

recapture the energy content of the coal waste sludge because the coal waste sludge, which has a high BTU content, is not used as a fuel.

An extension of the Steel Industry Fuel tax incentive is of critical importance in the current economic downturn, and its expiration has had a negative impact on our domestic steel industry. Steel companies and coke plant operators have suffered large losses as steel demand has declined significantly. These companies have been forced to lay off thousands of workers in my State of Pennsylvania, as well as in Illinois, Indiana, Michigan, Ohio, West Virginia, Kentucky, and elsewhere. Domestic steel manufacturers have had to operate at low capacity utilization rates and coke batteries have been placed on "hot idle," which is a holding pattern to prevent the coke battery bricks from cooling and damaging the battery. The extension and clarification of the SIF credit will help these manufacturers mitigate their losses as the economy recovers.

The one-year credit period and short placed-in-service deadline for SIF facilities have had a negative impact on SIF producers' ability to attract the outside investment needed to finance SIF projects. This negative impact has been compounded by the economic conditions that have prevailed since the enactment of the credit. SIF projects typically involve lengthy negotiations to implement the transaction structure necessary to claim the SIF credit, address environmental considerations, and negotiate the relevant economic terms. This in turn effectively reduced the one-year credit period to a lesser period for certain projects. The short time period to place projects in service—slightly over one year after the enactment of the credit—meant that there was too little time to get projects up and running. For these reasons, the intended subsidy of the SIF credit did not operate as designed and the extension of the credit—from one year to at least two years—and the extension of the placed-in-service deadline—from December 31, 2009 to December 31, 2010—are needed.

Included in the legislation I cosponsored is an important clarification on an issue that has slowed negotiations with respect to SIF projects. I very much hope that the final extenders package will include this and other clarifications. It is expected that, for the convenience of the parties and for environmental safety, facilities producing SIF will typically be located on land leased from a steel company or other owner of a coking operation. Such a lessor will not be treated as having an ownership interest in the SIF facility under the clarification because it leases land and related facilities, sells coal waste sludge or coal feedstock, and/or buys SIF so long as such person's entitlement to rent and/or other net payments is measured by a fixed dollar amount or a fixed dollar amount per ton, or otherwise not determined by reference to the profit or loss of the facility. Similarly, a licensor of technology will not be treated as having an ownership interest in the SIF facility because it is entitled to a royalty and/or other payment that is a fixed amount per ton or otherwise not determined by reference to the profit or loss of the facility. Such arrangements may also cause facilities that produce SIF to operate at a loss before the credit is taken into account. However, it is intended that the occurrence of such a "pre-tax loss" will not affect entitlement to this credit, regardless of whether such "pre-tax

loss" is caused by the terms of the lease, license, supply or sales contracts between the parties. To that end, the bill provides necessary flexibility for varying circumstances of ownership interests and clarifies that the existence of such arrangements will not prevent the equity owner of a facility from receiving tax credits for its sales of SIF. This amendment would provide greater tax certainty to potential investors in SIF projects.

SIF is typically produced at facilities that are located on the premises of coke plants that are owned by integrated steel companies that are unrelated to the SIF producers. The SIF production facility is situated on or near conveyor belts that may be leased from the integrated steel company and production of SIF may occur while coal—and coal blended with petroleum coke—is transported on the conveyor belts. SIF producers may purchase coal from the integrated steel producer, taking title and having risk of loss while such coal is transported on the conveyor belt.

The bill provides a safe harbor that establishes that the SIF producer shall be treated as the producer and seller of SIF that it manufactures from coal to which it has taken title. The bill further clarifies that the sale of SIF shall not fail to qualify as a sale to an unrelated party for purposes of the SIF credit solely because the sale is to a party that is also a ground lessor, supplier, and/or customer.

Our bill also establishes that SIF may also be made using coal or coal that is mixed with some petroleum coke or other coke feedstock. Such "pet coke" has traditionally been used by steel companies/coke operators in a blend with coal as a feedstock for coke. Steel companies also have explored and presently contemplate the use of other coke feedstocks to manufacture SIF. The bill provides that the use of pet coke or other coke feedstocks in the production of SIF does not invalidate or otherwise reduce the credit.

The steel industry is still prominent in my district in Pittsburgh and I'm hopeful that SIF projects will expand our domestic energy resources by using what would otherwise be a hazardous waste of the coking process in a fuel product. The availability of the tax credit will attract outside investment to the steel and coke production industries and promote job growth in the domestic steel production industry and in related industries that service the steel and coke production industries. The extension of the SIF credit will spur the investment of millions of dollars that will create hundreds of new jobs—in construction and processing—and maintain other jobs in the domestic steel industry, in Pittsburgh and around the country. I urge my colleagues to support this legislation and hope the Senate will extend this credit and make these much needed technical corrections.

RECOGNIZING THE DIFFICULT  
CHALLENGES AND HEROISM OF  
BLACK VETERANS

SPEECH OF

**HON. LARRY KISSELL**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 24, 2010*

Mr. KISSELL. Mr. Speaker, a constituent of mine, Michael Lawson, recently told me about

the little known role the first all black fighting regiment had during WWI.

The 15th New York Infantry, "The Harlem Hellfighters," later federally designated as the 369th Regiment Army. They served valiantly, including 191 days without a replacement and never lost a prisoner or a foot of ground. He said there had been no formal American recognition of the dedication and sacrifice of these young men. The French did recognize them with the Croix de Guerre, their highest military honor as well as a monument dedicated by a grateful French government.

Michael knew all about the Harlem Hellfighters because his grandfather, MAJ Melville T. Miller, served more than 50 years in the U.S. Army through two World Wars and the Korean War. Major Miller began his service as a member of the unit when he was just 16 years old.

RECOGNIZING THE KIWANIS CLUB  
OF FINDLAY ON ITS NINETIETH  
ANNIVERSARY

**HON. JIM JORDAN**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 2, 2010*

Mr. JORDAN of Ohio. Madam Speaker, I am honored to pay tribute to the Kiwanis Club of Findlay, Ohio, as it celebrates 90 years of service to the greater Findlay area.

Since 1915, Kiwanians have been dedicated to "changing the world one child and one community at a time." Chartered 90 years ago today, the Kiwanis Club of Findlay has answered this call from the start, playing a vital role in supporting youth programs throughout Hancock County.

Findlay's Kiwanians proudly sponsor local Key Clubs and K-Kids programs, support the University of Findlay's Circle K Club, and inspire our country's future leaders through the Hugh O'Brian Youth Leadership Program. For more than 70 years, they have sponsored Boy Scout Citizenship Day to help young people learn about the duties and responsibilities of their local government officials.

The club is well known for its outstanding scholarship programs, which to date have seen in excess of \$100,000 awarded to more than one hundred students. It developed this program in recognition of its longtime secretary and treasurer, Fred Brucklacher, a lifelong advocate of higher education.

In 2007, in the aftermath of devastating flooding throughout the Findlay area, the Findlay Kiwanis led efforts to raise more than \$17,000 in cash and school supplies to donate to students and families in need.

Madam Speaker, the club will mark its anniversary with a dinner this evening, where Kiwanis International Vice President Alan Penn and Ohio District Governor Donald Parker will lead the tributes to the club's long history of service. Among the honorees will be Dwight Snyder, Jr., a former state chapter officeholder who has compiled a 40-year record of perfect attendance at local meetings.

I invite my colleagues to join me in saluting the Kiwanis Club of Findlay on its ninetieth anniversary and wishing its members every success in the future.