

and the 5 percent tax when you add together the State and the local corporate tax burden, and you're north of 50 percent of tax on profits. So it's no wonder that so many of these device makers are instead deciding to expand their operations or start up new operations overseas. And we have to do what we can to prevent that.

Now, in my home State of Indiana, approximately 40 percent of all life sciences sector jobs are related to this devices industry, this high value-added industry that improves the lives of so many patients and certainly all the workers who work at these companies. My district, in particular, has some employers that we'd like to keep around, like the Cook Group in Bloomington, my hometown. And then as we head further south to Jeffersonville, Indiana, we have MedVenture. And there are people everywhere in between that work at this company.

The tax impact is going to burden not just the large companies, however. There are 300-plus FDA-approved medical device manufacturers in the State of Indiana. And as my colleague from Minnesota just indicated, they're all searching for financing. They're searching for venture capital to bring their fledgling operations to the next level. So a Cook Group could probably weather this storm and figure out some way to remain profitable, but it's the next Cook of the world, the next tinkerer in their garage or their spare bedroom that may not be able to grow their business and create the jobs that our constituents are all demanding should this device tax go into effect January 1 of next year as it's currently scheduled to do.

The regulatory challenges which I've already mentioned are also very important. They must be addressed separately. I know there's separate legislation out there to do that, and I will be supporting that initiative as well. But the bottom line here is that there are jobs at stake and there are people's lives at stake as well.

We heard very powerful testimony from Sheila Fraser. Her name has been mentioned here before. She is an outstanding young lady, a high school student, who at a very young age contracted cancer, and she was going to have to have her leg amputated. And because of the ingenuity and the entrepreneurship of people in my home State of Indiana, they were able to put together a company and sell these products and develop a product that benefited Sheila Fraser directly. And now she's living a very productive life, and she has both of her legs, thank the Lord. And we need other people to benefit from similar sorts of innovations in the future.

I am most proud to be here to speak on behalf of H.R. 436. I urge my colleagues to sign on to this legislation and to vote in favor of it.

Mr. PAULSEN. I thank the gentleman. I'm not sure how much time we have left in our colloquy, Mr. Speaker.

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

Mr. PAULSEN. Thank you, Mr. Speaker.

CIVILIAN PROPERTY REALIGNMENT ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from California (Mr. DENHAM) is recognized for 30 minutes.

Mr. DENHAM. Mr. Speaker, I am here this afternoon to talk about H.R. 1734, the Civilian Property Realignment Act. Here we have an opportunity to not only cut waste, but also to create jobs and to bring in new revenue without raising taxes. Here's an opportunity for Republicans and Democrats to agree and send the President actually something he is asking for.

What the Civilian Property Realignment Act would do would be to have greater oversight over leasing authority. We would also have redevelopment of underutilized property, the best use possible, and combine agencies. Where you may have 50 percent of an agency in one building, 50 percent in another, we're going to combine them into one agency.

And then we're going to sell off the things we just don't need, properties that we have around the entire Nation, some of which have sat vacant, some of them are declared excess, underutilized, sell off the things we just don't need.

And then, finally, we want to create transparency. We want to shrink the size of government by creating transparency, showing how many employees are going to be housed in which buildings, and before we go out and lease new space or buy new space actually let people know before we go out and hire new employees. This is the best opportunity, I believe, to shrink the size of government.

I want to go through these one by one. First of all, oversight of leasing authority. We held a hearing several months ago. The Security Exchange Commission went out over a weekend and secured 1 million square feet over the next 10 years at the cost of \$550 million. Over half a billion dollars of taxpayer dollars were committed on a weekend with no oversight, with no authority, and today we still have a vacant space because the employees that may have been hired have never been hired, and there's no proposal to ever hire the employees, yet taxpayers are now on the hook for \$550 million.

We need new oversight. We need greater oversight. The SEC, the Securities and Exchange Commission, we have now pulled back their oversight, but this is happening in many different areas of the bureaucracy. Many different agencies have this authority today and still have the ability to go out and secure these types of leases. It is time to bring it all under one department. GSA has the opportunity to

manage all of our leases, all of our portfolios, and make sure that we are actually making sound business decisions. What a philosophy that is for government—actually see what we need, what agencies have how many employees, what are their leasing needs, have the transparency and the oversight before we go secure a new lease.

Redevelopment—we need to redevelop some of these properties. The Old Post Office right down the street here about a block away from the White House, a property that we had built in the late 1800s, it's a beautiful property. It's one of the tallest buildings in the capital region. It has a big clock. It is a nice historic building. That's one we don't want to sell off. But rather than spend \$6½ million every year in upkeep, rather than have this vacant building that could be utilized, why not redevelop it? Why not make that a showpiece? Why not allow constituents and visitors to the Washington, D.C., area to actually go up into this national monument, go up into the clock tower and be able to take in one of the greatest views that our country has to offer? And let's do it and make a profit. We have offers coming in now from Trump, Waldorf Astoria, and Marriott Properties that all want to redevelop this property, create hundreds of jobs in the short term just in the redevelopment process, but also create hundreds of jobs in the long term by making sure that we have an employment base for years to come in this capital region.

But this isn't just about Washington, D.C. We have properties like this across the Nation. If it's a historic property, then let's redevelop it. Let's make sure that the infrastructure is there, done by a private investor that is going to go out and redevelop this property and then have the long-term job effect afterwards. It can be done, it can be replicated, this one jobs investment.

The companies that are talking about moving into the Old Post Office is \$140 million total private investment, \$100 million in materials, 300 immediate jobs. If you go around the D.C. area, you can see that we could use the 300 jobs just in this one project.

□ 1720

Then another 275 permanent jobs for year in, year out in this one beautiful new hotel that would be redeveloped. That's \$11.2 million in annual revenues to the D.C. area. This is a way to get Republicans and Democrats to agree on something that not only creates jobs, not only gets rid of waste in \$6.5 million that we spend every year just in operating costs anyway, but get a property moving again in the right way.

We also need to combine agencies, collocate. There are too many properties out there where we have 25 percent utilization, 50 percent utilization. Why wouldn't we have close to 100 percent utilization on every property? You would in business. There's no business

that wants to keep vacant office space, vacant warehouse space; but in government, because we don't have agencies talking to each other, we have vacant office space and vacant warehouse space across the entire Nation.

Here's an opportunity to do more with less. We have an opportunity to, in courthouse sharing, we have waste, 946,000 extra square feet, which was constructed because of lack of sharing. The number of courtrooms needed is 27 of the 33 courtrooms, which would have been reduced by a total of 126 if all we did was just share. But this is one example. Again, this goes across the entire bureaucracy across the United States. Combining agencies, collocating, getting to 100 percent utilization rate is something we ought to all strive for.

But I think one of the biggest areas, not only for redevelopment and jobs, but to bring in revenue—there is a lot of talk out there about taxes. If you really want to bring in revenue that Republicans and Democrats can agree on, let's sell off some of those things that we just don't need, properties that we have sat on for decades, properties that we may have bought at one time or developed at one time because we actually had a purpose for using them.

But there's no accountability, no efficiency to be able to say at a certain point that this property is just not needed; it's not being utilized; it hasn't been developed. It's going to cost us millions of dollars every year in operating costs. It's going to cost us billions of dollars to do tenant improvements.

We don't look at all of our properties across the Nation. We don't even look at our asset portfolio by agency. Let's start taking a look at the 1.4 million properties, buildings that we have across the Nation that your Federal Government owns that utilizes taxpayer dollars and make a business decision: Do we need it now? Is it being used efficiently? And can we sell off some of the things that we just don't need?

We've already identified 14,000 excess properties—"excess" meaning we don't need them today. Let's start by selling those off. But then let's look at some big ticket items. Rather than giving the Presidio back to California or to San Francisco, rather than doing a sweetheart deal for one city or one State, selling off big billion dollar properties to New York, let's do a competitive process that affects all of our taxpayers, that actually brings revenue back to our Treasury and reduces our debt.

And along the way, as we're selling off these properties, the private individual that buys it or the company that's redeveloping it is going to reinvest not only in the property, but in the community. You can generate millions of jobs just by creating the redevelopment across the entire Nation. So there's a great opportunity with our property sale as well.

And then we also need oversight. I mean, there has been a huge lack in oversight across the Nation. One of the glaring examples that I've seen is in my home State of California, a courthouse that was proposed over a decade ago. Now, in 2000 we had 60 judges, with a proposal to add about 20 more judges. They were going to build a new courthouse. About \$400 million it was going to be to build this new courthouse.

We also spent millions of dollars acquiring this new piece of property that is in a beautiful area of downtown, redeveloped all around it; but it is a hole in the ground. For the last decade, we have not done it because we haven't hired new judges; in fact, we have fewer judges now. And across the Nation there is this new policy to actually commingle, share courtroom space. So we've got two courtrooms in the L.A. area that neither one is a hundred percent occupied. We have space there just for individuals; but if we did sharing, we could actually get rid of one of those two courthouses. But instead, we're going to obligate a half a billion dollars to build a brand-new court site when we're not utilizing the other two court sites that we have today.

We need greater oversight so that we can look at all of these properties, the stimulus package that we had at one time and the money that's still being spent out there and actually use them for shovel-ready projects that will create jobs today. This little courthouse is going to spend a half a billion dollars on courtrooms that we don't need. We need greater oversight.

If we want to really move this country forward, if we want to get Republicans and Democrats to agree, if we want to get both parties in both Houses to work on something together, if you want to send something to the President that the President is actually asking for that creates jobs, not just numbers out there or long term, that creates jobs today, something that's going to bring in revenue—we know we need revenue, we know we've got a huge debt that we've got to pay off—immediate revenue within the first year, over \$15 billion within the next decade. And I think that that is a very conservative estimate, that we have a chance to sell quite a bit more than that itself.

And then, lastly, cutting waste. With one bill we can cut waste, we can create jobs, and we can create revenue with both parties agreeing to something that will move our country forward.

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

RECESS

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

Accordingly (at 5 o'clock and 27 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1832

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PALAZZO) at 6 o'clock and 32 minutes p.m.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CARSON of Indiana (at the request of Ms. PELOSI) for today on account of a death in the family.

Mr. RUPPERSBERGER (at the request of Ms. PELOSI) for today and the balance of the week on account of medical reasons (surgery).

ENROLLED BILL SIGNED

Karen L. Haas, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 368. An act to amend title 28, United States Code, to clarify and improve certain provisions relating to the removal of litigation against Federal officers or agencies to Federal courts, and for other purposes.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, the House stands adjourned until 10 a.m. tomorrow for morning-hour debate.

There was no objection.

Accordingly (at 6 o'clock and 33 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, November 3, 2011, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XIV, executive communications were taken from the Speaker's table and referred as follows:

3709. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule — Defense Federal Acquisition Regulation Supplement: Responsibility and Liability for Government Property (DFARS Case 2010-D018) (RIN: 0750-AC94) received October 4, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

3710. A letter from the Chief Counsel, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations [Docket ID: FEMA-2011-0002] received October 4, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

3711. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule — Share Insurance and Appendix (RIN: 3133-AD79) October 4, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

3712. A letter from the Secretary, Department of Education, transmitting the Department's final rule — State Fiscal Stabilization Fund Program [Docket ID: ED-2011-OS-0010] (RIN: 1894-AA03) received October 4, 2011, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.