie and the flag, but all of them are irrelevant to this bill. If Middle America doesn't want to be in this bill, it simply stays out of it. There is nothing here that would coerce any State to be involved. So Members can safely vote against this recommittal and know that Middle America will sleep soundly tonight without having to subsidize the State of Florida.

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

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

There was no objection.

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

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

RECORDED VOTE

Mrs. CAPITO. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 175, noes 239, not voting 18, as follows:

[Roll No. 1073]

AYES—175

Aderholt	Bilbray	Brady (TX)
Akin	Blackburn	Broun (GA)
Alexander	Blumenauer	Burgess
Bachmann	Blunt	Burton (IN)
Bachus	Boehner	Calvert
Baker	Bonner	Camp (MI)
Barrett (SC)	Bono	Cannon
Bartlett (MD)	Boozman	Cantor
Barton (TX)	Boustany	Capito
Biggert	Boyda (KS)	Carney

Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jordan
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Royce
Ryan (WI)
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)

NOES—239

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Boswell
Boucher
Boyd (FL)
Brady (PA)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Butterfield
Campbell (CA)
Capps
Capuano
Cardoza
Carnahan
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Fattah
Feeney
Ferguson
Filner
Frank (MA)
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (FL)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Putnam
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth
Young (FL)

NOT VOTING—18

Bean
Bishop (UT)
Boren
Buyer
Carson
Cubin
Farr
Giffords
Hastert
Hunter
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
McCrery
Oberstar
Wynn

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1938

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

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

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

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

The yeas and nays were ordered.

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

The vote was taken by electronic device, and there were—yeas 258, nays 155, not voting 19, as follows:

[Roll No. 1074]

AYES—258

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Bono
Boswell
Boucher
Boustany
Boyd (FL)
Brady (PA)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burton (IN)
Butterfield
Campbell (CA)
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Drake
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Feeney
Ferguson
Filner
Forbes
Frank (MA)
Gilchrest
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (NY)
Kirk
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Peterson (MN)
Pickering
Poe
Pomeroy
Price (NC)
Putnam
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Wexler
Wicker
Wilson (OH)
Woolsey
Wu
Yarmuth
Young (FL)

NOES—155

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Boozman
Boyda (KS)
Brady (TX)
Broun (GA)
Burgess
Calvert
Camp (MI)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Cooper
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Doolittle
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Flake
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hoekstra
Hulshof
Inglis (SC)
Issa
Johnson, Sam
Jordan
King (IA)
Kingston
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
LaTourette
Lewis (CA)
Linder
Lucas
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris Rodgers
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim

Musgrave	Renzi	Smith (TX)
Myrick	Reynolds	Souder
Neugebauer	Rogers (AL)	Tancredo
Nunes	Rogers (KY)	Terry
Paul	Rogers (MI)	Thornberry
Pearce	Rohrabacher	Tiahrt
Pence	Roskam	Tiberi
Peterson (PA)	Royce	Turner
Petri	Ryan (WI)	Upton
Pitts	Sali	Walberg
Platts	Schmidt	Walden (OR)
Porter	Sensenbrenner	Walsh (NY)
Price (GA)	Sessions	Wamp
Pryce (OH)	Shadegg	Westmoreland
Radanovich	Shays	Whitfield
Ramstad	Shimkus	Wilson (NM)
Regula	Shuster	Wilson (SC)
Rehberg	Simpson	Wolf
Reichert	Smith (NE)	Young (AK)

NOT VOTING—19

Bean	Hastert	Lungren, Daniel E.
Bishop (UT)	Hunter	McCrery
Boren	Jindal	Oberstar
Buyer	LaHood	Perlmutter
Carson	Lantos	Watt
Cubin	Levin	Wynn
Giffords		

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there is 1 minute remaining in this vote.

□ 1946

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. PERLMUTTER. Mr. Speaker, on rollcall No. 1074, I was unavoidably delayed in a meeting and did not get to the floor in time to vote. Had I been present, I would have voted "aye."

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3355, HOMEOWNERS' DEFENSE ACT OF 2007

Mr. KLEIN of Florida. Madam Speaker, I ask unanimous consent that the Clerk be authorized to make technical corrections in the engrossment of H.R. 3355, to include corrections in spelling, punctuation, section numbering, cross-referencing, and amendatory instructions, and the insertion of appropriate headings.

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

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3996, TEMPORARY TAX RELIEF ACT OF 2007

Mr. ARCURI, from the Committee on Rules, submitted a privileged report (Rept. No. 110–438) on the resolution (H. Res. 809) providing for consideration of the bill (H.R. 3996) to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes, which was referred to the House Calendar and ordered to be printed.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2008

Mr. OBEY. Madam Speaker, pursuant to House Resolution 794, I call up the bill (H.R. 3043) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, with a Senate amendment thereto, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The Clerk will designate the Senate amendment.

The text of the Senate amendment is as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Table of contents.
Sec. 2. Statement of Appropriations.
LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS, 2008
Title I—Department of Labor
Title II—Department of Health and Human Services
Title III—Department of Education
Title IV—Related Agencies
Title V—General Provisions

SEC. 2. STATEMENT OF APPROPRIATIONS.

The following sums in this Act are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2008.

TITLE I

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

(INCLUDING RESCISSIONS)

For necessary expenses of the Workforce Investment Act of 1998 (''WIA''), the Denali Commission Act of 1998, and the Women in Apprenticeship and Non-Traditional Occupations Act of 1992, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the WIA; $3,618,940,000, plus reimbursements, is available. Of the amounts provided:

(1) for grants to States for adult employment and training activities, youth activities, and dislocated worker employment and training activities, $2,994,510,000 as follows:

(A) $864,199,000 for adult employment and training activities, of which $152,199,000 shall be available for the period July 1, 2008 to June 30, 2009, and of which $712,000,000 shall be available for the period October 1, 2008 through June 30, 2009;

(B) $940,500,000 for youth activities, which shall be available for the period April 1, 2008 through June 30, 2009; and

(C) $1,189,811,000 for dislocated worker employment and training activities, of which $341,811,000 shall be available for the period July 1, 2008 through June 30, 2009, and of which $848,000,000 shall be available for the period October 1, 2008 through June 30, 2009:

Provided, That notwithstanding the transfer limitation under section 133(b)(4) of the WIA, up to 30 percent of such funds may be transferred by a local board if approved by the Governor;

(2) for federally administered programs, $483,371,000 as follows:

(A) $282,092,000 for the dislocated workers assistance national reserve, of which $6,300,000 shall be available on October 1, 2007, of which $63,792,000 shall be available for the period July 1, 2008 through June 30, 2009, and of which $212,000,000 shall be available for the period October 1, 2008 through June 30, 2009: Provided, That up to $125,000,000 may be made available for Community-Based Job Training grants from funds reserved under section 132(a)(2)(A) of the WIA and shall be used to carry out such grants under section 171(d) of such Act, except that the 10 percent limitation otherwise applicable to the amount of funds that may be used to carry out section 171(d) shall not be applicable to funds used for Community-Based Job Training grants: Provided further, That funds provided to carry out section 132(a)(2)(A) of the WIA may be used to provide assistance to a State for State-wide or local use in order to address cases where there have been worker dislocations across multiple sectors or across multiple local areas and such workers remain dislocated; coordinate the State workforce development plan with emerging economic development needs; and train such eligible dislocated workers: Provided further, That funds provided to carry out section 171(d) of the WIA may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: Provided further, That $2,600,000 shall be for a noncompetitive grant to the National Center on Education and the Economy, which shall be awarded not later than 30 days after the date of enactment of this Act: Provided further, That $1,500,000 shall be for a non-competitive grant to the AFL–CIO Working for America Institute, which shall be awarded not later than 30 days after the date of enactment of this Act: Provided further, That $2,200,000 shall be for a non-competitive grant to the AFL–CIO Appalachian Council, Incorporated, for Job Corps career transition services, which shall be awarded not later than 30 days after the date of enactment of this Act;

(B) $55,039,000 for Native American programs, which shall be available for the period July 1, 2008 through June 30, 2009;

(C) $82,740,000 for migrant and seasonal farmworker programs under section 167 of the WIA, including $77,265,000 for formula grants (of which not less that 70 percent shall be for employment and training services), $4,975,000 for migrant and seasonal housing (of which not less than 70 percent shall be for permanent housing), and $500,000 for other discretionary purposes, which shall be available for the period July 1, 2008 through June 30, 2009: Provided, That, notwithstanding any other provision of law or related regulation, the Department shall take no action limiting the number or proportion of eligible participants receiving related assistance services or discouraging grantees from providing such services;

(D) $1,000,000 for carrying out the Women in Apprenticeship and Nontraditional Occupations Act, which shall be available for the period July 1, 2008 through June 30, 2009; and

(E) $62,500,000 for YouthBuild activities as described in section 173A of the WIA, which shall be available for the period April 1, 2008 through June 30, 2009;

(3) for national activities, $141,059,000, which shall be available for the period July 1, 2008 through July 30, 2009 as follows:

(A) $50,569,000 for Pilots, Demonstrations, and Research, of which $5,000,000 shall be for grants to address the employment and training needs of young parents (notwithstanding the requirements of sections 171(b)(2)(B) or 171(c)(4)(D) of the WIA): Provided, That funding provided to carry out projects under section 171 of the WIA that are identified in the statement of the managers on the conference report accompanying this Act, shall not be subject to the requirements of section 171(b)(2)(B) and 171(c)(4)(D) of the WIA, the joint funding requirements of sections 171(b)(2)(A) and 171(c)(4)(A) of the WIA, or any

time limit requirements of sections 171(b)(2)(C) and 171(c)(4)(B) of the WIA;

(B) $78,694,000 for ex-offender activities, under the authority of section 171 of the Act, notwithstanding the requirements of sections 171(b)(2)(B) or 171(c)(4)(D), of which not less than $59,000,000 shall be for youthful offender activities: Provided, That $50,000,000 shall be available from program year 2007 and program year 2008 funds for competitive grants to local educational agencies or community-based organizations to develop and implement mentoring strategies that integrate educational and employment interventions designed to prevent youth violence in schools identified as persistently dangerous under section 9532 of the Elementary and Secondary Education Act;

(C) $4,921,000 for Evaluation under section 172 of the WIA; and

(D) $6,875,000 for the Denali Commission, which shall be available for the period July 1, 2008 through June 30, 2009.

Of the amounts made available under this heading in Public Law 107–116 to carry out the activities of the National Skills Standards Board, $44,000 are rescinded.

Of the unexpended balances remaining from funds appropriated to the Department of Labor under this heading for fiscal years 2005 and 2006 to carry out the Youth, Adult and Dislocated Worker formula programs under the Workforce Investment Act, $245,000,000 are rescinded: Provided, That the Secretary of Labor may, upon the request of a State, apply any portion of the State's share of this rescission to funds otherwise available to the State for such programs during program year 2007: Provided further, That notwithstanding any provision of such Act, the Secretary may waive such requirements as may be necessary to carry out the instructions relating to this rescission in the statement of the managers on the conference report accompanying this Act.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title V of the Older Americans Act of 1965, $530,900,000, which shall be available for the period July 1, 2008 through June 30, 2009.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during fiscal year 2008 of trade adjustment benefit payments and allowances under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974, and section 246 of that Act; and for training, allowances for job search and relocation, and related State administrative expenses under Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974, $888,700,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15, 2008.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, $90,517,000, together with not to exceed $3,337,506,000 which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund (''the Trust Fund''), of which:

(1) $2,510,723,000 from the Trust Fund is for grants to States for the administration of State unemployment insurance laws as authorized under title III of the Social Security Act (including $10,000,000 to conduct in-person reemployment and eligibility assessments in one-stop career centers of claimants of unemployment insurance), the administration of unemployment insurance for Federal employees and for ex-service members as authorized under sections 8501–8523 of title 5, United States Code, and the administration of trade readjustment allowances and alternative trade adjustment assistance under the Trade Act of 1974, and shall be available for obligation by the States through December 31, 2008, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, 2010, and funds used for unemployment insurance workloads experienced by the States through September 30, 2008 shall be available for Federal obligation through December 31, 2008;

(2) $10,500,000 from the Trust Fund is for national activities necessary to support the administration of the Federal-State unemployment insurance system;

(3) $693,000,000 from the Trust Fund, together with $22,883,000 from the General Fund of the Treasury, is for grants to States in accordance with section 6 of the Wagner-Peyser Act, and shall be available for Federal obligation for the period July 1, 2008 through June 30, 2009;

(4) $32,766,000 from the Trust Fund is for national activities of the Employment Service, including administration of the work opportunity tax credit under section 51 of the Internal Revenue Code of 1986, the administration of activities, including foreign labor certifications, under the Immigration and Nationality Act, and the provision of technical assistance and staff training under the Wagner-Peyser Act, including not to exceed $1,228,000 that may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980;

(5) $52,985,000 from the General Fund is to provide workforce information, national electronic tools, and one-stop system building under the Wagner-Peyser Act and shall be available for Federal obligation for the period July 1, 2008 through June 30, 2009; and

(6) $14,649,000 from the General Fund is to provide for work incentive grants to the States and shall be available for the period July 1, 2008 through June 30, 2009:

Provided, That to the extent that the Average Weekly Insured Unemployment (''AWIU'') for fiscal year 2008 is projected by the Department of Labor to exceed 2,786,000, an additional $28,600,000 from the Trust Fund shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) to carry out title III of the Social Security Act: Provided further, That funds appropriated in this Act that are allotted to a State to carry out activities under title III of the Social Security Act may be used by such State to assist other States in carrying out activities under such title III if the other States include areas that have suffered a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act: Provided further, That the Secretary of Labor may use funds appropriated for grants to States under title III of the Social Security Act to make payments on behalf of States for the use of the National Directory of New Hires under section 453(j)(8) of such Act: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center system, or which are used to support the national activities of the Federal-State unemployment insurance or immigration programs, may be obligated in contracts, grants, or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under title III of the Social Security Act and the Wagner-Peyser Act may be used by States to fund integrated Unemployment Insurance and Employment Service automation efforts, notwithstanding cost allocation principles prescribed under the Office of Management and Budget Circular A–87.

In addition, $40,000,000 from the Employment Security Administration Account of the Unemployment Trust Fund shall be available to conduct in-person reemployment and eligibility assessments in one-stop career centers of claimants of unemployment insurance: Provided, That not later than 180 days following the end of the current fiscal year, the Secretary shall submit an interim report to the Congress that includes available information on expenditures, number of individuals assessed, and outcomes from the assessments: Provided further, That not later than 18 months following the end of the fiscal year, the Secretary of Labor shall submit to the Congress a final report containing comprehensive information on the estimated savings that result from the assessments of claimants and identification of best practices.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the ''Federal unemployment benefits and allowances'' account, to remain available until September 30, 2009, $437,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2008, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, $88,451,000, together with not to exceed $88,211,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

EMPLOYEE BENEFITS SECURITY ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employee Benefits Security Administration, $142,925,000.

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by subtitle E of title IV of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 4201 et seq.), within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program, including associated administrative expenses, through September 30, 2008, for such Corporation: Provided, That none of the funds available to the Corporation for fiscal year 2008 shall be available for obligations for administrative expenses in excess of $411,151,000: Provided further, That to the extent that the number of new plan participants in plans terminated by the Corporation exceeds 100,000 in fiscal year 2008, an amount not to exceed an additional $9,200,000 shall be available for obligation for administrative expenses for every 20,000 additional terminated participants: Provided further, That an additional $50,000 shall be made available for obligation for investment management fees for every $25,000,000 in assets received by the Corporation as a result of new plan terminations, after approval by the Office of Management and Budget and notification of the Committees on Appropriations of the House of Representatives and the Senate.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING RESCISSION)

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $435,397,000, together with $2,111,000 which may be expended from the Special Fund in accordance with sections 39(c), 44(d), and 44(j) of the Longshore and Harbor Workers' Compensation Act: Provided, That the Secretary of Labor is

authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938 and for processing applications and issuing registrations under title I of the Migrant and Seasonal Agricultural Worker Protection Act.

Of the unobligated funds collected pursuant to section 286(v) of the Immigration and Nationality Act, $102,000,000 are rescinded.

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by chapter 81 of title 5, United States Code; continuation of benefits as provided for under the heading ''Civilian War Benefits'' in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; sections 4(c) and 5(f) of the War Claims Act of 1948; and 50 percent of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, $203,000,000, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: Provided, That amounts appropriated may be used under section 8104 of title 5, United States Code, by the Secretary of Labor to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: Provided further, That balances of reimbursements unobligated on September 30, 2007, shall remain available until expended for the payment of compensation, benefits, and expenses: Provided further, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary determines to be the cost of administration for employees of such fair share entities through September 30, 2008: Provided further, That of those funds transferred to this account from the fair share entities to pay the cost of administration of the Federal Employees' Compensation Act, $52,280,000 shall be made available to the Secretary as follows:

(1) For enhancement and maintenance of automated data processing systems and telecommunications systems, $21,855,000.

(2) For automated workload processing operations, including document imaging, centralized mail intake and medical bill processing, $16,109,000.

(3) For periodic roll management and medical review, $14,316,000.

(4) The remaining funds shall be paid into the Treasury as miscellaneous receipts:

Provided further, That the Secretary may require that any person filing a notice of injury or a claim for benefits under chapter 81 of title 5, United States Code, or the Longshore and Harbor Workers' Compensation Act, provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, as amended by Public Law 107–275, $208,221,000, to remain available until expended.

For making after July 31 of the current fiscal year, benefit payments to individuals under title IV of such Act, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV for the first quarter of fiscal year 2009, $62,000,000, to remain available until expended.

ADMINISTRATIVE EXPENSES, ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION FUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to administer the Energy Employees Occupational Illness Compensation Program Act, $104,745,000, to remain available until expended: Provided, That the Secretary of Labor is authorized to transfer to any executive agency with authority under the Energy Employees Occupational Illness Compensation Program Act, including within the Department of Labor, such sums as may be necessary in fiscal year 2008 to carry out those authorities: Provided further, That the Secretary may require that any person filing a claim for benefits under the Act provide as part of such claim, such identifying information (including Social Security account number) as may be prescribed: Provided further, That not later than 30 days after enactment of this Act, in addition to other sums transferred by the Secretary to the National Institute for Occupational Safety and Health (''NIOSH'') for the administration of the Energy Employees Occupational Illness Compensation Program (''EEOICP''), the Secretary shall transfer $4,500,000 to NIOSH from the funds appropriated to the Energy Employees Occupational Illness Compensation Fund, for use by or in support of the Advisory Board on Radiation and Worker Health (''the Board'') to carry out its statutory responsibilities under the EEOICP, including obtaining audits, technical assistance and other support from the Board's audit contractor with regard to radiation dose estimation and reconstruction efforts, site profiles, procedures, and review of Special Exposure Cohort petitions and evaluation reports.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

In fiscal year 2008 and thereafter, such sums as may be necessary from the Black Lung Disability Trust Fund, to remain available until expended, for payment of all benefits authorized by section 9501(d)(1), (2), (4), and (7) of the Internal Revenue Code of 1954; and interest on advances, as authorized by section 9501(c)(2) of that Act. In addition, the following amounts shall be available from the Fund for fiscal year 2008 for expenses of operation and administration of the Black Lung Benefits program, as authorized by section 9501(d)(5): not to exceed $32,761,000 for transfer to the Employment Standards Administration ''Salaries and Expenses''; not to exceed $24,785,000 for transfer to Departmental Management, ''Salaries and Expenses''; not to exceed $335,000 for transfer to Departmental Management, ''Office of Inspector General''; and not to exceed $356,000 for payments into miscellaneous receipts for the expenses of the Department of the Treasury.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $500,568,000, including not to exceed $91,093,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act (the ''Act''), which grants shall be no less than 50 percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary of Labor under section 18 of the Act; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to $750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: Provided, That, notwithstanding 31 U.S.C. 3302, the Secretary is authorized, during the fiscal year ending September 30, 2008, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: Provided further, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Act which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees: Provided further, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Act with respect to any employer of 10 or fewer employees who is included within a category having a Days Away, Restricted, or Transferred (DART) occupational injury and illness rate, at the most precise industrial classification code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of the Act, except—

(1) to provide, as authorized by the Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by the Act with respect to imminent dangers;

(4) to take any action authorized by the Act with respect to health hazards;

(5) to take any action authorized by the Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by the Act; and

(6) to take any action authorized by the Act with respect to complaints of discrimination against employees for exercising rights under the Act:

Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees: Provided further, That $10,116,000 shall be available for Susan Harwood training grants, of which $3,200,000 shall be used for the Institutional Competency Building training grants which commenced in September 2000, for program activities for the period of October 1, 2007 to September 30, 2008, provided that a grantee has demonstrated satisfactory performance: Provided further, That such grants shall be awarded not later than 30 days after the date of enactment of this Act: Provided further, That the Secretary shall provide a report to the Committees on Appropriations of the House of Representatives and the Senate with timetables for the development and issuance of occupational safety and health standards on beryllium, silica, cranes and derricks, confined space entry in construction, and hazard communication global harmonization; such timetables shall include actual or estimated dates for: the publication of an advance notice of proposed rulemaking, the commencement and completion of a Small Business Regulatory Enforcement Fairness Act review (if required), the completion of any peer review (if required), the submission of the draft proposed rule to the Office of Management and Budget for review under Executive Order No. 12866 (if required), the publication of a proposed rule, the conduct of public hearings, the submission of a draft final rule to the Office and Management and Budget for review under Executive Order No. 12866 (if required), and the issuance

of a final rule; and such report shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate within 90 days of the enactment of this Act, with updates provided every 90 days thereafter that shall include an explanation of the reasons for any delays in meeting the projected timetables for action.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $339,893,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles, including up to $2,000,000 for mine rescue and recovery activities, $2,200,000 for an award to the United Mine Workers of America, for classroom and simulated rescue training for mine rescue teams, and $1,215,000 for an award to the Wheeling Jesuit University, for the National Technology Transfer Center for a coal slurry impoundment project; in addition, not to exceed $750,000 may be collected by the National Mine Health and Safety Academy for room, board, tuition, and the sale of training materials, otherwise authorized by law to be collected, to be available for mine safety and health education and training activities, notwithstanding 31 U.S.C. 3302; and, in addition, the Mine Safety and Health Administration may retain up to $1,000,000 from fees collected for the approval and certification of equipment, materials, and explosives for use in mines, and may utilize such sums for such activities; the Secretary of Labor is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; the Secretary is authorized to recognize the Joseph A. Holmes Safety Association as a principal safety association and, notwithstanding any other provision of law, may provide funds and, with or without reimbursement, personnel, including service of Mine Safety and Health Administration officials as officers in local chapters or in the national organization; and any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $488,804,000, together with not to exceed $78,000,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund, of which $5,000,000 may be used to fund the mass layoff statistics program under section 15 of the Wagner-Peyser Act: Provided, That the Current Employment Survey shall maintain the content of the survey issued prior to June 2005 with respect to the collection of data for the women worker series.

OFFICE OF DISABILITY EMPLOYMENT POLICY

SALARIES AND EXPENSES

For necessary expenses for the Office of Disability Employment Policy to provide leadership, develop policy and initiatives, and award grants furthering the objective of eliminating barriers to the training and employment of people with disabilities, $27,712,000.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of three sedans, and including the management or operation, through contracts, grants or other arrangements of Departmental activities conducted by or through the Bureau of International Labor Affairs, including bilateral and multilateral technical assistance and other international labor activities, $304,856,000, of which $82,516,000 is for the Bureau of International Labor Affairs (including $5,000,000 to implement model programs to address worker rights issues through technical assistance in countries with which the United States has trade preference programs), and of which $20,000,000 is for the acquisition of Departmental information technology, architecture, infrastructure, equipment, software and related needs, which will be allocated by the Department's Chief Information Officer in accordance with the Department's capital investment management process to assure a sound investment strategy; together with not to exceed $318,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

OFFICE OF JOB CORPS

To carry out subtitle C of title I of the Workforce Investment Act of 1998, including Federal administrative expenses, the purchase and hire of passenger motor vehicles, the construction, alteration and repairs of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; $1,650,516,000, plus reimbursements, as follows:

(1) $1,507,684,000 for Job Corps Operations, of which $916,684,000 is available for obligation for the period July 1, 2008 through June 30, 2009 and of which $591,000,000 is available for obligation for the period October 1, 2008 through June 30, 2009;

(2) $113,960,000 for construction, rehabilitation and acquisition of Job Corps Centers, of which $13,960,000 is available for the period July 1, 2008 through June 30, 2011 and $100,000,000 is available for the period October 1, 2008 through June 30, 2011; and

(3) $28,872,000 for necessary expenses of the Office of Job Corps is available for obligation for the period October 1, 2007 through September 30, 2008:

Provided, That the Office of Job Corps shall have contracting authority: Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers: Provided further, That none of the funds made available in this Act shall be used to reduce Job Corps total student training slots below 44,791 in program year 2008.

VETERANS EMPLOYMENT AND TRAINING

Not to exceed $197,143,000 may be derived from the Employment Security Administration Account in the Unemployment Trust Fund to carry out the provisions of sections 4100–4113, 4211–4215, and 4321–4327 of title 38, United States Code, and Public Law 103–353, and which shall be available for obligation by the States through December 31, 2008, of which $1,967,000 is for the National Veterans' Employment and Training Services Institute. To carry out the Homeless Veterans Reintegration Programs under section 5(a)(1) of the Homeless Veterans Comprehensive Assistance Act of 2001 and the Veterans Workforce Investment Programs under section 168 of the Workforce Investment Act, $31,055,000, of which $7,435,000 shall be available for obligation for the period July 1, 2008, through June 30, 2009.

OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, $72,929,000, together with not to exceed $5,729,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this Act for the Job Corps shall be used to pay the salary of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of Executive Level I.

(TRANSFER OF FUNDS)

SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between a program, project, or activity, but no such program, project, or activity shall be increased by more than 3 percent by any such transfer: Provided, That the transfer authority granted by this section shall be available only to meet emergency needs and shall not be used to create any new program or to fund any project or activity for which no funds are provided in this Act: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer.

SEC. 103. In accordance with Executive Order No. 13126, none of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended for the procurement of goods mined, produced, manufactured, or harvested or services rendered, whole or in part, by forced or indentured child labor in industries and host countries already identified by the United States Department of Labor prior to enactment of this Act.

SEC. 104. After September 30, 2007, the Secretary of Labor shall issue a monthly transit subsidy of not less than the full amount (of not less than $110) that each of its employees of the National Capital Region is eligible to receive.

SEC. 105. None of the funds appropriated in this title for grants under section 171 of the Workforce Investment Act of 1998 may be obligated prior to the preparation and submission of a report by the Secretary of Labor to the Committees on Appropriations of the House of Representatives and the Senate detailing the planned uses of such funds.

SEC. 106. There is authorized to be appropriated such sums as may be necessary to the Denali Commission through the Department of Labor to conduct job training of the local workforce where Denali Commission projects will be constructed.

SEC. 107. None of the funds made available to the Department of Labor for grants under section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 may be used for any purpose other than training in the occupations and industries for which employers are using H–1B visas to hire foreign workers, and the related activities necessary to support such training: Provided, That the preceding limitation shall not apply to grants awarded under section 107 of this title and to multi-year grants awarded in response to competitive solicitations issued prior to April 15, 2007.

SEC. 108. None of the funds available in this Act or available to the Secretary of Labor from other sources for Community-Based Job Training grants and grants authorized under section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 shall be obligated for a grant awarded on a non-competitive basis.

SEC. 109. The Secretary of Labor shall take no action to amend, through regulatory or administration action, the definition established in 20 CFR 667.220 for functions and activities under title I of the Workforce Investment Act of 1998, or to modify, through regulatory or administrative action, the procedure for redesignation of local areas as specified in subtitle B of title I of that Act (including applying the standards specified in section 116(a)(3)(B) of that Act, but notwithstanding the time limits specified in section 116(a)(3)(B) of that Act), until such time as legislation reauthorizing the Act is enacted. Nothing in the preceding sentence shall permit or require the Secretary of Labor to withdraw

approval for such redesignation from a State that received the approval not later than October 12, 2005, or to revise action taken or modify the redesignation procedure being used by the Secretary in order to complete such redesignation for a State that initiated the process of such redesignation by submitting any request for such redesignation not later than October 26, 2005.

SEC. 110. None of the funds made available in this or any other Act shall be available to finalize or implement any proposed regulation under the Workforce Investment Act of 1998, Wagner-Peyser Act of 1933, or the Trade Adjustment Assistance Reform Act of 2002 until such time as legislation reauthorizing the Workforce Investment Act of 1998 and the Trade Adjustment Assistance Reform Act of 2002 is enacted.

SEC. 111. (a) On or before November 30, 2007, the Secretary of Labor shall, pursuant to section 6 of the Occupational Safety and Health Act of 1970, promulgate a final occupational safety and health standard concerning employer payment for personal protective equipment. The final standard shall provide no less protection to employees and shall have no further exceptions from the employer payment requirement than the proposed rule published in the Federal Register on March 31, 1999 (64 Fed. Reg. 15402).

(b) In the event that such standard is not promulgated by the date required, the proposed standard on employer payment for personal protective equipment published in the Federal Register on March 31, 1999 (64 Fed. Reg. 15402) shall become effective as if such standard had been promulgated as a final standard by the Secretary of Labor.

SEC. 112. None of the funds available in this Act may be used to carry out a public-private competition or direct conversion under Office of Management and Budget Circular A–76 or any successor administrative regulation, directive or policy until 60 days after the Government Accountability Office provides a report to the Committees on Appropriations of the House of Representatives and the Senate on the use of competitive sourcing at the Department of Labor.

SEC. 113. (a) Not later than June 20, 2008, the Secretary of Labor shall propose regulations pursuant to section 303(y) of the Federal Mine Safety and Health Act of 1977, consistent with the recommendations of the Technical Study Panel established pursuant to section 11 of the Mine Improvement and New Emergency Response (MINER) Act (Public Law 109–236), to require that in any coal mine, regardless of the date on which it was opened, belt haulage entries not be used to ventilate active working places without prior approval from the Assistant Secretary. Further, a mine ventilation plan incorporating the use of air coursed through belt haulage entries to ventilate active working places shall not be approved until the Assistant Secretary has reviewed the elements of the plan related to the use of belt air and determined that the plan at all times affords at least the same measure of protection where belt haulage entries are not used to ventilate working places. The Secretary shall finalize the regulations not later than December 31, 2008.

(b) Not later than June 15, 2008, the Secretary of Labor shall propose regulations pursuant to section 315 of the Federal Coal Mine Health and Safety Act of 1969, consistent with the recommendations of the National Institute for Occupational Safety and Health pursuant to section 13 of the MINER Act (Public Law 109–236), requiring rescue chambers, or facilities that afford at least the same measure of protection, in underground coal mines. The Secretary shall finalize the regulations not later than December 31, 2008.

SEC. 114. None of the funds appropriated in this Act under the heading ''Employment and Training Administration'' shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II. This limitation shall not apply to vendors providing goods and services as defined in OMB Circular A–133. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients of such funds, taking into account factors including the relative cost-of-living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administer Federal programs involved including Employment and Training Administration programs.

This title may be cited as the ''Department of Labor Appropriations Act, 2008''.

TITLE II

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For carrying out titles II, III, IV, VII, VIII, X, XII, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V and sections 1128E, and 711, and 1820 of the Social Security Act, the Health Care Quality Improvement Act of 1986, the Native Hawaiian Health Care Act of 1988, the Cardiac Arrest Survival Act of 2000, and section 712 of the American Jobs Creation Act of 2004, $7,235,468,000, of which $317,684,000 shall be available for construction and renovation (including equipment) of health care and other facilities and other health-related activities as specified in the statement of the managers on the conference report accompanying this Act, and of which $38,538,000 from general revenues, notwithstanding section 1820(j) of the Social Security Act, shall be available for carrying out the Medicare rural hospital flexibility grants program under such section: Provided, That of the funds made available under this heading, $160,000 shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: Provided further, That $40,000,000 of the funding provided for community health centers shall be for base grant adjustments for existing health centers: Provided further, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: Provided further, That fees collected for the full disclosure of information under the ''Health Care Fraud and Abuse Data Collection Program'', authorized by section 1128E(d)(2) of the Social Security Act, shall be sufficient to recover the full costs of operating the program, and shall remain available until expended to carry out that Act: Provided further, That no more than $40,000 is available until expended for carrying out the provisions of 42 U.S.C. 233(o) including associated administrative expenses and relevant evaluations: Provided further, That no more than $44,055,000 is available until expended for carrying out the provisions of Public Law 104–73 and for expenses incurred by the Department of Health and Human Services pertaining to administrative claims made under such law: Provided further, That of the funds made available under this heading, $310,910,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: Provided further, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: Provided further, That of the funds available under this heading, $1,868,809,000 shall remain available to the Secretary of Health and Human Services through September 30, 2010, for parts A and B of title XXVI of the Public Health Service Act: Provided further, That within the amounts provided for part A of title XXVI of the Public Health Service Act, $9,377,000 is available to the Secretary of Health and Human Services through September 30, 2010, and shall be made available to qualifying jurisdictions within 45 days of enactment, for increasing supplemental grants for fiscal year 2008 to metropolitan areas that received grant funding in fiscal year 2007 under subpart I of part A of title XXVI of the Public Health Service Act to ensure that an area's total funding under subpart I of part A for fiscal year 2007, together with the amount of this additional funding, is not less than 91.6 percent of the amount of such area's total funding under part A for fiscal year 2006, and to transitional areas that received grant funding in fiscal year 2007 under subpart II of part A of title XXVI of the Public Health Service Act to ensure that an area's total funding under subpart II of part A for fiscal year 2007, together with the amount of this additional funding, is not less than 86.6 percent of the amount of such area's total funding under part A for fiscal year 2006: Provided further, That, notwithstanding section 2603(c)(1) of the Public Health Service Act, the additional funding to areas under the immediately preceding proviso, which may be used for costs incurred during fiscal year 2007, shall be available to the area for obligation from the date of the award through the end of the grant year for the award: Provided further, That $822,570,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act: Provided further, That in addition to amounts provided herein, $25,000,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out Parts A, B, C, and D of title XXVI of the Public Health Service Act to fund section 2691 Special Projects of National Significance: Provided further, That, notwithstanding section 502(a)(1) and 502(b)(1) of the Social Security Act, not to exceed $103,666,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act and $10,586,000 is available for projects described in paragraphs (A) through (F) of section 501(a)(3) of such Act: Provided further, That of the funds provided, $39,283,000 shall be provided to the Denali Commission as a direct lump payment pursuant to Public Law 106–113: Provided further, That of the funds provided, $25,000,000 shall be provided for the Delta Health Initiative as authorized in section 219 of this Act and associated administrative expenses: Provided further, That notwithstanding section 747(e)(2) of the PHS Act, not less than $5,000,000 shall be for general dentistry programs, not less than $5,000,000 shall be for pediatric dentistry programs and not less than $24,614,000 shall be for family medicine programs: Provided further, That of the funds available under this heading, $12,000,000 shall be provided for the National Cord Blood Inventory pursuant to the Stem Cell Therapeutic and Research Act of 2005.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM ACCOUNT

Such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act. For administrative expenses to carry out the guaranteed loan program, including section 709 of the Public Health Service Act, $2,906,000.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public

Health Service Act, to remain available until expended: Provided, That for necessary administrative expenses, not to exceed $6,000,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, XIX, XXI, and XXVI of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, 501, and 514 of the Federal Mine Safety and Health Act of 1977, section 13 of the Mine Improvement and New Emergency Response Act of 2006, sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, and for expenses necessary to support activities related to countering potential biological, disease, nuclear, radiological, and chemical threats to civilian populations; including purchase and insurance of official motor vehicles in foreign countries; and purchase, hire, maintenance, and operation of aircraft, $6,288,289,000, of which $147,000,000 shall remain available until expended for equipment, construction and renovation of facilities; of which $568,803,000 shall remain available until expended for the Strategic National Stockpile; of which $52,500,000 shall be available until expended to provide screening and treatment for first response emergency services personnel, residents, students, and others related to the September 11, 2001 terrorist attacks on the World Trade Center; and of which $121,541,000 for international HIV/AIDS shall remain available until September 30, 2009. In addition, such sums as may be derived from authorized user fees, which shall be credited to this account: Provided, That in addition to amounts provided herein, the following amounts shall be available from amounts available under section 241 of the Public Health Service Act: (1) $12,794,000 to carry out the National Immunization Surveys; (2) $116,550,000 to carry out the National Center for Health Statistics surveys; (3) $24,751,000 to carry out information systems standards development and architecture and applications-based research used at local public health levels; (4) $44,523,000 for Health Marketing; (5) $31,000,000 to carry out Public Health Research; and (6) $97,404,000 to carry out research activities within the National Occupational Research Agenda: Provided further, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used, in whole or in part, to advocate or promote gun control: Provided further, That up to $31,800,000 shall be made available until expended for Individual Learning Accounts for full-time equivalent employees of the Centers for Disease Control and Prevention: Provided further, That the Director may redirect the total amount made available under authority of Public Law 101–502, section 3, dated November 3, 1990, to activities the Director may so designate: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate are to be notified promptly of any such transfer: Provided further, That not to exceed $19,414,000 may be available for making grants under section 1509 of the Public Health Service Act to not less than 15 States, tribes, or tribal organizations: Provided further, That notwithstanding any other provision of law, a single contract or related contracts for development and construction of facilities may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause ''availability of funds'' found at 48 CFR 52.232–18: Provided further, That of the funds appropriated, $10,000 is for official reception and representation expenses when specifically approved by the Director of the Centers for Disease Control and Prevention: Provided further, That employees of the Centers for Disease Control and Prevention or the Public Health Service, both civilian and Commissioned Officers, detailed to States, municipalities, or other organizations under authority of section 214 of the Public Health Service Act, or in overseas assignments, shall be treated as non-Federal employees for reporting purposes only and shall not be included within any personnel ceiling applicable to the Agency, Service, or the Department of Health and Human Services during the period of detail or assignment: Provided further, That out of funds made available under this heading for domestic HIV/AIDS testing, up to $30,000,000 shall be for States eligible under section 2625 of the Public Health Service Act as of December 31, 2007 and shall be distributed by March 31, 2008 based on standard criteria relating to a State's epidemiological profile, and of which not more than $1,000,000 may be made available to any one State, and any amounts that have not been obligated by March 31, 2008 shall be used to make grants authorized by other provisions of the Public Health Service Act to States and local public health departments for HIV prevention activities.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $4,925,740,000, of which up to $8,000,000 may be used for facilities repairs and improvements at the NCI-Frederick Federally Funded Research and Development Center in Frederick, Maryland.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $3,001,691,000.

NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, $399,867,000.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, $1,753,037,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, $1,578,210,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

(INCLUDING TRANSFER OF FUNDS)

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $4,682,585,000: Provided, That $300,000,000 may be made available to International Assistance Programs ''Global Fund to Fight HIV/AIDS, Malaria, and Tuberculosis'', to remain available until expended: Provided further, That such sums obligated in fiscal years 2003 through 2007 for extramural facilities construction projects are to remain available until expended for disbursement, with prior notification of such projects to the Committees on Appropriations of the House of Representatives and the Senate.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $1,984,879,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $1,286,379,000.

NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $684,126,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, $658,258,000.

NATIONAL INSTITUTE ON AGING

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $1,076,389,000.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, $521,459,000.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, $403,958,000.

NATIONAL INSTITUTE OF NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $140,900,000.

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, $447,245,000.

NATIONAL INSTITUTE ON DRUG ABUSE

For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, $1,025,839,000.

NATIONAL INSTITUTE OF MENTAL HEALTH

For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, $1,440,557,000.

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, $498,748,000.

NATIONAL INSTITUTE OF BIOMEDICAL IMAGING AND BIOENGINEERING

For carrying out section 301 and title IV of the Public Health Service Act with respect to biomedical imaging and bioengineering research, $305,884,000.

NATIONAL CENTER FOR RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $1,182,015,000.

NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to complementary and alternative medicine, $124,647,000.

NATIONAL CENTER ON MINORITY HEALTH AND HEALTH DISPARITIES

For carrying out section 301 and title IV of the Public Health Service Act with respect to minority health and health disparities research, $204,542,000.

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities of the John E. Fogarty International Center (described in subpart 2 of part E of title IV of the Public Health Service Act), $68,216,000.

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $329,039,000, of which $4,000,000 shall be available until expended for improvement of information systems: Provided, That in fiscal year 2008, the National Library of Medicine may enter into personal services contracts for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health: Provided further, That in addition to amounts provided herein, $8,200,000 shall be available from amounts available under

section 241 of the Public Health Service Act to carry out the purposes of the National Information Center on Health Services Research and Health Care Technology established under section 478A of the Public Health Service Act and related health services.

OFFICE OF THE DIRECTOR

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $1,145,790,000, of which up to $25,000,000 shall be used to carry out section 215 of this Act: Provided, That funding shall be available for the purchase of not to exceed 29 passenger motor vehicles for replacement only: Provided further, That the National Institutes of Health is authorized to collect third party payments for the cost of clinical services that are incurred in National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: Provided further, That all funds credited to such Fund shall remain available for one fiscal year after the fiscal year in which they are deposited: Provided further, That no more than $500,000 shall be available to carry out section 499 of the Public Health Service Act: Provided further, That $110,900,000 shall be available for continuation of the National Children's Study: Provided further, That $531,300,000 shall be available for the Common Fund established under section 402A(c)(1) of the Public Health Service Act: Provided further, That of the funds provided $10,000 shall be for official reception and representation expenses when specifically approved by the Director of the National Institutes of Health: Provided further, That the Office of AIDS Research within the Office of the Director of the National Institutes of Health may spend up to $4,000,000 to make grants for construction or renovation of facilities as provided for in section 2354(a)(5)(B) of the Public Health Service Act.

BUILDINGS AND FACILITIES

For the study of, construction of, renovation of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, $130,000,000, to remain available until expended.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

For carrying out titles V and XIX of the Public Health Service Act (''PHS Act'') with respect to substance abuse and mental health services, the Protection and Advocacy for Individuals with Mental Illness Act, and section 301 of the PHS Act with respect to program management, $3,290,848,000, of which $19,644,000 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act: Provided, That notwithstanding section 520A(f)(2) of the PHS Act, no funds appropriated for carrying out section 520A are available for carrying out section 1971 of the PHS Act: Provided further, That in addition to amounts provided herein, the following amounts shall be available under section 241 of the PHS Act: (1) $79,200,000 to carry out subpart II of part B of title XIX of the PHS Act to fund section 1935(b) technical assistance, national data, data collection and evaluation activities, and further that the total available under this Act for section 1935(b) activities shall not exceed 5 percent of the amounts appropriated for subpart II of part B of title XIX; (2) $21,413,000 to carry out subpart I of part B of title XIX of the PHS Act to fund section 1920(b) technical assistance, national data, data collection and evaluation activities, and further that the total available under this Act for section 1920(b) activities shall not exceed 5 percent of the amounts appropriated for subpart I of part B of title XIX; (3) $19,750,000 to carry out national surveys on drug abuse; and (4) $4,300,000 to evaluate substance abuse treatment programs: Provided further, That section 520E(b)(2) of the Public Health Service Act shall not apply to funds appropriated under this Act for fiscal year 2008.

AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

HEALTHCARE RESEARCH AND QUALITY

For carrying out titles III and IX of the Public Health Service Act, and part A of title XI of the Social Security Act, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements, and the sale of data shall be credited to this appropriation and shall remain available until expended: Provided, That the amount made available pursuant to section 937(c) of the Public Health Service Act shall not exceed $334,564,000.

CENTERS FOR MEDICARE AND MEDICAID SERVICES

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $141,628,056,000, to remain available until expended.

For making, after May 31, 2008, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 2008 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or in the case of section 1928 on behalf of States under title XIX of the Social Security Act for the first quarter of fiscal year 2009, $67,292,669,000, to remain available until expended.

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under section 1844 and 1860D–16 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97–248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, $188,828,000,000.

In addition, for making matching payments under section 1844, and benefit payments under section 1860D–16 of the Social Security Act, not anticipated in budget estimates, such sums as may be necessary.

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, XIX, and XXI of the Social Security Act, titles XIII and XXVII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed $3,276,502,000, to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act and section 1857(e)(2) of the Social Security Act, funds retained by the Secretary pursuant to section 302 of the Tax Relief and Health Care Act of 2006; and such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended: Provided, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act shall be credited to and available for carrying out the purposes of this appropriation: Provided further, That $49,869,000, to remain available until September 30, 2009, is for contract costs for the Healthcare Integrated General Ledger Accounting System: Provided further, That $193,000,000, to remain available until September 30, 2009, is for CMS Medicare contracting reform activities: Provided further, That funds appropriated under this heading are available for the Healthy Start, Grow Smart program under which the Centers for Medicare and Medicaid Services may, directly or through grants, contracts, or cooperative agreements, produce and distribute informational materials including, but not limited to, pamphlets and brochures on infant and toddler health care to expectant parents enrolled in the Medicaid program and to parents and guardians enrolled in such program with infants and children: Provided further, That the Secretary of Health and Human Services is directed to collect fees in fiscal year 2008 from Medicare Advantage organizations pursuant to section 1857(e)(2) of the Social Security Act and from eligible organizations with risk-sharing contracts under section 1876 of that Act pursuant to section 1876(k)(4)(D) of that Act: Provided further, That $5,140,000 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

HEALTH CARE FRAUD ABUSE AND CONTROL ACCOUNT

In addition to amounts otherwise available for program integrity and program management, $383,000,000, to be available until expended, to be transferred from the Federal Hospital Insurance and the Federal Supplementary Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act, of which $249,620,000 is for the Centers for Medicare and Medicaid Services for carrying out program integrity activities with respect to title XVIII of such Act, including activities authorized under the Medicare Integrity Program under section 1893 of such Act; of which $35,000,000 is for the Centers for Medicare and Medicaid Services for carrying out Medicaid IPIA Compliance with respect to titles XIX and XXI of such Act; and of which, for carrying out fraud and abuse control activities authorized by section 1817(k)(3) of such Act, $36,690,000 is for the Department of Justice; $36,690,000 is for the Department of Health and Human Services Office of the Inspector General; and $25,000,000 is for the Department of Health and Human Services: Provided, That the report required by section 1817(k)(5) of such Act for fiscal year 2008 shall include measures of the operational efficiency and impact on fraud, waste and abuse in the Medicare and Medicaid programs of the funds provided by this appropriation.

ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND FAMILY SUPPORT PROGRAMS

For making payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. chapter 9), $2,949,713,000, to remain available until expended; and for such purposes for the first quarter of fiscal year 2009, $1,000,000,000, to remain available until expended.

For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV–A of the Social Security Act before the effective date of the program of Temporary Assistance for Needy Families (TANF) with respect to such State, such sums as may be necessary: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV–A in fiscal year 1997 under this appropriation and under such title IV–A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. chapter 9), for the last 3 months of the current fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

LOW-INCOME HOME ENERGY ASSISTANCE

For making payments under section 2604(a)–(d) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(a)–(d)), $1,980,000,000.

For making payments under section 2604(e) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(e)), $431,585,000, notwithstanding the designation requirement of section 2602(e) of such Act.

REFUGEE AND ENTRANT ASSISTANCE

For necessary expenses for refugee and entrant assistance activities and for costs associated with the care and placement of unaccompanied alien children authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980, for carrying out section 462 of the Homeland Security Act of 2002, and for carrying out the Torture Victims Relief Act of 1998, $652,394,000, of which up to $9,814,000 shall be available to carry out the Trafficking Victims Protection Act of 2000: Provided, That funds appropriated under this heading pursuant to section 414(a) of the Immigration and Nationality Act and section 462 of the Homeland Security Act of 2002 for fiscal year 2008 shall be available for the costs of assistance provided and other activities to remain available through September 30, 2010.

PAYMENTS TO STATES FOR THE CHILD CARE AND DEVELOPMENT BLOCK GRANT

For carrying out the Child Care and Development Block Grant Act of 1990, $2,094,581,000 shall be used to supplement, not supplant State general revenue funds for child care assistance for low-income families: Provided, That $18,777,370 shall be available for child care resource and referral and school-aged child care activities, of which $982,080 shall be for the Child Care Aware toll-free hotline: Provided further, That, in addition to the amounts required to be reserved by the States under section 658G, $267,785,718 shall be reserved by the States for activities authorized under section 658G, of which $98,208,000 shall be for activities that improve the quality of infant and toddler care: Provided further, That $9,821,000 shall be for use by the Secretary for child care research, demonstration, and evaluation activities.

In addition, $5,000,000, to remain available until September 30, 2009, shall be for carrying out the small business child care grant program under section 8303 of the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007.

SOCIAL SERVICES BLOCK GRANT

For making grants to States pursuant to section 2002 of the Social Security Act, $1,700,000,000: Provided, That notwithstanding subparagraph (B) of section 404(d)(2) of such Act, the applicable percent specified under such subparagraph for a State to carry out State programs pursuant to title XX of such Act shall be 10 percent.

CHILDREN AND FAMILIES SERVICES PROGRAMS

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, sections 310 and 316 of the Family Violence Prevention and Services Act, the Native American Programs Act of 1974, title II of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (adoption opportunities), sections 330F and 330G of the Public Health Service Act, the Abandoned Infants Assistance Act of 1988, sections 261 and 291 of the Help America Vote Act of 2002, part B(1) of title IV and sections 413, 1110, and 1115 of the Social Security Act; for making payments under the Community Services Block Grant Act, sections 439(i), 473B, and 477(i) of the Social Security Act, and the Assets for Independence Act, and for necessary administrative expenses to carry out such Acts and titles I, IV, V, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. chapter 9), the Low-Income Home Energy Assistance Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, and section 505 of the Family Support Act of 1988, $9,220,695,000, of which $4,400,000, to remain available until September 30, 2009, shall be for grants to States for adoption incentive payments, as authorized by section 473A of the Social Security Act and may be made for adoptions completed before September 30, 2008: Provided, That $7,042,196,000 shall be for making payments under the Head Start Act, of which $1,388,800,000 shall become available October 1, 2008, and remain available through September 30, 2009: Provided further, That $706,125,000 shall be for making payments under the Community Services Block Grant Act: Provided further, That not less than $8,000,000 shall be for section 680(3)(B) of the Community Services Block Grant Act: Provided further, That in addition to amounts provided herein, $6,000,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out the provisions of section 1110 of the Social Security Act: Provided further, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: Provided further, That the Secretary of Health and Human Services shall establish procedures regarding the disposition of intangible property which permits grant funds, or intangible assets acquired with funds authorized under section 680 of the Community Services Block Grant Act to become the sole property of such grantees after a period of not more than 12 years after the end of the grant for purposes and uses consistent with the original grant: Provided further, That funds appropriated for section 680(a)(2) of the Community Services Block Grant Act shall be available for financing construction and rehabilitation and loans or investments in private business enterprises owned by community development corporations: Provided further, That $53,625,000 is for a compassion capital fund to provide grants to charitable organizations to emulate model social service programs and to encourage research on the best practices of social service organizations: Provided further, That $18,820,000 shall be for activities authorized by the Help America Vote Act of 2002, of which $12,920,000 shall be for payments to States to promote access for voters with disabilities, and of which $5,900,000 shall be for payments to States for protection and advocacy systems for voters with disabilities: Provided further, That $136,664,000 shall be for making competitive grants to provide abstinence education (as defined by section 510(b)(2) of the Social Security Act) to adolescents, and for Federal costs of administering the grant: Provided further, That grants under the immediately preceding proviso shall be made only to public and private entities which agree that, with respect to an adolescent to whom the entities provide abstinence education under such grant, the entities will not provide to that adolescent any other education regarding sexual conduct, except that, in the case of an entity expressly required by law to provide health information or services the adolescent shall not be precluded from seeking health information or services from the entity in a different setting than the setting in which abstinence education was provided: Provided further, That within amounts provided herein for abstinence education for adolescents, up to $10,000,000 may be available for a national abstinence education campaign: Provided further, That in addition to amounts provided herein for abstinence education for adolescents, $4,500,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out evaluations (including longitudinal evaluations) of adolescent pregnancy prevention approaches: Provided further, That up to $2,000,000 shall be for improving the Public Assistance Reporting Information System, including grants to States to support data collection for a study of the system's effectiveness.

PROMOTING SAFE AND STABLE FAMILIES

For carrying out section 436 of the Social Security Act, $345,000,000 and section 437, $89,100,000.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, $5,067,000,000.

For making payments to States or other non-Federal entities under title IV–E of the Act, for the first quarter of fiscal year 2009, $1,776,000,000.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under section 474 of title IV–E, for the last 3 months of the current fiscal year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

For carrying out, to the extent not otherwise provided, the Older Americans Act of 1965 and section 398 of the Public Health Service Act, $1,446,651,000, of which $5,500,000 shall be available for activities regarding medication management, screening, and education to prevent incorrect medication and adverse drug reactions.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided, for general departmental management, including hire of six sedans, and for carrying out titles III, XVII, XX, and XXI of the Public Health Service Act, the Lifespan Respite Care Act, the United States-Mexico Border Health Commission Act, and research studies under section 1110 of the Social Security Act, $387,070,000, together with $5,851,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund, and $46,756,000 from the amounts available under section 241 of the Public Health Service Act to carry out national health or human services research and evaluation activities: Provided, That of the funds made available under this heading for carrying out title XX of the Public Health Service Act, $13,120,000 shall be for activities specified under section 2003(b)(2), all of which shall be for prevention service demonstration grants under section 510(b)(2) of title V of the Social Security Act, as amended, without application of the limitation of section 2010(c) of said title XX: Provided further, That of this amount, $51,891,000 shall be for minority AIDS prevention and treatment activities; and $5,941,000 shall be to assist Afghanistan in the development of maternal and child health clinics, consistent with section 103(a)(4)(H) of the Afghanistan Freedom Support Act of 2002; and $1,000,000 shall be transferred, not later than 30 days after enactment of this Act, to the National Institute of Mental Health to administer the Interagency Autism Coordinating Committee; and $5,500,000 shall be for a Health Diplomacy Initiative and may be used to carry out health diplomacy activities such as health training, services, education, and program evaluation, provided directly, through grants, or through contracts: Provided further, That specific information requests from the chairmen and ranking members of the Subcommittees on Labor, Health and Human Services, and Education, and Related Agencies, on scientific research or any other matter, shall be transmitted to the Committees on Appropriations in a prompt, professional manner and within the time frame specified in the request: Provided further, That scientific information, including such information provided in congressional testimony, requested by the Committees on Appropriations and prepared by government

researchers and scientists shall be transmitted to the Committees on Appropriations, uncensored and without delay: Provided further, That funds provided in this Act for embryo adoption activities may be used to provide, to individuals adopting embryos, through grants and other mechanisms, medical and administrative services deemed necessary for such adoptions: Provided further, That such services shall be provided consistent with 42 CFR 59.5(a)(4).

OFFICE OF MEDICARE HEARINGS AND APPEALS

For expenses necessary for administrative law judges responsible for hearing cases under title XVIII of the Social Security Act (and related provisions of title XI of such Act), $67,500,000, to be transferred in appropriate part from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY

For expenses necessary for the Office of the National Coordinator for Health Information Technology, including grants, contracts and cooperative agreements for the development and advancement of an interoperable national health information technology infrastructure, $27,651,000: Provided, That in addition to amounts provided herein, $38,500,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out health information technology network development.

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General, including the hire of passenger motor vehicles for investigations, in carrying out the provisions of the Inspector General Act of 1978, $45,187,000: Provided, That of such amount, necessary sums are available for providing protective services to the Secretary and investigating non-payment of child support cases for which non-payment is a Federal offense under 18 U.S.C. 228.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $33,748,000, together with not to exceed $3,314,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan, for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. chapter 55), such amounts as may be required during the current fiscal year.

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to support activities related to countering potential biological, disease, nuclear, radiological and chemical threats to civilian populations, and for other public health emergencies, $741,586,000, of which not to exceed $22,363,000, to remain available until September 30, 2009, is to pay the costs described in section 319F–2(c)(7)(B) of the Public Health Service Act, and of which $149,250,000 shall be used to support advanced research and development of medical countermeasures, consistent with section 319L of the Public Health Service Act.

For expenses necessary to prepare for and respond to an influenza pandemic, $763,923,000, of which $685,832,000 shall be available until expended, for activities including the development and purchase of vaccine, antivirals, necessary medical supplies, diagnostics, and other surveillance tools: Provided, That products purchased with these funds may, at the discretion of the Secretary, be deposited in the Strategic National Stockpile: Provided further, That notwithstanding section 496(b) of the Public Health Service Act, funds may be used for the construction or renovation of privately owned facilities for the production of pandemic influenza vaccines and other biologicals, where the Secretary finds such a contract necessary to secure sufficient supplies of such vaccines or biologicals: Provided further, That funds appropriated herein may be transferred to other appropriation accounts of the Department of Health and Human Services, as determined by the Secretary to be appropriate, to be used for the purposes specified in this sentence.

GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed $50,000 for official reception and representation expenses when specifically approved by the Secretary of Health and Human Services.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated in this Act for the National Institutes of Health, the Agency for Healthcare Research and Quality, and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level I.

SEC. 204. None of the funds appropriated in this title for Head Start shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of Executive Level II.

SEC. 205. None of the funds appropriated in this Act may be expended pursuant to section 241 of the Public Health Service Act, except for funds specifically provided for in this Act, or for other taps and assessments made by any office located in the Department of Health and Human Services, prior to the preparation and submission of a report by the Secretary of Health and Human Services to the Committees on Appropriations of the House of Representatives and the Senate detailing the planned uses of such funds.

SEC. 206. Notwithstanding section 241(a) of the Public Health Service Act, such portion as the Secretary of Health and Human Services shall determine, but not more than 2.4 percent, of any amounts appropriated for programs authorized under such Act shall be made available for the evaluation (directly, or by grants or contracts) of the implementation and effectiveness of such programs.

(TRANSFER OF FUNDS)

SEC. 207. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985) which are appropriated for the current fiscal year for the Department of Health and Human Services in this Act may be transferred between a program, project, or activity, but no such program, project, or activity shall be increased by more than 3 percent by any such transfer: Provided, That the transfer authority granted by this section shall be available only to meet emergency needs and shall not be used to create any new program or to fund any project or activity for which no funds are provided in this Act: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer.

(TRANSFER OF FUNDS)

SEC. 208. The Director of the National Institutes of Health, jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes and centers from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: Provided, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer.

(TRANSFER OF FUNDS)

SEC. 209. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of the National Institutes of Health and the Director of the Office of AIDS Research, shall be made available to the ''Office of AIDS Research'' account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 210. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities.

SEC. 211. Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child molestation, sexual abuse, rape, or incest.

SEC. 212. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare Advantage program if the Secretary of Health and Human Services denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: Provided, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected costs of providing the service to such entity's enrollees): Provided further, That nothing in this section shall be construed to change the Medicare program's coverage for such services and a Medicare Advantage organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services.

SEC. 213. (a) Except as provided by subsection (e) none of the funds appropriated by this Act may be used to withhold substance abuse funding from a State pursuant to section 1926 of the Public Health Service Act (42 U.S.C. 300x–26) if such State certifies to the Secretary of Health and Human Services by May 1, 2008, that the State will commit additional State funds, in accordance with subsection (b), to ensure compliance with State laws prohibiting the sale of tobacco products to individuals under 18 years of age.

(b) The amount of funds to be committed by a State under subsection (a) shall be equal to 1 percent of such State's substance abuse block grant allocation for each percentage point by which the State misses the retailer compliance rate goal established by the Secretary of Health and Human Services under section 1926 of such Act.

(c) The State is to maintain State expenditures in fiscal year 2008 for tobacco prevention programs and for compliance activities at a level that is not less than the level of such expenditures maintained by the State for fiscal year 2007, and adding to that level the additional funds for tobacco compliance activities required under subsection (a). The State is to submit a report to the Secretary on all fiscal year 2007 State expenditures and all fiscal year 2008 obligations for tobacco prevention and compliance activities by program activity by July 31, 2008.

(d) The Secretary shall exercise discretion in enforcing the timing of the State obligation of the additional funds required by the certification described in subsection (a) as late as July 31, 2008.

(e) None of the funds appropriated by this Act may be used to withhold substance abuse funding pursuant to section 1926 of the Public Health Service Act from a territory that receives less than $1,000,000.

SEC. 214. In order for the Centers for Disease Control and Prevention to carry out international health activities, including HIV/AIDS and other infectious disease, chronic and environmental disease, and other health activities abroad during fiscal year 2008:

(1) The Secretary of Health and Human Services (in this section referred to as the ''Secretary of HHS'') may exercise authority equivalent to that available to the Secretary of State in section 2(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669(c)). The Secretary of HHS shall consult with the Secretary of State and relevant Chief of Mission to ensure that the authority provided in this section is exercised in a manner consistent with section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927) and other applicable statutes administered by the Department of State.

(2) The Secretary of HHS is authorized to provide such funds by advance or reimbursement to the Secretary of State as may be necessary to pay the costs of acquisition, lease, alteration, renovation, and management of facilities outside of the United States for the use of the Department of Health and Human Services. The Department of State shall cooperate fully with the Secretary of HHS to ensure that the Department of Health and Human Services has secure, safe, functional facilities that comply with applicable regulation governing location, setback, and other facilities requirements and serve the purposes established by this Act. The Secretary of HHS is authorized, in consultation with the Secretary of State, through grant or cooperative agreement, to make available to public or nonprofit private institutions or agencies in participating foreign countries, funds to acquire, lease, alter, or renovate facilities in those countries as necessary to conduct programs of assistance for international health activities, including activities relating to HIV/AIDS and other infectious diseases, chronic and environmental diseases, and other health activities abroad.

SEC. 215. (a) AUTHORITY.—Notwithstanding any other provision of law, the Director of the National Institutes of Health (in this section referred to as the ''Director of NIH'') may use funds available under section 402(b)(7) or 402(b)(12) of the Public Health Service Act (42 U.S.C. 282(b)(7), 282(b)(12)) to enter into transactions (other than contracts, cooperative agreements, or grants) to carry out research identified pursuant to such section 402(b)(7) (pertaining to the Common Fund) or research and activities described in such section 402(b)(12).

(b) PEER REVIEW.—In entering into transactions under subsection (a), the Director of the NIH may utilize such peer review procedures (including consultation with appropriate scientific experts) as the Director determines to be appropriate to obtain assessments of scientific and technical merit. Such procedures shall apply to such transactions in lieu of the peer review and advisory council review procedures that would otherwise be required under sections 301(a)(3), 405(b)(1)(B), 405(b)(2), 406(a)(3)(A), 492, and 494 of the Public Health Service Act (42 U.S.C. 241(a)(3), 284(b)(1)(B), 284(b)(2), 284a(a)(3)(A), 289a, and 289c).

SEC. 216. Funds which are available for Individual Learning Accounts for employees of the Centers for Disease Control and Prevention (''CDC'') and the Agency for Toxic Substances and Disease Registry (''ATSDR)'' may be transferred to ''Disease Control, Research, and Training'', to be available only for Individual Learning Accounts: Provided, That such funds may be used for any individual full-time equivalent employee while such employee is employed either by CDC or ATSDR.

SEC. 217. Notwithstanding any other provisions of law, funds made available in this Act may be used to continue operating the Council on Graduate Medical Education established by section 301 of Public Law 102–408.

SEC. 218. The Director of the National Institutes of Health shall require that all investigators funded by the NIH submit or have submitted for them to the National Library of Medicine's PubMed Central an electronic version of their final, peer-reviewed manuscripts upon acceptance for publication, to be made publicly available no later than 12 months after the official date of publication: Provided, That the NIH shall implement the public access policy in a manner consistent with copyright law.

SEC. 219. (a) The Secretary of Health and Human Services is authorized to award a grant to the Delta Health Alliance, a nonprofit alliance of academic institutions in the Mississippi Delta region that has as its primary purposes addressing longstanding, unmet health needs and catalyzing economic development in the Mississippi Delta.

(b) To be eligible to receive a grant under subsection (a), the Delta Health Alliance shall solicit and fund proposals from local governments, hospitals, health care clinics, academic institutions, and rural public health-related entities and organizations for research development, educational programs, health care services, job training, and planning, construction, and equipment of public health-related facilities in the Mississippi Delta region.

(c) With respect to the use of grant funds under this section for construction or major alteration of property, the Federal interest in the property involved shall last for a period of 1 year following the completion of the project or until such time that the Federal Government is compensated for its proportionate interest in the property if the property use changes or the property is transferred or sold, whichever time period is less. At the conclusion of such period, the Notice of Federal Interest in such property shall be removed.

(d) There are authorized to be appropriated such sums as may be necessary to carry out this section in fiscal year 2008 and in each of the five succeeding fiscal years.

SEC. 220. Not to exceed $35,000,000 of funds appropriated by this Act to the institutes and centers of the National Institutes of Health may be used for alteration, repair, or improvement of facilities, as necessary for the proper and efficient conduct of the activities authorized herein, at not to exceed $2,500,000 per project.

SEC. 221. (a) PROHIBITION.—With respect to the 2010–2011 influenza season, the Secretary of Health and Human Services (the Secretary) shall not use or make available any funds for the administration of any influenza vaccine containing thimerosal as a preservative (thimerosal-free) to any child under 3 years of age, unless the Secretary:

(1) finds that there is inadequate supply of thimerosal-free influenza vaccine for the covered population and for the respective influenza season; or

(2) finds that an actual or potential public health situation justifies the use of other influenza vaccine for children under 3 years of age; and

(3) gives written notice of such findings (and an explanation of the basis for the findings) to the Congress and of actions the Secretary is taking to ensure adequate supply of pediatric thimerosal-free influenza vaccine for the following influenza season.

(b) REPORT TO CONGRESS.—To improve public confidence in the safety of vaccines, the Secretary shall submit to the Congress a plan no later than April 1, 2008—

(1) to work proactively with manufacturers of influenza vaccine to facilitate the approval of thimerosal-free influenza vaccine for administration to children under 3 years of age;

(2) to increase the Federal Government's purchases of thimerosal-free influenza vaccine; and

(3) to take any other actions determined appropriate by the Secretary to increase the supply of thimerosal-free influenza vaccine.

(TRANSFER OF FUNDS)

SEC. 222. Of the amounts made available in this Act for the National Institutes of Health, 1 percent of the amount made available for National Research Service Awards (NRSA) shall be made available to the Administrator of the Health Resources and Services Administration to make NRSA awards for research in primary medical care to individuals affiliated with entities who have received grants or contracts under section 747 of the Public Health Service Act, and 1 percent of the amount made available for NRSA shall be made available to the Director of the Agency for Healthcare Research and Quality to make NRSA awards for health service research.

SEC. 223. None of the funds made available in this Act may be used—

(1) for the Ombudsman Program of the Centers for Disease Control and Prevention; and

(2) by the Centers for Disease Control and Prevention to provide additional rotating pastel lights, zero-gravity chairs, or dry-heat saunas for its fitness center.

SEC. 224. There is hereby established in the Treasury of the United States a fund to be known as the ''Nonrecurring expenses fund'' (the Fund): Provided, That unobligated balances of expired discretionary funds appropriated for this or any succeeding fiscal year from the General Fund of the Treasury to the Department of Health and Human Services by this or any other Act may be transferred (not later than the end of the fifth fiscal year after the last fiscal year for which such funds are available for the purposes for which appropriated) into the Fund: Provided further, That amounts deposited in the Fund shall be available until expended, and in addition to such other funds as may be available for such purposes, for capital acquisition necessary for the operation of the Department, including facilities infrastructure and information technology infrastructure, subject to approval by the Office of Management and Budget: Provided further, That amounts in the Fund may be obligated only after the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of the planned use of funds.

This title may be cited as the ''Department of Health and Human Services Appropriations Act, 2008''.

TITLE III

DEPARTMENT OF EDUCATION

EDUCATION FOR THE DISADVANTAGED

For carrying out title I of the Elementary and Secondary Education Act of 1965 (''ESEA'') and section 418A of the Higher Education Act of 1965, $15,930,691,000, of which $7,611,423,000 shall become available on July 1, 2008, and shall remain available through September 30, 2009, and of which $8,136,218,000 shall become available on October 1, 2008, and shall remain available through September 30, 2009, for academic year 2008–2009: Provided, That $6,808,971,000 shall be for basic grants under section 1124: Provided further, That up to $4,000,000 of these funds shall be available to the Secretary of Education on October 1, 2007, to obtain annually updated local educational-agency-level census poverty data from the Bureau of the Census: Provided further, That $1,365,031,000 shall be for concentration grants under section 1124A: Provided further, That $3,068,680,000 shall be for targeted grants under section 1125: Provided further, That $3,068,680,000 shall be for education finance incentive grants under section 1125A: Provided further, That $9,330,000 shall be

to carry out sections 1501 and 1503: Provided further, That $1,634,000 shall be available for a comprehensive school reform clearinghouse.

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, $1,262,778,000, of which $1,126,192,000 shall be for basic support payments under section 8003(b), $49,466,000 shall be for payments for children with disabilities under section 8003(d), $17,820,000 shall be for construction under section 8007(b) and shall remain available through September 30, 2009, $64,350,000 shall be for Federal property payments under section 8002, and $4,950,000, to remain available until expended, shall be for facilities maintenance under section 8008: Provided, That for purposes of computing the amount of a payment for an eligible local educational agency under section 8003(a) for school year 2007–2008, children enrolled in a school of such agency that would otherwise be eligible for payment under section 8003(a)(1)(B) of such Act, but due to the deployment of both parents or legal guardians, or a parent or legal guardian having sole custody of such children, or due to the death of a military parent or legal guardian while on active duty (so long as such children reside on Federal property as described in section 8003(a)(1)(B)), are no longer eligible under such section, shall be considered as eligible students under such section, provided such students remain in average daily attendance at a school in the same local educational agency they attended prior to their change in eligibility status.

SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by title II, part B of title IV, subparts 6 and 9 of part D of title V, parts A and B of title VI, and parts B and C of title VII of the Elementary and Secondary Education Act of 1965 (''ESEA''); the McKinney-Vento Homeless Assistance Act; section 203 of the Educational Technical Assistance Act of 2002; the Compact of Free Association Amendments Act of 2003; and the Civil Rights Act of 1964, $5,411,758,000, of which $3,790,731,000 shall become available on July 1, 2008, and remain available through September 30, 2009, and of which $1,435,000,000 shall become available on October 1, 2008, and shall remain available through September 30, 2009, for academic year 2008–2009: Provided, That funds made available to carry out part B of title VII of the ESEA may be used for construction, renovation and modernization of any elementary school, secondary school, or structure related to an elementary school or secondary school, run by the Department of Education of the State of Hawaii, that serves a predominantly Native Hawaiian student body: Provided further, That from the funds referred to in the preceding proviso, not less than $1,250,000 shall be for a grant to the Department of Education of the State of Hawaii for the activities described in such proviso, and $1,250,000 shall be for a grant to the University of Hawaii School of Law for a Center of Excellence in Native Hawaiian law: Provided further, That funds made available to carry out part C of title VII of the ESEA may be used for construction: Provided further, That up to 100 percent of the funds available to a State educational agency under part D of title II of the ESEA may be used for subgrants described in section 2412(a)(2)(B) of such Act: Provided further, That $58,129,000 shall be available to carry out section 203 of the Educational Technical Assistance Act of 2002: Provided further, That $34,376,000 shall be available to carry out part D of title V of the ESEA: Provided further, That no funds appropriated under this heading may be used to carry out section 5494 under the ESEA: Provided further, That $18,001,000 shall be available to carry out the Supplemental Education Grants program for the Federated States of Micronesia and the Republic of the Marshall Islands: Provided further, That up to 5 percent of these amounts may be reserved by the Federated States of Micronesia and the Republic of the Marshall Islands to administer the Supplemental Education Grants programs and to obtain technical assistance, oversight and consultancy services in the administration of these grants and to reimburse the United States Departments of Labor, Health and Human Services, and Education for such services: Provided further, That $3,000,000 of the funds available for the Foreign Language Assistance Program shall be available for 5-year grants to local educational agencies that would work in partnership with one or more institutions of higher education to establish or expand articulated programs of study in languages critical to United States national security that will enable successful students to advance from elementary school through college to achieve a superior level of proficiency in those languages.

INDIAN EDUCATION

For expenses necessary to carry out, to the extent not otherwise provided, title VII, part A of the Elementary and Secondary Education Act of 1965, $124,000,000.

INNOVATION AND IMPROVEMENT

For carrying out activities authorized by part G of title I, subpart 5 of part A and parts C and D of title II, parts B, C, and D of title V, and section 1504 of the Elementary and Secondary Education Act of 1965 (''ESEA''), $1,010,084,000: Provided, That $9,821,000 shall be provided to the National Board for Professional Teaching Standards to carry out section 2151(c) of the ESEA: Provided further, That from funds for subpart 4, part C of title II, up to 3 percent shall be available to the Secretary for technical assistance and dissemination of information: Provided further, That $361,917,000 shall be available to carry out part D of title V of the ESEA: Provided further, That $103,293,000 of the funds for subpart 1, part D of title V of the ESEA shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act: Provided further, That $99,000,000 of the funds for subpart 1 shall be for competitive grants to local educational agencies, including charter schools that are local educational agencies, or States, or partnerships of: (1) a local educational agency, a State, or both; and (2) at least one non-profit organization to develop and implement performance-based teacher and principal compensation systems in high-need schools: Provided further, That such performance-based compensation systems must consider gains in student academic achievement as well as classroom evaluations conducted multiple times during each school year among other factors and provide educators with incentives to take on additional responsibilities and leadership roles: Provided further, That up to 5 percent of such funds for competitive grants shall be available for technical assistance, training, peer review of applications, program outreach and evaluation activities: Provided further, That of the funds available for part B of title V, the Secretary shall use up to $24,783,000 to carry out activities under section 5205(b) and under subpart 2, and shall use not less than $190,000,000 to carry out other activities authorized under subpart 1.

SAFE SCHOOLS AND CITIZENSHIP EDUCATION

For carrying out activities authorized by subpart 3 of part C of title II, part A of title IV, and subparts 2, 3, and 10 of part D of title V of the Elementary and Secondary Education Act of 1965 (''ESEA''), $708,835,000, of which $300,000,000 shall become available on July 1, 2008, and remain available through September 30, 2009: Provided, That $300,000,000 shall be available for subpart 1 of part A of title IV and $222,519,000 shall be available for subpart 2 of part A of title IV, of which not less than $1,500,000, to remain available until expended, shall be for the Project School Emergency Response to Violence (''Project SERV'') program to provide education-related services to local educational agencies and to institutions of higher education in which the learning environment has been disrupted due to a violent or traumatic crisis: Provided further, That Project SERV funds appropriated in previous fiscal years may be used to provide services to local educational agencies and to institutions of higher education in which the learning environment has been disrupted due to a violent or traumatic crisis: Provided further, That $152,998,000 shall be available to carry out part D of title V of the ESEA: Provided further, That of the funds available to carry out subpart 3 of part C of title II, up to $12,072,000 may be used to carry out section 2345 and $3,025,000 shall be used by the Center for Civic Education to implement a comprehensive program to improve public knowledge, understanding, and support of the Congress and the State legislatures.

ENGLISH LANGUAGE ACQUISITION

For carrying out part A of title III of the Elementary and Secondary Education Act of 1965, $722,717,000, which shall become available on July 1, 2008, and shall remain available through September 30, 2009, except that 6.5 percent of such amount shall be available on October 1, 2007, and shall remain available through September 30, 2009, to carry out activities under section 3111(c)(1)(C).

SPECIAL EDUCATION

For carrying out the Individuals with Disabilities Education Act (''IDEA'') and the Special Olympics Sport and Empowerment Act of 2004, $12,357,999,000, of which $5,461,394,000 shall become available on July 1, 2008, and shall remain available through September 30, 2009, and of which $6,654,982,000 shall become available on October 1, 2008, and shall remain available through September 30, 2009, for academic year 2008–2009: Provided, That $13,000,000 shall be for Recording for the Blind and Dyslexic, Inc., to support activities under section 674(c)(1)(D) of the IDEA: Provided further, That $1,500,000 shall be for the recipient of funds provided by Public Law 105–78 under section 687(b)(2)(G) of the IDEA (as in effect prior to the enactment of the Individuals with Disabilities Education Improvement Act of 2004) to provide information on diagnosis, intervention, and teaching strategies for children with disabilities: Provided further, That the amount for section 611(b)(2) of the IDEA shall be equal to the lesser of the amount available for that activity during fiscal year 2007, increased by the amount of inflation as specified in section 619(d)(2)(B) of the IDEA, or the percentage increase in the funds appropriated under section 611(i) of the IDEA: Provided further, That nothing in section 674(e) of the IDEA shall be construed to establish a private right of action against the National Instructional Materials Access Center for failure to perform the duties of such center or otherwise authorize a private right of action related to the performance of such center: Provided further, That $8,000,000 shall be available to support the 2009 Special Olympics World Winter Games.

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998 (''the AT Act''), and the Helen Keller National Center Act, $3,285,985,000, of which $1,000,000 shall be awarded to the American Academy of Orthotists and Prosthetists for activities that further the purposes of the grant received by the Academy for the period beginning October 1, 2003, including activities to meet the demand for orthotic and prosthetic provider services and improve patient care: Provided, That $3,242,000 of the funds for section 303 of the Rehabilitation Act of 1973 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, $22,000,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986, $60,757,000, of which $1,705,000 shall be for construction and shall remain available until expended: Provided, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207 of such Act.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986, $115,400,000: Provided, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.

CAREER, TECHNICAL, AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Career and Technical Education Act of 2006, the Adult Education and Family Literacy Act, subpart 4 of part D of title V of the Elementary and Secondary Education Act of 1965 (''ESEA'') and title VIII–D of the Higher Education Amendments of 1998, $2,013,329,000, of which $1,218,252,000 shall become available on July 1, 2008, and shall remain available through September 30, 2009, and of which $791,000,000 shall become available on October 1, 2008, and shall remain available through September 30, 2009: Provided, That of the amount provided for Adult Education State Grants, $69,759,000 shall be made available for integrated English literacy and civics education services to immigrants and other limited English proficient populations: Provided further, That of the amount reserved for integrated English literacy and civics education, notwithstanding section 211 of the Adult Education and Family Literacy Act, 65 percent shall be allocated to States based on a State's absolute need as determined by calculating each State's share of a 10-year average of the United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence for the 10 most recent years, and 35 percent allocated to States that experienced growth as measured by the average of the 3 most recent years for which United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence are available, except that no State shall be allocated an amount less than $60,000: Provided further, That of the amounts made available for the Adult Education and Family Literacy Act, $7,000,000 shall be for national leadership activities under section 243 and $6,638,000 shall be for the National Institute for Literacy under section 242: Provided further, That $81,532,000 shall be available to support the activities authorized under subpart 4 of part D of title V of the ESEA, of which up to 5 percent shall become available October 1, 2007, and shall remain available through September 30, 2009, for evaluation, technical assistance, school networks, peer review of applications, and program outreach activities, and of which not less than 95 percent shall become available on July 1, 2008, and remain available through September 30, 2009, for grants to local educational agencies: Provided further, That funds made available to local educational agencies under this subpart shall be used only for activities related to establishing smaller learning communities within large high schools or small high schools that provide alternatives for students enrolled in large high schools.

STUDENT FINANCIAL ASSISTANCE

(INCLUDING RESCISSION)

For carrying out subparts 1, 3, and 4 of part A, part C and part E of title IV of the Higher Education Act of 1965, $16,379,883,000, which shall remain available through September 30, 2009.

The maximum Pell Grant for which a student shall be eligible during award year 2008–2009 shall be $4,435.

Of the unobligated funds available under section 401A(e)(1)(C) of the Higher Education Act of 1965, $525,000,000 are rescinded.

For an additional amount to carry out subpart 1 of part A of title IV of the Higher Education Act of 1965, $525,000,000, which shall remain available through September 30, 2009.

STUDENT AID ADMINISTRATION

For Federal administrative expenses to carry out part D of title I, and subparts 1, 3, and 4 of part A, and parts B, C, D, and E of title IV of the Higher Education Act of 1965, $708,216,000, which shall remain available until expended.

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, titles II, III, IV, V, VI, and VII of the Higher Education Act of 1965 (''HEA''), section 1543 of the Higher Education Amendments of 1992, the Mutual Educational and Cultural Exchange Act of 1961, title VIII of the Higher Education Amendments of 1998, part I of subtitle A of title VI of the America COMPETES Act, and section 117 of the Carl D. Perkins Career and Technical Education Act of 2006, $2,095,608,000: Provided, That $9,699,000, to remain available through September 30, 2009, shall be available to fund fellowships for academic year 2009–2010 under subpart 1 of part A of title VII of the HEA, under the terms and conditions of such subpart 1: Provided further, That $620,000 is for data collection and evaluation activities for programs under the HEA, including such activities needed to comply with the Government Performance and Results Act of 1993: Provided further, That notwithstanding any other provision of law, funds made available in this Act to carry out title VI of the HEA and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 may be used to support visits and study in foreign countries by individuals who are participating in advanced foreign language training and international studies in areas that are vital to United States national security and who plan to apply their language skills and knowledge of these countries in the fields of government, the professions, or international development: Provided further, That of the funds referred to in the preceding proviso up to 1 percent may be used for program evaluation, national outreach, and information dissemination activities: Provided further, That the funds provided for title II of the HEA shall be allocated notwithstanding section 210 of such Act: Provided further, That $104,399,000 of the funds for part B of title VII of the Higher Education Act of 1965 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act.

HOWARD UNIVERSITY

For partial support of Howard University, $237,392,000, of which not less than $3,526,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act (Public Law 98–480) and shall remain available until expended.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the Higher Education Act of 1965, $481,000.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to part D of title III of the Higher Education Act of 1965, $188,000.

INSTITUTE OF EDUCATION SCIENCES

For carrying out activities authorized by the Education Sciences Reform Act of 2002, the National Assessment of Educational Progress Authorization Act, section 208 of the Educational Technical Assistance Act of 2002, and section 664 of the Individuals with Disabilities Education Act, $561,315,000, of which $293,155,000 shall be available until September 30, 2009.

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, $420,698,000, of which $3,000,000, to remain available until expended, shall be for building alterations and related expenses for the move of Department staff to the Mary E. Switzer building in Washington, DC.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $93,771,000.

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, $53,239,000.

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated in this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the transfer authority granted by this section shall be available only to meet emergency needs and shall not be used to create any new program or to fund any project or activity for which no funds are provided in this Act: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer.

SEC. 305. None of the funds made available in this Act may be used to promulgate, implement, or enforce any revision to the regulations in effect under section 496 of the Higher Education

Act of 1965 on June 1, 2007, until legislation specifically requiring such revision is enacted.

SEC. 306. (a) MAINTENANCE OF INTEGRITY AND ETHICAL VALUES WITHIN DEPARTMENT OF EDUCATION.—Within 30 days after the enactment of this Act, the Secretary of Education shall implement procedures—

(1) to assess whether a covered individual or entity has a potential financial interest in, or bias towards, a product or service purchased with, or guaranteed or insured by, funds administered by the Department of Education or a contracted entity of the Department; and

(2) to disclose the existence of any such potential financial interest or bias.

(b) REVIEW BY INSPECTOR GENERAL.—

(1) Within 30 days after the implementation of the procedures described in subsection (a), the Inspector General of the Department of Education shall report to the Committees on Appropriations of the House of Representatives and the Senate on the adequacy of such procedures.

(2) Within 1 year, the Inspector General shall conduct at least 1 audit to ensure that such procedures are properly implemented and are adequate to uncover and disclose the existence of potential financial interests or bias described in subsection (a).

(3) The Inspector General shall report to such Committees any recommendations for modifications to such procedures that the Inspector General determines are necessary to uncover and disclose the existence of such potential financial interests or bias.

(c) DEFINITION.—For purposes of this section, the term ''covered individual or entity'' means—

(1) an officer or professional employee of the Department of Education;

(2) a contractor or subcontractor of the Department, or an individual hired by the contracted entity;

(3) a member of a peer review panel of the Department; or

(4) a consultant or advisor to the Department.

SEC. 307. (a) Notwithstanding section 8013(9)(B) of the Elementary and Secondary Education Act of 1965, North Chicago Community Unit School District 187, North Shore District 112, and Township High School District 113 in Lake County, Illinois, and Glenview Public School District 34 and Glenbrook High School District 225 in Cook County, Illinois, shall be considered local educational agencies as such term is used in and for purposes of title VIII of such Act.

(b) Notwithstanding any other provision of law, federally connected children (as determined under section 8003(a) of the Elementary and Secondary Education Act of 1965) who are in attendance in the North Shore District 112, Township High School District 113, Glenview Public School District 34, and Glenbrook High School District 225 described in subsection (a), shall be considered to be in attendance in the North Chicago Community Unit School District 187 described in subsection (a) for purposes of computing the amount that the North Chicago Community Unit School District 187 is eligible to receive under subsection (b) or (d) of such section if—

(1) such school districts have entered into an agreement for such students to be so considered and for the equitable apportionment among all such school districts of any amount received by the North Chicago Community Unit School District 187 under such section; and

(2) any amount apportioned among all such school districts pursuant to paragraph (1) is used by such school districts only for the direct provision of educational services.

SEC. 308. Prior to January 1, 2008, the Secretary of Education may not terminate any voluntary flexible agreement under section 428A of the Higher Education Act of 1965 that existed on October 1, 2007. With respect to an entity with which the Secretary of Education had a voluntary flexible agreement under section 428A of the Higher Education Act of 1965 on October 1, 2007 that is not cost neutral, if the Secretary terminates such agreement on or after January 1, 2008, the Secretary of Education shall, not later than March 31, 2008, negotiate to enter, and enter, into a new voluntary flexible agreement with such entity so that the agreement is cost neutral, unless such entity does not want to enter into such agreement.

SEC. 309. Notwithstanding section 102(a)(4)(A) of the Higher Education Act of 1965, the Secretary of Education shall not take into account a bankruptcy petition filed in the United States Bankruptcy Court for the Northern District of New York on February 21, 2001, in determining whether a nonprofit educational institution that is a subsidiary of an entity that filed such petition meets the definition of an ''institution of higher education'' under section 102 of that Act.

This title may be cited as the ''Department of Education Appropriations Act, 2008''.

TITLE IV

RELATED AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For expenses necessary of the Committee for Purchase From People Who Are Blind or Severely Disabled established by Public Law 92–28, $4,994,000.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service to carry out the Domestic Volunteer Service Act of 1973 (''1973 Act'') and the National and Community Service Act of 1990 (''1990 Act''), $798,065,000, of which $313,054,000 is to carry out the 1973 Act and $485,011,000 is to carry out the 1990 Act: Provided, That up to 1 percent of program grant funds may be used to defray the costs of conducting grant application reviews, including the use of outside peer reviewers and electronic management of the grants cycle: Provided further, That none of the funds made available under this heading for activities authorized by section 122 and part E of title II of the 1973 Act shall be used to provide stipends or other monetary incentives to program participants or volunteer leaders whose incomes exceed the income guidelines in subsections 211(e) and 213(b) of the 1973 Act: Provided further, That notwithstanding subtitle H of title I of the 1990 Act, none of the funds provided for quality and innovation activities shall be used to support salaries and related expenses (including travel) attributable to Corporation for National and Community Service employees: Provided further, That of the amounts provided under this heading: (1) not less than $126,121,000, to remain available until expended, to be transferred to the National Service Trust for educational awards authorized under subtitle D of title I of the 1990 Act: Provided further, That in addition to these funds, the Corporation may transfer funds from the amount provided for AmeriCorps grants under the National Service Trust Program, to the National Service Trust authorized under subtitle D of title I of the 1990 Act, upon determination that such transfer is necessary to support the activities of national service participants and after notice is transmitted to the Congress; (2) not more than $55,000,000 of funding provided for grants under the National Service Trust program authorized under subtitle C of title I of the 1990 Act may be used to administer, reimburse, or support any national service program authorized under section 129(d)(2) of such Act; (3) $12,000,000 shall be to provide assistance to State commissions on national and community service, under section 126(a) of the 1990 Act and notwithstanding section 501(a)(4) of the 1990 Act; and (4) not less than $5,000,000 shall be for the acquisition, renovation, equipping and startup costs for a campus located in Vinton, Iowa and a campus in Vicksburg, Mississippi to carry out subtitle G of title I of the 1990 Act.

SALARIES AND EXPENSES

For necessary expenses of administration as provided under section 501(a)(4) of the National and Community Service Act of 1990 and under section 504(a) of the Domestic Volunteer Service Act of 1973, including payment of salaries, authorized travel, hire of passenger motor vehicles, the rental of conference rooms in the District of Columbia, the employment of experts and consultants authorized under 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $68,964,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, $6,900,000.

ADMINISTRATIVE PROVISIONS

SEC. 401. Notwithstanding any other provision of law, the term ''qualified student loan'' with respect to national service education awards shall mean any loan determined by an institution of higher education to be necessary to cover a student's cost of attendance at such institution and made, insured, or guaranteed directly to a student by a State agency, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 402. Notwithstanding any other provision of law, funds made available under section 129(d)(5)(B) of the National and Community Service Act of 1990 to assist entities in placing applicants who are individuals with disabilities may be provided to any entity that receives a grant under section 121 of the Act.

SEC. 403. The Inspector General of the Corporation for National and Community Service shall conduct random audits of the grantees that administer activities under the AmeriCorps programs and shall levy sanctions in accordance with standard Inspector General audit resolution procedures which include, but are not limited to, debarment of any grantee (or successor in interest or any entity with substantially the same person or persons in control) that has been determined to have committed any substantial violation of the requirements of the AmeriCorps programs, including any grantee that has been determined to have violated the prohibition of using Federal funds to lobby the Congress: Provided, That the Inspector General shall obtain reimbursements in the amount of any misused funds from any grantee that has been determined to have committed any substantial violation of the requirements of the AmeriCorps programs.

SEC. 404. The Corporation for National and Community Service shall make any significant changes to program requirements, service delivery or policy only through public notice and comment rulemaking. For fiscal year 2008, during any grant selection process, an officer or employee of the Corporation shall not knowingly disclose any covered grant selection information regarding such selection, directly or indirectly, to any person other than an officer or employee of the Corporation that is authorized by the Corporation to receive such information.

SEC. 405. Professional Corps programs described in section 122(a)(8) of the National and Community Service Act of 1990 may apply to the Corporation for a waiver of application of section 140(c)(2).

SEC. 406. Notwithstanding section 1342 of title 31, United States Code, the Corporation may solicit and accept the services of organizations and individuals (other than participants) to assist the Corporation in carrying out the duties of the Corporation under the national service laws: Provided, That an individual who provides services under this section shall be subject to the same protections and limitations as volunteers under section 196(a) of the National and Community Service Act of 1990.

SEC. 407. Organizations operating projects under the AmeriCorps Education Awards Program shall do so without regard to the requirements of sections 121(d) and (e), 131(e), 132, and 140(a), (d), and (e) of the National and Community Service Act of 1990.

SEC. 408. AmeriCorps programs receiving grants under the National Service Trust program shall meet an overall minimum share requirement of 24 percent for the first three years that they receive AmeriCorps funding, and thereafter shall meet the overall minimum share requirement as provided in section 2521.60 of title 45, Code of Federal Regulations, without regard to the operating costs match requirement in section 121(e) or the member support Federal share limitations in section 140 of the National and Community Service Act of 1990, and subject to partial waiver consistent with section 2521.70 of title 45, Code of Federal Regulations.

CORPORATION FOR PUBLIC BROADCASTING

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 2010, $420,000,000: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: Provided further, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to apply any political test or qualification in selecting, appointing, promoting, or taking any other personnel action with respect to officers, agents, and employees of the Corporation: Provided further, That for fiscal year 2008, in addition to the amounts provided above, $29,700,000 shall be for costs related to digital program production, development, and distribution, associated with the transition of public broadcasting to digital broadcasting, to be awarded as determined by the Corporation in consultation with public radio and television licensees or permittees, or their designated representatives: Provided further, That for fiscal year 2008, in addition to the amounts provided above, $26,750,000 is available pursuant to section 396(k)(10) of the Communications Act of 1934 for replacement and upgrade of the public radio interconnection system: Provided further, That none of the funds made available to the Corporation for Public Broadcasting by this Act, the Continuing Appropriations Resolution, 2007 (Public Law 110–5), or the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006 (Public Law 109–149), shall be used to support the Television Future Fund or any similar purpose.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947, including hire of passenger motor vehicles; for expenses necessary for the Labor-Management Cooperation Act of 1978; and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95–454, $44,450,000, including $650,000 to remain available through September 30, 2009, for activities authorized by the Labor-Management Cooperation Act of 1978: Provided, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and other conflict resolution services and technical assistance, including those provided to foreign governments and international organizations, and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: Provided further, That fees for arbitration services shall be available only for education, training, and professional development of the agency workforce: Provided further, That the Director of the Service is authorized to accept and use on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission, $8,096,000.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF MUSEUM AND LIBRARY SERVICES: GRANTS AND ADMINISTRATION

For carrying out the Museum and Library Services Act of 1996 and the National Museum of African American History and Culture Act, $277,131,000: Provided, That funds may be made available for support through inter-agency agreement or grant to commemorative Federal commissions that support museum and library activities, in partnership with libraries and museums that are eligible for funding under programs carried out by the Institute of Museum and Library Services.

MEDICARE PAYMENT ADVISORY COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1805 of the Social Security Act, $10,748,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For close out activities of the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91–345, as amended), $400,000.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, $3,113,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, and other laws, $256,988,000: Provided, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935, and as amended by the Labor-Management Relations Act, 1947, and as defined in section 3(f) of the Act of June 25, 1938, and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 percent of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, including emergency boards appointed by the President, $12,992,000, of which $750,000 shall be for arbitrator salaries and expenses pursuant to section 153(1).

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission, $10,696,000.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $79,000,000, which shall include amounts becoming available in fiscal year 2008 pursuant to section 224(c)(1)(B) of Public Law 98–76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds the amount available for payment of vested dual benefits: Provided, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, $150,000, to remain available through September 30, 2009, which shall be the maximum amount available for payment pursuant to section 417 of Public Law 98–76.

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, $103,694,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, not more than $7,803,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: Provided, That none of the funds made available in any other paragraph of this Act may be transferred to the Office; used to carry out any such transfer; used to provide any office space, equipment, office supplies, communications facilities or services, maintenance services, or administrative services for the Office; used to pay any salary, benefit, or award for any personnel of the Office; used to pay any other operating expense of the Office; or used to reimburse the Office for any service provided, or expense incurred, by the Office: Provided further, That funds made available under the heading in this Act, or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts, may be used for any audit, investigation, or review of the Medicare Program.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as provided under sections 201(m), 217(g), 228(g), and 1131(b)(2) of the Social Security Act, $28,140,000.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92–603, section 212 of Public Law 93–66, as amended, and section 405 of Public Law 95–216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, $27,014,000,000, to remain available until expended: Provided, That any portion of the

funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2009, $14,800,000,000, to remain available until expended.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed $15,000 for official reception and representation expenses, not more than $9,522,953,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: Provided, That not less than $2,000,000 shall be for the Social Security Advisory Board: Provided further, That unobligated balances of funds provided under this paragraph at the end of fiscal year 2008 not needed for fiscal year 2008 shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses associated solely with this information technology and telecommunications infrastructure: Provided further, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to section 7131 of title 5, United States Code, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

From funds provided under the first paragraph, not less than $263,970,000 shall be available for conducting continuing disability reviews under titles II and XVI of the Social Security Act and for conducting redeterminations of eligibility under title XVI of the Social Security Act.

In addition to amounts made available above, and subject to the same terms and conditions, $213,000,000, for additional continuing disability reviews and redeterminations of eligibility.

In addition, $135,000,000 to be derived from administration fees in excess of $5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended. To the extent that the amounts collected pursuant to such sections in fiscal year 2008 exceed $135,000,000, the amounts shall be available in fiscal year 2009 only to the extent provided in advance in appropriations Acts.

In addition, up to $1,000,000 to be derived from fees collected pursuant to section 303(c) of the Social Security Protection Act (Public Law 108–203), which shall remain available until expended.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, $27,000,000, together with not to exceed $68,047,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the ''Limitation on Administrative Expenses'', Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: Provided, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House of Representatives and the Senate.

TITLE V

GENERAL PROVISIONS

SEC. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act. Such transferred balances shall be used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

SEC. 504. The Secretaries of Labor and Education are authorized to make available not to exceed $28,000 and $20,000, respectively, from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $5,000 from the funds available for ''Federal Mediation and Conciliation Service, Salaries and expenses''; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $5,000 from funds available for ''National Mediation Board, Salaries and expenses''.

SEC. 505. Notwithstanding any other provision of this Act, no funds appropriated in this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

SEC. 506. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state—

(1) the percentage of the total costs of the program or project which will be financed with Federal money;

(2) the dollar amount of Federal funds for the project or program; and

(3) percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

SEC. 507. (a) None of the funds appropriated in this Act, and none of the funds in any trust fund to which funds are appropriated in this Act, shall be expended for any abortion.

(b) None of the funds appropriated in this Act, and none of the funds in any trust fund to which funds are appropriated in this Act, shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term ''health benefits coverage'' means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

SEC. 508. (a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).

(d)(1) None of the funds made available in this Act may be made available to a Federal agency or program, or to a State or local government, if such agency, program, or government subjects any institutional or individual health care entity to discrimination on the basis that the health care entity does not provide, pay for, provide coverage of, or refer for abortions.

(2) In this subsection, the term ''health care entity'' includes an individual physician or other health care professional, a hospital, a provider-sponsored organization, a health maintenance organization, a health insurance plan, or any other kind of health care facility, organization, or plan.

SEC. 509. (a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.204(b) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term ''human embryo or embryos'' includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

SEC. 510. (a) None of the funds made available in this Act may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established under section 202 of the Controlled Substances Act (21 U.S.C. 812) except for normal and recognized executive-congressional communications.

(b) The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

SEC. 511. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d–2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an employer or a health care provider), until legislation is enacted specifically approving the standard.

SEC. 512. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity if—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States

Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

SEC. 513. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

SEC. 514. None of the funds made available by this Act to carry out the Library Services and Technology Act may be made available to any library covered by paragraph (1) of section 224(f) of such Act, as amended by the Children's Internet Protection Act, unless such library has made the certifications required by paragraph (4) of such section.

SEC. 515. None of the funds made available by this Act to carry out part D of title II of the Elementary and Secondary Education Act of 1965 may be made available to any elementary or secondary school covered by paragraph (1) of section 2441(a) of such Act, as amended by the Children's Internet Protection Act and the No Child Left Behind Act, unless the local educational agency with responsibility for such covered school has made the certifications required by paragraph (2) of such section.

SEC. 516. (a) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2008, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that—

(1) creates new programs;

(2) eliminates a program, project, or activity;

(3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted;

(4) relocates an office or employees;

(5) reorganizes or renames offices;

(6) reorganizes programs or activities; or

(7) contracts out or privatizes any functions or activities presently performed by Federal employees;

unless the Committees on Appropriations of the House of Representatives and the Senate are notified 15 days in advance of such reprogramming or of an announcement of intent relating to such reprogramming, whichever occurs earlier.

(b) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2008, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that—

(1) augments existing programs, projects (including construction projects), or activities;

(2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or

(3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress;

unless the Committees on Appropriations of the House of Representatives and the Senate are notified 15 days in advance of such reprogramming or of an announcement of intent relating to such reprogramming, whichever occurs earlier.

SEC. 517. (a) None of the funds made available in this Act may be used to request that a candidate for appointment to a Federal scientific advisory committee disclose the political affiliation or voting history of the candidate or the position that the candidate holds with respect to political issues not directly related to and necessary for the work of the committee involved.

(b) None of the funds made available in this Act may be used to disseminate scientific information that is deliberately false or misleading.

SEC. 518. Within 45 days of enactment of this Act, each department and related agency funded through this Act shall submit an operating plan that details at the program, project, and activity level any funding allocations for fiscal year 2008 that are different than those specified in this Act, the accompanying detailed table in the committee report, or the fiscal year 2008 budget request.

SEC. 519. None of the funds made available by this Act may be used to carry out the evaluation of the Upward Bound program described in the absolute priority for Upward Bound Program participant selection and evaluation published by the Department of Education in the Federal Register on September 22, 2006 (71 Fed. Reg. 55447 et seq.).

SEC. 520. None of the funds in this Act may be used to employ workers described in section 274A(h)(3) of the Immigration and Nationality Act.

SEC. 521. The Secretaries of Labor, Health and Human Services, and Education shall each prepare and submit to the Committees on Appropriations of the House of Representatives and the Senate a report on the number and amount of contracts, grants, and cooperative agreements exceeding $100,000 in value and awarded by the Department on a non-competitive basis during each quarter of fiscal year 2008, but not to include grants awarded on a formula basis. Such report shall include the name of the contractor or grantee, the amount of funding, and the governmental purpose. Such report shall be transmitted to the Committees within 30 days after the end of the quarter for which the report is submitted.

SEC. 522. Not later than 30 days after the date of enactment of this Act, the Departments, agencies, and commissions funded under this Act, shall establish and maintain on the homepages of their Internet websites—

(1) a direct link to the Internet websites of their Offices of Inspectors General; and

(2) a mechanism on the Offices of Inspectors General website by which individuals may anonymously report cases of waste, fraud, or abuse with respect to those Departments, agencies, and commissions.

SEC. 523. None of the funds appropriated or otherwise made available by this Act may be used to enter into a contract in an amount greater than $5,000,000 or to award a grant in excess of such amount unless the prospective contractor or grantee certifies in writing to the agency awarding the contract or grant that, to the best of its knowledge and belief, the contractor or grantee has filed all Federal tax returns required during the three years preceding the certification, has not been convicted of a criminal offense under the Internal Revenue Code of 1986, and has not, more than 90 days prior to certification, been notified of any unpaid Federal tax assessment for which the liability remains unsatisfied, unless the assessment is the subject of an installment agreement or offer in compromise that has been approved by the Internal Revenue Service and is not in default, or the assessment is the subject of a non-frivolous administrative or judicial proceeding.

SEC. 524. Section 1848(l)(2)(A) of the Social Security Act, as amended by section 6 of the TMA, Abstinence Education, and QI Programs Extension Act of 2007 (Public Law 110–90), is amended by striking ''$1,350,000,000'' and inserting ''$1,200,000,000, but in no case shall expenditures from the Fund in fiscal year 2008 exceed $650,000,000'' in the first sentence.

SEC. 525. Iraqi and Afghan aliens granted special immigrant status under section 101(a)(27) of the Immigration and Nationality Act shall be eligible for resettlement assistance, entitlement programs, and other benefits available to refugees admitted under section 207 of such Act for a period not to exceed 6 months.

SEC. 526. None of the funds appropriated by this Act may be used by the Commissioner of Social Security or the Social Security Administration to pay the compensation of employees of the Social Security Administration to administer Social Security benefit payments, under any agreement between the United States and Mexico establishing totalization arrangements between the social security system established by title II of the Social Security Act and the social security system of Mexico, which would not otherwise be payable but for such agreement.

SEC. 527. None of the funds appropriated in this Act shall be expended or obligated by the Commissioner of Social Security, for purposes of administering Social Security benefit payments under title II of the Social Security Act, to process claims for credit for quarters of coverage based on work performed under a social security account number that was not the claimant's number which is an offense prohibited under section 208 of the Social Security Act.

This Act may be cited as the ''Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2008''.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Madam Speaker, pursuant to House Resolution 794, I have a motion at the desk.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Obey moves that the House concur in the amendment of the Senate.

The SPEAKER pro tempore. Pursuant to section 3 of House Resolution 794, the gentleman from Wisconsin (Mr. OBEY) and the gentleman from New York (Mr. WALSH) each will control 30 minutes.

The Chair recognizes the gentleman from Wisconsin.

Mr. OBEY. Madam Speaker, we have been here before and we know what is the content of this bill. I urge support.

I reserve the balance of my time.

Mr. WALSH of New York. Madam Speaker, I am proud to be here this evening to assist the chairman in the management of this important bill. I did not intend to take much time since I think over the last week we have said just about everything there is to be said.

I am pleased that we now have before us a straightforward Labor-HHS-Education conference report to review and consider. I would like to extend my appreciation to Chairman OBEY and his capable staff for helping us to work our way through this bill and the development of this bill. He has been a great partner in the effort to put this bill together. I am pleased the Senate separated the Military Construction-Veterans bill from this conference report.

With respect to the Labor-HHS bill before us, it is a good bill and a fair compromise. It makes needed investment in our Nation's health care, infrastructure, supports our country's workforce and increases educational opportunity for America's kids. I intend to support it.

Madam Speaker, I reserve the balance of my time.

Mr. OBEY. Madam Speaker, could I inquire of the gentlemen if he has any remaining speakers.

Mr. WALSH of New York. Mr. Chairman, I have no further speakers.

Mr. OBEY. Then if the gentleman would be happy to yield back, I have one statement myself, and I will yield back.

Mr. WALSH of New York. I yield back the balance of my time.

Mr. OBEY. Madam Speaker, the measure we are considering today contains the same language pertaining to the Departments of Labor, Health and Human Services, Education and related agencies that the House approved by a vote of 269–142 on Wednesday evening. The statement of the managers accompanying the conference report on H.R. 3043 contains instructions and guidance to these departments and agencies, including detailed tabular material regarding the allocation of resources among the various programs, projects and activity funded in the measure pending before us today.

House Report 110–424 reflects the intent of congressional guidance underlying the legislation now before the House. The departments and agencies funded in H.R. 3043 should implement these programs, projects and activities in a manner consistent with the guidance in that report.

Now that I have the boilerplate out of the way, Madam Speaker, let me simply make a very few observations. Madam Speaker, it is now ''put-up or shut up'' time in the House. This is a bipartisan bill. When the bill first passed the House, we had 53 Republicans supporting it, along with every single Democrat, except one. We had every single subcommittee Republican and Democrat vote for the bill as it left committee. When it was marked up, every single amendment offered from the minority side of the aisle was an amendment to increase, not decrease, funds.

The President, in the budget that he submitted to the Congress, suggested that we cut vocational education, cut special education, cut NIH funding, cut LIHEAP, and cut training for medical personnel in children's hospitals. We rejected those suggestions. We also kept a good many provisions in the bill that were sought by many minority members on the subcommittee.

Also, because it is such a controversial issue, we tried to cut through the issue of abortion, and we provided several hundred million dollars in initiatives to help encourage women to carry babies to full-term, so we would offer young women something besides lectures when it came to the question of whether or not they would carry their babies to full-term or seek an abortion. After the bill left the House, we made further concessions to the White House and the minority party by cutting $1 billion out of the bill that we had voted on in the House.

Now, when we voted to go to conference a week ago, at that time, as you know, the intention of the majority was to include the Defense appropriation bill in this conference report. We heard many objections from the minority side of the aisle, so we conceded the point and took Defense out. We left Military Construction in, but the Senate overruled us. So now at this point we have a bill which is exactly what so many people said they wanted, a straight-up, unadorned Labor, Health, Education and Social Services bill.

I would point out that with respect to the question of earmarks, when this House started the consideration of this bill, I offered the House a chance to eliminate every single earmark with an amendment that I proposed. It was overwhelmingly defeated on both sides of the aisle, and this bill has proceeded within the spirit and the letter of the rules with respect to earmarks. It moved to the Senate, and it received almost 80 votes.

So now it is really up to us. The choice is whether or not we are going to exercise our own judgment as an independent body about what requirements we have in this economy, or whether we are simply going to wire our buttons to the White House door. I would hope that we would not do that.

In 2 short minutes remaining, I would like to simply remind Members what is at stake.

On health care, one in six Americans is without health insurance. That is 47 million Americans. The President cut funding for the primary Federal agency responsible for increasing health care access by $600 million. This bill rejects those cuts and provides $1.5 billion above the President's request for programs to improve health care access, roughly the cost of 5 days' activities in Iraq.

On education, the President cut funding for the Department of Education by $1.2 billion. This bill rejects those cuts, investing $4.5 billion above the President's request to the Department of Education, roughly the cost of operating for 2 weeks in Iraq.

On job training, the President cut the largest job training program in the vocational education programs by $1.2 billion. He cut State grants for vocational education in half. We rejected those cuts on a bipartisan basis, investing $1.3 billion above the President's request, roughly the cost of 4 days of operations in Iraq.

With respect to medical research, the President attempted to cut funding for medical research at the National Institutes of Health by $450 million. That would have resulted in 800 fewer medical research grants. The committee rejected those cuts, investing about $1.4 billion above the President's request, roughly the cost of 4 days in Iraq.

Finally, the Low Income Heating Assistance Program, the President tried to cut that by $400 million. We rejected those cuts and invested $630 million more than he requested, roughly the cost of 2 days in Iraq.

This is a balanced bill. It is a moderate bill. It is essential to make these investments, and I would urge Members on both sides of the aisle to support the proposal.

I would make one last point: on earmarks, when this House voted on my amendment to determine whether or not earmarks should be retained or excluded from the bill, this House voted 53–369 to keep earmarks in the bill, and we have tried to do that. We have a 40 percent reduction in the amount of money for earmarks. It is a 40 percent reduction from the amount that this House had 2 years ago.

But I want to make one practical point.

□ 2000

I know there are some people in this Chamber who believe that if this bill goes down, if the President vetoes it, that somehow a way will be found to compromise and still protect these earmarks.

I want to make it clear, I have been told many times by the White House that they have no intention whatsoever of compromising on this or any other bill that exceeds the President's wishes. If that is the case and if this bill goes down, then the only alternative left to us will be to bring in a bill at the President's level of funding.

I would ask every serious-minded person in this body, if they really think there is a chance of a snowball in Hades that Members' earmarks on either side of the aisle will survive if we wind up at the President's level of funding, I think you understand that is not likely. And so I think the fate of all of the work that has gone into this bill, the fate of every project that Members have been concerned about is in your hands.

I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to section 3 of House Resolution 794, the previous question is ordered.

The question is on the motion offered by the gentleman from Wisconsin (Mr. OBEY).

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

Mr. WALSH of New York. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 274, nays 141, not voting 17, as follows:

[Roll No. 1075]

YEAS—274

Abercrombie	Berkley	Boyda (KS)
Ackerman	Berman	Brady (PA)
Allen	Berry	Braley (IA)
Altmire	Biggert	Brown, Corrine
Andrews	Bilirakis	Buchanan
Arcuri	Bishop (GA)	Butterfield
Baca	Bishop (NY)	Capito
Baird	Blumenauer	Capps
Baldwin	Boswell	Capuano
Barrow	Boucher	Cardoza
Becerra	Boyd (FL)	Carnahan

Carney
Castle
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fortenberry
Frank (MA)
Frelinghuysen
Gerlach
Gilchrest
Gillibrand
Gonzalez
Gordon
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Hayes
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
Kirk
Klein (FL)
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
LaTourette
Lee
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Peterson (PA)
Platts
Pomeroy
Porter
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Richardson
Rodriguez
Rogers (AL)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shuler
Simpson
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh (NY)
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Whitfield
Wilson (NM)
Wilson (OH)
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NAYS—141

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bilbray
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Carter
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Doolittle
Drake
Dreier
Duncan
English (PA)
Fallin
Feeney
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Gallegly
Garrett (NJ)
Gingrey
Gohmert
Goode
Goodlatte
Granger
Hall (TX)
Hastings (WA)
Heller
Hensarling
Herger
Hobson
Hoekstra
Hunter
Inglis (SC)
Issa
Johnson, Sam
Jones (NC)
Jordan
King (IA)
King (NY)
Kingston
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Petri
Pickering
Pitts
Poe
Price (GA)
Putnam
Radanovich
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Royce
Ryan (WI)
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Walberg
Wamp
Weldon (FL)
Weller
Westmoreland
Wicker
Wilson (SC)

NOT VOTING—17

Bean
Bishop (UT)
Boren
Buyer
Carson
Castor
Cubin
Everett
Giffords
Hastert
Jindal
LaHood
Lantos
Levin
Lungren, Daniel E.
Oberstar
Wynn

□ 2024

Mr. BACHUS and Mr. HALL of Texas changed their vote from ''yea'' to ''nay.''

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.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2074

Mrs. MYRICK. Madam Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 2074.

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

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3093, COMMERCE, JUSTICE, SCIENCE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2008

Mr. MOLLOHAN. Mr. Speaker, pursuant to clause 1 of rule XXII and by direction of the Committee on Appropriations, I move to take from the Speaker's table the bill (H.R. 3093) making appropriations for the Departments of Commerce, Justice, Science, and Related Agencies for the fiscal year ending September 30, 2008, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. SNYDER). The question is on the motion.

The motion was agreed to.

A motion to reconsider was laid on the table.

MOTION TO INSTRUCT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. Frelinghuysen moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 3093, be instructed to recede to section 527 of the Senate amendment.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from New Jersey (Mr. FRELINGHUYSEN) and the gentleman from West Virginia (Mr. MOLLOHAN) each will control 30 minutes.

The Chair recognizes the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, this motion to instruct is straightforward. It instructs the House conferees to recede to the Senate on a provision in the Senate-passed bill that would prevent the Equal Employment Opportunity Commission from using funds to initiate civil action against an organization which requires its employees to speak English at work.

This provision was motivated by a lawsuit filed earlier this year against the Salvation Army. In that particular case, the EEOC sued the Salvation Army over its policy that its employees speak English. The lawsuit sought hundreds of thousands of dollars in monetary and punitive damages.

What is more troubling is that when you look at the history of this issue, you will find a Federal court ruling almost 4 years ago that upheld the Salvation Army's policy that employees speak English at work. You will also find that the Salvation Army gave the two employees a year to learn English before it took action to terminate them.

The EEOC has an important mission, one which we all support.

□ 2030

The EEOC currently has a tremendous backlog of pending cases, approximately 46,000, a number that the Commission estimates will grow. At a time when the EEOC is struggling to fulfill its mission, cases like this lead one to questions about the Commission's ability to set priorities.

By insisting on the Senate amendment, we are sending an important message to the EEOC that we expect them to prioritize their actions and work diligently to address the major discrimination issues facing the American workers.

Mr. Speaker, I urge adoption of the motion and reserve the balance of my time.

Mr. MOLLOHAN. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I agree with the gentleman that this amendment would send an important message to the EEOC, but I agree it's important for a different reason. I think it's important because I think it would be a perverse message.

The United States Congress has, in previous years, passed legislation specifically granting to the EEOC authorization and responsibility to work on behalf of employees where they face discrimination in the workplace. That legislation anticipated an opening of a remedy for employees. This amendment would close a remedy for employees.

These cases should be decided on their facts. If we were to adopt this motion and the conference were to include the amendment in its agreement, then the EEOC would not have an opportunity to look at the facts and represent employees pursuant thereto. Therefore, we do oppose the amendment.

I want to point out that the court in this case upheld the decision and upheld the position of the employer in this case. That's well and good.

What's important in that is that the court, through due process, decided the matter. That's the way the EEOC ought to operate, not through Congress in a motion to instruct conferees and in an appropriation conference, taking away what the Congress has already given jurisdiction in these cases.

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

Mr. FRELINGHUYSEN. Mr. Speaker, I urge adoption of the motion.

I yield back the balance of my time.

Mr. MOLLOHAN. Mr. Speaker, I urge in the strongest terms opposition to the motion.

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

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

There was no objection.

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

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 218, nays 186, not voting 28, as follows:

[Roll No. 1076]

YEAS—218

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baird
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Biggert
Bilbray
Bilirakis
Bishop (GA)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carnahan
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Conyers
Costello
Culberson
Cummings
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
Dent
Donnelly
Doolittle
Drake
Dreier
Duncan
Ehlers
Ellsworth
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillibrand
Gingrey
Gohmert
Goode
Goodlatte
Graves
Hall (TX)
Harman
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth Sandlin
Hill
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Kagen
Kanjorski
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
Lamborn
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas
Mack
Manzullo
Marchant
Marshall
Matheson
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
Meeks (NY)
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mitchell
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Ramstad
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Roskam
Ross
Rothman
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuler
Shuster
Skelton
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Space
Spratt
Stearns
Sullivan
Tancredo
Taylor
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—186

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baldwin
Barton (TX)
Becerra
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Cooper
Costa
Courtney
Cramer
Crowley
Cuellar
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Doggett
Edwards
Ellison
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Hastings (FL)
Higgins
Hinchey
Hinojosa
Hirono
Hodes
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Langevin
Larsen (WA)
Lee
Lewis (GA)
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McNulty
Meek (FL)
Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ros-Lehtinen
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Slaughter
Smith (WA)
Snyder
Solis
Stark
Stupak
Sutton
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Yarmuth

NOT VOTING—28

Bean
Bishop (UT)
Boren
Buyer
Carson
Crenshaw
Cubin
Dicks
Doyle
Giffords
Granger
Hastert
Holden
Jindal
LaHood
Lantos
Larson (CT)
Levin
Lungren, Daniel E.
Moran (VA)
Oberstar
Paul
Radanovich
Reynolds
Simpson
Tanner
Westmoreland
Wynn

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining on the vote.

□ 2053

Ms. CASTOR and Messrs. SESTAK, LYNCH, HODES and DEFAZIO changed their vote from ''yea'' to ''nay.''

Messrs. MCNERNEY, COSTELLO, COLE of Oklahoma, BAIRD and KAGEN changed their vote from ''nay'' to ''yea.''

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

Messrs. MOLLOHAN, KENNEDY, FATTAH, RUPPERSBERGER, SCHIFF, HONDA, Ms. DELAURO, Messrs. PRICE of North Carolina, OBEY, FRELINGHUYSEN, CULBERSON, ROGERS of Kentucky, LATHAM, ADERHOLT and LEWIS of California.

There was no objection.

CONTINUATION OF EMERGENCY REGARDING WEAPONS OF MASS DESTRUCTION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 110–74)

The SPEAKER pro tempore (Mr. ELLISON) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

In accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I transmit herewith notice of a 1-year continuation of the national emergency with respect to the proliferation of weapons of mass destruction that was declared in Executive Order 12938 of November 14, 1994, as amended.

GEORGE W. BUSH.

THE WHITE HOUSE, *November 8, 2007*.

CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 110–75)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

To The Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice to the *Federal Register* for publication, stating that the Iran emergency declared in Executive Order 12170 on November 14, 1979, is to continue in effect beyond November 14, 2007.

Our relations with Iran have not yet returned to normal, and the process of implementing the January 19, 1981 agreements with Iran is still underway. For these reasons, I have determined that it is necessary to continue the national emergency declared on November 14, 1979, with respect to Iran, beyond November 14, 2007.

GEORGE W. BUSH.

THE WHITE HOUSE, *November 8, 2007*.

EMPLOYMENT NON-DISCRIMINATION ACT

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

Mr. MCDERMOTT. Mr. Speaker, America's a great Nation, but it's a work in progress; and we still have work to do when it comes to protecting the rights of every American.

No one understands that better than Representative BARNEY FRANK, my friend and colleague from Massachusetts. With BARNEY's leadership, the House passed the Employment Non-Discrimination Act last night. ENDA is a clear statement that we will protect and defend the rights of Americans in the workplace.

As far as I'm concerned, the issue comes down to one simple declarative sentence: your sexual orientation and lifestyle is your own business, not your employer's business. No person or business in this country should have the right to discriminate against any American.

I stand proudly shoulder to shoulder with BARNEY FRANK and my constituents in Seattle in strong and unwavering support of ENDA. A chance at the American Dream should apply to every American. Gay, lesbian, bisexual, they all hope and care and wish like all the rest of us. They deserve nothing less than a full measure of justice and equality in this country. So do the transgender Americans, and we have more work to do to extend the protections to them.

We made progress with ENDA and neither BARNEY FRANK, nor I, nor my constituents will rest until we can declare with conviction that all Americans are created equal.

MAJOR ANDREW STONE

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

Mr. POE. Mr. Speaker, southeast Texas is proud of the military men that it's produced, men such as United States Air Force Major Andrew Stone of Beaumont, Texas, who recently received the Distinguished Flying Cross with Valor for his heroics while fighting in Afghanistan. Thus far, there have only been a handful of recipients of this second highest military award from the Afghanistan and Iraqi wars.

On October 30, 2006, Major Stone answered a distress call from a Special Forces Unit that was on the ground and was trapped and taking heavy rocket and machine gun fire. Alone against this enemy, Major Stone attacked in his A–10 aircraft with a barrage of 30mm cannon fire. With no regard for his own safety, and while exposing himself to horrific enemy ground fire, Major Stone continued to perform cover over this trapped Special Forces Unit until they reached complete safety. He would not leave any of them behind. It was his selfless courage and bravery that enabled this U.S. troop patrol to escape.

And as we approach Veterans Day, we honor our relentless warriors like Major Stone. And it's with great pride that I recognize this son of Texas and congratulate him on receiving the Distinguished Flying Cross.

And that's just the way it is.

□ 2100

APOLOGIES TO DAWN DAWSON

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

Mr. FRANK of Massachusetts. Mr. Speaker, I want to apologize to Dawn Dawson. Ms. Dawson is a thoughtful young woman who was engaged in a lawsuit involving a charge of discrimination based on sexual orientation. An organization in the dispute we had about the scope of the Employment Non-Discrimination Act, in my judgment, misquoted the holding in that lawsuit. In the course of refuting that, I quoted some passages which reflected somewhat negatively on Ms. Dawson. I should not have done that. There is no reason to make any negative inference about her. It was in a legal context which does not support factually any negative response.

Ms. Dawson called me after that, came to see me. I was impressed by her grace, by her thoughtfulness, and by her commitment to working for a better America for all of us.

So I want to express my regret that I brought this young woman into this dispute for no good reason. She deserves much better from me, as she deserves from all who are concerned about fairness in this country. And as I said, I apologize to Ms. Dawson. I continue to believe that the organization with which I was disputing misinterpreted her lawsuit, but that was not her fault.

MIDDLE EAST OIL AND THE SOARING COST OF FUEL

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

Mr. KINGSTON. Mr. Speaker, when the Democrats took over the House, the price of oil was $59 a barrel. Today it's $100 a barrel.

Now, I don't blame that on Democrats, but I have got to say that where is your energy bill? Where is your alternative fuels bill? I thought that in this green, ''don't leave a footstep'' or whatever it is the Speaker has promised that we were all going to be riding hybrids. But it has not happened under them.

I have cosponsored a bipartisan bill with ELIOT ENGEL that does have tax credits for buying hybrids, flex-fuel vehicles. It gives the automobile companies tax credits for making more of them. It gives the gasoline stations money to transfer to be fuel stations so that they can sell biodiesel and ethanol and hydrogen, whatever it would take to get us off Middle East oil. But the Democrat Party has shown no interest in ending our dependency on Middle East oil, and that is a national security concern of all Members, and we need to do something about it.

I call on the Speaker to move a serious energy bill that addresses the high, soaring cost of fuel.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. ELLISON). Under the Speaker's announced policy of January 18, 2007, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE BOND OF BROTHERS—THE DOZEN RIPKOWSKIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE. Mr. Speaker, today I have the distinct honor of recognizing a family in the Second Congressional District in Texas where Veterans Day is a daily family event. If you looked up the word ''patriot'' in the dictionary, you would most likely find a photograph of the 12 Ripkowski brothers in Dayton, Texas.

The lives of all 12 brothers form a company of heroes that served in our military in various branches spanning from World War II to the Korean War. Most of them served in a time of war, and all 12 of them returned home. They truly were a band of brothers who fought for America.

Their family story began in the small town of Dayton, Texas, in the 1930s. Their parents, Stash and Mattie Ripkowski, had 12 sons and four daughters. That's right, 16 all-American children. Their names are Felix, August, Raymond, Bernie, Alex, Leon, Bill, Herman, Franklin, John, Mike, Stanley, Catherine, Virginia, Pearline, and Anna Lee.

The Ripkowski family grew corn and cotton on their 200-acre farm. As World War II began, the brothers answered their country's call of duty to serve in the military one after the other.

Raymond served in the Air Force and was stationed in New Guinea. He was a radio operator and gunner. During his military service, he survived and recovered from an airplane crash. Bernie served in the Army and was stationed in Alaska during World War II. Felix served in the Army in Europe. August served in the Navy and was stationed in the Pacific. And Bill was also stationed in the Pacific, but he served in the United States Army. Stanley served in the Army during peacetime and then during the Korean War.

Today only 6 of the 12 Ripkowski brothers are still alive. Alex, the oldest of the surviving brothers, is 91. He served in the Army and was deployed in Europe during World War II. Mike joined the Air Force and served as a chief clerk for 2 years on the island of Okinawa. Herman served in the Army as an infantryman for 3 years, and he was a member of the 78th Lightning Division, which was the first division to cross the Rhine River in Germany towards the end of World War II in Europe. After crossing the river, German airplanes blew up the bridge, separating Herman and his division from the rest of the American troops. American troops quickly built a pontoon bridge in the former location of the blown-up bridge. At this point, Herman's division met up with Russian forces outside of Berlin shortly before the Germans surrendered. It was during this battle that Herman earned the Bronze Star for laying communications wire during enemy fire.

Leon served in the Army during World War II, and his tour of duty took him to Africa, Italy, and France, where he served in the infantry. By miraculous chance, he ran into his brother Felix in Tunisia, Africa during the Battle of El Guettar. Leon received five campaign stars while in the United States Army. Franklin served as a Merchant Marine during World War II dodging German submarines in the Atlantic. He crossed the Atlantic three times during his military service. Several years later Franklin was drafted again into the Army, and he served his country one more time, but this time during the Korean War.

John ''Buster'' Ripkowski served as a squad leader in the infantry division in the Army during the Korean War. He helped take care of ammunition for his entire infantry platoon.

All the brothers, except one, have spent the rest of their lives after the military in Dayton, Texas. Herman was the only one to move away from his family, and he moved to Liberty, Texas, which is 6 miles away.

What makes the Ripkowski brothers' story so remarkable is how humble and modest they are in describing their family's enormous military contribution to our great Nation. Their humility is best understood in their own words:

Mike said, ''We did it to serve our country. We're just hard-working country folk.''

''Thank God we are here and that all of us made it home,'' said Herman, when asked to describe his brothers and their service in the military.

''You had to serve your country,'' said John. ''I enjoyed going into the service and doing my job.''

This band of brothers believed that their service in the military was their duty as an American citizen. To them it was not for performing heroics or to gain medals but to answer the honorable call of duty for our country. ''Medals didn't interest us,'' said Franklin. ''Our minds were on doing our jobs and doing it better every day. Nowadays a lot of people don't care or put much of their heart into it. But the military trained you to put your heart into it. I wish every person in America would go into the military for 1 year. It would make a better person out of all of them.''

The Ripkowski brothers' patriotic legacy of military service is one of the best examples of our ''Greatest Generation'' doing their job for America during the great World War II. They are an eternal example of the service and sacrifice given to protect freedom for our Nation. They're a good example for all of us, especially our younger generation.

And that's just the way it is.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

ILLEGAL IMMIGRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, everybody in America, at least the vast majority of Americans, are very concerned about illegal immigration. And they want it stopped.

Back in the early 1980s, we passed a bill called the Simpson-Mazzoli bill. It was in about 1986, and it was supposed to stop illegal immigration. And what it ended up being was a magnet for more illegal immigration. It just simply didn't work. So today, instead of 2 or 3 million illegals in this country, we have got maybe 14, 15, 16 million. And we really need to deal with the problem.

One of the problems we have is that we are not enforcing our laws. Here in Washington, D.C., the capital of the United States, a person can acquire an illegal driver's license, a fake, a fake Social Security card, a fake green card, and all they have to do is talk to somebody on the street.

My chief of staff lives over near a place here in Washington, D.C. called Adams Morgan. It's a very popular place, especially for young people. And the ABC News affiliate here in Washington, D.C., recently went down there with a camera and did an interview and watched what was going on as far as giving phony IDs to illegal aliens. And I want to read to you what happened. Here's what they said:

''On any given day, you see them walking up and down Columbia Road in Adams Morgan. As soon as you make eye contact with them, they try to offer you freedom as best they can.

''Seller: 'Green card or security card?'

''Buyer: 'Yes. What will that cost me?'

''Seller: 'The green card and Social Security card will cost you $140. The driver's license alone will cost you $120.' ''

Now, they are selling fake IDs. And the people that attacked us on 9/11 had phony driver's licenses and had regular driver's licenses and they used them as ID to get on planes. And here in Washington, D.C., we have these people making phony ID cards, driver's licenses, green cards, Social Security cards, and they're selling them in broad daylight and we are not doing

anything about it. And these people may very well be terrorists and a threat to the United States of America. I'll go on:

''After jotting down a fake name, using our subject's photo . . . the card sharks put it all together in a private office. Two hundred dollars and a couple of hours later, our subject picks up his documents . . . documents so real looking it's almost impossible to detect anything suspicious . . . identical seals, a new Social Security number, and even affirmation that the U.S. Department of Homeland Security has given its okay. It's easy to get a good fake ID that can legitimately fool employers. And the Federal employment verification ''Basic Pilot'' cannot detect fraud, which means employers must fend for themselves when determining if a prospective employee is authorized to work in the U.S. What's the point of a system if it doesn't work?''

And that's my question tonight. What are we going to do? We have a system that invites illegal aliens to come into this country. They get education, they get health care, and we have even had legislation passed that would give them an apartment or a home to live in. It's just amazing.

And now we are not enforcing the laws that would stop these people from selling fake IDs, which could give a terrorist the ability to move about in a very easy way here in the United States of America.

This is tragic. Our FBI, our Homeland Security, the State police and the local police in this country need to enforce the laws against creating these fake IDs. It is absolutely essential to keep this country protected and to stop the flow of illegal aliens coming into this country. What's to stop them? Nothing. Right now they get fake ID and they can go anywhere they want, and the American people are sick and tired of it. You talk to any congressman and go to any congressman's district and they will tell you that the American people want this illegal immigration stopped. And we are not even enforcing the law and stopping the manufacture of fake IDs. We have to do something about it.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

(Mrs. MCCARTHY of New York addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE SIMPLIFIED USA TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I rise tonight to talk about an issue that has been close to my heart since I came to Congress. Clearly, the current tax code is far too complicated. It is riddled with obvious inequities. Its structure punishes savings and investment, which reduces economic and job growth and burdens domestic industries struggling to remain competitive in today's global market.

Although the U.S. Treasury Department has called for international tax reform and has advocated policies to advance U.S. competitiveness, increase national savings, and reduce our trade barriers, this Congress has failed to offer a substantive response.

Recently, we in the Ways and Means Committee have received a proposal that presents itself as tax reform but is, in fact, as you are going to hear later tonight, a Rube Goldberg device to raise taxes. In this context, it is important to consider other alternatives, and tonight I would like to discuss my own tax proposal which encompasses all of these concerns and would attract a broad cross-section of working Americans.

My proposal, the Simplified USA Tax, puts the right incentives in place to grow our economy and to create new jobs. The Simplified USA Tax has three key components:

One, it simplifies the tax code by a factor of about 75 percent; two, it takes the taxes off of savings to promote thrift and address a national dearth of savings; and, three, it makes America significantly more competitive, thereby creating and preserving better jobs within our borders.

□ 2115

The simplified U.S.A. tax starts out with just three simple low rates, 15 percent at the bottom, 25 percent in the middle, and 30 percent at the top.

Through a payroll tax credit to all wage earners, SUSAT effectively lowers the income tax rates to the 7 and 17 percent range for nearly all Americans.

Under my proposal, and this is one significant departure from some tax reform blueprints, everyone would get a deduction for mortgage interest on their home. In addition, the SUSAT proposal allows charitable donations and tuition deductions.

To further ensure that the new Tax Code would be progressive, my proposal also permits all families to take a generous family credit, and qualifying families to take an additional refundable work credit. These two credits simplify and improve the current child credit and earned income tax credit.

I believe the Tax Code must also give Americans a fair opportunity to save part of their earnings. By taking the taxes off of savings, we will increase the savings rate and ultimately reduce the cost of capital.

My proposal encourages savings by allowing everyone to contribute to an unlimited Roth IRA. It also repeals the individual and corporate alternative minimum tax, Federal death and gift taxes.

Mr. Speaker, as you can see, the individual tax system, under my proposal, is designed to be simple. The tax return will be short, only a page or two for most people; but, more importantly, the tax return will be comprehensible.

My proposal also contains a new and better way of taxing corporations and other businesses that will allow them to compete and win in global markets in a way that exports American-made products, not American jobs.

All businesses are taxed alike under our proposal at an 8 percent rate on the first $150,000 of profit, and a 12 percent on all amounts above that small business level. All businesses will be allowed a credit for the 7.65 percent payroll tax they pay under the current law.

One of the most pro-growth elements in SUSAT is that all costs for plant equipment and inventory in the United States will be expensed in the year of purchase. This is important because investment in state-of-the-art equipment is critical to manufacturing in a global economy.

The other key component of SUSAT which will make American business more competitive is that it will be border-adjustable. In other words, SUSAT would end the perverse practice unique among our trading partners of taxing our own exports. All export sales income is exempt and all profits earned abroad can be brought back home for reinvestment in America without penalty.

Because of a 12 percent import adjustment, all companies that produce abroad and sell back in the U.S. markets will be required to bear the same tax burden as companies that both produce and sell in the U.S. This policy would finally take away the bias in favor of imports built into our current tax structure, which, in my view, contributes dramatically to our trade deficit, which, in my view, continues to rise at record-breaking levels.

LIEUTENANT GENERAL DAVID POYTHRESS

The SPEAKER pro tempore (Mr. ELLISON). Under a previous order of the House, the gentleman from Georgia (Mr. GINGREY) is recognized for 5 minutes.

Mr. GINGREY. Mr. Speaker, as we approach Veterans Day, I proudly rise to honor a Georgia native, Lieutenant General David Poythress, who has served the State of Georgia as our adjutant general since 1999.

Two weeks ago, I attended the change of command ceremony for General Poythress as he stepped down from his post as commander of the Georgia National Guard.

General Poythress's long and distinguished military career began at Emory University in Atlanta, where in 1967 he received his law degree, and he graduated as a distinguished military graduate of the Emory ROTC program.

After graduation, Mr. Speaker, General Poythress served 4 years on active duty with the United States Air Force

as a judge advocate officer, including 1 year as chief of military justice at Da Nang Air Force Base in Vietnam.

Upon returning to civilian life, General Poythress remained in the Air Force Reserve, serving as a judge advocate officer in various positions of increasing responsibility. In 1991, General Poythress returned to active duty to oversee the reserve legal officers during Operation Desert Storm and Desert Shield. He was promoted to brigadier general in 1994, and to major general in July of 1999.

It was in 1999 that General Poythress took over as the adjutant general of the State of Georgia, where he has commanded 12,000 personnel of the Georgia Army National Guard, the Georgia Air National Guard, and the Georgia State Defense Force now for nearly a decade.

Mr. Speaker, in 2006, General Poythress became the first adjutant general in Georgia's 273-year history to wear a third star as a lieutenant general. And for the past 8 years, General Poythress has led Georgia's Guard through some historic changes, and our men and women have performed admirably under his leadership.

Not only has General Poythress made a major impact on our Nation's military, but he has also been an irreplaceable asset, Mr. Speaker, to the State of Georgia. General Poythress spent much of his civilian career in public service to the citizens of our great State. He served first as deputy state revenue commissioner, then secretary of the State of Georgia, and finally, commissioner of labor in Georgia. Needless to say, General Poythress's retirement will leave huge shoes to fill in the State of Georgia.

Over the past several years, Mr. Speaker, I have enjoyed getting to know General Poythress and his lovely wife, Elizabeth, as personal friends, and I appreciate their singular dedication to our Guardsmen.

Last year, Mr. Speaker, I even had the opportunity to travel to Iraq with the general, and we met with Georgia's 48th Brigade Combat Team. I know it must have been a joy for General Poythress to see his troops and General Rhodheaver serving our Nation so honorably, but also a painful time, as he remembered the 26 fallen soldiers from the 48th who were lost in some of the most dangerous combat in the Sunni Triangle outside of the city of Baghdad.

Through all of the struggles, including the difficult task of assisting Louisiana in the aftermath of Hurricane Katrina, General Poythress has led Georgia's Guard with the strength of a commander and the heart, Mr. Speaker, of a public servant.

And so I ask my colleagues tonight, join me in honoring Lieutenant General David Poythress for his dedicated service to defending the State of Georgia and the United States of America.

HONORING OUR VETERANS—VETERANS DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

Ms. FOXX. Mr. Speaker, this coming week we will celebrate Veterans Day. As we remember the many who have given their lives in service to our Nation, I hope we pause not only to honor their memory, but also to express our gratitude for that which their sacrifices have secured.

The many American veterans that we honor today are a reflection of American greatness. The men and women of our Armed Forces throughout our Nation's history have not hesitated to make tremendous personal sacrifices for the cause of freedom. If it were not for our brave and selfless veterans, we would be a land of fewer freedoms and smaller liberties.

Throughout our history, our veterans have gone to foreign shores to fight the forces of injustice and tyranny. Today, many live in freedom thanks to their great sacrifices.

Our veterans are the first and the finest example of the American hero. They have preserved our peace and they have held back the tide of darkness when the call has sounded to protect our liberty. And these men and women have done and continue to do these things with a sense of duty that has never shirked the great sacrifices, but instead, upholds the mantle of democracy with strength and pride.

On Veterans Day, we rightly single out the members of our Armed Forces, past and present, and give them the honor that they do not ask for, but that they so richly deserve.

I do not say this lightly, that our veterans are the primary forces that keep and have kept the vision of America alive throughout the centuries. Ours is a vision of freedom for all, a vision of a land where any man or woman can breathe free and lay hold of prosperity, secure in the knowledge that their brave and selfless soldiers, sailors, marines, airmen and coast guardsmen have proven that our cause is worthy of the most profound of sacrifices.

We must not take our freedoms lightly. They have been purchased with the blood and sacrifice of many patriots. These patriots have answered the call to service, knowing that a life without liberty is hardly worth living.

They've shown us that our freedoms are invaluable and priceless beyond the paltry dividends of a life under the shadow of tyranny or fear or repression.

We have much to be grateful for in this Nation. Our freedoms are many and our sacrifices are few in comparison to what our veterans willingly give up. And these sacrifices are made on our behalf so that we might enjoy a liberty that is unrivaled throughout human history.

It is therefore a tremendous pleasure to honor the men and women who saw the value of freedom and grasped the threat of tyranny and did not shrink into the twilight. As Thomas Paine said of our freedom on the eve of the American Revolution: ''The sun never shined on a cause of greater worth.''

I thank our veterans for recognizing this cause and rising to its defense with unfailing strength. Our gratitude is tribute to your great bravery and profound sacrifice.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

(Ms. WATERS addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 5 minutes.

(Mr. PETERSON of Pennsylvania addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

(Mr. HOLT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

TAX BURDEN IN AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Texas (Mr. BRADY) is recognized for 60 minutes as the designee of the minority leader.

Mr. BRADY of Texas. Mr. Speaker, tonight, it is our opportunity to talk about the tax burden that families in America unfortunately must pay.

I am a six-term Member of Congress. I represent the Eighth Congressional District of Texas. It's a great district that encompasses a great deal of east Texas from the Louisiana border over to I–45. I live in The Woodlands, Texas, just north of Houston, with my wife and our two boys, a kindergarten son named Sean and a third-grader named Will, who goes to public school, Sally K. Ride Elementary School. We are

blessed to have a great school system in our community.

I have enjoyed serving on the Ways and Means Committee because for many years, as I've told my wife, I get to go to work each day trying to cut taxes from families and small businesses so they have less of a burden. It seems to me we have an overtax, and we are an overtaxed Nation. Most families pay more in taxes than they do for food and housing and clothing combined. Many families work, and most workers work into June and July, actually, after July 4th, before they have paid all their taxes. They don't start working for themselves until almost the seventh month of every year.

And just think about each of the days our families live. You wake up in the morning and you take a shower and you pay a water tax. If you get a cup of coffee, you pay a sales tax. If you drive to work, you pay a gas tax. At work you pay two taxes, an income tax and a payroll tax. You get home and turn on the lights, you pay an electricity tax. You turn on the TV, you pay a cable tax. Get on the phone, you pay a telephone tax. You get ready for bed and kiss your spouse and you pay a marriage tax. And you do this day in and day out for years until when you pass away, you pay a death tax.

□ 2130

We are an overtaxed Nation. This new Congress is bent on increasing that tax burden on America's families and those who create jobs. Already, this Congress has, in the House, approved over $110 billion, billion dollars, worth of new taxes. For those of us who believe the more you tax something the less that you get, what we are seeing is an all-out assault on jobs in America. We are taxing American energy workers.

This Congress seeks to tax American capital, American manufacturing, American small businesses, and tomorrow, this Chamber is set to take up two new tax increases: a major tax increase on the real estate partnerships of America who build our apartments and shopping centers, our office buildings and industrial parks, and another tax that would increase the tax on hard-working Americans who have scrimped hard and saved to buy a second home, maybe a retirement home for their family.

I am going to talk about this for just a minute, then I am joined with two of the leaders of the Ways and Means Committee who are going to talk about the alternative minimum tax, and we will talk about what is now called the ''mother of all tax hikes'' proposed by the chairman of the Ways and Means, CHARLIE RANGEL.

The two provisions I am talking about tomorrow that do not deserve to pass, one is a tax on the small partnerships that build America. Real estate partnerships are a routine, traditional, very responsible way to build facilities in our local community. This tax would tax those small businesses and partnerships, increasing their taxes $6.7 billion, billion, over the next 10 years. This tax increase is described by many as perhaps the most dangerous and risky tax increase on the real estate community since the 1986 tax law, whose changes drove many of our real estate into foreclosure, helped lead into the S&L, savings and loan credit problem, and will undoubtedly cost jobs in America. Some in Washington say, ''No, no, no. We are not targeting America's small business and real estate professionals. We are targeting Wall Street.'' The truth of the matter is that they are shooting at Wall Street; they are hitting Main Street. They are hitting our real estate partnerships, our energy partnerships, our venture capital and local groups that have done nothing wrong except build our infrastructure in our local community and help create jobs.

It is simply wrong, in my view, to tax these organizations. They are the traditional, predominate business model. This tax increase will not only cost jobs, it will cost construction jobs. It will harm property values and really lower government revenue at the local level. I think it is important that we not punish the real estate partnerships that are such an important fabric of our country. And why risk, why help drive more of this housing bubble? Why cause more problems for the real estate industry when, in truth, we can encourage more of this development?

The second tax increase we will face tomorrow, and I hope we will vote down, is a tax increase that hits small businesses, or actually hits families that have saved hard for a second home. It is proposed that we change the tax increase, the capital gains tax, on people who own a second home. Now, we did some research on this. What we discovered, a lot of people think this is the wealthy. We did research on it and discovered that 40 percent of all the home sales last year were to second homes, four out of ten home sales to second homes. And those who bought those homes weren't wealthy. According to the National Association of Realtors, on average, their income was about $82,000. They were buying a second home for their family. Some were investing for their retirement. Others have a favorite lake or river that they have always dreamed of having a cabin on or a lodge on and may have, in fact, done everything right. Many of them have scrimped on their first home so they could try to buy another for their dream in their retirement, for their family's quality of life. It seems to me when you look at punishing people who have worked hard to try to buy that home, we ought not do it.

When you look at the impact on your communities around the country, second home market's where it is very important to the local community. You see many of them in New England where you have buyers from New York, Washington, Philadelphia and all along the East Coast. You see many of them in California and in Florida where you naturally have retirees. But it is not limited to that. Arizona, North Carolina, all throughout the Midwest in areas where there are beautiful lakes and rivers and wide open spaces, then you have the high tech communities and others that invest in second homes.

It just seems to me that this is dangerous to discourage this type of investment. I think we risk in the future harming the property values in the communities that rely upon these resort-type of homes and vacation homes. It seems to me unfair that we would penalize and punish people who have worked so hard to save. We ought not be doing that. We ought to be rewarding that type of behavior.

My hope is that tomorrow as Congress or this U.S. House of Representatives considers these bills that, in fact, we reject these tax increases on the real estate partnerships that build America and reject tax increases on families that scrimped for a second home, maybe perhaps their dream home.

With that, I would like to yield to the ranking member, the highest ranking Republican on the Trade Subcommittee on Ways and Means. This gentleman is from California. He is a conservative who has led the fight for tax relief in many areas throughout the years here in Congress. And I yield to the gentleman from California (Mr. HERGER).

Mr. HERGER. I thank my good friend, the gentleman from Texas (Mr. BRADY) for leading this talk this evening on this incredibly important issue of the taxes that are about to be raised if we do nothing here in the U.S. Congress. I might mention, it was interesting listening to my friend talking about all the individuals that he knows of that will have their taxes raised. I have to give some of my background. My reason, I grew up in Northern California in a rural area just south of Yuba City, Marysville, in a dairy community, born in 1945, so raised during the 1950s and 1960s. Our family also had a small business which I worked in. My reason for becoming involved politically and running for office was not what government was doing for me, but rather as a small businessman and small rancher what they were doing to me. So this evening, I want to discuss something that is more that they seem to be wanting to do to us.

Mr. Speaker, if you earned the same amount of money last year that you do this year and you write a bigger check out to the IRS this year than you did last year, you have just experienced a tax increase. The expensive alternative minimum tax measure recently introduced by the Democrats and the chairman of the Ways and Means Committee, Chairman RANGEL, threatens to take us down the path of staggering tax hikes that will impact nearly every

taxpayer. In fact, if that proposal were to be enacted, over the next 10 years, more than 120 million Americans would pay more than $312 trillion in additional taxes.

Mr. Speaker, I have consistently supported doing away, outright, with the alternative minimum tax and am a cosponsor of legislation by my good friend, the gentleman from Pennsylvania (Mr. ENGLISH) that will be speaking in a few minutes that will do precisely that. But the Democrats' ''mother of all tax hikes'' is the wrong approach on the American taxpayer. Ten years ago, most Americans had never heard of the AMT. Today, more and more middle-class families are becoming ensnared in this alternative tax regime.

The AMT was created almost 40 years ago, in 1969, to make 155 of our Nation's wealthiest individuals, who were not then paying taxes, pay at least some level of tax. Yet, the income entry level for the tax were never set to be adjusted for inflation. So if Congress doesn't act soon, the number of taxpayers paying the AMT will rise from 4 million, now mind you that is up from 155, from 4 million last year to 23 million this year alone. In other words, an additional 19 million middle-class taxpayers could pay an average of $3,800 more in taxes this year.

House Democrats would have us raise taxes elsewhere to the tune of nearly $312 trillion over the next 10 years to do away with this AMT that was never intended. They claim this massive tax hike is necessary to offset, or make up for, the tax revenue that is lost with the termination of AMT. For a married couple with two children and an income of $45,000 a year, as well as some typical deductions, this could mean a new $1,500 tax bill. How is this possible if the Democrats' bill assumes that the landmark tax relief of 2001 and 2003, which we put through the Ways and Means Committee in this Congress and signed by President Bush, will expire 3 years from today? Including the lower marginal tax rates and the $1,000 child tax credit.

Under this scheme, more than 94 million Americans with income between 20 and $200,000 will see a major tax increase. I am seriously concerned about how these new taxes will affect taxpayers in my own Northern California congressional district. In 2005, just over 2 percent of all taxpayers in my district paid the AMT. If we fail to extend AMT patch, some 54,000 Northern Californians will have to pay the AMT this year alone. Again, this was a tax meant for only 155 of the wealthiest Americans who weren't paying any taxes in 1969.

But what really troubles me is that the majority party's mother of all tax hikes would eliminate the AMT for this 2 percent and merely substitute it with higher taxes for almost every other taxpayer. This kind of pro-tax-increase thinking is simply unacceptable. We should do away with the AMT altogether. But the majority party's ''tax Peter to pay Paul'' approach is wrong and ignores a reality that the AMT was never intended to capture these Americans in the first place.

I would like to thank, again, my friend, KEVIN BRADY, the gentleman from Texas, for hosting this important Special Order this evening and encourage all my colleagues to stand up for the taxpayers in their congressional districts and oppose the majority's proposed massive tax hikes.

Mr. BRADY of Pennsylvania. Well, Mr. HERGER, thank you for that. Let me just bore you on something. What you said was that under the Democrat proposal, all of President Bush's tax relief is set to expire, so an average family in Texas, for example, we had the expert run the numbers up here, our average Texas family would face an annual tax increase of about $2,800 a year, $2,800 a year. And I know that doesn't sound like a lot of money here in Washington, but back home, that is an awful lot of money to a family.

Will families in California and other parts of the country face that same type of tax increase?

Mr. HERGER. To my friend, yes. That is, as a matter of fact, that tax increase could go as high as $3,800, and talking about average families.

□ 2145

Mr. BRADY of Texas. On top of that, besides letting the President's tax cuts expire, there is a new range of taxes, this mother of all tax hikes, MATH, that adds even more tax increases on top of that, is that correct?

Mr. HERGER. That is correct.

Mr. BRADY of Texas. Mr. HERGER, thank you for raising this issue. Thank you for standing on behalf of families and for your leadership on tax relief in this country.

Mr. HERGER. Thank you, Mr. BRADY.

Mr. BRADY of Texas. Our next speaker probably ought to be known as ''Mr. Manufacture,'' because I don't know anyone who works harder on behalf of manufacturing workers in America, especially in the northeast, than the gentleman from Pennsylvania. He is a long-time member of the Ways and Means Committee. He has a tremendous reputation for looking out for the tax burden of families; more importantly, keeping our U.S. companies competitive so we can compete anywhere throughout the world against anyone and help create new jobs here in America.

I would yield to the gentleman from Pennsylvania, Mr. ENGLISH.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I thank the gentleman. I have been listening this evening to the presentations of the last two speakers and I am struck by how, with powerful presentations, I think with a logic which is difficult to challenge, and with oration rhetoric they have laid out the challenge facing American workers with a tax bill, with a tax initiative coming from the majority that is going to raise taxes on working families, driven by a budget by the majority that took revenues from applying the AMT to 23 million taxpayers and now is requiring the majority to look willy-nilly for ways of bridging that tax gap, we now come to the mother of all tax hikes, which has been rolled out in our committee, presented as a tax reform, but ultimately I think is an albatross that would be a dead drag on the American economy.

There are so many problems with the majority's mother of all tax hikes that, frankly, Mr. Speaker, I sincerely doubt that one hour would allow us to do justice to all of them.

So tonight I'd like to focus my remarks on how working families in districts like mine are, as a result of the bill, potentially going to be facing one whopping marriage penalty, see a reduction on the value of deductions for things like mortgage interest and State and local taxes. In addition, if they have got kids, they better be prepared to hang on to their wallet because it's going to take the revenue from dropping the child tax credit to $500 from $1,000, and raising the 10 percent bracket to 15 percent. I'd also like to talk about how this bill will make America less competitive and cost America jobs, particularly in the manufacturing sector.

Now, Mr. Speaker, beginning in 2001, the Republican majority at the time took steps to neutralize the marriage penalty. We were successful in reducing this unfair penalty on marriage and families in the Tax Code. Yet, in the mother of all tax hikes bill, the Democrat majority is proposing to resuscitate the marriage penalty and bring it roaring back to life.

The MATH bill sets income thresholds for a newly designed surtax. But instead of setting the income threshold for married couples at twice the level of income as the threshold for single filers, the majority creates a gargantuan marriage penalty. In fact, the threshold for married couples is only 33 percent higher than the one established for single filers. This creates a 66 percent marriage penalty for taxpayers affected by this new surtax.

This is one way in which the MATH bill moves our Tax Code clearly in the wrong direction. The very same surtax is at the heart of the new marriage tax penalty and is also going to diminish the value of deductions that can be claimed in the filing of taxes. These deductions include the mortgage interest deduction and the deductions for charitable contributions. Under the bill, the deduction for State and local taxes would also be diminished in value.

How exactly are the Democrats going to erode the value of these deductions, and that is another shell game, Mr. Speaker. Because they would implement this surtax based on adjusted gross income instead of taxable income, the surtax is applied before you're able to make any deductions.

While that may sound like something that only green-eye-shade types can decipher, it's going to be hard not to understand the next time you end up tallying your taxes. The end result is simple: less money in the pocket of working families all across America.

So to recap so far, the Democrats have put forward a bill that socks it to married couples in the form of a brand new mammoth marriage penalty and that decreases the value of any deductions that are available to the claimant, including the standard deduction. What else could they possibly dream up to tax the American family? How about the tax on families with kids? That, Mr. Speaker, is the next station this train wreck of a tax bill heads to.

A magnifico in the Democrat Party in the House earlier this year called the alternative minimum tax the parent penalty. I guess that was a poll-tested term. In fact, it was during his national radio address on the AMT when the following was said, and I quote: ''While Republicans were passing multiple tax cuts for the very wealthy over the last 6 years, the Bush administration and the Republican Congress seemed to have forgotten about the middle-class families.'' The new Democratic Congress has made cutting the AMT, the parent penalty, our top priority for tax reform.

Curiously, the Democratic budget and the MATH bill don't fix this so-called parent penalty. Instead, it forces the taxman to drop the hammer on working families by increasing taxes on those the Democrats claim to want to help. To understand how the Democrats are now increasing taxes on middle-class parents, we have to go back to 1997 when the Democrats claimed Republicans were focused on cutting taxes for the wealthy. The Republican majority created the child tax credit in 1997, and then increased the credit from $500 to $1,000. It was limited at the top. It was capped in the families by income that would be eligible for it.

Also, the Republican majority lowered the bottom tax bracket to 10 percent from 15 percent. Those are working families at the bottom end of the economic ladder who benefit from that. Yet the Democrats in their budget want the child tax credit to revert to $500 and those in the lowest tax bracket to pay 15 percent instead of 10 percent.

So using the current level of tax and value of the credit and then comparing it to the tax rates imposed on middle-class families in the MATH bill, just how do parents fare? The answer may surprise you, given all the Democratic rhetoric flying around the Capitol in recent years. Let's look at an example to see what is really going on.

Peter and Kelly of Waterford, Pennsylvania, are a married couple with two children and have an adjusted gross income of $45,000 in 2011. They have four exemptions totaling $14,800, plus $13,000 worth of deductions for their charitable contributions, mortgage interest and State taxes. Under the current tax system, Peter and Kelly would have a negative tax liability of $275 and would get a check from the taxman. Under the MATH bill proposed by the Democrats, however, Peter and Kelly would owe the taxman over $1,500.

How can that possibly be? After all the Democrats said they wanted to help working families like Peter and Kelly. The fact is that the Democrats are playing fast and loose with their rhetoric and are now playing the game of three-card monte with this family. They say they are removing something called a parent penalty, but by assuming the expiration of the 10 percent tax credit and the child credit declining to $500, the tax bill doesn't lie. This is a big tax increase and in some respects a different standard of living for these parents.

That is why it is so important to talk about just how bad this bill is. With all the information in hand, taxpayers won't be fooled by the Democrats' smoke and mirrors. The only ones foolish enough to believe the claims about this bill, I believe, are my colleagues themselves on the other side of the aisle.

If that wasn't enough, Mr. Speaker, the majority proposes to vault U.S. individual tax rates to among the highest in the entire developed world. When the surtax included in the MATH bill is combined with the take-the-money-and-run revenue grab of repealing the 2001 and 2003 tax cuts, the majority would leave the top tax rate at more than 44 percent. Of all the members of the Organization for Economic Cooperation and Development, that is the club of the developed world, only five would have higher top marginal tax rates in 2011. This is a staggering increase on the top rate.

Some will counter that this increase is only fair because it is directed at only the wealthiest individuals in our country. But those critics would be dead wrong. They would fail to recognize that this crushingly high tax rate will affect small business owners and farmers who report business income through the individual tax code and will cripple the engine of opportunity, job growth and innovation that makes our economy strong. This is the most dynamic part of our economy.

In fact, the Heritage Foundation has estimated that this bill, in conjunction with the repeal of the 2001 and 2003 tax policies, would have the effect of eliminating the entire economic output of my hometown of Erie, Pennsylvania, seven times over each year beginning in 2011.

All year, Democrats have been blindly and steadfastly hanging on to the misguided theory that taxpayers are worse off as a result of the 2001 and 2003 tax relief. Their theory is that because those taxpayers got a tax cut, they were more likely to go into AMT status and therefore be subject to a higher tax bill from Washington.

Not everything in their theory is completely inaccurate. Yes, as a result of the 2001 and 2003 tax relief, more taxpayers were subject to the AMT, and the reason is simple: you are subject to the AMT if your liability under it is higher than your liability under the regular tax. The part they have wrong is that those taxpayers are worse off as a result of now being in the AMT. In fact, they are not worse off than they were, because without the 2001 and 2003 tax policies, they would have paid the same or higher taxes than they do now, even in the AMT.

Where this story gets interesting, however, is that the Democrats' own logic is now turned against them and exposes a major flaw in their bill, the mother of all tax hikes. The stakes are high and job creation hangs in the balance. Unfortunately, the mother of all tax hikes will dole out one serious beating, particularly on small manufacturers, on innovators, on entrepreneurs, and ultimately on job creation.

To understand why, let's borrow the Democrats' own theory, namely, that if rates are lowered, more taxpayers will be subject to the AMT. Only this time, under the mother of all tax hikes, the taxpayers are getting thrown into the AMT as employers.

The individual AMT is not the only monster lurking in the Tax Code. Similar to the individual AMT, the corporate AMT is a horribly inefficient and counterproductive parallel tax system, a source of complexity. The Democrats' bill will, by virtue of modestly lowering the corporate income tax rate, have the effect of increasing the number of corporate AMT taxpayers.

What do the Democrats do to head off this problem, which they decried as a fundamental unfairness when the Bush tax cuts did the same things for individuals? Not a thing. Nothing at all. Nada.

Why is this more important, you may ask? Won't they be better off than they would have been absent the tax cut? While it may be true that corporate taxpayers thrust into the corporate AMT as a result of the mother of all tax hikes may not pay more tax overall, the corporate AMT has built in disincentives to capital investment and job growth.

In short, the corporate AMT, especially for capital-intensive industries, such as the ones in my district, manufacturing, forces employers to choose between investing in their tax bill or investing in job creation. I, for one, have long advocated for a Tax Code that embraces incentives to create jobs, as opposed to a policy that is a dead drag on the economy.

In addition, by lowering rates but not dealing with the corporate AMT at the same time, the mother of all tax hikes will further entrench employers already in the AMT. This will make it even harder for those taxpayers to get out of the AMT.

The practical consequence of this is that existing corporate AMT taxpayers, being forced to stay in the AMT longer, or even indefinitely, will not be able to use the AMT credits that they have accumulated.

□ 2200

These credits are given so a corporate AMT taxpayer will be able to offset future tax liability as a way to make sure that the AMT is not a permanent tax increase. But unless the taxpayer can ultimately leave the AMT, the reality is, in effect, it is a permanent tax increase. In other words, by increasing the strength of the AMT's hold on taxpayers, it will likely translate into a permanent tax increase for some employers that find it difficult to get out of the AMT, and many of these are tax sensitive.

This is absolutely the wrong direction for Congress to take. Instead of entrenching the corporate AMT in the Tax Code, we should be repealing it outright. The corporate AMT turns incentives enacted by Congress to spur new investment and create jobs into liabilities. This includes research and development activity and the purchase of new equipment.

Because more firms are subject to the AMT during economic downturns, the AMT increases taxes during recessions and decreases them during relatively prosperous periods. This artificially accentuates natural market cycles and unnecessarily destabilizes the economy.

The end result is job loss and employers being forced into protracted fears of stagnation when it comes to investment in ingenuity. Not only does the mother of all tax hikes fail miserably to deliver on its promise of middle-class tax relief, but it also makes an intense effort to put those middle-class taxpayers out of work.

This is a bad initiative. It is one borne of ideology rather than practical experience. It is a bad tax policy, and we know from past experience that an old saw of Daniel Webster's holds true: The power to tax is the power to destroy.

If we allow these higher taxes to go into place, it will have a negative impact on our economy, on many of our working families, on many families that we have sought to support through judicious use of the Tax Code.

Mr. Speaker, I think it would be a terrible mistake if, without a fight, we allowed this Democrat tax bill to go into law masquerading as tax reform, but basically dramatically increasing the amount of our national wealth that is confiscated.

I am prepared to join this fight. I am delighted to join the gentleman from Texas and others. I believe there will be a clear philosophical difference laid out before this Congress between those who want to reform the Tax Code through simplification, putting in place the right incentives and pro-growth economic policies, and those who want to game the Tax Code and generate more revenue at whatever economic cost and shift more and more of the burden down to the middle class. This is a fight worth having, and I am proud to join the gentleman from Texas to be part of it.

Mr. BRADY of Texas. I appreciate the gentleman from Pennsylvania.

In the name of tax reform, according to the Joint Committee on Taxation's report that came out today, even though this is called tax reform, 113 million families will see their tax burden go up and only a few, 9 million, will see their taxes go down; is that correct?

Mr. ENGLISH of Pennsylvania. That's correct. What we are seeing is a vehicle being called ''tax reform'' being used as a locomotive to drive higher taxes, higher revenues, and higher spending levels. This is an attempt in the name of fiscal responsibility to take more from the American economy, more from American working families, more from the public at the expense of the private economy.

Mr. BRADY of Texas. And as I understand it, although this proposal will soak the wealthy and the small businesses in America, it also soaks the working-class families, many who make less than $75,000 a year, according to the report released today, will see a major increase in their taxes. These are families that make less than $75,000 a year, it will increase taxes on those families?

Mr. ENGLISH of Pennsylvania. That is precisely correct. That is something that I think needs to get out to the American people before we have this debate.

Mr. BRADY of Texas. And I know we are having a debate tomorrow on the alternative minimum tax. I think many of us are concerned that this is an opportunity to increase taxes. The alternative minimum tax was a mistake to begin with. It targeted a few wealthy millionaires. Now it has spread unintentionally to 3 or 4 million Americans. There is an argument in Washington today that says to a person, we intend to tax you in a couple of years, but we are not going to do that and so we will increase taxes on other Americans to cover the tax increase you don't have.

Mr. ENGLISH of Pennsylvania. And what is particularly perverse about it, to respond to the gentleman, is we are talking here about permanent tax increases, to provide temporary protection to other taxpayers. Ultimately they have created a series of PAYGO rules that allow them to go in each year, hold certain taxpayers harmless, but at the expense of permanent increases in revenue into the foreseeable future.

What they are doing is setting up a system that can be gamed that will permit them to go forward and raise taxes each year without calling it a tax increase where they are trying to avoid the label. I think that is particularly perverse because what it assumes, even as Republicans for years when they were in power each year tried to look for ways of cutting taxes, it seems like the Democrats have set up a PAYGO system by which they will be able to go in each year and justify tax increases.

They may call some of it loophole closing, but it is higher taxes, and they are going to be looking for more and more creative ways for generating more revenue for years to come, particularly as the cost of patching under their rules, the cost of patching the AMT each year grows higher.

Mr. BRADY of Texas. I think many of us believe it is right to eliminate the alternative minimum tax. It is a mistake. It is a second tax. It is a wrong tax, and should be stopped today. Many of us believe that should not be an excuse for raising taxes on others. In fact, the best solution is if you look at the next 10 years of spending in America, our government will spend nearly $50 trillion over the next 10 years. And I think many of us believe that rather than finding excuses to add tax burden to American families and small businesses, we ought to sit down together, both parties, and see if we can identify less than a trillion dollars of that.

Mr. ENGLISH of Pennsylvania. I think the time has come to put together budgets where the math is accurate, where the math isn't based on phantom revenues, where the math doesn't assume the phaseout of taxes every year, and where the math is not based on applying new taxes to whole new classes of taxpayers, particularly a tax that was intended for the wealthy but increasingly is being targeted to the middle class. I think we need to take this opportunity to make a departure from past practice.

As the gentleman knows, when we were in the Ways and Means Committee marking up the unfortunate patch bill that is being brought to the floor tomorrow, I put forward an amendment that was defeated by the majority that was consistent with their budget rules, that would have eliminated the AMT by a date certain. This is something absolutely consistent with their budget practices. They claim to want to get rid of the AMT. But when they had a chance to actually get rid of the alternative minimum tax, they voted us down on straight party lines. This would not have done violence to any of their budget calculations. It would not have required them to adjust their current budget. It would have just required them to acknowledge that they have to stop using the AMT in the outyears to plump up their revenues because they are not entitled to that revenue. Congress never intended to apply this tax, the AMT, to middle-class taxpayers. And the fact that the majority party is so addicted to its revenue that they are not willing to just say no I think tells the entire tale.

Mr. BRADY of Texas. I thank the gentleman from Pennsylvania. I think

there is a clear philosophical difference between the two parties. As Republicans, we believe what you earn is your money. I think our new majority here believes what you earn is the government's money.

I think most of us agree before we ask through these tax increases, before we demand that families tighten their belt, maybe us in Washington ought to be tightening our belts first to try to put this government on a diet and try to make better use of the moneys that the people send us.

I appreciate the gentleman from Pennsylvania's leadership on this issue.

Mr. ENGLISH of Pennsylvania. I thank the gentleman.

Mr. BRADY of Texas. I turn now to the gentleman from New Jersey who represents both rural and suburban households, some who do well, but others who are just working-class Americans. He has fought hard against tax increases during his time in Congress, and I welcome the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. I appreciate that and thank the gentleman from Texas for your work on this issue.

I also commend the gentleman from Pennsylvania because I know he has been championing this issue and cause for a number of years. And I believe during his remarks he mentioned the piece of legislation he has had in this House for some time as well.

In his usual, understated way, the gentleman from Pennsylvania ended his remarks by saying this will begin a philosophical discussion, and the gentleman from Texas picked up on that as well. Indeed it is a great philosophical discussion to point out the disparity between the two parties. The Democrat Party, which is now in control of the House and the Senate, we can see from their actions during the past 11 months that they have been in control that families should be compelled to keep their house in order but Congress does not have to be forced to live within its means. They do that every time they come to the floor with another tax increase, which we will see shortly when their AMT bill comes, that Congress does not have to live within their means. The focus should be, instead, on the family budget, as we have always said on this floor in the past.

Before I came to the floor, I want to do a little aside, I was reading this current issue of Human Events, the week of November 5. It is a front-page story by Andrew Boylan: ''Rangel tax reform riddled with tax hikes.'' He has an expression in here, and I think it points out what CHARLIE RANGEL and the Democrat majority are trying to do in the House. It says, ''Chairman Rangel's plan isn't just robbing Peter to pay Paul; it is robbing Peter and Paul while convincing both of them that the other guy is the one paying the higher taxes.'' That really puts it in a nutshell.

What you will hear from the other side of the aisle when they begin to explain this is no, we are just trying to set things straight. We are just trying to rectify a problem from the old AMT. But at the same time they really, in reality, are shifting it. No, they are robbing from all of us, the entire American population, and they will be trying to convince all of us through the spin and the rhetoric that we hear that the other guy is paying it. That is not the case at all.

You know, the word ''AMT,'' for those who don't follow this issue very closely, has a good name, alternative minimum tax. At first blush that sounds like something that you would want to pay instead of what you are currently paying.

''Alternative'' makes it sound like it is voluntary. ''Minimum''; I, too, would like to pay the minimum amount of taxes. But those words are deceiving just as the Democrat plan is deceiving. It is not alternative in the sense that it is voluntary. It is mandatory. You are compelled to pay the higher of the tax. And it is not minimum in any sense of the word. It is a maximum tax. That will be exactly what we get when the Democrats give us CHARLIE RANGEL's bill of an alternative minimum tax fix.

Now the gentleman from Pennsylvania talked about a piece of legislation that he has worked on, which I have cosponsored as well, that tries to address this by simply repealing the entire AMT. It repeals the entire alternative minimum tax so that citizens of this country will not have to pay that higher tax.

□ 2215

I've cosponsored that legislation, and I support it, but let me just digress for 30 seconds here and just say that I also have sponsored a piece of legislation to address the AMT in this session of Congress. It does not go so far as to totally repeal the bill, but what it does is to try to do, let's say, a compromise measure, if you will, if we can't get that far because the other side of the aisle will not go so far as to giving American taxpayers that total relief. And what it does is it meets it halfway.

From my perspective, it gets halfway and says let's put a COLA in that bill, a cost of living adjustment into it, so that the AMT could do what it was actually intended to do several decades ago, target those very, very, very, very few. Back then, there were was only 150 of those taxpayers out of 200 million people, those taxpayers who were not paying any taxes, and put a COLA into it so that it would be just adjusted just as the rest of the tax breaks. So when your income goes up each year due to inflation and what have you, you would not find yourself falling into it.

So if the Democrats can't go so far as some of us, as Congressman ENGLISH and others of us believe that we would like to see here, and that is to totally repeal, take away that burden on all American taxpayers, I would hope that they would see instead some sense to reaching halfway at the very least and saying let's make sure that it does not swallow up so many of the individuals in this country. If we don't do anything shortly, 22 million Americans will see their taxes go up dramatically.

Now, I come to the floor, as the gentleman from Texas says, from the great State of New Jersey, and I speak with some experience as to the fact that sometimes the other side of the aisle, both on a Federal level and on a State level, will try to deceive us on some of these things as to who they're really going after.

Here, if you read and listen to the rhetoric from the Democrats on this issue, they're saying, well, we're just trying to go after the rich people in this country. In New Jersey, a few years ago, there was Governor McGreevey at the time. They said the same thing. They said we're going to go with a millionaire's tax, and of course, the average citizen said, hey, that's fine, they're not coming after me; they're going after the other guy; in effect robbing Peter to pay Paul and convince them it's the other taxpayer that's going to pay the bill.

But you know what happened there. That millionaire's tax in New Jersey started at $1 million, and then suddenly it went down to $900,000, then $800,000, $700,000, and it kept on going down lower and lower and lower until eventually it covered just about everybody. Anybody who had a household where the husband and wife worked, you had a husband maybe a policeman and the wife might be a school teacher or a nurse or something like that, they became covered by that so-called millionaire tax in New Jersey.

It was the so-called tax that started out as a rifle shot at just a select few and instead turned into a shotgun approach and encompassed everyone. Same thing that's happening right here with the AMT so-called relief that we're getting from the Democrats, so-called going after the millionaires; but it's going to cover all of us with higher taxes.

When I say higher taxes, one of the things I say on the floor just about every time I come to the floor, I say this. We are now in November, the eleventh month of the year, which means we're on the eleventh of Democrat control of this House, and we should always ask ourselves, what has 11 months of control by the Democrats wrought for this House and the country.

It has initially brought us the largest tax increase in U.S. history. It has brought us the creation of slush funds in the various appropriation and budget bills that they gave us at the beginning of the year, and it has gotten rid of any hint of transparency in the earmark rules of this House, some things that they campaigned on.

The issue of tax increases continues here tonight, and if I have just another minute, they gave us the largest tax

increase initially when they gave us the budget at the very beginning of the year. Since that time, in just about every piece of major legislation that the Democrats have brought before this House, you have seen a tax increase. In bills that you would never even imagine would have tax increases, they have it. And let me just take a moment just to run through a list, and I don't have a chart to put up behind me so I'll have to give it to you this way.

The CLEAN Energy Act, we're all in favor of clean energy, I suppose, but it includes a $7.7 billion tax increase over 10 years. The Small Business and Work Opportunity Tax Act, $1.38 billion. Katrina Housing Tax Relief, tax relief, it sounds as though they're giving us tax relief. No, it's raising taxes by $241 million. Taxpayer Protection Act, $23 million increase. To amend the Internal Revenue Code, well, we all want to do that, but who knows. When they did it, they raised taxes by $14 million.

U.S. Troop Readiness, Veterans' Care, Katrina Recovery and Iraq Accountability Appropriations Act. Gosh, by the name of that, they're all great things, U.S. troop readiness, Katrina recovery, but you know what, they tucked in a tax increase there. How much? $4.4 billion. Second bill, same name, H.R. 2206, $4.8 billion.

The Andean Trade Preferences Act, $105 million tax increase. Farm Nutrition and Bioenergy Act, $7.4 billion Democrat tax increase. The Children's Health and Medicare Protection Act, get this one, $54.8 billion Democrat tax increase.

Just three more. The Renewable Energy and Energy Conservation Act, what does that have to do with taxes? Well, for the Democrats, it's $15 billion in tax increases.

The Airport and Airway Trust Fund Financing Act, trying to make our airports better. Well, how do they do it? They do it by raising our taxes by $1.8 billion.

And, finally, the Mortgage Forgiveness Debt Relief Act. Who could be against mortgage forgiveness and debt relief? Well, the debt is going to be on our shoulders because they're raising taxes by $2.005 billion.

You add up that whole list, and this is even before we come to the bill that's before us tomorrow, that comes to $106 billion tax increase over 10 years, on top of the largest tax increase as I mentioned in the budget at the beginning of the year.

Let me just conclude. I see our time is coming down. These numbers are for me, and I think most Americans, hard to put your arms around when you are talking about such high tax increases. The bottom line, though, is put them in large absolute numbers when you're talking about $106 billion or the $70 billion in permanent tax increases as the gentleman talked about, or as a Member from the other side of the aisle admitted, 130 percent tax increase, whether it's percentages or absolute numbers, put them down in day-to-day numbers. It's around $2,400 on the largest tax increase to the average American household that you will be seeing.

The question we have to ask is the one I started with and the one that the gentleman from Pennsylvania ended with. It's a philosophical discussion. Are we going to put the focus on the American budget or the family budget? I suggest, and this side of the aisle suggests, the focus should be on the American family's budget to allow the American taxpayer to keep as much of his money as possible and not see another tax increase on that family budget.

Mr. BRADY of Texas. Mr. Speaker, I thank the gentleman from New Jersey for pointing out we do have a choice between higher taxes and tightening our belt here in Washington, D.C.

As a Republican, as a conservative, I'm convinced that the reason Republicans got fired from their job of leading Congress is that we didn't balance the budget. We didn't secure the border. We didn't lead with integrity. And I think it is a fair criticism that we should have done much better in getting a handle of this spending machine that we call Washington, D.C.

However, I hear all the time the reason we have record debt and the record public debt is because of our tax increases or tax relief spending and we did not pay for the war.

The truth of the matter is we are having record revenue here in America. After 9/11, during the recession and after 9/11, we actually saw a decrease in revenue the first time in years, not slowing, a decrease. We put in place tax relief to help spur the economy, create new jobs. Our thought was we want to create jobs around America, leave the money in the pockets of Americans so it can work around Main Street and the shopping centers and go to work, and it has done that. We've had 7 million new jobs created over the last few years, record revenues, double digit revenues coming in to Washington. Our problem is not our revenues. Our problem is spending.

We hear criticism that Democrats do not support tax relief or the new spending and they would have paid for the war. But the truth of the matter is the first President's tax relief was $1.3 trillion that Republicans proposed. Democrat tax relief was $1.2 trillion tax relief that they voted.

The second major tax reform, the Jobs Creation Act 2004 was passed overwhelmingly with nearly 80 Democrat Members joining in that tax relief. The spending on recovering New York from 9/11 was bipartisan, overwhelming. The spending on Katrina and Rita was bipartisan and overwhelming. Medicare, the Democrat Medicare plan was three times as large as the Republican plan.

In fact, all of the spending bills the Republicans proposed that Democrats opposed, they opposed not because they were too small, but they weren't high enough.

And so what we are faced today with is a choice between raising taxes to balance the budget. We're tightening our belts, working together, Republicans and Democrats, and I know up here that seems to be a poisonous thing to do. But the truth of the matter, I think most Members of both parties would like to balance this budget as best we can, as soon as we can. I don't think we ought to increase taxes to do it. There are better ways.

ENERGY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the majority leader.

Mr. INSLEE. Mr. Speaker, I come to the House this evening to discuss our great irony about our position in the world right now, economically and environmentally.

The irony is that we face some real challenges that touch on our energy-based economy, and I think those challenges are obvious to us tonight, a challenge as oil approaches $100 a barrel, $3 a gallon, and there's no relief in sight.

Americans right now are feeling the pinch associated with fossil fuel costs going up. We have a challenge in that we still are addicted to Middle Eastern oil as a principal source of oil, and as long as we are addicted to oil we will have a problem being wrapped around the axle of the Middle East.

And we have the problem of global warming, which is something that is becoming increasingly clear to us, not with scientific research but with our own eyes. In fact, I was pretty stunned to see the photographs of the arctic this summer where 1 million square miles of the arctic disappeared this summer, totally shocking the scientific community. An area the size of six Californias disappeared, melted unexpectedly in the arctic this summer.

And, of course, that's a big concern because the arctic ice cap is sort of like a big sunshade. It reflects energy back into space. Now that it's gone in the summer, or substantial portions of it, the oceans are absorbing six to ten times more energy, having a pernicious feedback loop, making the problem even worse.

In fact, if you look at the projections prepared by the scientific community showing the arctic ice cap in the year 2000, if you project up to the year 2040, the scientific community basically has found the arctic ice cap will be gone in the late summer months, essentially in my children's lifetime certainly.

And the results of these three challenges that we have, increasing fossil fuel prices, our addiction to Middle Eastern oil and global warming, are certainly great challenges and ought to give us pause.

But I'm here to talk about optimism rather than fear because the great

irony is that these three challenges have the capacity to ignite one of the most positive developments in the U.S. economy ever, and that is sparking the potential clean energy revolution that we're not accustomed to enjoying in the United States.

□ 2230

Our situation is a little bit like it was in the 1960s. If you recall, in the early 1960s, when John F. Kennedy came and stood right behind me here on May 25, 1961, and said that we would put a man on the Moon in 10 years and bring him back safely, that was a very bold and audacious thing to say. At the time, rockets were blowing up on the launch pad, and our computers were in rudimentary stages. We were way behind the Russians. We just put Spam in a can up. We hadn't even invented Tang yet.

But we were driven to going to the Moon by a challenge, the challenge with the Russians, and the need for technological imminence that the Americans felt we deserved and had a destiny to fulfill. Indeed, we did fulfill that destiny when we went to the Moon in the original Apollo project.

Now we have these challenges involving oil and global warming that we can use to the same effect as Kennedy used the challenge in the space race, and that effect is to rally the United States of America to a brighter future and a higher destiny to use our technological genius to develop a clean energy future for the United States of America.

I am here tonight to share some of the good news that is extant across the United States in all 50 States where tonight there are men and women of genius and entrepreneurial perseverance and business acumen that are building the technology that allows us to beat global warming, break our addiction to Middle Eastern oil and, third, grow millions of new jobs in the clean energy economy that we intend to build.

I will here tonight, when we conclude, finish by saying we will be able to achieve the same level of technological leap forward as Kennedy achieved in space. We will do for energy what Kennedy did for space.

If I can, let me talk about some of the things I have learned in the last year. I have been proposing a bill called the New Apollo Energy Act for some time and, of course, writing a book called ''Apollo's Fire,'' I met a lot of people around the country who are now engaged in this great challenge. I would like to share with my colleagues and the public tonight what I found.

First I want to address the issue of our cars. We got great cars. My favorite is a 1956 Chevy, always was, always will be, but we know that we have a great problem that 40 percent of the carbon dioxide emitted as global warming gases come from our cars and trucks. We know that we are paying $3 a gallon and it's going to go up. We know that we are taking our money and putting it in the pump machine, and it's going right to the Middle East to finance people who are attacking us.

We need to reinvent the car. We need to take a bold leap forward in technology to find a new way to propel the car in a more efficient way. I am here tonight to say that we have the ability to do that in the immediate future.

I want to share with you a picture of a car called the General Motors Volt. This is a prototype of a car that General Motors hopes to have in mass production 5 or 6 years from now. It is a plug-in hybrid vehicle. A plug-in hybrid vehicle, this car is quite stylish, and this physically exists. I actually brought this car to show to my colleagues several months ago. Thanks to General Motors, it exists physically.

The way this car works is that it has a tremendous combination of advance battery technology and hybrid drive train technology that allows it to be plugged in at night. When you have this car, you will be able to take it home, put it in the garage, plug it in. The next morning you unplug it. You can drive it for up to 40 miles on total electrical propulsion, no CO_2, no gasoline for the first 40 miles.

The beauty of that, and the importance of that, is that when you operate on electricity from the electrical grid, it may cost as little as 1 to 3 cents a mile for fuel. It costs 9 cents-plus a mile or more for gasoline now, and it's absolutely clean while you are driving the car. Now, obviously there is some CO_2 involved in the production of the electricity, but I will get to that in a moment, so it's basically very inexpensive.

Because over 60 percent of all the daily driving is under 40 miles, over half of the daily trips that Americans take will be pure electrical propulsion. Then if you want to drive more than 40 miles before you get home to recharge, you have a hybrid engine similar to the hybrid engines now used in both domestic and foreign manufacturers, to basically use a combination of fuel, and right now it's gasoline, someday it will be cellulosic ethanol, and electricity residual in the batteries to drive until you fill up your tank again or you get back to get recharged.

When these cars are produced, we will get over 100 miles a gallon of gasoline. This won't be some small marginal increments, and you know right now we are debating whether to improve our corporate average fuel efficiency standards up to 35 miles a gallon in 10 or 15 years. These are going to blow right by that. It's going to blow right through the things we are debating right now and leapfrog that technology that is actually available today.

Cars like this are on the road today being driven. I have driven one. They use a lithium ion battery manufactured by the A123 Systems in Massachusetts. People have taken the Toyota Prius. I drive a Toyota Prius. It is a great car. I am 6′2″, 200 pounds; comfortable, safe, quiet, works like a dream for us. Folks have taken these Priuses and converted them into a plug-in hybrid car today. They are driving around the streets of America.

I drove the first one that was commercially sold. We are going to have them in mass production in several years, and that's why it's important for this Chamber to send a signal to the auto industry that we are going to have a legal requirement that will improve the economy, and it will be simple to do and economical as well. Economical, because when these are in mass production, they may cost a couple of thousand dollars more than if you didn't have this technology, but you are going to save three or four times that amount in fuel costs later on.

A double bonus of these cars is that as you drive them, as the grid electricity gets cleaner, because as we move to solar thermal energy and wind power energy and other sources, perhaps clean coal energy, we will have less CO_2 emissions so the car will actually get cleaner. I mean, except wine, this will be the only thing that gets better with age and put out less CO_2 over time.

A triple bonus, according to people who have studied this, these cars have the potential to help the electrical grid where utilities can essentially use the batteries in the car in the garage at night to store energy. Your utility can be generating wind power at night or wave power at night or any kind of power at night, feed that energy into your battery and rent your battery in your garage.

Economists who studied this think the day may come when you are paid $2,000 or $3,000 a year essentially for the temporary rental of your battery once your battery becomes part of the electrical grid. There are companies today in my town of Seattle, Washington, who are developing the software to do that.

The point I think is important to make is that as we talk about setting caps on carbon dioxide, as we talk about increasing mileage requirements for our cars, we ought to have optimism and we ought to have confidence and we ought to recognize what Kennedy did about the can-do spirit of America, that that spirit is going to build us cars that can radically improve our mileage and radically reduce CO_2 and then become a source of exports so we can start exporting these cars around the world.

Why can't we sell these cars to China? We can, if, in fact, we will start sending the signals from this Chamber to the industry that this is going to be very achievable. It makes sense once we limit carbon dioxide.

Now, this isn't the only solution to our car woes. General Motors, Ford, Honda, various other companies are also looking at electrifying the car and using a fuel cell hydrogen source to essentially generate the electricity to run electrical motors. That may be as good or better as lithium ion batteries.

It is probably a little further away from commercialization due to the storage issues of hydrogen and the distribution needs for the distribution system of hydrogen, but it is another alternative that at least one company intends to have commercially available in the next several years.

So we now are ready to have leapfrog technology. It's because of the genius of Americans, and it's getting ready to go, and we should not be fearful in this Chamber. We should be confident of our ability to reinvent the car, thanks in part to guys like Felix Kramer, who essentially built one of these in his garage in California and dared Detroit and the rest of the auto industry internationally to build one, and that's going to happen now.

So we know we can reinvent the car. But where do we get the energy for the electrical grid to energize these electrical cars? Well, the good news is that the genius of people building cars is matched by the genius of people figuring out how to generate electricity. I have been stunned in the last year, as I have studied this, and as I have gone around talking to people across America, I have been stunned with the rapidity of the developments that are taking place in the clean electricity field. You literally cannot turn over a rock in this country and not find someone developing a technology that is helping to find a way to generate electricity cleanly.

I want to relate a little story of a company I heard about months ago. It's a company called Ausra Energy, Ausra. Ausra is owned largely by a fellow named Vinod Khosla, who is a fellow who was very instrumental in the development of software, founded Sun Microsystems, was very successful, and now has taken his talents to the field of clean energy.

Mr. Khosla has now looked at all of the potential places where we can develop clean energy, recognizing that the world is going to demand these new technologies. He is a person, as many of the other people will talk about tonight, who did very well in software and Internet, and now see the same potential in the clean energy world as existed in software and Internet. They recognized a market opportunity, and they recognized that there are technological solutions that can fulfill these market opportunities.

A fellow named John O'Donnell sent me an e-mail, who is one of the leaders of the Ausra Company, and it was a really happy e-mail to get. I will tell you why. I was on this floor the first week in August when we were debating what's called a renewable portfolio standard, and in the energy bill that we eventually passed in the House in August, which is a great bill by the way, a good start on this proposal, we were working to get a provision that would call for 15 percent of our electricity to be generated by clean renewable sources by the year 2020.

Of course, we talked to each other on the floor, and I was talking to some of my colleagues from the State of Florida. They were explaining to me, and I was saying, well, you know, there are a lot of different sources of clean energy, biofuels, wave power, clean coal technology. Efficiency in conservation is a form of what we call the first fuel and solar power. When I said that, one of my colleagues from Florida said we can't do solar power in Florida.

I thought that was a little curious because I thought the license plate said Florida, the Sunshine State, but he explained that because they have some clouds in Florida, it's not as productive a solar field as perhaps the deserts of Arizona. In fact, that is true. Arizona might be 10 or 15 percent better than Florida.

But, a few weeks later, I was talking to Mr. Khosla, who told me that his technology has a perfect fit for Florida, it's called Ausra. This is a picture of the Ausra thermal solar generator. The way the Ausra system works is that it is an array of mirrors. These blue long lines are essentially flat-panel mirrors, long arrays. They are quite long. As you can see these mirrors concentrate the sun's energy on a little pipe. You can see this pipe running about here above the long mirrors, and these are all focusing the reflected rays of the sun on that pipe. It heats water and eventually creates steam, and the steam turns a turbine, just like a coal-fired plant would, and generates electricity.

Now, this Ausra technology could be and is, as far as we can tell right now, probably the least expensive of the solar thermal technologies that are being considered. The reason Mr. Khosla explained it to me is because they discovered a way to make these mirrors flat rather than concave, and they can make them a lot cheaper. The other provisions have a concave surface to them. They are much more expensive to manufacture.

□ 2245

Well, as a result of these and other improvements they made, Mr. Khosla's company just signed for ten, I believe, hundreds of megawatts with the Florida public, with a Florida public power utility for the production of zero CO_2 emitting solar thermal energy. So here we have a situation in a State that at least some folks didn't think we could produce solar energy, and within weeks we have a contract with a major league, a Florida utility to produce electricity for thousands of people in Florida. And this stuff's powerful. In every 2 acres of these mirrors, you can do somewhere between, you can provide enough electricity for somewhere between 750 and 1,000 homes. This is not just, you know, powering just your fan. It's real electricity.

And now I got an e-mail from Mr. O'Donnell 3 days ago that, in fact, a contract has also been signed, a major public utility in California. And the sky's the limit. Now, this power's a little more expensive than coal-based power now, but the folks who run this company believe that can be competitive in just a matter of a few years once the cost of investment capital comes down and their scales of economy, and the fact that the prices of fossil fuels have not exactly been coming down, witness the price of gasoline.

So in a very few years, this technology has the capability to be as inexpensive or less expensive than traditional fossil fuel-based systems with zero CO_2 emissions without sending our money to Saudi Arabia and without digging up anything in the ground. That's a pretty good deal.

Now, there are other companies besides OSRA that have similar technology, and there are contracts being let around the country for them as well. So we have the potential, not the potential, but the existence of real energy. This is not a pipe dream. This exists in reality. And we have the right to be excited about it.

Now, there are many other ways to produce potentially clean energy. One of those potentially is clean coal technology, and research is going on, as we speak, in the potential of being able to take coal, gasify it, draw off the carbon dioxide, take the carbon dioxide and inject it underground into permanent geological sequestration, and then burn coal without any CO_2 emissions of any significant amount. And that research is expensive, and it is not a guarantee that this tip of technology will be commercially viable. But it is a distinct possibility.

In fact, an MIT researcher that reviewed this believed it was probable that this type of sequestration technology, putting CO_2 underground in either large saline aquifers underground or in two or three other types of geological formations, that we would be able to do this in many, many places in the United States in commercially viable costs.

Now, that technology's being developed too. There's a company called Ramgen Corporation in Seattle, Washington, that has developed a compression technology that costs 30 percent less money that could make this commercially viable to allow true clean coal to occur. And it strikes me that research to make that determination whether this can be done is appropriate investment.

Now, this is to be distinguished from something you might hear called coal-to-liquid, which is a very different thing. Coal-to-liquid is turning the coal into a liquid and then burning the liquid. When you just burn the liquid, for instance, in an airplane motor or a car motor, you end up putting CO_2 right back into the air. So coal-to-liquid is not an improvement from a global warming perspective.

What we call clean coal, where the CO_2, from its production is actually sequestered underground, is a marked improvement in global warming, and that's another technology that we are

looking at. But there are a host of others, and some of them are off our coastline. And I learned about these technologies in the last year in the course of my research and in the preparation of the new Apollo Energy Act that I've cosponsored.

Off of our coastline in our estuaries, we have enormous amounts of energy in the waves and in the tides. And I have a picture here of some of the technologies that are now under development to harness that energy. And to have a, just to get a sense of the energy that is in our waves, if you've ever been thrashed in the surf like I have, you get some sense of how much energy is in a wave. But it's truly awesome.

In a 10-by-10-mile stretch of the coast of the Pacific, just in a 10-by-10-mile square, there is enough energy in the waves that could power all the electrical needs for the State of California. That's big-time energy. And the Department of Energy has concluded that if we can commercialize wave power technology, it could produce even in excess of 10 percent of all the electrical needs of the United States. So there's an awesome amount of energy off the waves.

In fact, the Pacific Coast of the United States happens to be the, happily, the single most beneficial prospective place for wave power in the world. This has actually been mapped. There are maps of the wave power all around the world, and the best in place in the world is off the Pacific Coast.

So now we have brilliant Americans developing technology to harness that. We have a picture of some of them here. A buoy developed by Ocean Power Technology. As this buoy bobs up and down, it compresses air that then compresses, essentially, hydraulic fluid and drives an electrical generator.

There are others from a company called Finavera that uses a system as the buoy bobs up and down, it pressurizes a column of water that then turns a generator. There are others that look like these large snakes. As they undulate and move up and down, they, through mechanical transference of energy, basically run a generator that then through a wire sends the electricity back to the coast.

Now, the first of these in the Continental United States has now gone in the water off the coast of Oregon. We have them off the, actually powering Navy bases in Hawaii right now that have been in the water now for over a year. We're learning a lot from them. We're learning that there's a lot of energy there. And, in fact, as you might imagine, we've learned that you've got to make them incredibly strong to withstand the forces of the sea.

Now, people, we cannot guarantee that this technology is going to be commercially viable. It is an infant industry. But we know, with the energy available in the waves, and we know the advances we can make, I think it is a reasonable opportunity that justifies investment in this technology, and, in fact, the private sector is making a very large investment in this technology.

Now, there's another type of power called tidal power which involves currents, harnessing the currents that are driven by the tides, by the Moon, of course. You know, this is kind of lunar energy. The Moons run the tides. And we now have technology using turbines that look like underwater wind turbines. There's a picture of one here manufactured by a company called Verdant that is now in the East River in New York.

These essentially work like wind turbines that you've seen. As the tide moves in and out, and of course it's very predictable and happens every day, it spins this turbine very slowly, so it has a minimal impact on marine life and generates the electricity. And these are actually in the water.

Now it's interesting, we found out there's so much energy in these currents these have had to be rebuilt, which is a good sign, essentially, because we found out there's more energy than we knew. So we have substantial energy off of our coastlines that we have potential for capturing.

Now, a lot of people thought ocean energy is where wind energy was about 20 years ago. About 20 years ago, people started to put up these wind mills and generate electricity from them. And when they started, a lot of people thought they were kind of wacky. It was very expensive at the time. It was a new idea and the oil and gas folks kind of laughed at them. That was 20 years ago.

During this succeeding 20 years, we've had continuing improvements of the technology, and now we have wind turbines over 300-foot in height powering over 1,000 homes apiece, producing electricity that is as cheap as any electricity in the Nation.

Today, in the State of Washington, where I hail from, in southeast Washington, we have the largest wind farm in the Western Hemisphere producing electricity as cheap as coal-fired electricity. And now it is the largest most rapidly growing form of energy in the United States, and it has still huge potential to grow because we have enormous resources of wind. In fact, it's growing so fast that the wind turbine manufacturers cannot keep up.

And I'd like to tell the story of an American company called Clipper Wind. Clipper Wind tonight has several hundred Iowans working in Cedar Rapids building clipper wind turbines; good, well-paid American jobs now spinning, and these are also being exported around the world, producing exactly zero CO_2 emitting wind energy. And these are American jobs.

And that's what this is about. Whether it's plug-in hybrid cars or solar thermal technology, or wind turbine technology, these are American jobs that we're building. But we're only going to build them if Congress starts to adopt the policies that drive investment into these technologies, rather than just the fossil fuel industry. And that's why we need to take some of these subsidies we've given to the oil and gas industry and we did it in the House bill we passed some time ago, $16 billion, reel it back in and put it into a fund to help some of these nascent industries grow.

And we need a renewable portfolio standard to send a message to the investment community that they can invest in these technologies, because we know there's going to be a demand for them. And we need a cap and trade system so that we don't allow polluting industries to put their carbon dioxide and their pollution in unlimited amounts into the atmosphere. And when those things happen, there will be a gold rush, a flood tide of investment capital into the companies that are developing these technologies. That's what they need. They've got the brilliance. As soon as they have the investment capital, they're going to take off. And as soon as the demand is obvious, investment capital will flow.

I talked to a fellow named John Plaza. He was here three days. John has a really interesting story. He was an airline pilot, and he said he sort of got bored going back and forth. I know what it feels like because I fly back and forth every Monday and Friday. And he decided he wanted to try something new. So he went out and decided he was going to start brewing up biodiesel fuel, literally in his garage, and started to figure out a way to make biodiesel. And he actually came to believe it was commercially viable. So he went and found an investor, a fellow named Martin Tobias, who was successful at Microsoft; raised some capital, built a little plant on the shores of the Duwamish River in Washington. Really wasn't much to look at. Just your typical little tilt-up warehouse.

John was pretty creative. He went to the Rainier Brewing Company, the iconic Big R in Seattle, and he bought two big huge brewing vats from the Rainier Brewing Company, and he moved them down to this little warehouse and he designed a way himself on how to filter some of the material out of biodiesel when you refine it. And he started refining biodiesel, and he started selling it.

Well, that was last year. This year he is leading and has constructed the largest biodiesel plant in the world that puts out 100 million gallons of biodiesel at Grays Harbor, Washington, a town that's experienced some economic hardship because of the decline of the timber industry. And John, in his genius and his business acumen, has built a business hiring people in Washington State, now going to be shipping biodiesel all around. They just signed a deal with a distributor to start distributing it. And the very first committed biodiesel pump from this group called Propel was installed in Ballard, Washington, just a couple of weeks ago.

So here's good old American know-how, can-do spirit, developing a whole

new industry. And the biofuel industry has a very bright future.

□ 2300

I would like to talk just for a moment about biofuels. We know we have corn ethanol today in abundance, and 23 percent of all the corn grown in the United States now goes to ethanol. And it's been productive. The price of gasoline actually would have been worse if we hadn't had that ethanol available. It's bad enough as it is.

But the good news I want to share with you is that we have tremendous cause for optimism that we are going to grow second, third, and fourth generations of ethanol. They're going to be much more productive than corn ethanol that we are using now because the corn ethanol we use now only uses the kernel, a very small part of the total plant. Scientists have now developed ways to use the entire plant, all of the carbohydrates in the plant, what they call the corn stover, switchgrass, and some advanced feedstocks that have the capability to be four or five times as productive per acre as corn.

And I was at a company called Mendel Biotechnology in Hayward, California, a few weeks ago that have developed a grass called Miscanthus. Miscanthus grows about 10 or 12 feet high, a real thick-looking plant. When you harvest it, you take the whole plant. They take it, they chop it up, they expose it to heat and enzymes that breaks down the cell wall and freezes the carbohydrates that then could be distilled into an alcohol. Ethanol is an alcohol. And that feedstock has the potential to produce four or five times as much per acre as existing corn ethanol with less fertilizer and less water needed.

We're also making tremendous strides in enzymes. And there are ways to do this even without enzymes. The very first cellulosic ethanol plant in America had the ground broken 2 days ago, I believe, the Ramgen Company, another company owned by Vinod Khosla that I talked about, and we have five others that are going to begin construction shortly. So conservative estimates are that within the next 20 years, we will be able to have 25 to 30 percent of all of our transportation fuels fueled by biofuels. And the best is yet to come.

Last night I learned about a company called Solazyme. Solazyme is developing a way to make biodiesel from algae that is 50 times as productive as corn per square meter or acre in its productive capability. Now, it's not commercialized yet. It's quite aways from commercialization. A lot of work has to be done. But when that is done, Katie, bar the door when it comes to biofuels. And when we do that, we are going to have plug-in hybrid cars that we can plug in, run for 40 miles, then burn cellulosic ethanol or potentially biodiesel, and have an infinite number of miles per gallon of gasoline because we won't be using it. We will have a decarbonized car. The car may become total electric, but even if it doesn't become total electric, it can become decarbonized by a combination of plug-in hybrid technology and biofuels. And of course biofuels are zero CO_2 emitting net because you don't put any more carbon into the atmosphere than the plant takes out of the atmosphere. It's just a little circle. The plant sucks the CO_2 out of the atmosphere, photosynthesis kicks in. You make carbohydrates, build the plant, chop the plant up. You make it into biodiesel or cellulosic ethanol. You burn it, and then CO_2 goes back up and the cycle is repeated. There is no net CO_2, unlike coal and oil. We are taking stuff out of the ground that has been there for a million years, and that has enormous net increases to the atmosphere.

So here we have existing technology that is on the cusp of commercialization and American know-how is going to do it. And that is why we in this Chamber and my colleagues who might be listening tonight, should that be the case anywhere in this fair country, we ought to have confidence that we can move forward with the host of these clean energy policies that we are now considering and realize that the American economy is going to grow as a result of these policies, not shrink, because the world is going to need this clean energy. And it ought to be America that is selling it to China and the rest of the world, and we have every possibility of doing that.

Now, there is another place where the clean energy revolution is going to be really important, and that is in our homes, in a lot of different ways. And some people think that to make our homes electrical-generating units or to make them zero CO_2 emitters is sort of a Buck Rogers fantasy, and I have learned that that is anything but true. In fact, on the mall 2 weeks ago, we had a solar decathlon where 13 colleges sent kids, and anybody under 40 is a kid to me now, but these college students that came in and built these zero CO_2 emitting solar-powered homes. And they were just delightful to look at and fascinating to behold what these young students had created.

Now, they did look a little different than my home and maybe yours look like because they had the absolute avant guard technology in them.

But I want to show you another home in one of the rainiest parts of Washington, up north in Redmond, Washington. This is the home of Mike and Meg Towne. Mike is a teacher at Redmond High School. And several years ago Mike was talking to his students about the importance of dealing with global warming and all the whizbang technologies that he thought was going to come on to help solve this problem. And one of his students said, Mr. Towne, if this is so cool, why aren't you using it? And he said to himself, well, maybe I will. So he and his wife, Meg, decided to go out and build essentially a zero net CO_2 home that's solar powered, and they did it. And they did it for very little more than it costs to build a typical home. And here's their home in Redmond, Washington.

I want to note this is a very unusual day because it was not raining when this picture was taken, and it tends to rain a little bit where I live, and it rains even more where Mike lives. This is up towards the foothills of the Cascade Mountains, and it's just a very damp, gray environment. But even in that environment, they put up these solar cells, and you will see that they are incorporated into the roofing material. You can just put them on. Mike put them on himself. They used a little extra insulation, decent windows, designed it in a way to minimize heat loss. And right now they have zero electrical net usage because they feed back into the grid frequently of electricity they are not using, and they netted out to zero. And Americans are going to have that right if a bill that I have been working on for 4 years called the Net Metering bill passes, so that when you generate electricity and you feed it back into the grid, you get paid for it.

The point of this is that this exists today in rainy climates. It's possible almost anywhere in the country. And we are going to do it. And we have a bill in the House that we have now passed this August that will establish building codes that will decrease energy use by 50 percent in our homes and our businesses in the next 10 years of new construction. That is possible to do. We are doing it. Mike and Meg Towne did it. And we are well on our way as part of an important part of the clean energy revolution.

And, by the way, this is going to create jobs, because when we retrofit our homes, when we put in new insulation, when we put in weather stripping, when we put in more efficient heating systems, all of those things generate jobs. And a conservative estimate of the new Apollo Energy Act that I have sponsored is that it will create 3 million new jobs in the next several years.

So what we have seen tonight is a host of new economic opportunities for America. And what I started out with, I was talking about that this is an irony. The irony is that these great challenges of global warming and addiction to Middle Eastern oil and the huge increase in the cost of oil and gas are actually disguised opportunities. And if this Chamber will act, and we would like to do it in a bipartisan basis, to adopt this signal to the market, these technologies are going to blossom.

And I would like to talk about one policy that is of overriding interest, and that is the cap-and-trade system that we need in this country to drive investment in these technologies. Right now we have a broken market. We have a great market failure. And that market failure is that we are allowing polluting industries to use our atmosphere, a scarce resource, and put

unlimited amounts of their pollutants into the air for no cost whatsoever. And that is not only morally wrong; it's economically wrong, because when you have an asset, if somebody uses it up, they ought to pay for that; right? And there ought to be some limit on it. But right now when a utility burns coal and they dump the CO_2 in our atmosphere, an atmosphere we have in common, it's like a city park. And we would not allow a utility to back their dump truck into the city park and dump their trash in the city park. We would not allow some refinery putting CO_2 into the atmosphere to drive up to the city park and dump their sludge in the city park. But that's what we are doing right now by allowing unlimited amounts of carbon dioxide into the atmosphere. And that has to stop. We have to develop a limit on the amount of carbon dioxide that goes into the atmosphere. And a cap-and-trade system does that. When we develop a cap, we will put and guarantee Americans that only a certain amount of carbon dioxide can go into the atmosphere every year. It's common sense. We can't continue to put this into the atmosphere without very devastating ramifications. And we need to charge for that as well.

Europe made a big mistake. When they did this, they just handed these permits out, and the utilities took them and then took a huge windfall profit by charging rate payers for an asset that was just given to them. We can't do that. We need to have an auction of those permits to create a price for carbon and to use the market to determine who really needs them and what they will pay for that scarce resource.

And this is a resource owned by the taxpayers. The taxpayers own the atmosphere, not the corporations. The citizens of America own the air we breathe, not the utilities. The Congress has a responsibility to our citizens to take care of that asset, and we are not doing it yet. And when somebody uses that asset, they need to pay for using that asset.

So what we would propose to do is have an auction and let the market determine what the cost of those permits are for polluting industries. And the sooner we do that, the better; the more powerful impact we will have in driving investment to these new technologies, and the sooner that taxpayers will get a break getting paid by something that they own mutually. And that money can then be used for further research and development into these technologies. It can be used to help lower-income folks with their heating and cooling expenses. And it can be used as part of the clean energy revolution. And we need to increase that R and D. We are spending 25 times more in Iraq today than we are spending on trying to solve this energy problem. We spent seven times more on the original Apollo Project than we are spending today on this energy problem. We have got to ramp up our Federal R and D as the private sector does as well.

So in closing, Mr. Speaker, I would like to say that if people come to know the people I have known during the last year; the folks who are developing solar thermal; the folks who are developing clean coal; the folks who are developing advanced forms of cellulosic ethanol and advanced forms of biodiesel; the folks who are developing wind and tidal power; the people who are developing what's called the SIPs industry, the structural integrated panels, where they have built these panels now that you can build a house with them and you can reduce your usage by 40 percent at no additional cost; the people who are developing the plug-in hybrid car, these are the Americans that we need to listen to and have confidence in that they are going to solve this problem. And that is why in the next few weeks in this Chamber I hope we will pass an energy bill that is as bold and as visionary and as optimistic as Kennedy's original Apollo Project. And America deserves nothing less than that because we are just as capable, we are just as smart, and we are just as technologically ambitious as we were in the 1960s. And if we do that, America will produce. It is our destiny. The New Apollo Energy Act will solve these problems and grow our economy at the same time.

□ 2315

FOOD SAFETY AND PRODUCT RECALL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Texas (Mr. BURGESS) is recognized for the remainder of the time until midnight.

Mr. BURGESS. This evening I come to the floor to talk about a growing and disturbing trend of food and consumer product safety recalls, and this danger is very real. The danger has been widely documented and discussed in the media. It's been widely documented and discussed in committee hearings, in our committee, the Committee on Energy and Commerce, discussed around the water cooler at work, kitchen tables around the country, and almost nightly on the ''Lou Dobbs Show.''

And what does this mean, recall after recall after recall all summer long? What does this mean for average Americans? It means that parents are afraid that their children are playing with lead-contaminated train sets. It means that parents are afraid that magnets or toys and charms may cause internal damage if their child accidentally swallows them. It means that families are afraid that the food they feed their pets may actually have plastic in it. It means that people are afraid that their toothpaste may contain antifreeze. It means that people are afraid that the fish they serve to their families may contain dangerous levels of antibiotics.

It is seemingly without end, and people are afraid about the source of their products and the dangers, and rightfully so.

People are afraid. They're afraid of the defective products being imported into our country. And, Mr. Speaker, it seems like almost all of the trouble focuses around a single country, the People's Republic of China.

Consumer health and well-being are endangered on two fronts: the food we eat, the goods we use.

I want to use some of my time to discuss both fronts and what we in Congress are doing and should be doing to protect American families from harmful products.

First, considering the issue of consumer product safety recalls, it seems like the Nation has turned its attention on to this issue. Every time you turn on the TV, you open a newspaper, you learn about yet another consumer product safety recall.

People are generally concerned about the issue of recalls; and many people, myself included, are concerned about the source of the recalls since it appears that the majority of the recalls are coming from the People's Republic of China.

Just last night, nine new recalls alone were announced, including recalled products that had lead-contaminated paint on their toys. As a parent, as a physician, one recall was extremely disturbing. According to the U.S. Consumer Product Safety Commission, an e-mail notification that I received last night read: ''Spin Master Recalls Aqua Dots—Children Became Unconscious After Swallowing the Beads.'' It's a pretty innocent looking toy, and if my kids were little, I'm sure they would have loved this toy. It looks innocent. But this product is truly a wolf in sheep's clothing. And the recall notification, I encourage everyone to sign up for the notification at www.cpsc.gov, the Web site listed the injuries caused by these beads. And I quote: ''The Consumer Product Safety Commission has received two reports over the last several days of children swallowing Aqua Dots. A 20-month-old child swallowed several dozen beads, he became dizzy, vomited several times before slipping into a comatose state for a period of time, was hospitalized, and has since recovered. A second child also vomited and slipped into a comatose state and was hospitalized for 5 days.''

This morning it was reported in the Dallas Morning News, my local newspaper, and other news outlets, that Aqua Dots were linked to rohypnol. Now, you may have heard of rohypnol in the past. Rohypnol gained some notoriety as the ''date rape'' drug. And according to ABC news, scientists say a chemical coating on the beads, when ingested, metabolizes rohypnol, the so-called date rape drug, gamma hydroxy butyrate, GHB. When eaten, the compound made from common and easily

available ingredients can induce unconsciousness, seizures, drowsiness, coma and death.

While it is not yet clear how this chemical wound up in a child's product, it is clear where it was made: in the People's Republic of China. In fact, eight out of the nine recalled products announced just last night were from China. The other recalled product was from Mexico.

Mr. Speaker, Christmas is coming. Christmas lights, Christmas sounds, Christmas music, Christmas shopping. I cannot help but think there would be a huge market for a ''Made in America'' label on the toys and goods parents and consumers are out looking for this Christmas season. I encourage retailers to stock as many ''Made in America'' products as they can. You might even make it in Texas and put a little Texas flag on there. I bet that would be a big seller.

The majority of the products that are being recalled this year were made in China. And, Mr. Speaker, quite honestly, I've made a decision. I'm treating that ''Made in China'' label as a warning label, and I've made a personal decision to try not to buy anything made in China, although it's extremely hard given the penetration that Chinese goods have in our consumer markets. Given all the circumstances, it seems like the right thing to do, the safe thing to do for my family. I feel certain that other American families have made similar decisions. In fact, Mr. Speaker, I bet the Lou Dobbs family is one of those families.

Now, this concern about imported products is real and has been substantiated with real data. The United States Consumer Product Safety Commission, which is tasked with the job of trying to safeguard our society from unreasonable risk of injury and death associated with consumer products, informed me that in fiscal year 2007, a record-breaking 472 consumer products were recalled for safety reasons. Of the 472 recalls, 60 percent were manufactured in the People's Republic of China. Mr. Speaker, 60 percent of all recalled products this past year were imported from China.

Furthermore, of the 472 total consumer product recalls, 61 of those recalls affected our children, our most innocent and vulnerable members of society. Sixty-one consumer products were toys. And how many of those products were manufactured in the Republic of China, you might ask? Well, I'm glad you asked, Mr. Speaker, because that figure is even more staggering. The United States Consumer Product Safety Commission estimated that over 90 percent of the toy recalls were made in China. So I guess we really shouldn't have been too surprised last night when eight out of the nine listed recalls were manufactured in China. This is now clearly becoming a common business practice, part of the business model for Chinese toys.

Now, Mr. Speaker, I'm just a simple country doctor, and I don't pretend to understand everything that goes on up here in Washington; but I am asking what we in Washington can do to help Americans protect themselves and their families. Let's look at just a few of the product recalls from the month of October.

For the safety of our families, we've got to get to the bottom of the cause behind all of these recalls. I am on the Commerce Trade and Consumer Protection Subcommittee, which has jurisdiction over this issue; and our committee is investigating and working on the problem. And over the next several weeks, we're going to be working on additional legislation on the issue. We have passed several bills recently dealing with specific issues of consumer product safety. We passed a bill dealing with the safety of swimming pools, and a bill that I was actually able to amend to include ornamental pools, since an ornamental pool had claimed four lives in one of my home cities in Fort Worth, Texas.

The House Energy and Commerce Committee introduced bipartisan legislation last week that will strengthen the consumer product safety system in this country, H.R. 4040. For those keeping score at home, H.R. 4040, the Consumer Product Safety Modernization Act, along with 50 Members, original cosponsors of this legislation. The legislation was introduced in the Commerce Trade and Consumer Protection Subcommittee, and we had a hearing on the bill. And we have been promised that it will go through regular order, and all Members will have an opportunity to actually comment and amend the bill as it goes through subcommittee process and the full committee process. This is the way, Mr. Speaker, it should always be, the way that we formulate and work on legislation. I certainly thank the leadership of the House Energy and Commerce Committee for being committed to the legislative process. How refreshing after the donnybrook we saw with the State Children's Health Insurance Program this summer.

The House version is a bipartisan effort, and I commend Chairman DINGELL and I commend Ranking Member BARTON for their leadership in getting this bill through the committee. I would also like to commend the U.S. Consumer Product Safety Commission Commissioner, Chairwoman Nancy Nord, for her honest assistance for the bill. We asked for technical assistance and constructive criticism, and it was provided to us. The other Chamber asked for the same assistance with their bill, and she provided the same honesty. And for going to the trouble of providing that same honesty, she was, I think, unjustly criticized. The difference was that some of the Members of that Chamber and of our own Chamber didn't like her answers, so they called for her resignation.

Unlike those Members, I appreciate and I welcome the candor of the chairwoman. Because Chairwoman Nord wasn't afraid to speak the truth about her own agency's needs, the House has been able to do what the Senate was not, craft legislation that will give the commissioner real tools needed to keep Americans safe from unreasonable dangers and consumer products.

Now, a week ago, the Speaker of the House held a press conference and called for the resignation of Chairwoman Nord simply for speaking her mind, exercising her free speech rights. In my opinion, this criticism was a disgrace to this body and an embarrassment to the legislative process. I often feel that an imperial speakership that likes to govern by edict really has no place in this House. But Chairwoman Nord withstood the criticism and stood in the eye of the storm.

Former Prime Minister Tony Blair once said the art of leadership is sometimes saying no. It's easy to say yes, and sometimes you just have to say no. Chairwoman Nord was a true leader and was able to say no to legislation that she knew would be harmful to the country. There are times we need leaders like that.

Now, turning back to H.R. 4040, the Consumer Product Safety Modernization Act, there are a lot of topics, there are a lot of issues on the table, including enhancing the commissioner's recall authority. And I firmly believe we've got to improve the U.S. Product Safety Commission's ability to notify consumers about dangerous products more quickly and on a broader scope.

I'm concerned that there is a large universe of people and associations that are not receiving the information about product recalls in a timely manner. As we all know, products are recalled because they have been found to have an element of danger, otherwise the recall wouldn't take place. The danger is to the consumer, and they need to be immediately discarded. Now, nonprofits, like Salvation Army, Good Will, Christian Community Action, located in my home county of Denton County, they provide invaluable resources to the communities that they serve. And often these nonprofits run secondhand retail shops to additionally help some of the neediest members of society. But I have been informed, when I've questioned the nonprofits in my area, that, through no fault of their own, they're unaware of many of the recalls when they occur. Therefore, the fear is that they may inadvertently sell recalled products to families and individuals. So I'm currently working with the Consumer Product Safety Commission to try to close that gap.

I'm also working with the Consumer Product Safety Commission on another idea, and we'll talk in more detail in just a little bit, but I introduced legislation dealing with food imports that will give the Food and Drug Administration a big red button to push to be able to stop dangerous foods from entering the country.

At our hearing this week, I asked Chairwoman Nord if she had the same

authority that my bill would give the FDA, did she have the same authority for the Consumer Product Safety Commission, and the answer was no. So over the next couple of weeks I'm going to be working with the commission and the commissioner to incorporate that idea into the bill as it goes through the regular committee process.

□ 2330

While we continue to try to close the gap through legislation, I strongly encourage Members of Congress to sign up for product recall alerts.

Mr. Speaker, I know we don't address the C Span audience directly in their living rooms but if I could address the C Span audience in their living room I would encourage them to go to the Consumer Product Safety Commission website and sign up for the product recall alerts. It is free. It is easy. And it can save lives. If you have access to an e-mail account and to the Internet, all you have to do is simply go to the website, go to the U.S. Consumer Product Safety Commission's home page, which is www.cpsc.gov, Consumer Product Safety Commission, go to their website and they will direct you how to sign up for free recall and safety news. The website again, www.cpsc.gov.

The Consumer Product Safety Commission also has a Neighborhood Safety Network which is for organizations, civic-minded individuals, to help disseminate information about recalls and posters to members of society who may not be aware of the recalls.

Mr. Speaker, do you know what? This type of education can save lives. Unfortunately, though, certain groups of Americans, the elderly, urban and rural low-income families, some minority groups often don't hear about the safety messages from the government. So some additional outreach is needed. And it is critical, because when people go to yard sales, when people go to garage sales, when people go to Internet resellers, they need the ability to have this information and discern whether or not a product is on the recall list and is in fact unsafe for them to bring in their homes.

So, Mr. Speaker, although rules of the House do not permit me to address people directly, but if I could, I would ask that they help make their community safer by getting the word out, getting the word out about recalls. I am a member of the Neighborhood Safety Network, and we will disseminate information about the recalls vie my website, www.house.gov/burgess.

Let's talk a little bit, in the time remaining, about food safety because that is an issue that is critical. And again it is in the news. Has there been any attention at all paid by the United States Congress to the food we eat? Well, again, I am glad you asked because there has been a lot of attention paid in Congress regarding the safety of the food we eat. On the Energy and Commerce Committee, we are pursuing an aggressive investigation, and then we will move on to subsequent legislation, to try to correct this problem. As a member of the Oversight and Investigation Subcommittee, we have taken an active role in investigating the safety of our Nation's food supply. In August, a bipartisan team of investigators was sent by our committee to China to see, first-hand if they could delineate some of the causes of the problem. In the committee staff report, the investigators came to the following conclusions about their trip and their investigation thus far. Quoting directly from the staff report, ''Number one, it would appear that the Chinese food supply chain does not meet international safety standards. In fact, it is responsible for very serious domestic Chinese food poisoning outbreaks.

''Number 2, the Chinese Government appears determined to avoid embarrassing food safety outbreaks in exports markets due to the damaging and potentially lasting effect this would have upon their 'Made in China' branding.''

It seems like that has happened any way.

''Number 3, the lack of meaningful internal regulation of farming and food processing in China, the advanced development of the document counterfeiting industry, and the willingness of some entrepreneurs in both China and the United States to smuggle foodstuffs that do not meet quality standards, necessitates a much more vigorous program of inspection and laboratory testing in China and in this country and at the U.S. ports of entry than the Food and Drug Administration has been able or willing to pursue to date.''

Now, Mr. Speaker, these are important conclusions, and yes we must not simply watch the problem worsen. We must be willing to handle the problem head on and transform the Food and Drug Administration into an agency that can fully cope with the importation problems of the 21st century. The Energy and Commerce Committee is doing their part to do just that. In addition to the staff trips to China, we are in the middle of a series of five hearings to discuss the topic, can the FDA, can the Food and Drug Administration assure the safety and security of our Nation's food supply?

What have we learned so far? Well, let's recapitulate. At the hearing on July 17, 2007, on this very topic, former FDA Associate Commissioner William Hubbard testified that in 1999, the Food and Drug Administration drafted a legislative proposal which would have given the Food and Drug Administration the authority to require foreign countries to take more responsibility for the food that they send to the United States. The agency's proposal would have allowed the Food and Drug Administration to embargo a given food from a given country if there were repeated instances of food being found contaminated when it arrived in the United States. Well, that seems pretty simple, to embargo a given food from a given country if there were repeated instances of that food being found contaminated when it arrived in our country, when it arrived in the United States.

Countries that sent safe food have no reason to be concerned. They would be unaffected. But countries that demonstrated a pattern of disregard for United States law and safety standards are going to have to increase their oversight of food exported from their country.

Now, unfortunately, Congress did not accept this recommendation in 1999. And the situation with imported foods has gone from bad to worse to simply awful. Congress now has a chance to examine the problem and consider recommendations on how to solve the problem. Mr. Speaker, the world was a different place in 1999. It was difficult to anticipate the acceleration of foreign products, how rapidly the acceleration of foreign products coming into our country would occur. Was the safety of food products from foreign countries not a priority for Congress back in 1999? Well, I am sure it was but not nearly as much as it should have been.

Why we have allowed this problem to persist when we know how much harm these unsafe products have the potential to cause? We may not be able to answer that question, but as I stand here tonight, I will tell you, it is absolutely a priority of mine, and I hope a priority of my committees that we intend to do something about it.

On October 11, the Energy and Committee Subcommittee on Oversight and Investigations held the third part of a five-part series of hearings on the Food and Drug Administration's ability to assure the safety and security of our Nation's food supply.

According to testimony given by Mr. David Nelson, the senior investigator for the Energy and Commerce Committee, currently the Food and Drug Administration does not go over and see if the products that are produced in China are done so under the same standards that we expect those products to be produced in the United States. These are the products that are produced in China and then sent over here for consumption, the products that Americans will be consuming, and they're not produced under American standards.

The ranking member of our subcommittee, ED WHITFIELD from Kentucky, asked Mr. NELSON that, if he were speaking to a group and a member of the audience raised their hand and asked how safe is it for consumers to consume the products produced in China, he said, ''Well, you're taking your chances on any imported food from China.''

Well, we can't act like that. America has to have the authority to prohibit these foods from coming into our country if they're not safe. We have to be able to stop those foods on which our

consumers would be taking a chance. It's not worth it.

Chairman DINGELL, the full committee chairman, asked Mr. NELSON whether or not the Food and Drug Administration can protect the United States citizen from unsafe imports with the resources that they currently have.

His answer: ''That would be an emphatic no.''

Not just ''no'' but an emphatic ''no.''

When I got my chance to question, I asked him while they were over in China, they were there for several days, perhaps a couple of weeks, did they have occasion to eat anything. And he smiled and said, yes, they did. I said, Were you worried at all? And he said, yes, he was.

Fortunately our committee staff weathered that, put themselves in harm's way and they weathered that trip okay, although I think some of them did get a little ill, no one got severely ill, which is actually fortunate.

We had a witness come before the committee and during my questioning of Mr. James Rice, the Vice President and Country Manager of Tyson Food in China, he was just talking about the problem, I said, Do you look for problems? In your policies and procedures while you're in country in China, does it cause you to look for problems from Chinese suppliers? And he said, of course it does. And I said, Do you ever find a problem with a Chinese supplier? He said, oh, yeah, we sure do.

So when you find a problem with a Chinese supplier, do you get on the phone and do you call other companies that are over there working in businesses like yours? Do you kind of send out a little e-mail alert, hey, watch out for this supplier, he has some really bad chicken wings coming your way?

And the answer was, no, we don't do that. He explained to me that because Tyson was using local Chinese suppliers and the products were mostly for the Chinese market, they didn't feel that it was necessary to do that. So in essence there would be no dialogue whatsoever.

Mr. Rice told me that if there were persistent problems from one supplier, no one would alert the others to this problematic supplier and, probably more frighteningly, they wouldn't pick up the phone and call the local Food and Drug Administration inspectors that were in country and were responsible for assuring the safety of products that are going to be shipped into this country. There is no system in place to let other suppliers or, indeed, the Food and Drug Administration itself know that someone is significantly misbehaving, that someone is behaving in a criminal manner.

That's a serious, serious problem.

Mr. Speaker, it was important that I introduce legislation that relates to this 1999 proposal and H.R. 3967, the Imported Food Safety Act, was introduced a few weeks ago. And I firmly believe, firmly believe that the FDA needs the ability and the explicit authority to immediately stop dangerous foods and products from coming into this country.

It's a pretty simple concept. Think of it like this. You got all this stuff, all this food coming into this country on a big giant conveyor belt. And when the FDA finds a bad apple on that belt, they need to be able to push a big red button that says Stop on it and immediately stop that bad apple from continuing into the line of commerce in this country.

The legislation that I introduced would give the Food and Drug Administration a big red button to push that would stop the food from coming into this country. The idea is so simple that I don't understand why it hasn't been enacted previously.

If this is enacted, the Food and Drug Administration would have the authority to embargo a specific food from a specific country if there were episodes of repetitive violation of United States food safety standards or if the food was found to be contaminated. Quite frankly, we've got to be able to stop countries from sending harmful food products into the United States. So H.R. 3967 will allow us to finally take control of the food that is being sent to America. And, Mr. Speaker, it would send a pretty strong message to countries that in the past have sent harmful products to the United States: Solve the problem on your end because we mean business on our end.

After a summer of recall upon recall upon recall, it is time. It is time that Congress take this matter into its own hands. I for one am no longer going to tolerate hearing a different news story every night about a new and dangerous product coming into our country from the People's Republic of China.

The Health Subcommittee of which I am also a member had a legislative hearing on September 26 regarding Chairman DINGELL's bill, H.R. 3610. Having reviewed this legislation, I think the intentions are good and I look forward to working with the chairman on this issue. Clearly I don't support every provision but I do support the spirit of the proposed legislation. I believe we need to look toward how other Federal agencies have dealt with this issue and whether or not it would be appropriate to give the Food and Drug Administration similar authorities.

According to the Government Accountability Office, 15 Federal agencies collectively administer 30 different laws related to food safety. The Food and Drug Administration, which is part of the United States Department of Health and Human Services, and the Food Safety and Inspection Service, which is part of the United States Department of Agriculture, together comprise the majority of both the total funding and the total staffing of the government's food safety regulatory system. However, food safety laws vary greatly from agency to agency and not all foods are treated equally.

For instance, the United States Department of Agriculture, which has jurisdiction over meat, poultry and eggs, has an established equivalency determination standard for those foods.

What is equivalency, you might ask? I'm glad you did ask.

On October 11 at the third Oversight and Investigation hearing on the FDA's ability to assure the safety and security of our Nation's food supply, the Undersecretary for Food Safety at the United States Department of Agriculture, Dr. Richard Raymond, gave the following definition:

''Equivalency is the foundation of our system of imports. It recognizes that an exporting country can provide an appropriate level of food safety, even if those measures are different from those applied here at home. The Food Safety and Inspection Service has always required an assessment of foreign inspection systems before those nations can export their products to the United States. This prior review is mandated by our laws, which originally required that a foreign system be 'equal to' our system before the foreign product can be admitted.''

□ 2345

He further went on to state, ''An exporting country has the burden of proving that its system is equivalent to our system if that country wishes to export that product to the United States.''

Now I understand, I understand that applying this system of equivalency that is currently employed by the United States Department of Agriculture, implying that more stringent requirement to the Food and Drug Administration, which, in fairness, has about an 80 percent jurisdiction of all food compared to the roughly 20 percent of the United States Department of Agriculture, that is going to be hard. That is going to be difficult.

Currently, only 33 countries are eligible to ship meat and/or poultry products to the United States. If the exact standard that the United States Department of Agriculture employs was used by the Food and Drug Administration, it would drastically change and some people would even say it would cripple the food import system if, if there were not enough resources to support it. That's why the resource aspect, the staffing aspect becomes so critical.

Mr. Speaker, former Speaker Newt Gingrich in his book on Transformation lists as his second principle of transformation: Real change requires real change. This is a time for real change. This system should be drastically altered. Consider this: In 2005, 15 percent of the overall volume of U.S. food consumption was imported. Between 1996 and 2006, the amount of U.S. imports of agriculture and seafood products from all countries increased by 42 percent. In the last decade, the volume of FDA regulated imports has tripled. Chinese imports to the United States have increased more rapidly

than the global average, and between the years of 1996 to 2006 the volume of import of Chinese agriculture and seafood products increased by 346 percent. China is now the third largest exporter of agriculture and seafood products to the United States, only behind our neighbor to the north and our neighbor to the south.

So perhaps our food import system should, should undergo real change. It should undergo significant change. The Food and Drug Administration was created in a time when we were still domestically growing the majority of our foods here in this country. We have got real issues here at home to deal with regarding our food regulatory system, but at least we have a regulatory system here in this country to deal with the problem.

This is not the case for all the countries from which we receive food. It seems that it would be common sense that we would only import food from a country if they can prove that their products are as safe as ours. Yet, only the United States Department of Agriculture can require this.

Let's think about this for a minute: USDA, 20 percent; FDA, 80 percent stringent controls on the 20 percent far less stringent controls on the 80 percent. Kind of seems like an imbalance, Mr. Speaker. Now it seems to me to be very arbitrary that the system the United States Department of Agriculture can employ is so much tougher than what the Food and Drug Administration can employ.

At the end of the day the American consumer doesn't know whether that food has been checked and regulated by USDA or FDA. The final common pathway, the end target is the kitchen table. When it goes from farm to fork, people don't consider what regulatory agency has had jurisdiction over that food, especially if it came from another country. We don't discriminate as Americans about the food, where it comes from and which agency has the regulatory control over that food. You know, it's almost a little curious that Congress does. Congress set forth dual standards and Congress must have a candid conversation and discussion with itself on whether or not we need to make these two systems, the United States Department of Agriculture 20 percent, Food and Drug Administration, 80 percent, whether or not we need to make those two jurisdictions perhaps more comparable.

Now Chairman DINGELL's food safety bill is tentatively scheduled to be marked up at both the subcommittee level and the full committee level later this month. I don't know if we will have time. I hope we are able to do it before the end of the year, but the legislative year is rapidly passing us by with each successive day and I hope that we can get that work done because I think it is critically important. It's my goal to encourage this frank conversation at the committee level, and hopefully Members on both sides of the dais will continue to have input on this critically important issue.

As we all know, this system, our system works best, and we have the most effective legislation if our bills are allowed to go through the normal process, if they are allowed to go through regular order. I implore the leadership, implore the leadership to allow this important piece of legislation to go through the normal process. Don't rush it through, don't jam it through. We saw what happened to the State Children's Health Insurance Program when that process was circumvented. Did we save any time delivering a State Children's Health Insurance Program to the children of America by jamming it through at the end of July and jamming it through in September and trying to jam it through in the early part of October? No. We didn't save any time. We are now 2 months passed the time that we should have reauthorized that legislation and, quite frankly, no resolution is in sight. That is no way to run an airline, that is no way to run the United States Congress.

I implore the leadership, let's stick to the regular legislative process and let this legislation work its way through the committee. Let it be improved by the committee. There's some of the best and brightest minds in the United States Congress that sit on both sides of the dais on the Energy and Commerce Committee. Some of the biggest brain firepower in this Congress sits on that committee. Don't circumvent the committee process, don't cut them out of the process. You don't serve the American peoples' interests when you do that, you don't serve congressional interests when you do that. Quite frankly, leadership does itself a huge disservice when it continues to do that. You're not scoring points politically and certainly not scoring points with the American people.

So let's not allow the issue of protecting our families from harmful and dangerous goods coming in from other countries to become a debate of one political party versus the other. It's something that I am certain holds resonance in the minds of us all. Realistically, we do our best work when we work together, and that is that the American people realistically sent us here to do. We need to work together effectively, solve this crisis now. It ought to be a priority for everyone in this body, regardless of their political party.

Just this week the President's working group on Import Safety presented their proposal to both the President and Congress. I wish the working group had been able to get their proposal together at a little bit earlier date, but better late than never. I do believe they have presented many sound policies, many sound ideas, and we should incorporate some of these ideas when we are formulating our own legislation.

I am still reviewing that group's findings. They are certainly voluminous, and have recently come to us. I was pleased to read that they would also like to see a legislative proposal that could give the Food and Drug Administration additional authority for preventive controls for high risk foods from high risk countries. If you would like to read their proposal for yourself, I encourage you to visit their website at www.importsafety.gov.

Mr. Speaker, you might ask, is there a dark side, is there a downside to all of this that we have been talking about tonight? Of course, the answer to that is yes. We always, we always in this Congress, have to be cautious about crossing the line and approaching or pushing that ever-expanding reach and grasp of the Federal Government in places it doesn't belong. But, you know, that is one of the basic activities that Americans expect out of their Federal Government, and that is to ensure the safety of the food supply and ensure the safety of the products that come into this country from other countries.

The last thing we want is for the Federal Government to control every little aspect of things that we pick up off our grocers' and stores' shelves, but it is a balancing act, as always, and we have to be always vigilant and be always cognizant of that fact.

We also must be vigilant in restoring safety and trust back into the foods we eat and the products we use. I believe that H.R. 3967, the Food Import and Safety Improvement Act of 2007, will further that goal, will further that purpose, as will the enhanced recall authority for the United States Consumer Product Safety Commission that we talked about a little earlier tonight.

Compromising the safety of the foods that we put on our tables must not ever be an option for this Congress. Compromising the consumer products that we buy for our families must never be an option, must never be an optional activity, for this Congress. Compromising the security of Americans cannot be an option. Compromising cannot be an option because we simply lack the power or lack the political will to exercise that power.

Remember the big red stop button. H.R. 3967 gives us the power to protect Americans by stopping things before they get into this country. We can no longer sit back and continue to allow harmful products to reach our homes. All Americans, all Americans, and I include myself, have the choice to take a stance individually and simply not buy products that come from a country that serially violates our safety standards. And we have talked about that country several times tonight, the People's Republic of China, because they have not proven that their products are safe, and, over and over again, we hear and see the news reports that their products are not safe.

But we have got to go further than that. Stricter rules are necessary. It is up to this Congress, it is up to this Congress, to step up, take the necessary legislative activities under their

control, and do what is right for the American people.

Mr. Speaker, you have been very indulgent, and I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BRALEY of Iowa (at the request of Mr. HOYER) for today on account of business in the State.

Ms. GIFFORDS (at the request of Mr. HOYER) for today and November 9 on account of personal business.

Mr. LEVIN (at the request of Mr. HOYER) for today after 11:30 a.m.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCDERMOTT) to revise and extend their remarks and include extraneous material:)

Mr. CUMMINGS, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mrs. MCCARTHY of New York, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Mr. HOLT, for 5 minutes, today.

(The following Members (at the request of Ms. FOXX) to revise and extend their remarks and include extraneous material:)

Mr. POE, for 5 minutes, November 14 and 15.

Mr. JONES of North Carolina, for 5 minutes, November 14 and 15.

Mr. GINGREY, for 5 minutes, today.

Mr. MORAN of Kansas, for 5 minutes, November 13.

Ms. FOXX, for 5 minutes, today.

Mr. PETERSON of Pennsylvania, for 5 minutes, today.

ENROLLED BILLS SIGNED

Ms. Lorraine C. Miller, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2602. An act to name the Department of Veterans Affairs medical facility in Iron Mountain, Michigan, as the ''Oscar G. Johnson Department of Veterans Affairs Medical Facility''.

H.R. 3043. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes.

A BILL PRESENTED TO THE PRESIDENT

Lorraine C. Miller, Clerk of the House reports that on November 6, 2007 she presented to the President of the United States, for his approval, the following bill.

H.R. 2546. To designate the Department of Veterans Affairs Medical Center in Asheville, North Carolina, as the ''Charles George Department of Veterans Affairs Medical Center''.

ADJOURNMENT

Mr. BURGESS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 56 minutes p.m.), the House adjourned until tomorrow, Friday, November 9, 2007, at 9 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized for Speaker-Authorized Official Travel during the third quarter of 2007, pursuant to Public Law 95–384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, LUCY HEENAN, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 12 AND AUG. 23, 2007

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Lucy Heenan	8/12	8/14	Morocco		722.74		(3)				
	8/14	8/16	Ghana		538.00		(3)				
	8/16	8/16	Libera				(3)				
	8/16	8/18	Ghana		538.00		(3)				
	8/18	8/21	Uganda		1,029.00		(3)				
	8/21	8/22	Kenya		318.00		(3)				
	8/22	8/23	Spain		465.64		(3)				
Committee total					3,611.38			[4] 2,293.35			

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Miscellaneous embassy costs.

LUCY HEENAN, Oct. 31, 2007.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 2007

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Charles W. Boustany, Jr	8/27	8/29	Kuwait		818.49		9,029.05				9,847.54
Hon. Adrian Smith	8/27	8/29	Sudan (Chad)		872.14						
	8/29	8/30	Tunisia		289.00						
	8/30	8/30	Algeria		149.00						
	8/31	9/1	Ethiopia		300.00						
	9/1	9/3	Dubai		1,419.00		13,495.97				16,525.11
Keith Jones	9/20	9/21	Canada		341.66		435.61				777.27
Committee total					4,189.29		22,960.63				27,149.92

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

COLLIN C. PETERSON, Chairman, Nov. 1, 2007.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 2007

Name of member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Thomas Allen	8/7	8/8	Pakistan		339.00						339.00
	8/8	8/9	Afghanistan		75.00						75.00
	8/9	8/10	Pakistan		339.00						339.00
Commercial transportation							[3] 2,690.45				2,690.45
Hon. J. Dennis Hastert	8/5	8/7	Japan		850.00						850.00
	8/7	8/10	Japan		1,176.00						1,176.00
	8/10	8/14	China		1,820.00						1,820.00
Commercial transportation							10,505.43				10,505.43
William Koetzle	8/5	8/7	Japan		850.00						850.00
	8/7	8/10	Japan		1,176.00						1,176.00
	8/10	8/14	China		1,820.00						1,820.00
Commercial transportation							9,973.43				9,973.43
David Cavicke	8/5	8/7	Japan		850.00						850.00
	8/7	8/10	Japan		1,167.00						1,167.00
	8/10	8/14	China		1,820.00						1,820.00
Commercial transportation							9,791.33				9,791.33
Hon. John Shadegg	8/8	8/10	Japan		778.00						778.00
	8/10	8/14	China		1,820.00				224.49		2,044.49
Commercial transportation							7,595.72				7,595.72
David Nelson	8/18	8/24	China		2,034.00						2,034.00
	8/24	8/30	China		1,928.00						1,928.00
Commercial transportation							7,469.93				7,469.93
Kevin Barstow	8/18	8/24	China		2,034.00						2,034.00
	8/24	8/30	China		1,316.00						1,316.00
Commercial transportation							7,449.93				7,449.93
Andrew Woelfling	8/24	8/30	China		1,316.00						1,316.00
Commercial transportation							6,673.52				6,673.52
Brian McCullough	8/18	8/24	China		2,034.00						2,034.00
	8/24	8/30	China		1,316.00						1,316.00
Commercial transportation							7,449.93				7,449.93
Christopher Knauer	8/27	9/7	China		3,365.00						3,365.00
	9/8	9/15	India		1,195.97						1,195.97
Commercial transportation							9,207.82				9,207.82
Peter Spencer	8/27	9/7	China		3,365.00						3,365.00
	9/8	9/15	India		1,195.97						1,195.97
Commercial transportation							9,207.82				9,207.82
Hon. Barbara Cubin	9/7	9/2	Kuwait		210.00						210.00
Commercial transportation							[4] 9,374.12				9,374.12
Committee Totals					36,189.94		97,389.43		224.49		133,803.86

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Supplemental Report for Rick Boucher will be filed as information becomes available.

JOHN D. DINGELL Chairman, Oct. 31, 2007.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FINANCIAL SERVICES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 2007

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Michele Bachmann	6/30	7/1	Ireland		116.00		(3)				116.00
	7/1	7/3	Germany		98.00		(3)				98.00
	7/3	7/5	Pakistan		578.00		(3)				578.00
	7/5	7/6	Kuwait		105.00		(3)				105.00
	7/6	7/6	Iraq				(3)				
Hon. Melissa Bean	7/20	7/22	Serbia		583.77		(3)				583.77
	7/22	7/22	Bosnia-Herzegovina				(3)				
	7/22	7/23	Croatia		25.52		(3)				25.52
J.D. Grom	7/20	7/22	Serbia		463.12		(3)				463.12
	7/22	7/22	Bosnia-Herzegovina				(3)				
	7/22	7/23	Croatia		25.52		(3)				25.52
Larry Lavendar	7/20	7/22	Serbia		780.00		(3)				780.00
	7/22	7/22	Bosnia-Herzegovina				(3)				
	7/22	7/23	Croatia		134.00		(3)				134.00
Hon. Carolyn Maloney	7/20	7/22	Serbia		780.00		(3)				780.00
	7/22	7/22	Bosnia-Herzegovina				(3)				
	7/22	7/23	Croatia		134.00		(3)				134.00
Hon. Gregory Meeks	8/6	8/7	Peru		576.00		[4] 4,293.95				4,869.95
Hon. Gwen Moore	8/12	8/14	Morocco		722.74		(3)				722.24
	8/14	8/16	Ghana		538.00		(3)				538.00
	8/16	8/16	Liberia				(3)				
	8/16	8/18	Ghana		538.00		(3)				538.00
	8/18	8/21	Uganda		1,029.00		(3)				1,029.00
	8/21	8/22	Kenya		318.00		(3)				318.00
	8/22	8/23	Spain		482.14		(3)				482.14
Hon. Luis Gutierrez	8/18	8/20	Tunisia		482.00		(3)				482.00
	8/20	8/22	Turkey		1,242.00		(3)				1,242.00
	8/22	8/24	Croatia		1,064.00		(3)				1,064.00
	8/24	8/27	Germany		1,629.00		(3)				1,629.00
Hon. Stevan Pearce	9/7	9/8	Kuwait		105.00		[4] 9,374.12				9,479.12
	9/8	9/9	Iraq				(3)				
	9/9	9/10	Kuwait		105.00						105.00
Committee totals					12,653.81		13,668.07				26,321.88

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Round trip commercial air ticket.

———Oct. 31, 2007.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON HOUSE ADMINISTRATION, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 2007

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Thomas Hicks	8/15	8/16	Italy		478.80		7,564.64				11,200.43
	8/16	8/19	France		1,623.99						
	8/19	8/22	Spain		990.00						
	8/22	8/23	United Kingdom						543.00		
Janelle Hu	8/15	8/16	Italy		478.80		7,564.64				11,200.43
	8/16	8/19	France		1,623.99						
	8/19	8/22	Spain		990.00						
	8/22	8/23	United Kingdom						543.00		
Teri Morgan	8/15	8/16	Italy		478.80		7,654.64				11,200.43
	8/16	8/19	France		1,623.99						
	8/19	8/22	Spain		990.00						
	8/22	8/23	United Kingdom						543.00		
Gineen Beach	8/15	8/16	Italy		478.80		7,654.64				11,200.43
	8/16	8/19	France		1,623.99						
	8/19	8/22	Spain		990.00						
	8/22	8/22	United Kingdom						543.00		
Committee total					12,371.16		30,258.56		2,172.00		44,801.72

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROBERT A. BRADY, Chairman, Nov. 1, 2007.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 2007

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Chris Cannon	8/26	9/03	Kazakhstan		2,556.00		11,226.87				13,782.87
Bobby Vassar	8/4	8/11	England, Switzerland		2.291.77		9,151.55				11,443.32
Greg Barnes	8/4	8/11	England, Switzerland		2.291.77		9,151.55				11,443.32
Teresa Vest	8/4	8/11	England, Switzerland		2.291.77		9,151.55				11,443.32
Sean McLaughlin	8/4	8/11	England, Switzerland		2.291.77		9,151.55				11,443.32
Allison Beach	8/4	8/11	England, Switzerland		2.291.77		9,151.55				11,443.32
Committee total					14,014.85		56,984.62				70,999.47

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN CONYERS, JR., Chairman, Oct. 31, 2007.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4043. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Spinetoram; Pesticide Tolerance [EPA-HQ-OPP-2007-0876; FRL-8149-9] received October 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4044. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Furilazole; Inert Ingredient Tolerances [EPA-HQ-OPP-2007-0557; FRL-8145-2] received October 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4045. A letter from the Chairman and CEO, Farm Credit Administration, Farm Credit Administration, transmitting the Administration's final rule — Title IV Conservators, Receivers, and Voluntary Liquidations; Priority of Claims--Subordinated Debt (RIN: 3052-AC38) received October 9, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4046. A letter from the Chairman and CEO, Farm Credit Administration, Farm Credit Administration, transmitting the Administration's final rule — Title IV Conservators, Receivers, and Voluntary Liquidations; Priority of Claims--Joint and Several Liability (RIN: 3052-AC16) received October 9, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4047. A letter from the Secretary, Department of Defense, transmitting a letter on the approved retirement Admiral Henry G. Ulrich III, United States Navy, and his advancement to the grade of admiral on the retired list; to the Committee on Armed Services.

4048. A letter from the Comptroller, Department of Defense, transmitting the Department's quarterly report as of September 30, 2007, entitled, ''Acceptance of contributions for defense programs, projects and activities; Defense Cooperation Account,'' pursuant to 10 U.S.C. 2608; to the Committee on Armed Services.

4049. A letter from the Assistant to the Board, Department of the Treasury, transmitting the Department's final rule — Fair Credit Reporting Affiliate Marketing Regulations [Docket ID [OCC-2007-0010]] (RIN: 1557-AC88) received October 25, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4050. A letter from the Secretary, Department of Health and Human Services, transmitting the Fiscal Year 2005 Biennial Report to Congress on the Status of Children in Head Start Programs as required by Section 650 of the Head Start Act; to the Committee on Education and Labor.

4051. A letter from the Secretary, Department of Energy, transmitting the Department's Annual Report for the Strategic Petroleum Reserve, covering calendar year 2006, pursuant to 42 U.S.C. 6245; to the Committee on Energy and Commerce.

4052. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Transfer of Polychlorinated Biphenyl Cleanup and Disposal Program from the Office of Prevention, Pesticides and Toxic Substances to the Office of Solid Waste and Emergency Response [EPA-HQ-OPPT-2007-0425; FRL-8150-6] received October 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4053. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Perfluoroalkyl Sulfonates; Significant New Use Rule [EPA-HQ-OPPT-2005-0015; FRL-8150-4] (RIN: 2070-AJ18) received October 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4054. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule — Approval and Promulgation of Air Quality Implementation Plans; State of South Dakota; Revisions to the Administrative Rules of South Dakota [EPA-R08-OAR-2007-0656; FRL-8479-9] received October 4, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4055. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule — List of Approved Spent Fuel Storage Casks: HI-STORM 100 Revision 4 (RIN: 3150-AI23) received October 31, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4056. A letter from the Acting Assistant Administrator Bureau for Legislative and Public Affairs, Agency for International Development, transmitting the Agency's final rule — Miscellaneous Amendments to Acquisition Regulations (AIDAR Circular 2007-02) (RIN: 0412-AA30) received October 5, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

4057. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule — Federal Employees Dental and Vision Insurance Program (RIN: 3206-AL03) received October 12, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

4058. A letter from the Director Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Taking

and Importing Marine Mammals; Taking Marine Mammals Incidental to the U.S. Navy Operations of Surveillance Towed Array Sensor System Low Frequency Active Sonar [Docket No. 070703226-7461-02; I.D. 062206A] (RIN: 0648-AT80) received October 12, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4059. A letter from the Acting Director Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 630 of the Gulf of Alaska [Docket No. 070213032-7032-01] (RIN: 0648-XC66) received October 9, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4060. A letter from the Assistant Secretary of the Army for Civil Works, Department of Defense, transmitting an Interim Feasbility Report and Evironmental Impact Statement for the Kansas Cities, Missouri and Kansas, Flood Damage Reduction Project; to the Committee on Transportation and Infrastructure.

4061. A letter from the Program Manager, Department of Health and Human Services, transmitting the Department's ''Major'' final rule — Medicare Program; Inpatient Hospital Deductible and Hospital and Extended Care Services Coinsurance Amounts for Calendar Year 2008 [CMS-8032-N] (RIN: 0938-AO61) received October 5, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4062. A letter from the Program Manager, Department of Health and Human Services, transmitting the Department's ''Major'' final rule — Medicare Program; Part A Premium for Calendar Year 2008 for the Uninsured Aged and for Certain Disabled Individuals Who Have Exhausted Other Entitlement [CMS-8031-N] (RIN: 0938-AO62) received October 5, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4063. A letter from the Federal Register Certifying Officer, Department of the Treasury, transmitting the Department's final rule — Offset of tax refund payments to collect past-due support (RIN: 1510-AB16) received October 12, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4064. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Industry Overview Series Railroad Industry [LMSB-04-1007-072] received November 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4065. A letter from the Program Manager, Department of Health and Human Services, transmitting the Department's ''Major'' final rule — Medicare Program; Medicare Part B Monthly Actuarial Rates, Premium Rate, and Annual Deductible Beginning January 1, 2008 [CMS-8033-N] (RIN: 0938-AO68) received October 5, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

4066. A letter from the Program Manager, Department of Health and Human Services, transmitting the Department's final rule — Medicare and State Health Care Programs; Fraud and Abuse; Safe Harbor for Federally Qualified Health Centers Arrangements Under the Anti-Kickback Statute — received October 5, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. OBERSTAR: Committee on Transportation and Infrastructure. H.R. 3315. A bill to provide that the great hall of the Capitol Visitor Center shall be known as Emancipation Hall (Rept. 100–436). Referred to the House Calendar.

Mr. CONYERS: Committee on the Judiciary. H.R. 3387. A bill to update and improve the codification of title 46, United States Code, with an amendment (Rept. 110–437). Referred to the House Calendar.

Mr. MCGOVERN: Committee on Rules. House Resolution 809. Resolution providing for consideration of the bill (H.R. 3996) to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes (Rept. 110–438). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. REICHERT:

H.R. 4113. A bill to expand the Alpine Lakes Wilderness in the State of Washington, to protect the complete watershed of the free-flowing Pratt River as a Wild River, and for other purposes; to the Committee on Natural Resources.

By Mr. NADLER (for himself, Mr. DELAHUNT, Mr. CONYERS, Mr. ACKERMAN, Mr. ARCURI, Ms. BALDWIN, Mr. BERMAN, Mr. BISHOP of New York, Mr. BLUMENAUER, Mr. BOUCHER, Mr. CAPUANO, Ms. CLARKE, Mr. CLAY, Mr. COHEN, Mr. CUMMINGS, Mr. DAVIS of Alabama, Mr. DAVIS of Illinois, Ms. DELAURO, Mr. DICKS, Mr. DOGGETT, Mr. ELLISON, Mr. FARR, Mr. FATTAH, Mr. FLAKE, Mr. FRANK of Massachusetts, Mr. HALL of New York, Mr. HASTINGS of Florida, Mr. HIGGINS, Mr. HINCHEY, Ms. NORTON, Mr. HOLT, Mr. HONDA, Ms. JACKSON-LEE of Texas, Mr. JEFFERSON, Mr. KAGEN, Mr. KUCINICH, Ms. ZOE LOFGREN of California, Mr. MARKEY, Ms. MATSUI, Ms. MCCOLLUM of Minnesota, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. MORAN of Virginia, Mr. OBERSTAR, Mr. OLVER, Mr. PASTOR, Mr. PAUL, Mr. RANGEL, Mr. SCHIFF, Mr. SCOTT of Virginia, Mr. SHAYS, Ms. SHEA-PORTER, Ms. SLAUGHTER, Ms. SUTTON, Mr. THOMPSON of California, Mr. VAN HOLLEN, Mr. WAXMAN, Mr. WELCH of Vermont, and Mr. WEXLER):

H.R. 4114. A bill to modify certain provisions of law relating to torture; to the Committee on Armed Services, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DINGELL (for himself and Mr. STUPAK):

H.R. 4115. A bill to provide for and approve the settlement of certain land claims of the Sault Ste. Marie Tribe of Chippewa Indians; to the Committee on Natural Resources.

By Mr. BURGESS (for himself and Ms. MCCOLLUM of Minnesota):

H.R. 4116. A bill to provide for the issuance of a veterans health care stamp; to the Committee on Oversight and Government Reform, and in addition to the Committee on Veterans' Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DENT:

H.R. 4117. A bill to suspend temporarily the duty on certain electronic dimming ballasts with a three wire control scheme; to the Committee on Ways and Means.

By Mr. BOUCHER (for himself, Mr. GOODLATTE, Mr. CANTOR, Mr. SCOTT of Virginia, and Mrs. DRAKE):

H.R. 4118. A bill to exclude from gross income payments from the Hokie Spirit Memorial Fund to the victims of the tragic event, loss of life and limb, at Virginia Polytechnic Institute & State University; to the Committee on Ways and Means.

By Mrs. BACHMANN (for herself, Mr. RYAN of Wisconsin, Mr. COOPER, Mr. KIRK, Mr. CULBERSON, Mr. KLINE of Minnesota, Mr. GINGREY, Mr. AKIN, Mrs. MCMORRIS RODGERS, and Mr. FORTENBERRY):

H.R. 4119. A bill to change from March 31st to December 15th the date of submission to Congress of the audited financial statement of the executive branch of the United States Government; to the Committee on Oversight and Government Reform.

By Mrs. BOYDA of Kansas (for herself and Mrs. BIGGERT):

H.R. 4120. A bill to amend title 18, United States Code, to provide for more effective prosecution of cases involving child pornography, and for other purposes; to the Committee on the Judiciary.

By Mr. CARNEY (for himself, Mr. SPACE, and Ms. DELAURO):

H.R. 4121. A bill to amend the Ethics in Government Act of 1978 to prevent Government officials from accepting travel from persons having business before their agencies, and for other purposes; to the Committee on Oversight and Government Reform.

By Mr. COSTA:

H.R. 4122. A bill to support the development of high-speed rail in the United States, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. COSTA:

H.R. 4123. A bill to provide for the creation of a National High-Speed Rail Authority; to the Committee on Transportation and Infrastructure.

By Mr. MICHAUD (for himself, Mr. LIPINSKI, Ms. KAPTUR, Mr. HARE, Ms. SUTTON, Mr. KILDEE, Ms. LINDA T. SÁNCHEZ of California, Mr. ELLISON, Mr. LYNCH, Mr. GRIJALVA, and Mr. STARK):

H.R. 4124. A bill to direct the President to withdraw from the United States-Peru Trade Promotion Agreement; to the Committee on Ways and Means.

By Mr. MORAN of Virginia (for himself and Mr. CULBERSON):

H.R. 4125. A bill to amend the Hobby Protection Act to require that imitation Civil War items be clearly marked as copies; to the Committee on Energy and Commerce.

By Mr. PASCRELL (for himself and Mr. LEWIS of Kentucky):

H.R. 4126. A bill to amend the Internal Revenue Code of 1986 to reduce the depreciation recovery period for certain roof systems; to the Committee on Ways and Means.

By Mr. PAUL:

H.R. 4127. A bill to amend title 31, United States Code, to prohibit the further minting of 1-cent coins until the Secretary of the Treasury and the Chairman of the Board of Governors of the Federal Reserve System certify in writing that there is not a surplus of 1-cent coins already available for use in transactions, and for other purposes; to the Committee on Financial Services.

By Mr. SENSENBRENNER:

H.R. 4128. A bill to modernize, shorten, and simplify the Federal criminal code; to the Committee on the Judiciary.

By Ms. SOLIS (for herself, Ms. CARSON, and Mr. RAMSTAD):

H.R. 4129. A bill to amend the Public Health Service Act to strengthen and expand substance abuse and mental health services to persons experiencing homelessness in the United States; to the Committee on Energy and Commerce.

By Mr. DELAHUNT:

H. Con. Res. 249. Concurrent resolution recognizing Hostelling International USA for 75 years of service to intercultural understanding and to youth travel; to the Committee on Energy and Commerce.

By Mr. GARRETT of New Jersey (for himself, Mr. DOOLITTLE, Mr. GINGREY, Mr. GOODE, Mr. AKIN, Mr. SAM JOHNSON of Texas, Mr. WALBERG, Mr. FRANKS of Arizona, Mr. PENCE, Mr. RYAN of Ohio, Mr. MACK, Mr. JONES of North Carolina, Mr. BURTON of Indiana, Mr. ROHRABACHER, Mr. BARTON of Texas, Mr. BURGESS, Ms. FOXX, Mr. TANCREDO, and Mr. CHABOT):

H. Con. Res. 250. Concurrent resolution supporting Taiwan's membership in appropriate international organizations such as the United Nations; to the Committee on Foreign Affairs.

By Mr. PERLMUTTER (for himself, Ms. DEGETTE, Mr. UDALL of Colorado, and Mr. SALAZAR):

H. Con. Res. 251. Concurrent resolution commending the National Renewable Energy Laboratory for its work of promoting energy efficiency for 30 years; to the Committee on Science and Technology.

By Mr. MORAN of Virginia (for himself, Mr. TOM DAVIS of Virginia, Mr. WOLF, Mr. VAN HOLLEN, Mr. WYNN, Mr. RANGEL, Ms. ROYBAL-ALLARD, Mr. ACKERMAN, Mr. HINOJOSA, Mr. BAIRD, Mr. MOLLOHAN, Mr. ENGLISH of Pennsylvania, Ms. ROS-LEHTINEN, Mr. CUMMINGS, Mr. KANJORSKI, Mr. BOUCHER, Mr. FATTAH, Mr. FILNER, Mr. DAVIS of Alabama, Mr. CLAY, Mr. ELLISON, Ms. MCCOLLUM of Minnesota, Ms. JACKSON-LEE of Texas, Mrs. JONES of Ohio, Ms. KILPATRICK, Mr. AL GREEN of Texas, Mr. LANTOS, Ms. BERKLEY, Mr. RUPPERSBERGER, Ms. CLARKE, Ms. LEE, Ms. WOOLSEY, Mr. MOORE of Kansas, Mr. HARE, Mr. ABERCROMBIE, Ms. HIRONO, Mr. WELCH of Vermont, Mr. HINCHEY, Mr. ENGEL, Ms. LINDA T. SÁNCHEZ of California, Ms. ESHOO, Mrs. LOWEY, Mr. BISHOP of New York, Mrs. TAUSCHER, Mr. MCDERMOTT, Mr. INSLEE, Mr. BOREN, Ms. TSONGAS, Mr. BLUMENAUER, Mr. OBEY, Mr. OLVER, Mr. KAGEN, Mr. PETRI, Mr. UPTON, Mr. DENT, Mr. WELLER, Mr. BOUSTANY, Mr. KING of New York, Mr. MCHUGH, Mr. KUHL of New York, Mr. ROGERS of Alabama, Mr. CAMP of Michigan, Mr. SHAYS, Mr. RADANOVICH, Mr. MARCHANT, Mr. MANZULLO, Mr. GERLACH, Mr. PORTER, and Mrs. EMERSON):

H. Res. 808. A resolution commemorating the 50th Anniversary of the Metropolitan Washington Council of Governments; to the Committee on Oversight and Government Reform.

By Ms. JACKSON-LEE of Texas (for herself, Mr. BURTON of Indiana, Mr. DELAHUNT, Mr. CROWLEY, Mr. TOWNS, Mr. RUSH, Mr. PASCRELL, Mr. ELLISON, Mr. HONDA, Mr. HASTINGS of Florida, Mr. WU, Mr. CUMMINGS, Ms. WATSON, Mr. AL GREEN of Texas, Ms. WOOLSEY, Mr. VAN HOLLEN, Mr. MEEKS of New York, Mr. BUTTERFIELD, Mr. CHABOT, Ms. LINDA T. SÁNCHEZ of California, and Mr. BILIRAKIS):

H. Res. 810. A resolution calling for an end to the state of emergency in Pakistan; to the Committee on Foreign Affairs.

By Mr. PRICE of North Carolina (for himself, Mr. DREIER, Mr. LANTOS, and Ms. ROS-LEHTINEN):

H. Res. 811. A resolution condemning the November 6, 2007, terrorist bombing in Afghanistan and expressing condolences to the people of Afghanistan and the members of the Wolesi Jirga; to the Committee on Foreign Affairs.

By Ms. LINDA T. SÁNCHEZ of California (for herself, Mr. LANTOS, Mr. ENGEL, Mr. BURTON of Indiana, Ms. JACKSON-LEE of Texas, Mr. SIRES, Mr. SCOTT of Georgia, and Mr. PAYNE):

H. Res. 812. A resolution expressing the sympathy and pledging the urgent support of the House of Representatives and the people of the United States for the victims of the devastating flooding in southern Mexico; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 241: Ms. FOXX.
H.R. 406: Mr. HINCHEY.
H.R. 462: Mr. LEWIS of Kentucky.
H.R. 549: Mr. THOMPSON of Mississippi.
H.R. 578: Mr. BARROW.
H.R. 579: Mr. WYNN.
H.R. 593: Mr. MARIO DIAZ-BALART of Florida.
H.R. 621: Mr. HALL of Texas.
H.R. 627: Mr. PLATTS.
H.R. 826: Mr. WOLF.
H.R. 1023: Mr. KING of New York, Mr. KLINE of Minnesota, Mr. BARROW, Mr. BURGESS, and Mr. FORBES.
H.R. 1043: Mr. LOEBSACK.
H.R. 1055: Mr. SESTAK.
H.R. 1070: Mr. SIRES.
H.R. 1110: Mr. UDALL of Colorado.
H.R. 1125: Mr. WELLER.
H.R. 1127: Mr. LAMBORN.
H.R. 1134: Mr. MURTHA and Ms. KAPTUR.
H.R. 1169: Mr. YOUNG of Alaska.
H.R. 1192: Mr. LOBIONDO.
H.R. 1232: Mr. ENGLISH of Pennsylvania and Mr. GERLACH.
H.R. 1237: Mr. INSLEE and Mr. WAXMAN.
H.R. 1282: Mr. LIPINSKI.
H.R. 1338: Mr. CARDOZA.
H.R. 1398: Mr. SALI.
H.R. 1405: Mr. KING of New York, Mr. ENGEL, and Mr. NADLER.
H.R. 1413: Mr. HOLT.
H.R. 1419: Mr. UDALL of New Mexlco.
H.R. 1474: Mr. GRIJALVA, Mr. WILSON of South Carolina, Mr. WHITFIELD, Mr. KLINE of Minnesota, Mr. DUNCAN, and Mr. HODES.
H.R. 1497: Mr. WALDEN of Oregon, Mr. NADLER, and Mr. DOGGETT.
H.R. 1514: Mrs. EMERSON and Mr. CALVERT.
H.R. 1542: Mr. CAPUANO, Mr. FILNER, Mr. SESTAK, and Mr. ROTHMAN.
H.R. 1590: Ms. TSONGAS.
H.R. 1609: Mr. SPRATT, Mr. SAXTON, Mr. WALSH of New York, and Mrs. EMERSON.
H.R. 1610: Mr. CARNEY, Mr. DOOLITTLE, and Mr. REYES.
H.R. 1772: Mr. ROTHMAN and Mr. SESTAK.
H.R. 1823: Mr. MCCARTHY of California.
H.R. 1881: Mr. BARROW.
H.R. 1884: Mr. BOSWELL, Mr. CARNEY, Mrs. MCCARTHY of New York, and Mr. ALTMIRE.
H.R. 1954: Mr. ELLISON.
H.R. 2016: Mr. MURPHY of Connecticut, Mr. SHAYS, and Ms. BORDALLO.
H.R. 2032: Mr. ROTHMAN.
H.R. 2052: Ms. WOOLSEY.
H.R. 2087: Mr. YOUNG of Alaska, Mr. KLEIN of Florlda, Mr. BOUCHER, Mrs. MALONEY of New York, and Mr. PLATTS.
H.R. 2103: Mr. THOMPSON of California.
H.R. 2112: Ms. MCCOLLUM of Minnesota.
H.R. 2116: Mr. BROWN of South Carolina and Mr. SOUDER.
H.R. 2125: Mr. POE.
H.R. 2169: Mr. DOGGETT, Mr. ARCURI, and Mr. DICKS.
H.R. 2204: Mr. LEWIS of Georgia.
H.R. 2234: Mr. MURPHY of Connecticut and Mr. ALTMIRE.
H.R. 2287: Mr. BOUCHER and Mr. PLATTS.
H.R. 2320: Mr. BUTTERFIELD.
H.R. 2353: Ms. SUTTON, Mr. ENGLISH of Pennsylvania, Mr. AL GREEN of Texas, and Mr. HASTINGS of Florida.
H.R. 2405: Ms. SCHAKOWSKY and Mr. LEWIS of California.
H.R. 2464: Ms. HOOLEY and Ms. SOLIS.
H.R. 2502: Ms. SCHAKOWSKY.
H.R. 2511: Mr. BLUMENAUER.
H.R. 2606: Mrs. GILLIBRAND and Mr. DAVIS of Illinois.
H.R. 2609: Mr. BARROW.
H.R. 2610: Mr. CONYERS.
H.R. 2802: Mr. MELANCON and Mr. HINCHEY.
H.R. 2833: Mr. TIERNEY.
H.R. 2910: Mr. SAXTON and Mr. UDALL of Colorado.
H.R. 2928: Ms. HIRONO, Mr. HOLT, Mrs. MALONEY of New York, Mr. MCNULTY, Mr. ABERCROMBIE, Mr. AL GREEN of Texas, Ms. LORETTA SANCHEZ of California, Mr. BISHOP of New York, Mr. MCDERMOTT, Mr. KLEIN of Florida, Mr. BOUCHER, Mr. YOUNG of Alaska, and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 2933: Mrs. DRAKE.
H.R. 2943: Mr. BISHOP of Georgia, Mr. ROTHMAN, Mr. CROWLEY, Mr. PASCRELL, Mr. KIND, Mr. KAGEN, and Mr. GORDON.
H.R. 2951: Mr. LEWIS of Georgia.
H.R. 2965: Mr. SMITH of Nebraska, Mr. GEORGE MILLER of California, Mr. BOUCHER, Mr. FILNER, Ms. ZOE LOFGREN of California, Mr. GORDON, Mrs. MALONEY of New York, Mr. TIERNEY, and Mrs. NAPOLITANO.
H.R. 3014: Mr. VAN HOLLEN.
H.R. 3119: Mr. BOUCHER.
H.R. 3212: Mr. CAPUANO.
H.R. 3329: Ms. SUTTON, Ms. DELAURO, Mrs. MALONEY of New York, Mrs. JONES of Ohio, Mr. MURPHY of Connecticut, and Ms. LORETTA SANCHEZ of California.
H.R. 3360: Mr. STUPAK.
H.R. 3439: Mr. ORTIZ.
H.R. 3481: Ms. DELAURO.
H.R. 3544: Mr. ENGEL and Mr. WYNN.
H.R. 3548: Mr. UDALL of Colorado.
H.R. 3577: Mr. ROTHMAN.
H.R. 3578: Mr. MANZULLO.
H.R. 3637: Mr. YARMUTH.
H.R. 3660: Mr. WAMP and Mr. AKIN.
H.R. 3663: Mr. GILCHREST.
H.R. 3687: Ms. SOLIS and Mr. GUTIERREZ.
H.R. 3689: Mr. ELLISON and Mr. BACA.
H.R. 3694: Ms. SCHWARTZ.
H.R. 3697: Mr. FILNER, Mr. TOWNS, Mr. WEINER, and Mr. FRELINGHUYSEN.
H.R. 3737: Ms. CORRINE BROWN of Florida.
H.R. 3780: Mr. ALTMIRE.
H.R. 3791: Mr. FRANKS of Arizona.
H.R. 3815: Mr. DICKS.
H.R. 3817: Mr. LOEBSACK.
H.R. 3836: Mr. SHERMAN.
H.R. 3852: Mr. COHEN.
H.R. 3861: Mr. BOSWELL.
H.R. 3865: Ms. SLAUGHTER, Mr. ANDREWS, Mr. SMITH of New Jersey, Mr. YOUNG of Alaska, Mr. ABERCROMBIE, and Mr. TIERNEY.
H.R. 3870: Mr. SHAYS.
H.R. 3911: Mr. MURTHA, Mr. FATTAH, Mr. PETERSON of Pennsylvania, and Mr. SHUSTER.
H.R. 3915: Mr. BACA, Mr. CUMMINGS, and Mr. SCOTT of Georgia.
H.R. 3918: Mr. TERRY, Mr. DAVIS of Illinois, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. LEWIS of Georgia.
H.R. 3932: Mr. ARCURI, Mr. MURTHA, Mr. ABERCROMBIE, Mr. BOSWELL, and Mr. VAN HOLLEN.

H.R. 3937: Mr. DOGGETT.

H.R. 3960: Ms. HERSETH SANDLIN.

H.R. 3981: Mr. MITCHELL, Mr. ABERCROMBIE, Ms. HERSETH SANDLIN, and Mr. MOLLOHAN.

H.R. 3992: Mrs. DRAKE.

H.R. 4033: Mr. CLAY.

H.R. 4040: Ms. SHEA-PORTER, Mr. DOYLE, and Mrs. LOWEY.

H.R. 4055: Ms. ESHOO.

H.R. 4063: Mr. MORAN of Virginia and Ms. CORRINE BROWN of Florida.

H.R. 4067: Mr. DAVIS of Illinois.

H.R. 4096: Mr. GARY G. MILLER of California and Mr. GALLEGLY.

H.R. 4104: Mr. PUTNAM, Mr. REHBERG, Mr. WILSON of South Carolina, Mrs. SCHMIDT, Mr. DAVID DAVIS of Tennessee, Mr. COBLE, Mr. GINGREY, Mr. BROUN of Georgia, Mrs. BIGGERT, Mr. KINGSTON, Mrs. WILSON of New Mexico, Mr. SHAYS, Mr. TIBERI, Mrs. DRAKE, Mr. DENT, Mr. PITTS, Mr. SAM JOHNSON of Texas, Mr. HASTINGS of Washington, Mr. BURTON of Indiana, Mrs. BLACKBURN, Mr. ROSKAM, Mr. ISSA, Mr. GOHMERT, Mr. FEENEY, Mr. SALI, Mr. HELLER, Mr. MCCARTHY of California, Mr. GARRETT of New Jersey, Mr. PETERSON of Pennsylvania, Mr. ADERHOLT, Mr. MCKEON, Mr. MCCAUL of Texas, Mr. SESSIONS, Mr. MACK, Mr. MILLER of Florida, Mr. PRICE of Georgia, Mrs. EMERSON, Mr. SHUSTER, Mr. KELLER, Mr. BAKER, Mr. BONNER, Mr. LAMBORN, Mr. BACHUS, Ms. PRYCE of Ohio, Mr. DAVIS of Kentucky, Mr. WALSH of New York, Mr. PLATTS, Mr. CHABOT, Mr. WELDON of Florida, Mr. ROGERS of Alabama, Ms. GINNY BROWN-WAITE of Florida, Mr. ROGERS of Michigan, Mr. ROGERS of Kentucky, Mr. ALEXANDER, Mr. WALBERG, Mr. CALVERT, Mr. STEARNS, Mr. SAXTON, Mr. HALL of Texas, Mr. CAMP of Michigan, Mrs. MUSGRAVE, Mr. RADANOVICH, Mr. AKIN, Mr. DREIER, Mr. SULLIVAN, Mr. INGLIS of South Carolina, Mr. ENGLISH of Pennsylvania, Mr. EVERETT, Mr. LOBIONDO, Mr. FRANKS of Arizona, Mr. PENCE, Mrs. BACHMANN, Mr. SOUDER, Mr. GOODE, Mr. SIMPSON, Mr. COLE of Oklahoma, Mr. KIRK, Mr. GOODLATTE, Mr. DOOLITTLE, Mr. MCHENRY, Mr. FERGUSON, Mr. TURNER, Mr. SHADEGG, Mr. HENSARLING, Mr. HULSHOF, Mr. CASTLE, Mr. HASTERT, Mr. BILIRAKIS, Mrs. MILLER of Michigan, Mr. REICHERT, Mr. TOM DAVIS of Virginia, Mr. EHLERS, Mr. RYAN of Wisconsin, Mr. LATOURETTE, Mr. WHITFIELD, Mr. SMITH of New Jersey, Mr. JOHNSON of Illinois, Mr. TIAHRT, Mr. LUCAS, Mr. RENZI, Mr. THORNBERRY, Mr. LINDER, Mr. WESTMORELAND, Mr. LINCOLN DIAZ-BALART of Florida, Mr. MARIO DIAZ-BALART of Florida, Mr. FOSSELLA, Mr. PICKERING, Mr. GRAVES, Mr. REGULA, Mr. GERLACH, Mr. REYNOLDS, Mr. LAHOOD, Mr. KING of New York, Mr. MICA, Mr. PEARCE, Mr. LATHAM, Mr. PETRI, Mr. POE, Mr. ROHRABACHER, Mr. YOUNG of Alaska, Mr. KUHL of New York, Mr. PORTER, Mr. MORAN of Kansas, Mr. UPTON, Mr. KNOLLENBERG, Mr. SENSENBRENNER, Mr. BUCHANAN, Mr. MCHUGH, Mr. JORDAN, Mrs. MCMORRIS RODGERS, Mrs. BONO, Mrs. CAPITO, Mr. WALDEN of Oregon, Ms. FALLIN, Mr. HOBSON, Mr. CANNON, Mr. GALLEGLY, Mr. GARY G. MILLER of California, Mr. BARRETT of South Carolina, Mr. BARTON of Texas, Mr. BURGESS, Mr. DEAL of Georgia, Mr. DUNCAN, Mr. FORTENBERRY, Mr. HOEKSTRA, Mr. KLINE of Minnesota, Mr. LEWIS of Kentucky, Mr. MANZULLO, Mr. MARCHANT, Mr. MCCRERY, Mr. TIM MURPHY of Pennsylvania, Mrs. MYRICK, Mr. NUNES, Mr. PAUL, Ms. ROS-LEHTINEN, Mr. ROYCE, Mr. SHIMKUS, Mr. TANCREDO, Mr. TERRY, Mr. WOLF, Mr. FORTUÑO, Mr. KING of Iowa, and Mr. HUNTER.

H.R. 4105: Mr. NUNES.

H. Con. Res. 81: Mr. BISHOP of New York, Mrs. CAPPS, and Mr. GOODE.

H. Con. Res. 229: Mr. GRIJALVA and Mrs. CAPPS.

H. Con. Res. 235: Mr. BOUSTANY, Mr. PENCE, Mr. PICKERING, Mr. PLATTS, Mr. ROGERS of Michigan, and Mr. TIM MURPHY of Pennsylvania.

H. Con. Res. 239: Mr. WILSON of South Carolina.

H. Con. Res. 242: Mr. VAN HOLLEN.

H. Con. Res. 246: Mr. BUTTERFIELD, Ms. CORRINE BROWN of Florida, Mr. BISHOP of Georgia, Mr. MILLER of Florida, Mrs. TAUSCHER, Mrs. MCCARTHY of New York, Mr. HALL of New York, Mr. SNYDER, Mr. WEXLER, Mr. HODES, Mr. KLINE of Minnesota, Mr. COURTNEY, Mr. PASCRELL, Mr. ETHERIDGE, Ms. KAPTUR, Mr. HARE, Mr. COBLE, Mr. SPRATT, and Mrs. DRAKE.

H. Res. 111: Mr. DUNCAN, Mr. AKIN, Ms. LEE, Mr. DONNELLY, Mr. TANNER, and Mr. MILLER of North Carolina.

H. Res. 356: Mr. MEEKS of New York and Mr. RANGEL.

H. Res. 525: Ms. LEE and Mr. DAVIS of Illinois.

H. Res. 542: Mr. LANGEVIN, Mr. COOPER, Mr. SHUSTER, Mrs. DRAKE, Mr. BOREN, Mr. SMITH of Nebraska, and Mr. BONNER.

H. Res. 543: Mr. WYNN.

H. Res. 598: Mr. FORTUÑO.

H. Res. 674: Mr. POE.

H. Res. 684: Mr. KUCINICH.

H. Res. 695: Mrs. BONO.

H. Res. 700: Mr. MCCRERY, Mr. CONAWAY, Mr. BOYD of Florida, Ms. WASSERMAN SCHULTZ, Mr. CAMP of Michigan, and Mr. HASTERT.

H. Res. 713: Mr. MACK.

H. Res. 758: Mr. CONAWAY and Mr. ROHRABACHER.

H. Res. 768: Mr. KING of New York and Mr. MITCHELL.

H. Res. 784: Mr. HENSARLING.

H. Res. 786: Mr. DOOLITTLE.

H. Res. 789: Mr. SAM JOHNSON of Texas, Mr. WALBERG, and Mr. FRANKS of Arizona.

H. Res. 803: Mr. FRANK of Massachusetts, Mr. ACKERMAN, Mr. ROTHMAN, Mr. NADLER, Ms. SLAUGHTER, Mr. MURPHY of Connecticut, Mrs. CHRISTENSEN, and Mr. HINCHEY.

H. Res. 804: Mr. LARSEN of Washington, Mr. BECERRA, Ms. RICHARDSON, Ms. SCHAKOWSKY, Mr. HINCHEY, Ms. SUTTON, Ms. CORRINE BROWN of Florida, Mr. PRICE of North Carolina, Mr. BISHOP of New York, Mr. ISRAEL, Mr. PERLMUTTER, Mr. BISHOP of Georgia, Mr. BUTTERFIELD, Mr. WALSH of New York, Mr. TAYLOR, Mr. POMEROY, Mr. KIND, Ms. KAPTUR, Mr. GENE GREEN of Texas, Mr. MEEKS of New York, Mr. HARE, Mrs. JONES of Ohio, Ms. MOORE of Wisconsin, and Mr. OLVER.

H. Res. 805: Mr. WALBERG, Mr. MCCOTTER, and Mr. SALI.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2074: Mrs. MYRICK.