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# Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable EDWARD J. MARKEY, a Senator from the Commonwealth of Massachusetts.

## PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal God, help us to follow Your commands so that we may experience abundant living. May our lawmakers' steps never stray from the path of integrity, nor waiver in following You. By Your mighty power, rescue our world from the challenges that overwhelm it. Protect those who love You as You would guard Your own eyes. Lord, hide us in the shadow of Your wings. Today, help our Senators to remember that their steps are directed by You. As You work for the good of those who love You, inspire them to stay within the circle of Your will. Give our legislators the reverential awe that brings life, prosperity, and protection.

We pray in Your sacred Name. Amen.

## PLEDGE OF ALLEGIANCE

The Presiding Officer 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.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. LEAHY).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, DC, July 23, 2014.*

*To the Senate:*

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable EDWARD J. MARKEY, a Senator from the Commonwealth of Massachusetts, to perform the duties of the Chair.

PATRICK J. LEAHY,
*President pro tempore.*

Mr. MARKEY thereupon assumed the Chair as Acting President pro tempore.

## RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. REID. Mr. President, what is now before the Senate?

The ACTING PRESIDENT pro tempore. The Senate, under a previous order, is now in leader time.

## SCHEDULE

Mr. REID. Mr. President, following my remarks and those of the Republican leader, the Senate will resume consideration of the motion to proceed to S. 2569, with the time until 11 a.m. equally divided and controlled between the two leaders or their designees. At 11 a.m. there will be a rollcall vote on the motion to invoke cloture on the motion to proceed regarding the Bringing Jobs Home Act, followed by voice votes on the following three nominations: confirmation of Julia Akins Clark to be general counsel for the Federal Labor Relations Authority; confirmation of Andrew Schapiro to be Ambassador to the Czech Republic; and confirmation of Madelyn Creedon to be Principal Deputy Administrator, National Nuclear Security Administration.

## REPATRIATED INCOME

Mr. REID. I understand that Senator PAUL has an amendment that he wants to offer to this short-term funding bill. I'm talking about his amendment to permanently reduce the tax rate for repatriated income to 5 percent.

He has agreed not to offer that amendment here.

In exchange, we commit that when the Senate considers a long-term highway funding bill, Senator PAUL will be allowed to offer and get a vote on his amendment then.

Mrs. BOXER. I agree and also commit to providing Senator PAUL an opportunity to offer and get a vote on his repatriation amendment when the Senate considers a long-term highway bill.

Mr. MCCONNELL. My friend from Kentucky has been actively engaged on the issue of the highway funding mechanism for some time now, and I appreciate his work on this. This is one of the hardest issues that we face in Congress, and it has been helpful to have my colleague Senator PAUL working so hard on resolving it. He wanted an amendment on a repatriation proposal on the highway bill that we will soon be debating, and I want to thank him for setting it aside for the time being. We will, however, be addressing highway funding again later, and I promise to protect his right to offer his amendment and secure a vote on its adoption.

## UNANIMOUS CONSENT AGREEMENT—H.R. 5021

Mr. REID. Mr. President, I ask unanimous consent that at a time to be determined by the majority leader with the concurrence of the Republican leader, the Senate proceed to Calendar No. 468, H.R. 5021, the Highway and Transportation Funding Act; that the only amendments in order to the bill be the following: Wyden No. 3582; Carper-Corker-Boxer No. 3583; Lee No. 3584; Toomey No. 3585; further, that each amendment have 1 hour of debate equally divided between the proponents and opponents; that there be up to 2 hours of general debate on the bill equally divided between the two leaders or their designees; that upon the use or yielding back of that time, the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Senate proceed to votes on the amendments in the order listed; that no second-degree amendments be in order to any of the amendments prior to the votes; that no motions to commit the bill be in order; that upon disposition of the Toomey amendment, the bill be read a third time, as amended, if amended, and the Senate proceed to vote on passage of the bill, as amended, if amended; further, that the Secretary be authorized to make technical changes to amendments if necessary to allow for proper page and line number alignment; further, that the amendments and the votes on passage be subject to a 60-vote threshold; finally, if the bill is passed, the Senate proceed to the consideration of H. Con. Res. 108, which was received from the House and is at the desk; that the concurrent resolution be agreed to, and the motion to reconsider be laid upon the table, with no intervening action or debate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## MEASURE PLACED ON THE CALENDAR—H.R. 4719

Mr. REID. Mr. President, I ask that we now proceed to H.R. 4719. It is my understanding it is due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the bill by title for a second time.

The assistant legislative clerk read as follows:

A bill (H.R. 4719) to amend the Internal Revenue Code of 1986 to permanently extend and expand the charitable deduction for contributions of food inventory.

Mr. REID. I would object to any further proceedings on this matter.

The ACTING PRESIDENT pro tempore. Objection having been heard, the bill will be placed on the calendar.

## INVERSION

Mr. REID. Mr. President, more than a century ago, a small drugstore opened for business in Barrett's Hotel in Chicago, IL. The pharmacist, not yet 30 years old, and a veteran of the Spanish-American War, borrowed $6,000 to open this drugstore. His name was Charles Walgreen. This was his first store but certainly not his last. As his chain grew, the pharmacies became a fixture in American culture—you know, the vintage image of a soda fountain, milk shakes, a drugstore counter. They would mix their own drugs to give pain medication and other products to people who came in that drugstore. This is how Walgreen's started.

Now, 113 years later, the Walgreen family no longer heads the company. But there are over 8,200 Walgreen's drugstores around the country. They still bear the Walgreen name. That company Charles Walgreen started is reportedly strongly considering a renunciation of its American citizenship and a move to Switzerland. Why? To avoid paying their fair share of taxes.

Reestablished as a foreign corporation, Walgreen's would pay a smaller share of taxes. This practice is called ''inversion.'' It is a tax trick, a loophole. Of course, Walgreen's will not actually move to Switzerland. Instead, they plan to acquire a European company and officially make Switzerland home to their new headquarters, but in reality they will stay in Chicago right where they are now. That is because Walgreen's does not want to actually leave America. Why would they? Why would they want to leave America? We have the most sophisticated workforce in the world. Why would they give that up? America has the infrastructure that, although in need of updates, is still the most extensive in the world. It provides Walgreen's with the roads and transportation it needs to supply its stores. Why would Walgreen's give that up?

Why would they give up the fact that we have a legal system we can trust, that enforces business contracts and upholds intellectual property protections they need? They would not turn their heads and walk away from that. America has a Medicare system that pays for seniors to buy pharmaceuticals at Walgreen's. I am sure Walgreen's will not be turning away that cash; that is what it is, cash.

Let's not forget that Americans enjoy a law enforcement apparatus that protects the company's assets. Why would Walgreen's want to give that up? Our military, which is second to none, will continue to protect the country where all of those Walgreen's stores are located. I am sure Walgreen's would not want to give that up. Not to mention the fact that America is a pretty good place to live.

So why would Walgreen's executives ever want to move their families across the world? That would be foolish, would it not? Walgreen's leadership will probably stay right where they are now in their fancy homes in America. While they remain here, Walgreen's will still expect American tax credits, even as it dodges as much as $4 billion over the next 5 years in taxes. That is what inversion is all about.

Essentially what Walgreen's is saying is we love America. We love being in America. But we are not going to pay for it. The dictionary defines the word ''exploitation'' as ''the fact of making use of a situation to gain unfair advantage.'' What a perfect explanation of what Walgreen's is going to do. What the Walgreen's company is doing sure seems like exploitation to me. After all, this is a corporation that made $16.7 billion from Medicare and Medicaid last year—$16.7 billion—and they are going to move overseas.

But, sadly, Walgreen's is not the only corporation jumping ship. Major American companies such as Medtronic and others have already announced plans to give up their corporate citizenship. Who will be next? A decade ago, the senior Senator from Iowa warned of ''unpatriotic companies that dash stash their cash.'' Now we are seeing this dash-and-stash scheme become common practice for corporations that do not want to pay their fair share of taxes.

In fact, the two largest transactions to move American companies overseas in history have taken place within the last month. When these companies reincorporate overseas, it is, simply put, unfair. It is unfair to the American taxpayer, to the American Government, and to many companies that refuse to engage in this deceptive practice.

Why should other American pharmacy chains such as CVS Caremark and Rite Aid be disadvantaged because Walgreen's balks at paying its fair share of taxes? To uphold our free enterprise system and ensure that American businesses are competing on a level playing field, Congress must close this loophole.

We have a new chairman of the Finance Committee. The senior Senator from Oregon is known to be a man who is fair and will make sure that people do not take advantage of others. He has made a commitment to me and anyone who will listen to him that this must change. It is going to start with the Finance Committee and start very soon. I have been encouraged by his statements. He has indicated he will work to close this loophole for these runaway companies.

The chairman of the Permanent Subcommittee on Investigations, the senior Senator from Michigan, has also been leading on this issue. He has been talking about it for a long time. Two strong leaders—the senior Senator from Michigan, the senior Senator from Oregon—have locked arms and are going to do something about this.

Senator LEVIN's legislation, the Stop Corporate Inversion Act, puts a 2-year moratorium on inversions by U.S. companies. This moratorium will give Congress time to thoroughly and thoughtfully consider the issue. I do not need a lot more thought on it. I am ready to roll on this one. We need to get this done, and quickly. I will settle for the 2 years. I am frankly, though, open to all ideas. What I am not open to is the idea that this corporate exploitation of the American taxpayer is somehow acceptable, because it is not.

Today we are considering legislation that would amend the U.S. Tax Code to fight outsourcing, protect American jobs, and create job creation within our borders. The Bring Jobs Home Act, which ends senseless tax breaks for outsourcers, will offer companies a 20-percent tax credit to help with the cost of moving jobs back to America. Much like the Bring Jobs Home Act, ending this corporate citizenship scam will encourage American companies to pay their fair share. It will also let corporations know that cheating the American people with their tax trick is not a viable business plan.

Benjamin Franklin said this: ''Tricks and treachery are the practice of fools, who have not wits enough to be honest.'' If corporations want to leave America, it is their right. But American taxpayers should not be forced to foot the bill when U.S. companies want all the benefits of commerce in this country without having to pay their fair share.

## ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that the Republicans control the time from 3:30 to 4:30 today, and the majority control the time from 4:30 to 5:30 today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

## SECURING THE BORDER

Mr. MCCONNELL. There is a lot we can get done in Washington when Democrats are willing to put the politics aside and work together for bipartisan results.

We saw an example of that yesterday when the President signed a bipartisan workforce training bill into law, legislation I and others proudly supported. Unfortunately, though, we have rarely seen such bipartisanship from Washington Democrats these days. Working toward bipartisan solutions and helping the middle class, it always seems like such a chore for them. Just look at what President Obama and the majority leader have planned for the coming days.

The President is off campaigning for a workforce training bill he already signed. It makes no sense, but this is a man who just can't stop campaigning. And apparently the majority leader is suffering from a similar condition. He is busy turning the Senate into a campaign studio. He wants to spend more of the Senate's time on a designed-to-fail campaign bill that he loves to trot out before every national election. We have seen this proposal a couple of years ago before the election. Then, of course, for political purposes they pray that it will fail.

Look, this is time that would be a lot better spent helping the middle-class families who are struggling in our country. Instead of worrying about design-to-fail legislation, we could be addressing things like the highway bill, which already passed the Republican-led House with massive bipartisan support, or addressing the humanitarian crisis on the southern border. That is where our focus should be. That is what the American people expect.

The Border Patrol estimates that as many as 90,000 unaccompanied children will have crossed our border by fall. It is a dangerous journey to the border, and many have suffered heartbreaking treatment and abuse. That is why anyone who wants to help these children should be working overtime to spare them from this journey.

A few weeks ago the President made some modest policy recommendations that should be a part of any legislation that deals with this crisis. Unfortunately, the far left objected and the President has since wobbled.

That has led to top Democrats in Congress balking at even the most modest of reforms. They all seem to prefer a blank check that would preserve the status quo instead, and the President will barely lift a finger to encourage his own party to support these simple reforms.

Remember, now, this is the same President who keeps telling us about this mythical phone he plans to use. So what we are saying is use it. Call the Members of your own party who object to what you said you wanted and what we all know is needed.

Call the leadership of your party in the Senate who, despite the footage on the evening news, pronounced our southern border to be secure. Get them to support the policies that you told us would address this crisis. Frankly, it would be a much better use of your time than campaigning for a workforce bill you have already signed. Sending these children all over the country for indeterminate periods of time just isn't an answer.

We need to humanely return them to their homes as soon as possible, and President Obama needs to show some leadership to help us get a long-term credible plan in place to do just that. He owes the country at least that much.

Remember, news reports suggest the President could have intervened long ago to address this problem before it turned into a full-blown humanitarian crisis. But according to the Washington Post, he prioritized politics over helping these children.

The paper cited a Congresswoman who admitted that her fellow Democrats recognized the urgency of this crisis, but they kept mostly silent because they didn't want to cause problems for the administration's political priorities in Congress.

Democrats didn't want others to be able to point out that the President's policies had failed. It is really quite shameful. The Post also cited one source who said the administration staff was concerned about the growing number of children, but that they too were effectively overruled by White House political concerns.

Here is what the source said:

> Was the White House told there were huge flows of Central Americans coming? Of course they were told. A lot of times. . . . Was there a general lack of interest and focus on the legislation? Yes, that's where the focus was.

In short, it appears the Obama administration knew about this problem a long time ago, did almost nothing, and the country is now faced with this crisis.

So the President needs to get serious about this—not some other time—now.

What we are saying is cut out the campaigning, tell your party's leadership in the Senate to get serious and work with Members of both parties to get this addressed.

## RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

## BRING JOBS HOME ACT—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of the motion to proceed to Calendar No. 453, S. 2569, which the clerk will report.

The assistant legislative clerk read as follows:

> Motion to proceed to Calendar No. 453, S. 2569, a bill to provide an incentive for businesses to bring jobs back to America.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 11 a.m. will be equally divided and controlled between the two leaders or their designees.

The Senator from Illinois.

Mr. DURBIN. I listened carefully as the Republican leader came to the floor to talk about the Senate issues, and he failed to mention this issue, S. 2569, which we will be voting on in 1 hour and 10 minutes. In fact, we have listened carefully. There has not been a single Republican Senator who has come to the floor to literally debate this issue or to disagree with this bill. What is this measure that is the source of such a mystery on the floor of the Senate?

Well, it is an effort by Senator JOHN WALSH of Montana and Senator DEBBIE STABENOW of Michigan to bring good-paying manufacturing and other jobs back home to America. Wouldn't you think that would be worth a comment from the Republican leader or perhaps from one of the Republican Senators? I hope it means they are going to join us in a bipartisan effort in a little over 1 hour to bring this measure to the floor.

What does it say? Simple. We will give a tax break to companies that bring jobs home from overseas. We will reduce the current tax incentives for companies to ship American jobs overseas. There it is—straightforward, clear—bring the jobs home.

I would think this would be so bipartisan it would get a unanimous vote at 11 o'clock. But the fact is, despite the support of all Democratic Senators, we are still struggling to find five Republicans who will join us so we can move to this measure and do something in the Tax Code to help bring American jobs back home instead of shipping them overseas.

Senator REID, our majority leader, spoke this morning about another aspect of this issue. Sadly, in my home State of Illinois, a major company, AbbVie, which was formerly part of Abbot Laboratories, the eighth largest pharmaceutical company, just announced last week they are going to relocate their corporate base of operations to an island off the U.K.

The U.K. is a beautiful country, but to think that American companies such as Abbot—now AbbVie—are prepared to desert America, is worth a little reflection.

Senator REID raised an important point. Pharmaceutical companies in America depend on tax-supported organizations and agencies. The National Institutes of Health, the leading biomedical research agency in the world, is supported by American tax dollars. Pharmaceutical companies like AbbVie, with blockbuster drugs such as Humira, which has earned them over $1 billion so far this year, rely on the NIH for research and then rely on the taxpayer-supported U.S. Patent Office to protect their legal rights.

They also count on the Food and Drug Administration, supported with U.S. tax dollars, to do the testing necessary to bring this drug to market. It is said the approval by the FDA of a drug in the United States is really the gold standard—more than any other country.

So here is a pharmaceutical company which is very profitable, with over 4,000 employees, based in the United States, based in the State of Illinois for virtually its entire existence, now picking up and leaving. Why? They are leaving to avoid paying taxes in the United States.

What is the definition of a corporate ingrate? I think it would start with a company that has become immensely profitable because of the United States of America and the agencies of its government that support that company which is now turning its back on the United States.

Across the street the Supreme Court tells us with regularity we have to view corporations now as persons. They are no longer legal creations. They have some personhood under the Constitution, according to five of our Supreme Court justices—personhood that entitles them to freedom of speech under the Citizens United decision, personhood which entitles them under the Hobby Lobby decision to have religious freedom as a corporation.

So if we are going to give personhood to corporations, what can we say of this decision to renounce their American citizenship to get a tax break?

I think what we can say is these inverters are deserters, to quote Allan Sloan and others who have written about this issue in the past.

I am troubled by this, and I am troubled there isn't a sense of outrage on both sides of the aisle.

Senator REID has spoken about this issue, I have spoken to it, Senator LEVIN of Michigan has been a leader on this issue, and yet the Republicans are strangely silent. Do they believe it is in the best interests of the United States for our major corporations to pick up, cut and run, go to some foreign land, claim this is now their new headquarters, and avoid paying taxes in the United States?

This process, known as inversion, is a clever tax dodge. At the end of the day, who loses? Well, I can tell you. The taxpayers in this country lose because valuable revenue and resources are no longer there to sustain our great Nation, whether it is the defense of this country, the building of infrastructure, great agencies like the National Institutes of Health—the list goes on. There will be money lost.

Who are the winners? The winners are those investment bankers, folks who are buying up these corporations and coming up with these tax dodges and incentives to raise stock prices at any cost.

I often wonder, as I look at the list of members of the boards of directors of AbbVie and Walgreens, if there wasn't in their boardroom one person who held up their hand and said: Does anybody else feel a little sick about this—that we would give up on America, that AbbVie would renounce its American citizenship; that we would listen to those who say stock price is more important than loyalty to the country we live in, the country we have prospered in? Was there one hand in the air dissenting from this corporate desertion of the United States?

I think this is worth a debate. I think it is worth bringing this bill to the floor, S. 2569. In a little over 1 hour we will have a chance to decide whether it should come to the floor. There aren't many things that we do around here that have an impact on the lives of Americans. This one will. This bill will bring jobs home from overseas.

Senator REID has suggested we move into the inversion—a change in the Tax Code. I support that. I am a cosponsor of Senator LEVIN's bill. That, to me, is overdue. Last week Secretary of the Treasury Jack Lew issued a statement about this warning us this was just the beginning; a dozen corporations are now working on this.

One of the corporate leaders on the street, Jamie Dimon of JPMorgan Chase, said in Fortune magazine: We shouldn't moralize about this decision.

He characterized it as largely a protest against the Tax Code—the unfair Tax Code.

I wish to remind Mr. Dimon and the CEOs and members of the boards of these corporations, this Tax Code, which certainly should be reformed, is the same Tax Code that has generated record-breaking corporate profits and record-breaking CEO salaries.

I didn't hear complaints about that so-called unfair Tax Code when these corporations were making record-breaking profits or getting compensation at record-breaking levels. It troubles me too that many of the corporations that are now rationalizing abandoning the United States not that long ago were counting on this government and taxpayers all across the United States to bail them out.

When the Wall Street banks were failing, when AIG was flat on its back, did they turn to Ireland or Switzerland for help? No. They turned to Washington and the United States of America and to the taxpayers who came through with billions of dollars to save them from their perfidy.

That is the reality of history, a reality which many of these corporate deserters are now ignoring. I have trouble with this—clearly, a great deal of trouble. I am going to offer an amendment, should we get on this bill, called the Patriot Employer Tax Credit Act.

Very simply, here is what it says: If you have a corporation in the United States, headquartered in our country, and you have not moved jobs overseas; if you pay your employees at least $15 an hour, which means they don't qualify for most Federal benefits, just their paycheck; if you will give them quality health insurance as required by the Affordable Care Act; if you will provide at least 5 percent of their income as a contribution by the company toward their retirement; and if you will give a preference for the hiring of veterans, you will be entitled to the patriot employer tax credit, a credit for each of your employees. I think that is the proper incentive—incentivizing and rewarding companies that are making a positive difference in the lives of their employees, staying in the United States, committed to this country.

How would I pay for that? Well, I have an idea. It would end the deductions currently available for corporations that want to move their jobs overseas. To me, that makes perfect sense. Encourage the payment of Americans in good-paying companies and discourage sending jobs overseas.

Why won't the Republicans discuss this with us? Why isn't this a bipartisan issue? Do they honestly believe only Democrats object to shipping American jobs overseas? Everyone objects to it. We want to keep good-paying jobs at home. We want to be able to walk into stores and see the label ''Made in the U.S.A.'' more often. We want to encourage our companies to stay in America, to set the standard in America, to lead in the world. Let's have a tax code that helps us reach that goal.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I ask unanimous consent that the time of

the quorum call be equally divided between Democrats and Republicans for the remainder of the debate.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous consent request? Without objection, it is so ordered.

Mr. DURBIN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, today I rise in support of the Bring Jobs Home Act. There has been some discussion on the floor about this act already, but I wish to lend my voice to that. This is a commonsense bill to bring good-paying middle-class jobs back to America.

When we look at the terrible recession this Nation went through a few years ago, we have seen that our recovery has been sluggish. One of the reasons it has been sluggish is because these good middle-class jobs in many cases just aren't here anymore. They have gone overseas. They have gone to China, Mexico, Vietnam, and other countries around the globe. They are not here.

We need to grow this economy from the middle. We have the statistics to see that the rich are getting richer and the poor are getting poorer. That should concern everyone in this Chamber. I know it concerns economists and it concerns people all over the country. These are kitchen-table issues for people. We need to grow our economy from the middle. That is what this proposed act is all about.

My home State of Arkansas is a good example. We have seen good companies, such as Levi Strauss, Whirlpool, Fruit of the Loom—these are name-brand companies. Everybody knows these companies. We have seen them, one after the other, leave Arkansas, abandon our State and our Nation to go find cheap wages overseas.

To rub salt in the wounds, through their hard-earned tax dollars, these very same workers have helped pay for the companies to move their jobs overseas because the companies are able to write off the move overseas as a business expense. In effect, the U.S. taxpayer ends up helping to export jobs out of the United States. It is a policy that does not make sense. It is a policy we need to change. That is one part of the Bring Jobs Home Act that is critically important that we pass as quickly as possible. I think most of my colleagues will agree with me when they say this tax giveaway is counterproductive. In fact, it is outrageous that we continue to allow this to happen.

Fortunately, even though my State has lost some jobs, we have some very good job replacements as well. Last week I had the good pleasure and fortune of meeting with a man in Rogers, AR, named Bill Redman, the founder and CEO of a small toy company. This toy company has moved its operation from China to Rogers, AR, in the northwest corner of the State, because the economics of manufacturing now favor ''Made in the U.S.A.'' That is very positive.

We are seeing this with companies all over the country, and we would see even more of it if we passed the Bring Jobs Home Act.

A study shows that the $18.55-an-hour average wage created by this toy company I was talking about—created by his company in Arkansas—will pump $3 million back into the local economy. So if he pays his people $18.55, the stimulative effect of that is $3 million into the local economy. It also shows that each job he creates will support four other jobs that provide services to what he is doing. These may be truck-drivers, they may be people who print the boxes or the labels or make the containers or whatever it is, but for every job he creates, there are four other jobs that are created. So there is a huge multiplier effect in bringing jobs home to America.

If we see that in Rogers, AR, we know we see that in the other 50 States of the Union. So if we want to keep America as a nation of makers—and that is in our DNA as a nation. We make things in this country. We have always done it. We have always done it better than anybody else in the world. If we want to keep America a nation of makers, we need more companies like Redman & Associates in Arkansas, but this will only happen if we tip the scale in the right direction, and that is what this Bring Jobs Home Act is all about.

The policy that we make here in the Senate or that we don't make here in the Senate has a huge bearing on what the future of the Nation will look like. So let's do the right thing. Let's end this tax giveaway for the companies that ship their jobs overseas to places such as Mexico and China and many other countries. Let's instead provide meaningful tax incentives for those jobs to come back home, to create these good-paying middle-class jobs right here in the good old U.S.A.

From my standpoint, this is good commonsense policy, it is good commonsense economics, and I hope my colleagues will join me as well as many others of us here in this Chamber in supporting this Bring Jobs Home Act.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BLUNT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. HEITKAMP). Without objection, it is so ordered.

HEALTH CARE

Mr. BLUNT. Madam President, I wish to speak for a few minutes and start by talking about these court cases yesterday that create more complications particularly for the President's health care plan.

The idea that the law is specific, which is what the Washington, DC, Federal Court of Appeals said—the law specifically says, in the case they dealt with, that people can only get the taxpayer subsidy if they work through the State exchanges. There is no question that the law, in dealing with this issue, in clear language makes that case, and the judges agreed that was the case made.

What happened was that not only did many States decide not to set up the exchanges because of the expense involved and the problems involved and the complications of the law, but even the States that did set up the exchanges couldn't get them to work. I don't know that any State spent more money than Oregon did—certainly they spent a lot of money—and in the first 6 months did not sign up anybody—nobody. Not a single person was able to sign up through the exchange they set up.

Massachusetts—a State which actually had experience with its own law and which I would have thought would have been the easiest possible exchange to set up—also admitted they failed. Massachusetts has to go through the Federal exchange.

I think 36 States have either not set up the exchange or tried to and failed. So in 36 States the only option people have to get insurance in an exchange as an individual—many of their policies were previously canceled because of the law—is to go to the Federal exchange. Now, through a ruling in the DC court, they say you can go to the Federal exchange. We should understand this.

I have been on record saying I think people should try their best to have insurance. If the insurance people need is what the Federal Government prescribes people should have—and that is insurance people can afford—obviously the exchange can be a place to get it, and it is a place to get insurance whether it is subsidized or not. But many people will find that those new higher rates at the exchange, without taxpayer assistance, just don't work for them.

The law was poorly written. It was poorly structured. It was crammed down the throats of the minority in both the House and in the Senate and, in my view, the health care providers and people who want insurance in this country, in the way it was passed.

There are many lessons to be learned from the Affordable Care Act, and one is never pass a piece of legislation this way because the Richmond court said yesterday that there are other places in the law—even though they surely said it was clear where the law refers to subsidizing people to get insurance

through the exchange, and they surely knew that was clear, they said there are other places in the law that indicate maybe that is not the way it was.

Why is that? Why wasn't that debated on the floor of the Senate and on the floor of the House? It wasn't debated because one side decided they were going to do this exactly the way they wanted to do it and they were going to do it by themselves. There was that brief moment where there were 60 Democrats in the Senate. They passed the current law that I fully believe nobody expected would be the health care law.

The way we used to pass laws in the Congress, through the entire constitutional history of the country, was that the Senate would pass a bill, the House would pass a bill, and then we would go to conference and figure out, No. 1, how the two bills came together and, No. 2, what didn't make as much sense—when we had time to step back and look at it—as it seemed to make in the heat of the floor debate.

That didn't happen with this law. Why didn't it happen with this law? Because by the time the Senate passed the bill and it was time for the House to deal with it, there were suddenly 59 Senators on the Democratic side in the majority of the Senate. We remember the Scott Brown election in Massachusetts. Everybody was surprised except maybe Scott Brown, but he was elected, so there were no longer 60 votes in the Senate, which is what it takes to do whatever the majority wants to do.

So apparently the message to the House of Representatives, controlled by the Democrats and Speaker PELOSI, was the only way we are going to pass a health care bill that goes anywhere near this floor is to pass the bill the Senate passed. There will be no conference. There will be no cleaning up this piece of legislation. There will be no discussion as to what we can do to actually make this work. We are going to pass this bill.

Not a single Republican in the Senate voted for it, and not a single Republican in the House would vote for it.

What is the unintended consequence of that? How do we go back and clean up the bill? People decided, if they participated in that process, that their momentary power was so important they were not going to involve anybody else's ideas in a way that would get a single vote from the other side.

One of the great lessons to learn is if we are going to mess with everybody's health care and we are going to impact 16 or 18 percent of the entire economy, they better have buy-in from more than just one group of Americans who represent one political party or one point of view.

So now we have this confusion that will go on until I assume the Supreme Court determines the difference in these two Federal courts of appeal decisions, but it will be months before that happens. We will see if taxpayers subsidize others getting their insurance. We will see what happens to people who got a subsidy if the subsidy turns out to be one that was inappropriately given. And we will see how we move forward.

Then there is also this discussion going on—some of which we had on the floor last week—about religious freedom as it relates to that law. There is a so-called accommodation for religious groups who don't believe they should have to pay for certain things. The Little Sisters of the Poor—who, by the way, were listed on one advocacy group for the law as it was being applied—the Little Sisters of the Poor were listed as one of the 100 dirty employers in America because they worked with 100 church groups and others who tried to take this idea to court that people could be forced to do things that violate their faith principles. If we have come to a point that the Little Sisters of the Poor are one of the evil employers in America, we better think about how we got to this point.

Actually, Justice Sotomayor gave, on her own—the Little Sisters of the Poor said: Not only do we not want to do that, we don't agree with the so-called accommodation that if we sign a paper saying we don't want to do this but our insurance company will—what did the Little Sisters of the Poor think was wrong with that? What could possibly be wrong with that? All they are asked to do is to sign a piece of paper that says they believe it is wrong but it is OK with them if somebody else pays for it. That is obviously not right. Justice Sotomayor, on her own, gave the relief the Little Sisters of the Poor asked for, but then only a few weeks later she is outraged when the rest of the Court gives the exact same relief to Wheaton College.

Wheaton College—a Christian college near Chicago and the President's home State—has a long-term commitment to their faith principles, and they basically said: We are just like the Little Sisters of the Poor. We don't believe this is right, and we don't want to sign a piece of paper that says we think it is wrong but it is OK with us if somebody else pays for it.

Then, in a story I just read today, there was the constant concern that the health care plan narrows one's ability to get health care because it restricts the network one can go to. In at least one State, half of the hospitals in the State don't participate in anything people could get access to through the Affordable Care Act as an individual or a family. So people have to drive by their old hospital, drive by their old doctor's office to get to a doctor or a hospital that may or may not see them. I think the hospital has to see you; I don't think the doctor does. But people have to drive by the old to get to the new.

We just had this big discussion. I had the great opportunity to speak at the national convention of the Veterans of Foreign Wars on Monday, and obviously, as did everybody else there, I had on my mind what was happening with the Veterans' Administration. At the same time we are talking about how to give veterans more choices, we are talking about how to give everybody else fewer choices.

This is a great quote: Networks help to contain costs. Well, of course they do. If a person can't get to see the doctor or it is inconvenient to go to the hospital, of course it contains costs.

Then we have the bill on the floor this week about economic opportunity, economic advancement. One of the great attacks on economic opportunity has been the attack on the 40-hour workweek. What happened to the 40-hour workweek for many people working in this country? The Federal Government, for the first time ever, said employers have to provide insurance and this is what it has to look like. Whether you can afford it as an employer or not, whether your employees want to take it or not, you have to provide insurance. This is what it is supposed to look like for everybody who works 30 hours or more.

Actions have consequences. No matter what the administration might think about EPA rules on water, EPA rules on the utility bill, HHS rules on health care, actions have consequences, and a lot of people who used to work 40 hours now may be working 50 hours, but they are doing it at two different jobs, neither of which has benefits. The 40-hour job that in more cases than not had benefits that both the employer and the employee thought were good—and 85 percent of everybody who got health insurance at work thought it was good, thought it met their needs—85 percent. Most people had insurance at work, but now many people go to work without insurance, while the only people at the place they go to work who get insurance are the managers and the longtime employees or the people who work more than 30 hours.

The chances to advance if you are in a part-time job are a lot less than the chances to advance if you are in a full-time job. I suggest if we were really trying to get people to work here this week, instead of making political points, we would be talking about the 40-hour workweek, we would be talking about the advanced manufacturing bill the Senator from Ohio Mr. BROWN and I have that others are very interested in—and it is bipartisan interest—we would be talking about the BRIDGE Act that allows more infrastructure building that Senator WARNER and I have—another bipartisan piece of legislation—we would be talking about the Build America Act that helps State and local governments with infrastructure by allowing companies—the very companies, apparently, that are being talked about this week in a piece of legislation everybody knows cannot pass that has no bipartisan support—we would be talking about companies that would be allowed to bring profits they have made overseas—they pay taxes on it overseas—that they would

be allowed to bring those profits here in a way that would encourage State and local governments to expand their infrastructure and maintain their infrastructure, making their sewer system, their water system, their road and bridge system all work better.

The unintended consequences of not thinking through what is the constitutional responsibility of the House and the Senate are significant. We need to understand the impact of what we do and the impact of what we fail to do. Failing to have a health care system that meets people's needs, failing to have a 40-hour workweek where we figure out how to encourage rather than discourage—failing to get people into that first job is a failure that lasts for a long time. If you do not advance in your twenties at work as you should, when you get to be 30, somebody else in a better economy in their twenties is likely to pass you because the opportunity you had was disrupted by circumstances that the government could not control or in many cases today circumstances the government could control and actually works in a way that makes those circumstances worse, not better.

I would like to see us do the kinds of things that get people to work, talk about the kind of legislation that is bipartisan, that could pass both Houses of Congress. There are plenty of them out there. I continue to hope we figure out how to get to it.

I yield the floor.

If nobody is prepared to speak, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. STABENOW. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. STABENOW. Madam President, in a few minutes we are going to have the opportunity to make it clear to the American people that we get it, that we understand, that we need to be bringing jobs home to America, that it is not acceptable we have lost 2.4 million manufacturing jobs. In fact, as we see more companies coming back to the United States, we need to reward them. We need to say: We are open for business. Come on back. And we are going to make sure we have a Tax Code that supports those decisions.

The Bring Jobs Home Act, which Senator WALSH is leading—and I want to commend him. I know he has talked to me about how important it is to his State of Montana. It certainly is to my State of Michigan as well. We have this opportunity, through Senator WALSH's Bring Jobs Home Act, to show that we are going to begin the process of making our tax system work for American workers, American businesses, and communities.

So we have a vote in a few minutes on whether to proceed to this bill. It is not the final vote. The question is, is this an important enough topic that we would actually proceed to the bill? That is the question. Because there has been objection to just proceeding, as we know, we have to get 60 votes, a supermajority, to proceed. I would hope this is something we would see 100 people—everybody in the U.S. Senate—agree that, yes, we should be debating this issue of how we bring jobs home to America. I cannot imagine a more critical issue for everyone whom we represent.

This bill is very simple. First of all, if you are packing up and leaving this country, you should not be able to write off the cost. The worker who helps pack the equipment that is going to be going overseas should not be paying the bill through the Tax Code. The community that sees the factory empty once the business leaves should not be paying through the Tax Code for the costs of the move. So this bill says no more writeoffs if you are leaving the country.

On the other hand, if you want to bring jobs home, you can write off those costs that our Tax Code will allow you to take as a business expense and—because we think it is so important—we will add another 20-percent tax credit on top of it.

So, very simply, if you want to come home, we are all in. We want to support you doing that. We congratulate those businesses that are making the right business decision right now—for a lot of good reasons: low energy costs, a high-skilled workforce. There are a lot of reasons why folks are coming home. But if you want to leave, you are on your own. That is what the bill is all about. I hope everyone will vote to proceed to the Bring Jobs Home Act.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. WALSH. Madam President, I rise today regarding an issue that is crucial to our country's economic future. In recent decades we have seen too many multinational corporations close factories in the United States while at the same time opening new plants in other countries, getting rid of American jobs and creating jobs overseas. It is wrong, and it strikes the heart of American competitiveness.

Too many big businesses are engaged in this harmful race to the bottom. They are moving their business operations out of America to countries with lower wages and fewer worker protections, and they are costing Americans jobs.

Businesses make decisions in order to make profits, which is usually good for jobs and growing our economy. But it is outrageous that American workers are forced to subsidize decisions that send American jobs overseas.

Under our current Tax Code, corporations can claim a deduction for expenses associated with closing operations in the United States and moving them overseas. This is a fundamentally wrong policy that encourages multinational corporations to send jobs abroad.

I believe that leveling the playing field for American workers should be a nonpartisan issue. That is why I have sponsored the Bring Jobs Home Act. I would like to thank my fellow sponsor, Senator STABENOW, for her tireless effort and work on behalf of American workers. I say to Senator STABENOW, you are respected around the country for your service and what you are doing.

The Bring Jobs Home Act is a straightforward bill. First, companies will no longer be able to claim a tax deduction for the costs of moving jobs overseas. This just makes sense. I imagine most Americans would be shocked to learn that multinational corporations are allowed to claim such a tax break. I am also sure that most small business owners, who cannot take advantage of this tax break, would also be outraged.

Taxpayers should not be asked to continue to foot the bill for the costs associated with shutting down factories in the United States in order to move jobs to countries such as China or Mexico.

Second, the Bring Jobs Home Act will create a new 20-percent tax credit for companies that bring jobs back to the United States.

It is time we set new priorities for American job creation. We should be doing everything we possibly can to encourage job growth and creation here in the United States.

In Montana, where I am from, Montanans believe in American workers and the power of American industry and innovation. We believe that American workers are essential to America's economy. But they need and deserve a level playing field.

Since the financial crisis of 2007 and 2008, many of our constituents have been trapped in a vicious cycle of instability and uncertainty that comes with long-term unemployment. We want to see more job opportunities for Americans. It is our responsibility as leaders to bring our jobs back home. So today I urge my colleagues to stand with American workers and vote for this bill.

There are companies out there right now that are considering bringing business activities back to the United States. We must do everything we possibly can to help those companies create jobs and grow our American economy right here at home.

In Montana people take pride in producing quality products here at home. I recently toured a company in Manhattan, MT—Blackhawk—that manufactures top-of-the-line outdoor gear and sporting goods for sportsmen and women, military, and law enforcement. It is an example of American ingenuity, putting Montanans to work on American soil.

It is time for Congress to show true leadership and put partisan politics

aside. So today I call on my colleagues to join me in supporting bringing American jobs back to America.

With that, I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to calendar No. 453, S. 2569, a bill to provide an incentive for businesses to bring jobs back to America.

Harry Reid, John E. Walsh, Debbie Stabenow, Amy Klobuchar, Patty Murray, Bernard Sanders, Tom Harkin, Richard J. Durbin, Tom Udall, Robert P. Casey, Jr., Christopher Murphy, Tammy Baldwin, Jon Tester, Mark Begich, Sheldon Whitehouse, Carl Levin, Christopher A. Coons.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 2569, a bill to provide an incentive for businesses to bring jobs back to America, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 93, nays 7, as follows:

[Rollcall Vote No. 240 Leg.]

YEAS—93

| | | |
|---|---|---|
| Alexander | Flake | Murkowski |
| Ayotte | Franken | Murphy |
| Baldwin | Gillibrand | Murray |
| Barrasso | Grassley | Nelson |
| Begich | Hagan | Portman |
| Bennet | Harkin | Pryor |
| Blumenthal | Hatch | Reed |
| Blunt | Heinrich | Reid |
| Booker | Heitkamp | Risch |
| Boozman | Heller | Rockefeller |
| Boxer | Hirono | Rubio |
| Brown | Hoeven | Sanders |
| Burr | Isakson | Schatz |
| Cantwell | Johanns | Schumer |
| Cardin | Johnson (SD) | Scott |
| Carper | Kaine | Sessions |
| Casey | King | Shaheen |
| Chambliss | Kirk | Shelby |
| Coats | Klobuchar | Stabenow |
| Cochran | Landrieu | Tester |
| Collins | Leahy | Thune |
| Coons | Levin | Toomey |
| Corker | Manchin | Udall (CO) |
| Cornyn | Markey | Udall (NM) |
| Crapo | McCain | Vitter |
| Cruz | McCaskill | Walsh |
| Donnelly | McConnell | Warner |
| Durbin | Menendez | Warren |
| Enzi | Merkley | Whitehouse |
| Feinstein | Mikulski | Wicker |
| Fischer | Moran | Wyden |

NAYS—7

| | | |
|---|---|---|
| Coburn | Johnson (WI) | Roberts |
| Graham | Lee | |
| Inhofe | Paul | |

The PRESIDING OFFICER. On this vote the yeas are 93, the nays are 7. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

CLARK NOMINATION

Mr. CARPER. Madam President, I urge my colleagues to vote to confirm Julia Clark to a second term as general counsel of the Federal Labor Relations Authority.

The Federal Labor Relations Authority oversees the program in place at the Federal Government to maintain fair and efficient labor-management relations at agencies across the government. The general counsel fulfills key responsibilities in these efforts, including investigating and prosecuting allegations of unfair labor practices.

Ms. Clark has served in this position for almost five years, and has fulfilled her responsibilities effectively and with distinction.

However, her term expires on August 7—just 15 days from today. If the Senate allows her term to lapse without reconfirming her, the position will become vacant and, by law, no one else can fulfill the functions of her office. Our inaction will cause a backlog of complaints and appeals to form.

This has happened before, and Ms. Clark spent much of her first year as general counsel clearing a backlog that developed because of a previous vacancy.

Ms. Clark is highly qualified, and we must fulfill our constitutional duty and confirm Ms. Clark today in order to allow her to continue doing her job.

## EXECUTIVE SESSION

### NOMINATION OF JULIA AKINS CLARK TO BE GENERAL COUNSEL OF THE FEDERAL LABOR RELATIONS AUTHORITY

### NOMINATION OF ANDREW H. SCHAPIRO TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CZECH REPUBLIC

### NOMINATION OF MADELYN R. CREEDON TO BE PRINCIPAL DEPUTY ADMINISTRATOR, NATIONAL NUCLEAR SECURITY ADMINISTRATION

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nominations, which the clerk will report.

The assistant legislative clerk read as follows:

Nominations of Julia Akins Clark, of Maryland, to be General Counsel of the Federal Labor Relations Authority, Andrew H. Schapiro, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech Republic, and Madelyn R. Creedon, of Indiana, to be Principal Deputy Administrator, National Nuclear Security Administration.

VOTE ON CLARK NOMINATION

The PRESIDING OFFICER. There will now be 2 minutes of debate prior to the vote on the Clark nomination.

Who yields time?

The Senator from Delaware.

Mrs. SHAHEEN. Madam President, I ask unanimous consent to yield back all time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, Will the Senate advise and consent to the nomination of Julia Akins Clark to be General Counsel of the Federal Labor Relations Authority?

The nomination was confirmed.

VOTE ON SCHAPIRO NOMINATION

The PRESIDING OFFICER. There will now be 2 minutes of debate prior to the vote on the Schapiro nomination.

Mrs. SHAHEEN. Madam President, I ask unanimous consent to yield back all time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, Will the Senate advise and consent to the nomination of Andrew H. Schapiro, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech Republic?

The nomination was confirmed.

VOTE ON CREEDON NOMINATION

The PRESIDING OFFICER. There will now be 2 minutes of debate prior to the vote on the Creedon nomination.

Mrs. SHAHEEN. Madam President, I ask unanimous consent to yield back all time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, Will the Senate advise and consent on the nomination of Madelyn R. Creedon, of Indiana, to be Principal Deputy Administrator, National Nuclear Security Administration?

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motions to reconsider are considered made and laid upon the table and the President will be immediately notified of the Senate's action.

## LEGISLATIVE SESSION

### BRING JOBS HOME ACT—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The Senate will resume legislative session.

The Senator from New Mexico.

Mr. UDALL of New Mexico. Madam President, I am pleased that today we were able to put aside the partisan politics and vote for what was right for the American people. I hope my colleagues will also vote for the final bill. We must protect American jobs and eliminate tax loopholes for corporations that move jobs overseas. Creating and supporting well-paying American jobs should be our top priority.

The debate about jobs in America and New Mexico is not about politics; it is about people. This past weekend I visited with some New Mexicans who are facing a very real and personal

challenge as far as their future and their livelihood.

In Questa, NM, miners have worked for nearly a century. But that mine is now closing—less than 2 weeks from today—and 300 people will lose their jobs. For the workers, for their families, and for local businesses, it is a hard time, with tough questions and uncertain answers.

Just this past Sunday I met with the miners to talk with them and, most importantly, to listen about what has happened in Questa and the future of a great community.

This is about more than Chevron Corporation's decision to close the mine; it is about workers who feel they were kept in the dark, who worry that help will be too little and too late. My office is working closely with the community for trade adjustment assistance to get the training and help they will need.

Folks there are struggling, but they are committed to mapping out a new future for Questa, a post-mining economy, including ecotourism and renewable energy.

Families have lived and worked in Questa for generations. They know hard work, grit, and determination. No one needs to tell them about that. They helped build our country. They support their community, and they follow the rules. They ask for one thing in return: a fair chance—that is all, just a fair chance.

Let's be clear. For the Supreme Court, for those who seem to be confused on this point, these miners are people, their families are people. Corporations are not people. Super PACs buying our elections—they are not people. They are special interests with a lot of money and a lot of demands, such as special tax breaks—tax breaks that make no sense to real people with real problems who are looking for real jobs.

We need to be doing all we can to create jobs, to keep building our economy. The Bring Jobs Home Act would help—a tax policy that brings jobs home, not one that rewards sending them away. Almost 2.5 million jobs have gone over the past 10 years, shipped overseas and paid for by the American taxpayers, by families such as those in Questa footing the bill.

The Bring Jobs Home Act would do two important things: First, it would end the tax loophole for outsourcing jobs. If corporations want to send a job overseas, they can do so but at their own expense, not at the expense of the American taxpayers. Second, it would create the right incentives, giving a tax credit for companies that bring jobs back home. This is a pretty simple idea. Let's reward what helps and stop rewarding what doesn't.

The Bring Jobs Home Act will do something else too. For the middle class in this country, for workers and families, it will say: We hear you. Your voice matters too. And all the super PAC dollars can't change that.

We can create jobs right here at home. We can keep growing our economy and help communities with a tax policy that builds them up and invests in the future. That is something to fight for. That is the kind of fairness folks want and deserve in Questa, in my State and in our country.

The mine will close in Questa. We can't change that. We can't bring it back. Some folks say that it will feel like a death the day that door closes, that it almost feels like a funeral, as if a part of them dies with the mine. And I am sure it does. It has been the lifeblood of the community for so many years and for so many generations of families. But folks there said something else too: When bad things happen, friends and family show up to do what they can to help.

We need to start showing up for the American worker, for the middle class, for towns all across our Nation where the factory closed, where the jobs went away. The Bring Jobs Home Act is a start to create jobs, to build our economy here at home, and to help communities in a world that is changing awfully fast. It is a step in the right direction, and I urge my colleagues to support it.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mrs. SHAHEEN. Madam President, I thank my colleague from New Mexico for his compelling remarks about the importance of passing the Bring Jobs Home Act.

I am here to echo the need to pass this critical legislation, and I am certainly pleased we had such a strong vote to end debate on this legislation. I hope we can now come to some agreement and get the same kind of support for moving the bill forward. I am an original cosponsor of this commonsense bill.

As Senator UDALL said, this legislation would end incentives for companies to send American jobs overseas, and it would instead encourage companies to move jobs back to the United States.

Believe it or not, when a company moves jobs offshore, it can write off those expenses on its taxes. That doesn't make sense. The Bring Jobs Home Act would stop forcing taxpayers to foot the bill for companies when they ship jobs overseas. In addition, to encourage companies to move production back to the United States, the bill provides a tax credit for the costs associated with bringing jobs back home.

Not only is this legislation the right thing to do, but it also comes at a critical time as our economy struggles to recover. In New Hampshire and across the country—as Senator UDALL pointed out, in New Mexico with the closing of the mine and in that community—we are still feeling the effects of the great recession. Millions of Americans lost their jobs, and too many middle-class families are still struggling to make ends meet.

But sadly, even before the recession hit, the American middle class was finding it hard to pay their bills, to pay their mortgage, to find the good jobs that allowed them to have opportunities. A big reason for that was the loss of so many good-paying American jobs that supported the middle class. Too many of those jobs were shipped overseas. Over the last decade, 2.4 million jobs were shipped overseas, and those 2.4 million families supported by those jobs had to find other ways to support themselves, and often they were in jobs that didn't pay as well.

Well, it doesn't have to be this way. In fact, many companies are now looking to move jobs back to the United States. As production costs rise overseas, these companies want the advantages provided by our American workers—the most productive workers in the world—and the ease of doing business in the United States.

I have heard from several companies that have already moved jobs back to the United States, and there are many more that are hoping to bring jobs back home if we have the right policies in place.

Let me give an example. Last year I met with Doug Clark, who is the CEO of a footwear manufacturing company, New England Footwear. When we think footwear manufacturing or shoe factory jobs, we don't think the United States anymore because while there are still some very good companies that manufacture footwear here, most of those jobs were sent offshore a long time ago.

I know that story very well because my father was in shoe manufacturing. The whole time I was growing up, I watched him struggle with the loss of those shoe manufacturing jobs that were being sent overseas and imports coming in to take the place of shoes made here in America and the jobs that workers here in America held.

Today about 99 percent of shoes sold in the United States are made abroad. But New England Footwear executives, who have years of experience in the shoe industry, are looking to bring those jobs back home—back to New Hampshire. The company currently manufactures in China, but as costs rise there, Doug believes he can bring higher paying jobs to the United States thanks to innovative technology that reduces manufacturing costs.

New England Footwear isn't alone. A Boston Consulting Group survey from last September showed that more than half of large U.S.-based manufacturers are planning or considering right now bringing production lines back to the United States from China. That is up 17 percent from just 2 years ago—17 percent. That is a big increase, a lot of jobs. The Boston Consulting Group projected that production reshored from China and higher exports due to improved U.S. competitiveness in manufacturing could create 2.5 to 5 million American factory and related service jobs by 2020. So by 2020 we could replace more than the jobs we lost in the

last decade. That is the kind of behavior we should be encouraging. That is exactly what the bill before us does.

We know it will work because a 2012 MIT forum on supply chain management found that providing tax credits for bringing American jobs back to the United States would be one of the most effective ways to accelerate that process, along with other commonsense measures such as enacting tax reform, which we all agree we have to do, providing research and development incentives, ensuring a highly educated workforce, and improving American infrastructure. Again, these are all challenges which I think the majority of us in this body understand have to be done.

I am very glad the Senate moved to this bill because our priority in Washington must be creating jobs and restoring the American middle class. Over the past few decades too many Americans have seen their jobs disappear or their incomes fall. The Bring Jobs Home Act is an opportunity to support those families by creating good-paying jobs in the United States and by helping our economy regain its competitive edge.

I thank the Presiding Officer.

I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER (Ms. BALDWIN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CORNYN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE HUMANE ACT

Mr. CORNYN. Madam President, in recent days I have come to the floor several times to talk about the humanitarian crisis on our southwestern border where a veritable flood of unaccompanied children, from Central America mainly, is appearing on our border and turning themselves in to the Border Patrol because they realize that ultimately they will be released to a relative in the United States with a notice to appear at a future court date. The vast majority of them will fail to appear for that court date and successfully end up staying in the United States, notwithstanding the fact that it does not comply with our law.

But in recent days a curious division has emerged from our colleagues on the other side of the aisle on a fundamental issue that I want to highlight. On the one hand, more and more Democrats are calling on Congress to reform this 2008 law that inadvertently has become a magnet for illegal immigration by Central American minors. On the other hand, Senate Democratic leadership is refusing to consider any such reforms. They just want the cash. They wanted the money the President has asked for. So they are asking Congress to simply throw more money at the problem. The figure they have now settled on is $2.7 billion. The Associated Press has called this ''problematic.''

If you have a humanitarian crisis and you need more money to deal with it, we all understand that. But if you are unwilling to take the step to fix the basic problem that has created the crisis, that strikes me as problematic, as the Associated Press says.

What is President Obama's position? Well, I am afraid the President has shown a complete lack of leadership on something that he himself has called a humanitarian crisis. But there have been prominent members of his administration who have publicly expressed support for the type of reforms contained in the HUMANE Act, which is a bipartisan, bicameral piece of legislation I have introduced with my colleague HENRY CUELLAR from Laredo, TX.

For example, you will see on this chart Secretary of Homeland Security Jeh Johnson has said the administration wants to change the 2008 law at the center of the crisis so that U.S. authorities can ''treat unaccompanied kids from Central America the same way as it does from a contiguous country''—in other words, from Mexico.

White House Press Secretary Josh Earnest, you can see on this next chart, has confirmed that the administration would support ''changing the 2008 law'' if it is necessary to resolve the crisis, as Secretary of Homeland Security Jeh Johnson says it is.

As tens of thousands of children continue to flood across our border, such changes are absolutely necessary. In fact, the cartels, the criminal organizations that are smuggling children into the United States, discovered this flaw and they have changed their business model to exploit it, because they are making money off of it.

The HUMANE Act, which we have offered as a solution is not the only solution. If other people have good ideas, we would love to hear them, but doing nothing is not an option.

The HUMANE Act would equalize the treatment of all unaccompanied minor children, regardless of where they come from. Treat them all the same. If it is good enough for children coming from Mexico unattended by parents, then it ought to be good enough for others.

All of our colleagues essentially voted for that proposition in 2008 with that law. This proposal we have would also expedite the removal process for those without a valid claim for legal status. In other words, there are claims for legal status in the United States that some of these children might qualify for. We do not touch any of those preexisting laws. In other words, if you are a victim of human trafficking, for example, you can qualify for something called a T visa while you cooperate with a law enforcement investigation.

If you have a credible fear of persecution in your home country based on certain other criteria, you could qualify for asylum or as a refugee. But finally, we would end the policy of catch and release by which these children or other immigrants are not detained pending a hearing in front of a judge. We know from experience, given the surge of Brazilians who came in 2005 and 2006, that additional detention and speedy hearings and reprocessing back to the home country are essential to deter people from coming in the first place.

The HUMANE ACT would bring order and clarity to a situation currently marked by chaos and confusion. You would think that Members of Congress, Democrats and Republicans alike, would want to bring some clarity and end the chaos and confusion. But so far we have not seen that sort of bipartisan desire to embrace a solution. So I am happy to note that a number of Democrats do agree with us about the need to reform the 2008 law and establish an expedited removal process.

For example, Senator MCCASKILL, the senior Senator from Missouri, has reportedly said: I think we should have the same law on the books for Central America as we have for Canada and Mexico.

That is precisely the point. She and I agree with each other 100 percent on that. That is what the HUMANE Act would do.

Meanwhile, the senior Senator from Delaware, Mr. CARPER—the chairman of the Homeland Security Committee, someone with a lot of knowledge about this, and somebody who I know has been in close consultation with Secretary Johnson—has argued that any supplemental funding should be paired with significant policy changes, saying, ''the two should go together.'' I agree with Senator CARPER.

So if the administration agrees with prominent Senate Democrats, as Jeh Johnson has said they do, and as Josh Earnest has said they do, if the administration agrees with these prominent Senate Democrats about the urgency of passing something like the HUMANE Act, and if plenty of Senate Republicans agree as well, why are we not having a vote? What is the holdup?

Well, as usual, the majority leader seems to be more concerned about good politics than good policy. He, incredibly to most ears, certainly to mine, declared that the border was ''secure'' a couple of days ago. I was shocked to hear him say that. In the midst of a humanitarian crisis, he says the border is ''secure.'' With 414,000 detained coming across the border last year alone from 100 different countries, the majority leader says the border is ''secure.''

Here is what he said on Monday. He said: We need to get resources to our Border Patrol agents and others who are caring for these children.

This is at the same time he said the border is ''secure.'' I do not quite understand that tension between his positions. But this is what he said. He said: ''We need judges to hear those kids' cases and decide whether they need protection or need to be sent back home.'' So here is my confusion. The majority leader has said he understands what needs to happen. The press

secretary for the President says he understands what needs to happen. Secretary Johnson, the Secretary of Homeland Security, says he knows what needs to happen. Prominent Democrats such as the Senator from Missouri and the Senator from Delaware say they understand what needs to happen. Yet nothing is happening.

The HUMANE Act, which would do everything the majority leader mentioned, is a bipartisan, bicameral piece of legislation that would alleviate a national emergency and a humanitarian crisis. It has received support across the political and ideological spectrum.

I would add that some on the left and some on the right have criticized it. Some have not bothered to read it or understand it. But if you are being criticized on both sides of the extremes, then you must be doing something that is actually doable and may be at least 80 percent part of the solution.

So I would urge the majority leader, the majority whip, the chairman of the Judiciary Committee, to heed the message conveyed by Secretary Johnson. I would urge all of us, particularly at a time of humanitarian crisis, to forget the politics and let's solve the problem. We have an opportunity to address a genuine crisis. I urge them to remember, as Mr. Charles Lane of the Washington Post has written recently:

> The rule of law is one of the benefits immigrants seek in the United States. Step one in dealing with the border crisis should be to reestablish it.

Those are wise words.

In contrast, if we simply write the administration a blank check for $2.7 billion without fixing the problem, we will find ourselves back here again and again as the numbers escalate from the 57,000 so far since October to the projected 90,000 the administration says could come across this year alone to the 145,000 who are projected to come next year.

I am, frankly, flabbergasted. Why can't we do this? Why can't we do it? Democrats agree with the need. Republicans agree there is a need. There is an escalating crisis on the border that is not going to go away with the change of the news cycle. We have the ability to deal with it so we should.

I actually agree with this statement by Senator REID: We need to get the resources to our Border Patrol agents and others who are caring for these children. We need judges to hear these kids' cases and decide whether they need protection or need to be sent back home.

I agree with the majority leader when he said that. So let's do it.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARRASSO. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE

Mr. BARRASSO. Madam President, I come to the floor today because Democrats in Washington continue to put out misleading information about the President's health care law.

Last week the Senator from Connecticut came to the floor and said Republicans have, in his words, gone silent when it comes to talking about the health care law. He claimed there was a quiet acceptance that the law is working.

Well, I just want to correct the record and make it perfectly clear Republicans have not gone quiet because the health care law is not working.

The American people are not going quiet either. They are not going quiet when it comes to talking about the devastating side effects they are feeling from the health care law.

I hear it from people when I go home to Wyoming every weekend. I heard it last weekend. I heard it last night on a telephone townhall meeting, and when I travel I hear about it—even just passing through the airport in Denver on the way home, which I do each week.

As chairman of the Republican policy committee, one of my responsibilities is to study how policies that come out of Washington—like the President's health care law—affect people all across America, including States such as Colorado, where I change planes each week.

Last week the Denver Post had an op-ed written by Dr. Cyndi Tucker, an obstetrician/gynecologist who practices medicine in Thornton, CO, outside Denver. Her op-ed was published in the Denver Post, which is, of course, the statewide newspaper in Colorado.

The headline on the column in the Denver Post was: ''Red tape isn't health care reform.''

Now, remember the amount of regulations ObamaCare has created is a red-tape tower of paper over 7 feet tall. Dr. Cyndi Tucker, from one of the suburbs of Colorado, wants us to know about the health care law from her perspective as a practicing Colorado physician. What she has to say is that the prognosis isn't good. She writes:

> At my practice, I've found that the ACA disrupts the doctor-patient relationship by drowning us both in paperwork.
>
> ObamaCare authors—and the politicians . . . who voted for it—promised that it would provide quality, affordable health care to Coloradans. Yet it does exactly the opposite. For doctors, it makes health care more and more complex, more expensive, and increasingly more impersonal.

Not more personal, which is what we want as doctors, as somebody who practiced medicine for 25 years. She says it makes it more impersonal.

> And for patients, it makes finding a cheap health plan or finding a doctor more difficult—not less difficult as the President promised, not cheaper, but more difficult, as the doctor points out. For me, that is a very damaging and maybe even life-threatening side effect of the President's health care law.

President Obama was in Colorado earlier this month. This week he is doing the same thing in Seattle and California. Instead of meeting with more campaign donors—which is what the President is doing—the President should meet with doctors and patients—and, specifically, doctors such as this obstetrician-gynecologist in Colorado. He should sit down with some of the women who are patients of this doctor. I think they would like to ask the President about these devastating side effects of his health care law and explain to him about how it is hurting them and hurting their families.

The disruptive impact the law is having on care is drowning patients and doctors in red tape. But that is not the only side effect of the law that is hurting American families. A recent Gallup poll earlier this month found that only 8 percent of Americans are spending less money on health care than they did a year ago.

President Obama promised the American people they would save $2,500 a year per family under his health care law. NANCY PELOSI, the former Speaker of the House, was on ''Meet the Press'' at one point and said that everyone's rates would go down.

Well, Democrats in the Senate who voted for the law promised the same thing, and it just didn't happen. People are paying more all across America. People are paying more in Washington State and in California, where the President is visiting. Why is he there? He is meeting with campaign donors. He is collecting campaign money.

People are paying more all across the country. They are paying more for health care insurance in Wyoming. People are paying more in Colorado, where the doctor who wrote in the Denver Post is and where she sees patients.

There is a recent study that found health insurance premiums for an average 40-year-old woman in Colorado are 20 percent higher this year than last year. That was before she was forced on to the ObamaCare exchange.

President Obama says Democrats who voted for the law should ''forcefully defend and be proud'' of the health care law. When he was in Colorado a couple of weeks ago, did President Obama forcefully defend these premium increases because of the law? When he is traveling this week, is the President going to forcefully defend patients and doctors experiencing the exact opposite of what the Democrats promised? Are Democrats in the Senate proud that only 8 percent of Americans are spending less on health care this year than they did before? Costs are going up so fast that last month State regulators in Colorado decided to add another tax on every insurance policy in the State in order—get this—to bail out the State ObamaCare exchange. They added an extra tax on every insurance policy in the State in order to bail out the State ObamaCare exchange.

Now, that is not just on people buying the policy in the exchange. They are charging this new tax on every person in Colorado who buys health insurance just to cover those who buy it through the exchange. Well, that is a very expensive side effect for the families of Colorado as a result of the President's health care law.

So this health care law is bad for patients, bad for providers, the nurses, and the doctors who take care of those patients, and it is terrible for taxpayers. Every Democrat in the Senate voted for this health care law. Where are the Democrats willing to forcefully defend these costly and damaging side effects of their health care law?

People in Colorado and all across America received letters telling them their plans were being cancelled because of the law. People lost access to their doctors, like this OB/GYN physician who wrote her op-ed editorial for the Denver Post.

She says she has had to stop seeing Medicare patients because of the new redtape in the health care law. So people in Colorado lost their right to choose the health plan that works for them and their families.

Republicans are not going to quietly accept the terrible side effects of the President's health care law. We are going to keep coming to the floor. We are going to keep standing for American families who are being hurt by this law. We are going to keep offering new solutions—real solutions—for better health care without all of these tragic side effects.

That means patient-centered reforms that get people the care they need from a doctor they choose at lower costs. It means giving people choices, not Washington mandates. It means allowing people to buy health insurance that works for them and their families because they know what is best for them.

Democrats who voted for this health care law have failed to answer the real concern of the American people, which was affordable quality care.

American families will not go quiet about the harm Democrats have done to them with this health care law.

Madam President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CARPER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TENTH ANNIVERSARY OF THE 9/11 COMMISSION

Mr. CARPER. Madam President, I rise to commemorate the 10th anniversary of the final report of the National Commission on Terrorist Attacks Upon the United States, also known as the 9/11 Commission Report.

As the chairman of the Senate Homeland Security and Governmental Affairs Committee—a committee on which I proudly serve with the Presiding Officer—I can tell my colleagues that this report has been and continues to be incredibly important to the work we do in the committee that Dr. COBURN and I are privileged to lead in this Congress.

Nearly 13 years ago, as we will recall, our Nation suffered the most devastating attack on U.S. soil since Pearl Harbor. Almost every American alive will remember where they were on the day the Twin Towers collapsed, when the Pentagon was hit, and when they saw the wreckage in the fields of Shanksville, PA.

We asked ourselves at that time, Why would anybody want to do this? How did this happen? What could have been done to prevent this tragedy?

In the months after this horrific attack, Congress and the President endeavored to answer these questions. Together they established an entity we call the 9/11 Commission.

Led by former New Jersey Gov. Tom Kean—our neighbor across the Delaware River—a Republican, and by former Indiana Congressman Lee Hamilton, a Democrat—one of my mentors in the House of Representatives—the Commission was charged with preparing a full and complete accounting of the circumstances surrounding these horrific attacks and recommending ways to make our Nation more secure.

This proved to be no small task. The Commission interviewed more than 1,200 people in 10 countries, including every single relevant senior national security official from not one but two administrations, and reviewed more than 2.5 million pages of documents. Despite the political tensions and partisan climate that engulfed our Nation at the time, the Commission put aside their own political differences and issued their final report 10 years ago today.

The 592-page report contained a full accounting of what happened before and after the attacks and included no less than 41 recommendations on how we could prevent another tragedy such as the one visited upon us on September 11. The report went on to sell more than 1 million copies and it was at the top of the national best seller list—numerous national best seller lists. Imagine that, a report—a Federal report—a best seller. It was a remarkable achievement, not only because of the depth and breadth of the Commissioners' findings but because all 10 Commissioners—5 Democrats and 5 Republicans—came to agreement on every single word of this report. Around here some days we can't agree if it is Wednesday, much less agree on every single word of a 592-page report.

In the months and years following the report's release, Democrats and Republicans in Congress worked together with the Bush administration to enact not one but two major laws to implement the report's recommendations. These laws were championed in part by our good friends Joe Lieberman of Connecticut and SUSAN COLLINS of Maine, both of whom served as chair and as ranking member of the committee I now chair.

Among other things, these two historic bills created a new Director of National Intelligence to coordinate and oversee all information sharing and intelligence activities. These laws implemented a passenger prescreening system that has helped to ensure that terrorists aren't able to fly on aircraft, while also establishing a fully staffed Privacy and Civil Liberties Oversight Board.

When we think about all of these accomplishments and more, I think it is safe to say that the 9/11 Commission report has proven to be one of the most important and influential efforts of its kind in recent history. We as a nation owe a real debt of gratitude to the Commissioners for their determined and clear-eyed approach to improving the security of our Nation.

We might ask ourselves: How did they do this? The Commission's leadership—Governor Kean and Congressman Hamilton—wrote in their own words on the 10th anniversary of the September 11 attacks about why the Commission was so special and so effective. Here is what they had to say:

> First, because of the great damage and trauma the 9/11 attacks produced, the American public demanded action and had high expectations for measures and reforms that would improve the nation's security.
>
> Importantly, the statutory mandate for the Commission was limited, precise, and clear—the Commission was authorized to investigate the facts and circumstances surrounding the attacks and to make recommendations to keep our country safe;
>
> The Commission had an extraordinary nonpartisan staff—

They truly did have an excellent staff—

> the members of which possessed deep expertise and conducted their work with thoroughness and professionalism; the Commissioners—

Many of them I am privileged to know—

> had deep experience in government and political credibility with different constituencies;
>
> The final report was unanimous and bipartisan; families of the victims of 9/11 provided solid and sophisticated support throughout the life of the Commission and in the years since; and following the Commission, the Commissioners and staff continued to work closely with Congress and the executive branch to implement and monitor reform.

That is what they had to say.

In other words, they had the will to act. They had the authority and the responsibility to act. They had the support of great staff and of the Americans most directly affected by the tragedy; that is, the families who were affected. They had extraordinary leadership from Governor Kean and Congressman Hamilton, both of whom put aside partisan differences and built a trusting relationship for the betterment of our Nation.

Once, after having a hearing in Dirkson 342, where our committee meets now and where they were testifying before us, the Chair and Vice

Chair, Governor Kean and Congressman Hamilton, and I asked them: In a day and age when it is hard for us to agree on much of anything around here, how were you able to agree, the two of you and your Commission, on the entire almost 600 pages of this report?

I will never forget what they both said.

They said: Well, we didn't really know each other, but we were thrust into this and asked to serve in this capacity, and we got to know each other.

They said: We got to know each other very well, and out of all the time we spent together grew a trust that was almost without bounds and a very strong friendship—a real bond.

Sometimes we think about why we are so dysfunctional here. That is, in my judgment, a very big part of what is missing—a lack of trust and understanding of one another and having those kinds of personal friendships that go across all kinds of boundaries.

After 10 years, I still marvel at the trust developed between the Commissioners, and especially the Chairman and Vice Chairman. Perhaps most importantly, no other large-scale, 9/11-type attack on U.S. soil has occurred over these past 13 years. The improvements made to our intelligence, our law enforcement, and our security agencies as a result of the 9/11 Commission's work have undoubtedly contributed to that good fortune.

The response to the Boston Marathon bombing on April 15, 2013—just last year—was a shining example of how the investments we have made as a nation in training and equipment for our first responders have made us more capable, more resilient, and more secure than ever. But that attack itself showed us we cannot grow complacent. We must maintain our resolve and our commitment to the security of our Nation.

The Boston bombing, new threats to aviation, foreign fighters in Syria coming home—these are all stark reminders that we continue to face persistent and evolving terrorist threats.

Of course, one of the biggest threats our country faces is in cyberspace. That is why Dr. COBURN, our staffs, members of our committee, and I worked so hard to move three bipartisan cyber bills out of the committee this year and they now await action by the full Senate in this Chamber. These are just a few of the challenges our Nation continues to face.

We know there is still work to be done to fully implement the Commission's recommendations. So today, as we commemorate the release of this report, I think we would be wise to revisit and attempt to recapture the spirit of unity that made this bipartisan achievement possible by the 9/11 Commission.

As we seek to confront and to overcome the challenges before us on this day, we would be wise to consider again the example set by Governor Kean, Congressman Lee Hamilton, and the other eight Commissioners, and we should be inspired by their example.

The people we are privileged to represent across the Nation are pleading with us to set aside what separates us—pleading with us—remembering what binds us together and do the hard work we need to do to keep our homeland secure in an evermore turbulent world.

Let me close by thanking once again the 9/11 Commissioners not only for their important work that they did all those years ago but for the enduring example they set for us a decade ago. Let's be inspired by them. Our country and its people are counting on us on so many different fronts. Let's not let them down.

I note the absence of a quorum. Thanks so much.

Mr. TOOMEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COONS). Without objection, it is so ordered.

Mr. HATCH. Mr. President, will the Senator yield for a unanimous consent request.

Mr. TOOMEY. Mr. President, I would be happy to yield.

Mr. HATCH. Mr. President, I ask unanimous consent that I be permitted to speak immediately following the remarks of the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOOMEY. Mr. President, I would like to thank the Senator from Utah because I got here late and I am intruding on his time, but he has been kind enough to patiently wait for me to make a few points. So I will try to be brief, but I think it is really important that we address this issue, which is a very serious problem happening in America.

We see increasing numbers of what we call corporate inversions—American corporations establishing their headquarters overseas—typically through the mechanism of purchasing a company overseas and establishing that as the headquarters.

First of all, I just hate to see any American company choosing to not be an American company. It is very offensive to me at a deep level, most especially if it were to be a Pennsylvania company—but any company. Secondly, whatever little shred of faith any Americans have in our tax system is further undermined by seeing this. And, most importantly over time, this dynamic that is happening, if unaddressed, I think poses a very serious risk that we are going to lose jobs, we are going to lose corporate headquarters and all of the very substantial and good-paying jobs that are always associated with an American corporate headquarters, from senior executives, to secretarial folks, to the janitorial staff, and everyone in between. There are a lot of jobs that go along with where people decide to establish their corporate headquarters, and I want it to be in America. That is my goal. That is my motivation.

So it is useful to start with posing the question: Why is this happening, that American companies that have subsidiaries overseas are deciding they had better be headquartered somewhere other than America?

I will tell you why it is happening. There is no mystery here. It is happening because we have a Tax Code that is driving them to do this. We have chosen to inflict on our workers and our businesses the highest marginalized tax rate in the industrial world, so we are systematically less competitive than any of our trading partners, the nations against which we compete.

In addition to having such a high marginal rate, we have chosen, quite foolishly, in my view, to adopt a system of taxation with respect to overseas subsidiaries that no one else in the world—virtually no one else in the world—adopts.

Let me drill down a little bit into this. Specifically, the difference between a high marginal rate and a low rate is pretty obvious. We have the highest. Other countries have much lower rates. Increasingly, they are reducing their rates. We used to be in the middle of the pack. Twenty years ago the American business tax rate was about the same as most of our trading partners and competitors. Today it is much higher. We stand pretty much alone with a very high rate. That is obvious. That is pretty straightforward.

The other piece, though, is how we deal with the tax—with the income of subsidiaries. That is very different. Here is what happens. Basically imagine that an American company has a subsidiary in Ireland. That subsidiary makes some profits. The profits are taxed by the Irish Government. They happen to use a 12½-percent tax rate, because they want to attract business. It is working, by the way, for them.

But be that as it may, the first layer of tax an American subsidiary operating in Ireland pays is the tax to the Irish Government, 12½ percent. Then here is what we do in America: We say, now if you want to bring that money home to America and invest it in America and build a new factory in Pennsylvania or in Delaware and hire lots of workers, if you want to bring the money home to do that, well, we have a punishment in store for you. We are going to look at our rate, which is among the very highest in the world at 35 percent. We will give you credit for the 12½-percent that you paid to the Irish Government. We will soak you for another 23 percent. That is the price we will charge you for investing in America. That is what we do. That is what our current tax system does.

Now what if this Irish company, this subsidiary operating in Ireland, what if instead it was owned by a company that is headquartered in Sweden or Switzerland or any other number of

European countries? Do you know what they do? What they do is say: Well, after you have paid your tax to the Irish Government, if you then want to bring it home to one of those countries, there is almost no additional charge. There is a very nominal toll, if you will, on bringing that money back to those countries.

What is the effect of this? The effect of this is that we put our multinational companies at a huge competitive disadvantage. It is an unsustainable competitive disadvantage. The other effect is that we end up trapping money overseas that would be invested in America but is not.

So what is the rational response of the corporate management and the board of directors of a business which has this Irish subsidiary that has made this money, it has paid its tax to the Irish Government? Unfortunately, the response typically is: Well, I cannot defend to my shareholders why I should bring that money home and get whacked another 23 percent. So instead, I would rather not do this, but I am forced to look at investing somewhere else in the world where I will not have to pay this tax. This is what I am being told—this is what is happening. The way to avoid all of this is to be headquartered somewhere other than America.

This is terrible. This is outrageous. We are doing this to ourselves. It is madness.

I have to say, I am very disappointed with how we are responding in this body. We know this is a problem. This is very real. It is growing. We are not taking it seriously. What we are going to vote on later this week, I think, or whenever the vote comes up, is not a serious attempt to solve this problem. It is a completely political show vote, the Walsh-Stabenow bill. It will do nothing to stop these ongoing inversions. It does nothing about the fundamental underlying cause that is driving these inversions. It does nothing to encourage the repatriation of all of this money.

By the way, it is attached to a vehicle that is unconstitutional. We cannot originate a tax bill in the Senate. The Constitution forbids that. So if you are even pretending to be serious about tax reform, you take up a House-passed vehicle so it is at least constitutionally possible. Our Democratic friends chose not to even bother with that formality, so blatant is the fact that this is not a serious discussion. That is a shame. We ought to be having a serious discussion about this.

There is a more serious alternative bill that some of our friends on the other side are advocates for. That is a bill that basically would make it harder for you to achieve the inversion a company is attempting to achieve. It would require the number of foreign shareholders be quite high at the end of the transaction in order to qualify for it. So it sounds on the surface like: Oh, that might work and make it harder to do this.

But the problem still goes to it does not deal with the underlying fundamental driver of this problem, which is a Tax Code that makes it uncompetitive to be American. So if the Levin bill, which is the one I am referring to, were to be adopted, which I certainly hope it would not be, it continues to make it untenable for shareholders of a business to justify being headquartered in America. We will continue to see increasing numbers of startups and spinoff and growth overseas where the governments choose not to punish their businesses the way we punish ours.

I think the answer is to deal with the underlying cause, not the reaction to that underlying cause. I do not want to see any more of these inversions.

We are going to do that by lowering the marginal corporate tax rates so there is not a huge advantage in being anywhere else other than America, and to adopt a territorial system, a system where once a company pays the tax it owes to the country in which it is located, we do not punish them for bringing that money home and investing it in America. That is the answer. That is the solution. This is no great mystery. The rest of the world has figured this out. They are ahead of us on this.

If we would get serious about this very real problem and we made these reforms, what would the net result be? Up to maybe over $1 trillion of money that is trapped overseas would be invested back in America. Can you imagine what that would do to our economic growth almost immediately—the surge in job creation, the surge in expansion of existing businesses.

You know, we have this tremendous renaissance in manufacturing that we are on the edge of, because we have such low-cost energy. It is an enormous advantage we have. We could release this pent-up demand and take advantage of this enormous opportunity if we had a Tax Code that made it rational.

I am standing here very frustrated, because I am watching us eke out this miserable sort of 1, maybe if we are lucky, 2-percent economic growth. Employment levels are way too low. Workforce participation is nowhere near where it should be. I know we could be booming. We could be growing at 4 percent. We could be creating many hundreds of thousands of new jobs every month. We could be bringing people back in the workforce. We could have the kind of strong economic expansion we have always had in the past after a severe recession.

But we are not getting there right now. It is partly because we have a Tax Code that is hampering us. It is driving up transactions that none of us want to see. So I hope after we get through the political exercise we are going to go through this week, we will get serious about solving the underlying problem: lowering the marginal rate so we do not stand out as the worst place in the world to establish a business, and moving to a territorial-based system so that we stop punishing businesses that want to invest in America. That is my hope. I hope we will get to this soon, because, unfortunately, we are seeing the unfortunate consequences of this bad policy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I am pleased to be in the same Senate with this wonderful Senator from Pennsylvania who does a very good job on the Senate Finance Committee and is, frankly, one of the brighter lights in the Senate. I appreciate him. I appreciate his efforts. I appreciate his leadership. I appreciate what he just got through saying.

Mr. President, soon we will begin debate on the so-called Bring Jobs Home Act. There are a number of serious problems facing our country. For example, our national debt currently exceeds $17.5 trillion. That is trillion with a T. Our economy continues to struggle. In fact, the economy shrunk last quarter. We have an entitlement crisis that threatens to swallow our government and take the country down with it.

Of course, as has been widely discussed, we are seeing a parade of U.S. multinationals opting to move their legal domiciles to countries outside of our country, outside of the United States. During these difficult times what we are hearing from my friends on the other side of the aisle is not very good.

What are we hearing from these friends on the other side of the aisle? We are hearing talk about ''economic patriotism.'' I did not make up that term. It is the latest catchphrase coming from the Obama administration as they try to malign business models and investments they do not like during an election year.

Last week I received a letter from the Treasury Secretary calling for ''a new sense of economic patriotism'' as the administration pushed for legislation that would punitively and retroactively seek to limit corporate inversions. The President has repeated the line in some of his recent speeches. Of course, ''economic patriotism'' is not a new catchphrase. It was trotted out by the President during the 2012 election campaign. Now it appears to be making a comeback. Not surprisingly, this comeback is taking place in the midst of another election year. Apparently, as part of this recycled campaign, we are going to have to once again debate and vote on the Bring Jobs Home Act, the same bill the Senate rejected during the last election cycle.

If enacted, this legislation would deny the deduction for ordinary and necessary business expenses to the extent that such expenses were incurred for offshore outsourcing. That is, to the extent an employer incurred costs in relocating a business unit from somewhere inside the United States to somewhere outside the United States,

the employer would be disallowed a deduction for any of the associated business expenses. Wow. How antibusiness can you be? There are other ways of solving this problem.

The bill would also create a new tax credit for insourcing. That is, if a company relocated a business unit from outside the United States to inside the United States, the business would be allowed a tax credit equal to 20 percent of the costs associated with that relocation. As I said, this is a recycled bill.

The political talking points surrounding the bill are also recycled. This bill and the related talking points are based on the oft-repeated lie that there are special incentives or loopholes in the Tax Code that encourage businesses to move jobs overseas. No such loopholes exist.

As the Joint Committee on Taxation noted in its recent analysis of this bill:

> Under present law, there are no targeted tax credits or disallowances of deductions related to relocating business units inside or outside the United States. Deductions generally are allowed for all ordinary and necessary expenses paid or incurred by the taxpayer during the taxable year in carrying on any trade or business. These ordinary and necessary expenses may include expenditures for the relocation of a business unit.

The truth could not be plainer. Yet the supporters of this bill still talk as though this legislation will end some kind of special tax treatment or deduction for companies that outsource. There is no special treatment. Under our Tax Code, relocation expenses are treated the same whether a company is relocating from a high-tax State in the United States to a lower tax State or if a company relocates some operations offshore.

As the nonpartisan congressional scorekeeper has made clear, there are no targeted tax benefits related to relocating business units outside of the United States. No credits. None. Zero.

As the Joint Committee on Taxation said:

> There has always been a deduction allowed for a business's ordinary and necessary expenses. Expenses associated with moving have always been regarded as deductible business expenses.

That being the case, allowing a deduction for these expenses is not all that remarkable. It is the general rule. Disallowing or putting exceptions on this deduction, on the other hand, would be an extraordinary deviation from long-standing tax policy and would needlessly add yet another level of complexity to our already overly complex Tax Code.

Still, let's pretend for a moment this deviation is, in terms of tax policy, justified. It is not, but there is no harm in pretending, I guess. Even if we were justified, in terms of policy, the revenue generated by this proposal is minuscule.

According to JCT, the Joint Committee on Taxation, preventing businesses from deducting expenses relating to outsourcing would raise about $140 million over 10 years. That is about $14 million a year—not $14 billion with a ''b,'' but $14 million with an ''m.''

To put the puny amount of this proposal in context, we should compare this revenue number against the volume of business U.S. companies conduct overseas.

According to the latest available IRS statistics of income, in 2010 U.S. companies conducted about $1.085 trillion in business abroad, and that is probably low, given the sluggishness of the economy at that time. On an annualized basis, the Bring Jobs Home Act would curtail deductions representing about $40 million in expenses.

That represents four-thousandths of 1 percent of all overseas business conducted by American companies. Let me repeat that, four-thousandths of 1 percent—hardly perceptible.

As I said, we are talking about minuscule sums here. We are also talking about politics as usual in the Senate. Instead of facing these problems and facing them realistically, some prefer to play politics with it, and it is total BS.

Yet over the last few years we have heard countless claims from my friends on the other side of the aisle that ''closing loopholes for businesses that move jobs overseas'' will pay for all kinds of things.

Earlier this month, for example, President Obama claimed that part of his infrastructure plan could be paid for by making sure corporations shipping jobs overseas ''pay their fair share of taxes.''

Well, if this bill is representative of this particular effort, the President doesn't plan on paying for very much. I would bet the $14 million wouldn't even be enough to pay for a single high-speed rail car or a round of IRS bonuses. It is amazing to me what people will do for political advantage that is shameless. They should be ashamed.

Of course, all of this discussion only focuses on one section of the bill. When you add in the other part of the bill—the 20 percent credit for expenses associated with insourcing—the Bring Jobs Home Act actually loses revenue—loses revenue—adding $214 million to the deficit over 10 years.

So why are we debating this bill? It is obviously not about raising revenue to pay for anything. It is clearly not about impacting business economic decisionmaking, and it is not about improving or simplifying our Tax Code.

Instead, this bill is about politics, pure and simple. It was all about politics the last time we debated this bill in 2012, and it is about politics this time around.

I, for one, am getting sick of it. I am so sick of this body not doing its job.

The Democrats, both in the Senate and the White House, think they gain some traction by talking about ''economic patriotism'' and trying to paint Republicans as the party of outsourcing. Give me a break. The bill is yet another election-year gimmick, pure and simple, and they ought to be ashamed.

Quite frankly, the American people are tired of gimmicks.

What they want are serious solutions to the problems ailing our country. Sadly, they are not getting that from the Senate majority leadership these days.

If we are serious about bringing jobs home, we should try working on legislation that will actually make the United States a better place to do business. Let's make our country more attractive to do business.

We should try working on legislation that will actually grow our economy. But we don't do much of that in the Senate these days. In fact, we don't do much of anything in the Senate these days other than to continue to overbalance the Federal courts with this administration's suggestions.

Yes, we don't do much of that in the Senate these days. Instead, what we are seeing is an endless series of showboats designed to highlight whatever Democratic campaign theme is popular that week.

We have seen votes designed to highlight the supposed ''war on women.'' We have seen votes designed to make it appear the Republicans are indifferent to the plight of the middle class. Give me a break. Now we are seeing votes designed to demonize Republicans for their supposed lack of ''economic patriotism.''

What a fraud. When does it end? From the looks of things, not any time soon.

I suspect as we debate the so-called Bring Jobs Home Act, the Republicans will offer a number of amendments that, unlike this bill, will actually create jobs in the United States. I plan to offer some amendments along those lines, and I am sure many of my colleagues will do the same.

This will be an opportunity to show whether the Senate Democratic leadership is serious about creating jobs and helping American workers and businesses as they claim to be. If, in fact, that is the aim of this legislation, then we should have a full and fair debate on it, including an open amendment process that will allow the Senate to explore alternative approaches and to discuss different ideas and how best to create jobs in this country. But I wouldn't hold my breath, watching how this Senate is being run these days.

Let's talk about actually fixing our Tax Code. Let's talk about growing our economy. Let's talk about real solutions to the real problems facing our Nation.

I hope that is the kind of conversation we will have on this bill. Of course, I am not naive. I know how the Senate operates these days. I have come to the floor numerous times—only yesterday, in fact—to lament the deterioration of this body under the current leadership. I am not under any illusions that things are simply going to change overnight.

I might add that the Senate leadership—these are friends of mine. I am just disappointed in the way they are running the place, and I think my disappointments are correct and accurate. But make no mistake, things need to change. For the good of our country, things need to be done differently around here.

Like I said, the American people are tired of political gimmicks. They are tired of the endless campaign. They want to see the Senate act in a way that will produce results.

Sadly, with this legislation before us this week, it looks as if we are in for yet another round of partisan gamesmanship.

We can do things differently and, once again, I hope we will. But as I have said many times before, I am not going to hold my breath. I just wish we could get together and work in the best interests of not only this body but our country.

I don't see the leadership at the White House either, nor do I think Secretary Lew's letter on this issue was a justifiable letter. In fact, I think it was pathetic, and I am very disappointed in him as a person and as a leader in this country for that letter.

Of course, I wrote one back to him, certainly, expressing my viewpoint.

U.N. DISABILITY TREATY

Yesterday the Foreign Relations Committee voted 12 to 6 again to report the U.N. Convention on the Rights of Persons with Disabilities.

This was similar to the committee vote 2 years ago. On December 4, 2012, the Senate voted 61 to 38 on the treaty, less than the two-thirds the Constitution requires for ratification.

I expect a similar result if the Senate takes up the treaty again. Yesterday afternoon the senior Senator from Iowa—a friend of mine, and a person for whom I have a lot of regard—spoke on the floor about the treaty, and as he has done many times, urged its ratification. I don't doubt his sincerity at all, and I admire him personally for the long service he has given to this country.

He called the concern that this treaty would undermine American sovereignty and self-government imaginary, hypothetical, and unreal. In fact he said:

> Anyone who is hiding behind that issue does not want to vote for this treaty for some other reason. But it can't be the reason of sovereignty.

I will not speculate about what the Senator from Iowa meant by some other reason. He and I have worked hard together to promote the rights and opportunities of all persons with disabilities. I feel deeply about that issue. I feel as deeply as he does.

We were partners in the development and passage of both the original Americans with Disabilities Act in 1990 and the ADA Amendments Act in 2008.

I take a back seat to no one when it comes to legislation to help persons with disabilities.

But since I gave a speech on the floor 1 year ago explaining my concerns about this treaty's effect on American sovereignty and self-government, I have to respond to the charges by my friend from Iowa. I can only speak for myself, of course, but I am not hiding behind anything, including the sovereignty issue.

That issue is neither imaginary nor hypothetical, and it is certainly not cover for some hidden, unexpressed reason for opposing this treaty.

As I explained on July 10, 2013, this is a treaty not with other nations but instead with the United Nations itself. Ratifying it would create obligations across at least 25 different areas of social, economic, cultural and even political life. Article 8, for example, would even regulate the United States to ''raise awareness throughout society, including at the family level, regarding persons with disabilities.''

If this is all the treaty did, if it simply stated obligations, I might support it. It would then be generally similar to the treaty regarding child labor the Senate ratified in 1999. That treaty states that ratifying nations shall ''take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labor.''

But these two treaties are radically different and the difference is the very reason why the disability treaty threatens American sovereignty and self-government and the child labor treaty does not.

The difference between these treaties is who has authority to determine whether ratifying nations are in compliance. The child labor treaty leaves that up to the ratifying nations themselves.

The disability treaty, however, gives authority to determine whether ratifying nations were meeting their treaty obligations to the United Nations. That is considerably different and very dangerous. Each nation must submit compliance reports to a U.N. committee of experts which uses its own criteria and standards to determine compliance and makes whatever recommendations it chooses.

Treaty advocates say this U.N. committee will not have actual legal authority to require changes to domestic laws and that even if it did, we would not have to change a thing.

I have three responses to that. First, as I explained in my speech last year, American sovereignty and self-government are not so narrow they can only be undermined by the United Nations literally assuming legal and political control of our country. America is a republic under a written constitution, and in this system of government the people must have the last word on everything because the people are sovereign over everything.

The American people and their elected representatives, not a U.N. committee, must have the last word not only on our laws and regulations but also on our priorities, our values, and our standards.

Ratifying this treaty would endorse a formal, ongoing role for the United Nations in evaluating virtually every aspect of American life. It would say that the U.N.—not the American people—has the last word about whether the United States is meeting its obligations in these many areas.

That undermines American sovereignty and self-government. The United Nations hardly needs a legally binding treaty to opine on aspects of American life and public policy. It does so all the time. Ratifying this treaty, however, would formally endorse the right of the United Nations to do so and, even worse, subject ourselves to their evaluation. That is serious. We should think twice before we allow something like that to happen.

Second, we may already have the world's most expansive disability laws and regulations—and I know because I helped bring them about—but this treaty goes far beyond that.

The U.N. Web site says this treaty legally binds any nation ratifying it to adhere to its principles, and the treaty spells out what that adherence will require. Ratifying nations agree to enact, modify, or abolish laws and regulations at all levels of government—federal, state, and local—that are inconsistent with the treaty's principles, but the treaty also requires evaluating and changing any social customs and cultural practices that are inconsistent with those principles. Anyone who has followed the United Nations knows that a U.N. committee is not likely to look as favorably on American customs and practices as it might on our laws and regulations.

Third, even though the U.N. disability treaty appears to have been modeled after the Americans with Disabilities Act, it utilizes a very different concept of disability.

For more than four decades, American laws in this area have defined a disability as an impairment that substantially limits a major life activity. The disability treaty, however, states that ''disability is an evolving concept'' involving barriers that hinder ''full and effective participation on an equal basis with others.'' In other words, the U.N. committee would use a subjective fluid concept of disability to evaluate compliance with the treaty of U.S. laws that utilize an objective, functional definition of ''disability.''

I am pleased to note that, even without U.S. ratification, no less than 34 nations have ratified the U.N. disability treaty since it was sent to the Senate on May 17, 2012—15 of them since I last spoke here on the treaty a year ago.

Yesterday the senior Senator from Iowa asked for someone to explain to him why the disability treaty before us today raises concerns about sovereignty but the 1999 child labor treaty did not. Well, I think I have done that here today. The disability treaty gives

the last word on whether a nation is in compliance to the U.N.; the child labor treaty leaves that entirely up to each nation.

I understand Senators have different understandings or concepts about such things as American sovereignty and self-government, but it is wrong to say that if I take a different view on that than the senior Senator from Iowa, I must somehow be hiding my real reason for opposing this treaty. In our system of government, legislation and treaties are profoundly different ways of addressing public policy issues with profoundly different effects on sovereignty and self-government.

I will continue to be a champion for disability legislation, but I cannot support this disability treaty. I will support those who have disabilities, who have difficult times, as I did back then.

Frankly, I still remember my great friend from Iowa and myself walking off the floor to a whole reception room filled with persons with disabilities, all of whom were crying and happy that we had done this in America.

America leads the world in our quest toward disabilities issues. In all honesty, I don't want to lose our sovereignty in this issue, nor do I want to turn over our rights and our own self-interests to the United Nations, as good as it may be from time to time. But I have also seen where it hasn't been so good from time to time as well.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I come to the floor today to talk about the Bring Jobs Home Act, which is the bill that would stop big corporations from getting a tax break for sending jobs overseas while rewarding businesses that invest in bringing jobs here, back home.

I thank my colleagues Senator WALSH and Senator STABENOW for leading the way on this important legislation, and I am glad we now have the opportunity to debate it. I hope our Republican colleagues will take a serious look at the Bring Jobs Home Act and work with us in the coming weeks and months on other efforts to create jobs and long-term economic growth.

Our economy has changed a lot over the last few decades. Prices have risen for everything from college tuition to health care, and the shifting realities of the global economy have really made it harder to find the kinds of jobs on which workers used to raise their families.

As we all remember, for far too many families the financial crisis and the recession that began in December of 2007 was the last straw. It pulled the rug out from under workers and small businesses across the country. We have come a long way since then, but it is clear there is much more we need to do to create jobs and broad-based economic growth so that hard-working families in our country get a fair shot.

At a time when too many families are still struggling to make ends meet, there is absolutely no reason taxpayer dollars should go toward helping big corporations send jobs overseas. That is why I was very proud today to vote in support of the Bring Jobs Home Act.

I think most Americans would agree they don't want their taxpayer dollars spent on helping corporations outsource jobs. It really should be a no-brainer.

Unfortunately, over the last few years we have spent far too much time avoiding crises rather than legislation like the Bring Jobs Home Act that would help our workers and businesses. Government shutdowns, default threats, and last-minute deals took up a lot of oxygen here in Washington, DC, and made workers and families really question whether their government could get anything done.

So when Chairman RYAN and I were able to reach a 2-year bipartisan budget agreement, I was hopeful we would be able to move beyond the cycle of governing by crisis, and I hoped we could build on that bipartisan foundation established in that 2-year budget deal and work across the aisle to create jobs and grow our economy. The Bring Jobs Home Act is exactly the kind of legislation I wanted to see us debate and work together on.

While we all know Republicans and Democrats have very different views on the best ways to encourage economic growth, we have taken some bipartisan steps that show we should be able to work together on this and other job-creating legislation. The Workforce Innovation and Opportunity Act, which Senator ISAKSON from Georgia and I were able to work together to finish, is a great example. That bipartisan legislation shows what is possible when Members from different parties and different States and different Chambers come together to get things done for the American economy. I have heard from countless businesses and families in my home State of Washington who have told me how much they rely on effective workforce programs. So I was really thrilled yesterday to stand next to President Obama as he signed more than a decade of hard work and negotiation into law when he signed that legislation.

I am glad we were able to go beyond governing by crisis and reach a bipartisan agreement to thoroughly and responsibly improve our workforce development system. We need to do the same thing—go beyond simply avoiding crises when it comes to commonsense steps such as the Bring Jobs Home Act.

I would also note that this is true for the highway trust fund. I hope we will be able to not only avoid a construction shutdown short-term but that we will work together to strengthen our transportation infrastructure in a comprehensive way.

Construction workers and businesses absolutely deserve the certainty of knowing we are going to avoid the shortfall in the highway trust fund and keep our critical transportation projects moving forward. But they actually deserve more than that. They, along with every other American family and business that uses our roads and bridges, deserve a long-term solution—one that not only shores up the highway trust fund but also provides a plan for smart investments throughout our entire transportation system.

My colleagues Senator WYDEN and Senator BOXER have been leading the way on avoiding this unnecessary crisis and addressing our transportation infrastructure challenges not just for next year but for years to come, and I thank both of them for their efforts.

I know conventional wisdom is that Congress will not be able to get anything done from now until November, but I don't see any reason at all why that ought to be the case. Families and communities rightly want us to solve problems. Just avoiding crises isn't enough.

I am very hopeful that in the coming weeks and months we can not only avoid a construction shutdown but also lay the groundwork for smart investments in our country's roads and bridges and waterways.

I am glad my Republican colleagues are making it clear that they don't want another fight over keeping the government open. I think we should build on that by working together to replace more of the harmful sequestration cuts we are going to face in 2016.

Instead of simply avoiding self-inflicted wounds to jobs and the economy, we should be taking important steps, such as the Bring Jobs Home Act, that encourage our companies to invest and hire right here at home.

Of course, there is much more to do as well, and I never meant to suggest that any of this would be easy. As we all know, compromise is not easy. But legislation such as the bipartisan Budget Act and the Workforce Innovation and Opportunity Act show us that when both sides are ready to come to the table and make tough choices, we can make real progress.

We have a lot of work to do over the next weeks and into the fall, and I hope we will take the bipartisan path that leads us to real solutions and goes beyond just simply avoiding the next crisis. That is what our constituents rightly expect, it is what they deserve, and it is what I hope we can all work together on to deliver.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENNET). Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. COONS). The Senator from Vermont.

Mr. SANDERS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETERANS' AFFAIRS

Mr. SANDERS. Mr. President, as chairman of the Senate Committee on

Veterans' Affairs, I want to take a few minutes to update Members of the Senate as to where we are on some very important issues that impact veterans all over this country.

The first point I want to make is some good news. The committee had a hearing yesterday to hear testimony regarding the confirmation of Robert McDonald to be the new Secretary of the VA. I think I can speak for the whole committee in saying we were very impressed by what we heard from Mr. McDonald both in terms of his passion for the needs of veterans and also his administrative knowledge, his management skills, as the former head of one of the large corporations in America. I think he left us with a very strong impression. The result was that today, a few hours ago, by a unanimous vote, the Senate committee voted to confirm Robert McDonald as our new Secretary of the VA, and I hope very much his nomination will get to the floor as soon as possible. I think that is good news because the VA needs stable leadership. Sloan Gibson, who has been Acting Secretary, is doing an excellent job. He has already accomplished a lot. But it is important that we have a new permanent Secretary on board, and I hope the Members here see fit to confirm him as soon as we possibly can.

On an additional issue, I think as all Members of the Senate know, about a month or so ago we voted by a vote of 93 to 3, almost unanimously, to make sure the veterans of our country get quality health care in a timely manner, that we bring a new level of accountability to the VA, and I am very proud of the support that legislation, which was introduced by me and Senator JOHN MCCAIN, received. I thank again Senator MCCAIN for his very strong efforts to make that happen and for his continued support of the veterans community.

Senator MCCAIN made a statement the other day—I think it was yesterday—published in CQ, which I personally could not agree with more. He spoke in terms of the conference committee that we are in right now trying to merge the Senate bill and the House bill and come up with something that can pass in both bodies. He said and I quote: ''We've got to sit down and get this done, because we cannot go out for recess in August without having acted on this bill.''

I think he is exactly right.

Let me, picking up on that theme, relay to my colleagues what the VFW, which is having their annual convention in St. Louis, said:

The Veterans of Foreign Wars of the United States is demanding that Congress immediately pass a compromise bill to help fix the Department Of Veterans Affairs before they adjourn for five weeks at the end of the month. ''Pass a bill or don't come back from recess,'' said VFW National Commander William A. Thien of Georgetown, IN. ''America's veterans are tired of waiting—on secret waiting lists at the VA and on their elected officials to do their jobs.''

I could not agree with the VFW more on that issue.

There was a bill a month ago that passed here. The CBO said that bill would cost $35 billion, and we voted for that for emergency funding because the Members here understood that taking care of veterans is a cost of war as much as spending money on tanks and guns and missiles—$35 billion in emergency funding. The House passed its bill which was later assessed by the CBO at $44 billion. But here is the good news—and without divulging the kinds of negotiations we are having with Chairman MILLER in the House—and Chairman MILLER is a serious man. I think he wants to get a bill passed. I don't want to go into all the details here, but I think it is fair to say the cost of that bill will be significantly less than what the CBO originally estimated.

A few minutes ago I and others received a letter from the major veterans organizations on an issue of important consequence. Again, without going into great detail about the nature of the negotiations which the House and Senate are having on the veterans bill, I think it is fair to say one of the stumbling blocks is that I agree and the House agrees it is imperative we pass funding to make sure that veterans who are in long waiting lines right now get the quality care they need now, and that means if the VA cannot accommodate them in a timely manner, they will go out to private doctors, community health centers, or whatever, and the VA will pay that bill. That is what we have to do because it is unacceptable that veterans remain on long waiting periods and not get health care. There is a general agreement on that. There is debate about how much that is going to cost over a 2-year period, but I think we can reach some resolution.

Here is where the difference of opinion lies—without divulging anything, and this has been in the newspapers—Sloan Gibson, the Acting Secretary, came before the Senate Veterans' Affairs Committee last week and he made it very clear that while we have to deal with the emergency of long waiting periods and get people the contracted care they need, simultaneously, we must make sure the VA has the doctors, the nurses, the medical personnel, the IT, and the space they need in order to deal with this crisis so that 2 years from now we are not back in the same position we are, and he came forward with a proposal that, in fact, costs $17.6 billion. I think we can lower that amount of money, because some of that request is not going to be spent this year or even next year.

But the issue here is we have to strengthen the VA, their capacity, so that veterans do not remain on long waiting periods and that we can get them the quality and timely care they need.

Now, what I wanted to mention was an hour or so ago I received and Chairman MILLER, who is chairman of the House Committee on Veterans' Affairs, got the letter, RICHARD BURR, who is the ranking member on the Senate committee, MIKE MICHAUD, the ranking member at the House—we received a letter from a variety of veterans organizations, virtually every major veterans organization, and they are the Disabled American Veterans, the Veterans of Foreign Wars, the VFW, the Paralyzed Veterans of America, the Vietnam Veterans of America, the Iraq and Afghanistan Veterans of America, the Military Officers Association of America, the U.S. Coast Guard Chief Petty Officers Association, and many other organizations.

I want to take a moment to read what they say, because this is terribly important. What they are saying in essence is yes, we need emergency funding to make sure that veterans tomorrow get the health care they need from the private sector or anyplace else, but we also need to strengthen the VA so that over the years they can provide the quality and timely care veterans are entitled to. I am going to read this letter because it is important that Members of the Senate and the House understand where the major veterans organizations are coming from.

Last week Acting Secretary Sloan Gibson appeared before the Senate Veterans' Affairs Committee to discuss the progress made by the Department of Veterans Affairs over the past two months to address the health care access crisis for thousands of veterans. Secretary Gibson testified that after re-examining VA's resource needs in light of the revelations about secret waiting lists and hidden demand, VA required supplemental resources totaling $17.6 billion for the remainder of this fiscal year through the end of FY 2017.

As the leaders of organizations representing millions of veterans, we agree with Secretary Gibson that there is a need to provide VA with additional resources now to ensure that veterans can access the health care they have earned either from VA providers or through non-VA purchased care. We urge Congress to expeditiously approve supplemental funding that fully addresses the critical needs outlined by Secretary Gibson either prior to, or at the same time as, any compromise legislation that may be reported out of the House-Senate Conference Committee. Whether it costs $17 billion or $50 billion over the next three years, Congress has a sacred obligation to provide VA with the funds it requires to meet both immediate needs through non-VA care and future needs by expanding VA's internal capacity.

And I continue. Again, this is a letter from almost every major veterans organization:

Last month, we wrote to you—

They wrote to the chairmen of the House and Senate Veterans' Affairs Committees—

we wrote to you to outline the principles and priorities essential to addressing the access crisis, a copy of which is attached. The first priority ''must be to ensure that all veterans currently waiting for treatment must be provided access to timely, convenient health care as quickly as medically indicated.'' Second, when VA is unable to provide that care directly, ''VA must be involved in the timely coordination of and fully responsible for prompt payment for all authorized non-VA care.'' Third, Congress must provide supplemental funding for this year and additional

funding for next year to pay for the temporary expansion of non-VA purchased care. Finally, whatever actions VA or Congress takes to address the current access crisis must also ''protect, preserve and strengthen the VA health care system so that it remains capable of providing a full continuum of high-quality, timely health care to all enrolled veterans.''

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JULY 23, 2014.

Chairman BERNIE SANDERS,
*Senate Committee on Veterans' Affairs, Washington, DC.*
Ranking Member RICHARD BURR,
*Senate Committee on Veterans' Affairs, Washington, DC.*
Chairman JEFF MILLER,
*House Committee on Veterans' Affairs, Washington, DC.*
Ranking Member MIKE MICHAUD,
*House Committee on Veterans' Affairs, Washington, DC.*

CHAIRMAN SANDERS, CHAIRMAN MILLER, RANKING MEMBER BURR, RANKING MEMBER MICHAUD: Last week, Acting Secretary Sloan Gibson appeared before the Senate Veterans' Affairs Committee to discuss the progress made by the Department of Veterans Affairs (VA) over the past two months to address the health care access crisis for thousands of veterans. Secretary Gibson testified that after re-examining VA's resource needs in light of the revelations about secret waiting lists and hidden demand, VA required supplemental resources totaling $17.6 billion for the remainder of this fiscal year through the end of FY 2017.

As the leaders of organizations representing millions of veterans, we agree with Secretary Gibson that there is a need to provide VA with additional resources now to ensure that veterans can access the health care they have earned, either from VA providers or through non-VA purchased care. We urge Congress to expeditiously approve supplemental funding that fully addresses the critical needs outlined by Secretary Gibson either prior to, or at the same time as, any compromise legislation that may be reported out of the House-Senate Conference Committee. Whether it costs $17 billion or $50 billion over the next three years, Congress has a sacred obligation to provide VA with the funds it requires to meet both immediate needs through non-VA care and future needs by expanding VA's internal capacity.

Last month, we wrote to you to outlining the principles and priorities essential to addressing the access crisis, a copy of which is attached. The first priority ''. . . must be to ensure that all veterans currently waiting for treatment must be provided access to timely, convenient health care as quickly as medically indicated.'' Second, when VA is unable to provide that care directly, ''. . . VA must be involved in the timely coordination of and fully responsible for prompt payment for all authorized non-VA care.'' Third, Congress must provide supplemental funding for this year and additional funding for next year to pay for the temporary expansion of non-VA purchased care. Finally, whatever actions VA or Congress takes to address the current access crisis must also ''. . . protect, preserve and strengthen the VA health care system so that it remains capable of providing a full continuum of high-quality, timely health care to all enrolled veterans.''

In his testimony to the Senate, Secretary Gibson stated that the Veterans Health Administration (VHA) has already reached out to over 160,000 veterans to get them off wait lists and into clinics. He said that VHA accomplished this by adding more clinic hours, aggressively recruiting to fill physician vacancies, deploying mobile medical units, using temporary staffing resources, and expanding the use of private sector care. Gibson also testified that VHA made over 543,000 referrals for veterans to receive non-VA care in the private sector—91,000 more than in the comparable period a year ago. In a subsequent press release, VA stated that it had reduced the New Enrollee Appointment Report (NEAR) from its peak of 46,000 on June 1, 2014 to 2,000 as of July 1, 2014, and that there was also a reduction of over 17,000 veterans on the Electronic Waiting List since May 15, 2014. We appreciate this progress, but more must be done to ensure that every enrolled veteran has access to timely care.

The majority of the supplemental funding required by VA, approximately $8.1 billion, would be used to expand access to VA health care over the next three fiscal years by hiring up to 10,000 new clinical staff, including 1,500 new doctors, nurses and other direct care providers. That funding would also be used to cover the cost of expanded non-VA purchased care, with the focus shifting over the three years from non-VA purchased care to VA-provided care as internal capacity increased. The next biggest portion would be $6 billion for VA's physical infrastructure, which according to Secretary Gibson would include 77 lease projects for outpatient clinics that would add about two million square feet, as well as eight major construction projects and 700 minor construction and nonrecurring maintenance projects that together could add roughly four million appointment slots at VA facilities. The remainder of the funding would go to IT enhancements, including scheduling, purchased care and project coordination systems, as well as a modest increase of $400 million for additional VBA staff to address the claims and appeals backlogs.

In reviewing the additional resource requirements identified by Secretary Gibson, the undersigned find them to be commensurate with the historical funding shortfalls identified in recent years by many of our organizations, including The Independent Budget (IB), which is authored and endorsed by many of our organizations. For example, in the prior ten VA budgets, the amount of funding for medical care requested by the Administration and ultimately provided to VA by Congress was more than $7.8 billion less than what was recommended by the IB. Over just the past five years, the IB recommended $4 billion more than VA requested or Congress approved and for next year, FY 2015, the IB has recommended over $2 billion more than VA requested. Further corroboration of the shortfall in VA's medical care funding came two weeks ago from the Congressional Budget Office (CBO), which issued a revised report on H.R. 3230 estimating that, ''. . . under current law for 2015 and CBO's baseline projections for 2016, VA's appropriations for health care are not projected to keep pace with growth in the patient population or growth in per capita spending for health care—meaning that waiting times will tend to increase . . .''

Similarly, over the past decade the amount of funding requested by VA for major and minor construction, and the final amount appropriated by Congress, has been more than $9 billion less than what the IB estimated was needed to allow VA sufficient space to deliver timely, high-quality care. Over the past five years alone, that shortfall is more than $6.6 billion and for next year the VA budget request is more than $2.5 billion less than the IB recommendation. Funding for nonrecurring maintenance (NRM) has also been woefully inadequate. Importantly, the IB recommendations closely mirror VA's Strategic Capital Investment Plan (SCIP), which VA uses to determine infrastructure needs. According to SCIP, VA should invest between $56 to $69 billion in facility improvements over the next ten years, which would require somewhere between $5 to $7 billion annually. However, the Administration's budget requests over the past four years have averaged less than $2 billion annually for major and minor construction and for NRM, and Congress has not significantly increased those funding requests in the final appropriations.

Taking into account the progress achieved by VA over the past two months, and considering the funding shortfalls our organizations have identified over the past decade and in next year's budget, the undersigned believe that Congress must quickly approve supplemental funding that fully meets the critical needs identified by Secretary Gibson, and which fulfills the principles and priorities we laid out a month ago. Such an approach would be a reasonable and practical way to expand access now, while building internal capacity to avoid future access crises in the future. In contrast to the legislative proposals in the Conference Committee which would require months to promulgate new regulations, establish new procedures and set up new offices, the VA proposal could have an immediate impact on increasing access to care for veterans today by building upon VA's ongoing expanded access initiatives and sustaining them over the next three years. Furthermore, by investing in new staff and treatment space, VA would be able to continue providing this expanded level of care, even while increasing its use of purchased care when and where it is needed.

In our jointly signed letter last month, we applauded both the House and Senate for working expeditiously and in a bipartisan manner to move legislation designed to address the access crisis, and we understand you are continuing to work towards a compromise bill. As leaders of the nation's major veterans organization, we now ask that you work in the same bipartisan spirit to provide VA supplemental funding addressing the needs outlined by Secretary Gibson to the floor as quickly as feasible, approve it and send it to the President so that he can enact it to help ensure that no veteran waits too long to get the care they earned through their service. We look forward to your response.

Respectfully,

Garry J. Augustine, Executive Director, Washington Headquarters, DAV (Disabled American Veterans); Homer S. Townsend, Jr., Executive Director, Paralyzed Veterans of America; Tom Tarantino, Chief Policy Officer, Iraq and Afghanistan Veterans of America; Robert E. Wallace, Executive Director, Veterans of Foreign Wars of the United States; Rick Weidman, Executive Director for Policy and Government Affairs, Vietnam Veterans of America; VADM Norbert R. Ryan, Jr., USN (Ret.), President, Military Officers Association of America; Randy Reid, Executive Director, U.S. Coast Guard Chief Petty Officers Association; James T. Currie, Ph.D., Colonel, USA (Ret.), Executive Director, Commissioned Officers Association of the U.S. Public Health Service; Robert L. Frank, Chief Executive Officer, Air Force Sergeants Association; VADM John Totushek, USN (Ret.), Executive Director, Association of the U.S. Navy (AUSN); Herb Rosenbleeth, National Executive Director, Jewish War Veterans of the USA; Heather L. Ansley,

Esq., MSW, Vice President, VetsFirst, a Program of United Spinal Association; CW4 (Ret.) Jack Du Teil, Executive Director, United States Army Warrant Officers Association; John R. Davis, Director, Legislative Programs, Fleet Reserve Association; Robert Certain, Executive Director, Military Chaplain Association of the United States; Michael A. Blum, National Executive Director, Marine Corps League.

Mr. SANDERS. Essentially what the letter goes on to talk about is that many of these organizations have been looking at this issue for years, and in their independent budget have noted that the VA needs more space, because you have many hospitals where there are not enough examination rooms and that slows down the ability of doctors and nurses to treat patients, and we need more doctors and nurses. So for many of these organizations this is not new news. They have known it for years.

Here is where we are. The good news is that I think we can bring forth a bill which deals with emergency contracted-out care for veterans today on long waiting periods. I think we can deal with the issue that Senator MCCAIN feels very strongly about and that is making sure that veterans who live 40 miles or more away from a VA facility will be able to go to the private physician of their choice, and I think we can also strengthen the VA in terms of doctors and nurses and information technology and space so that we don't keep running into this problem year after year. It is going to take the VA time in order to bring in the doctors and nurses and do the construction. I don't want to get into the details of the discussions we are having with the House, but I did want to make veterans, and, in fact, Members of Congress aware of where I believe we are at this moment.

With that, I will yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MERKLEY. Mr. President, I rise to address the legislation we are debating, the Bring Jobs Home Act, but before I do so, I wish to note how much I appreciate the leadership of the Senator from Vermont in fighting for quality care and quality programs for our U.S. veterans. This is incredibly important. Our sons and daughters and husbands and wives are coming home from Iraq and now from Afghanistan. They have stood for us and we need to stand for them. BERNIE SANDERS is leading that effort, and I appreciate him for doing so.

I wish to address the legislation we are debating, the Bring Jobs Home Act. Earlier today the Senate voted on whether to debate this legislation to help bring manufacturing jobs back to America—to onshore these jobs. I was very heartened to see a 93-to-7 overwhelming bipartisan majority say: Yes, let's turn to this bill and work on increasing manufacturing jobs in America. This is a much better result than we had just 2 years ago when some of my colleagues combined to thwart the ability to close debate on the motion to proceed and we were unable to get on to this bill.

We are in an economy where jobs have been returning, but quality living-wage jobs remain elusive. Indeed, 60 percent of the jobs we lost in 2008 and 2009 were living-wage jobs, and of the jobs we are getting back, only 40 percent of those are living-wage jobs. The difference between those two numbers means that millions of families who had a strong foundation just a few years ago, while they may have employment today, do not have a strong foundation because they are chasing part-time jobs, minimum-wage jobs, near-minimum-wage jobs, and jobs with low to no benefits, and that is not a foundation on which a family can thrive.

This bill is important. The Bring Jobs Home Act does two simple things: It closes tax loopholes that ask the American people—currently—to subsidize the costs for corporations to ship jobs overseas; second, it creates a new tax incentive to encourage companies to bring jobs home with a tax credit that covers 20 percent of the costs of relocating those jobs back to the United States.

I am an original cosponsor of this legislation because this is an item of huge importance to my home State of Oregon. Manufacturing is a tremendous driver of Oregon's economy. In fact, if we look across the Nation and we look at what share of the State economy is driven by manufacturing, Oregon is often first or second. Manufacturing matters a great deal. When manufacturing thrives, the Oregon economy is going to do well, and when it dies, the Oregon economy is not going to do well.

If we look at this from yet another perspective, we can see that States have been losing manufacturing jobs over the last 10-plus years in sizeable numbers. In the period of about 2001 to 2011, that 10-year period, we lost approximately 5 million manufacturing jobs. To put it differently, we lost 50,000 factories. Well, what would we do today to have those 5 million living-wage, family-wage, good-paying jobs? One is we should pass this bill and to quit subsidizing the export of our jobs overseas.

These tax breaks, which were put through by powerful special interests for the benefit of a few multinationals, have done enormous damage to the United States of America and to our families, and this is our chance to reverse that.

One study—the Economic Policy Institute study of 2012—looked at the number of jobs that were created in this dynamic between additional sales overseas versus additional imports. Those additional imports, of course, reflected jobs lost. In their estimate, Oregon gained about 9,100 jobs from additional exports and we lost about 59,000 jobs. That differential of 50,000 jobs has an enormous impact on the State of Oregon. We can put it this way: It is about 2 to 3 percent of the number of jobs in our State economy, so it is an issue which really hits home.

I know Oregon is not alone. For every single State—West and East, urban and rural, and, yes, Democrat and Republican—this has been the story in which jobs lost have exceeded jobs gained. That is why I strongly hope this body of folks—representing the West and East and North and South and urban and rural, the blue and red—can come together to get this job done for the American people.

Think about it this way for a moment. Under our current Tax Code, we are asking working families who are paying income taxes to subsidize the exportation of their own jobs. That makes no sense. If you went out on the street in Eugene or Pendleton or Medford—cities across my State—and asked people what they think about that, you would probably hear a common theme. One person might say: That is absurd. Another person might say: That goes against our own economic self-interest. A third person might simply say: That is wrong and it hurts families. All of them would be right. Let's right this wrong, this inflicted wound on living-wage jobs and on our families.

Over the last few years we have started to see a bit of improvement in that manufacturing jobs have started to grow. But we need to nurture that trend. We need to encourage that direction. I know that for the Oregon families who are at the heart of the manufacturing economy, whether or not their jobs stay here in the United States of America means everything. It will affect the quality of life they will have as adults, and it also affects the quality they will bring to their jobs as parents and raising their children to seize opportunities of the future.

Let's continue to work together to keep jobs here in Oregon and here in America. Let's take on this issue of offshoring that has deeply affected millions of Americans. This is a problem that is within our power to fix, and we are now on the bill that starts us down the path of fixing it. Let's not get stalled. Let's make sure we have the majority to close debate, to get to a final vote.

If anyone has anything to say and you don't feel you have had time to say it, come and say it tonight, say it tomorrow, say it tomorrow evening, but get down here and make your notions known so that you don't have to say that you need more time when it comes time to shut down debate and actually vote on this bill.

Paralysis has been the practice that has so hurt this Chamber's ability to address major issues affecting America, and that is not right.

I encourage my colleagues, whatever you have to say, come down here and say it. Don't once again obstruct the ability of this Chamber to take on a major issue affecting families across this land.

I thank the Presiding Officer for the time and opportunity to speak on this bill. I know the Presiding Officer has been championing a whole collection of bills designed to nurture manufacturing. That collection of bills could do great work and would be a logical additional step as we take on these provisions to stop offshoring and increase onshoring.

We should turn to some of the other bills the Senator from Delaware has put together. One of the bills he has put together is a bill I sponsored. It is called the Build Act. I have gone on a manufacturing tour in my State of Oregon and visited a large number of manufacturers, and the common issue I hear from those who are managing the factory floor or from the CEOs is this: We need more folks coming out of high schools and community colleges who have both the aptitude for using tools and the desire to use tools.

It used to be, when I was growing up—this simply came because we had a habit of building things in our garages. Our garages were full of tools in a working-class community. My garage is still full of tools, but I can tell you that my children are not likely to find themselves out in the garage making things because that is not the culture today. If they are going to learn the joy of making things, they are going to have to have the opportunity of shop classes. It has a fancy name now—''career technical education.'' I think ''shop classes'' gives a better visual impression—metal shop and woodshop and bringing items home where you can say, hey, I made this dustpan or this carving or this mask.

I have been to some shop classes in Oregon where the students are not making the simple things that I made. They are making some of the most incredibly gorgeous furniture you have ever seen, with sophisticated skills in using tools. We need more of those shop classes to help feed and nurture the manufacturing economy. It is a win-win for our children, it is a win-win for our economy, and it is a win-win in terms of creating living-wage jobs that are a strong foundation for families to thrive.

I thank the Presiding Officer.

I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOEVEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Under the previous order, the time until 4:30 p.m. will be controlled by the Republicans.

LNG EXPORT APPROVAL

Mr. HOEVEN. Thank you, Mr. President.

I come to the floor to offer a compromise on the LNG export issue. I will put up my first chart. I think this is both a solution and a compromise to LNG exporting.

The reality is we need to be able to construct LNG export facilities. There has been debate in this body as to how that approval process should work. Some want to take the Department of Energy completely out of the process and just allow companies to build LNG facilities—let the market work—and that is actually an approach I advocate and I have joined with others on that type of legislation. That legislation has bipartisan support. I think we could get it to the floor and we would have more than the 60 votes it needs to pass. Others have advocated a more cautious approach, which is essentially continuing the current state of play wherein DOE can take years before they make a decision on these LNG export terminals. So what I offer today is the LNG Certainty Act, which I believe is a compromise between those two points of view. It would provide for an expedited process but would do it in a way where we keep the Department of Energy in the equation.

Why is it so important that we act now? This is a bill that is very much about jobs. Right now we are on a motion to go to a bill that purportedly would create jobs. I don't think that bill will create jobs; I think it will create more regulation and more costs for companies that are trying to create jobs. So instead why don't we bring up some of these energy bills that will not only create jobs but accomplish much more as well, such as economic growth—economic growth that will generate revenues to reduce the deficit and the debt without raising taxes or increasing regulatory burdens? Why not pass some of these energy bills that will provide better environmental stewardship? LNG production certainly would provide job growth, economic growth but also better environmental stewardship, and it will also help provide national security—national security for us and for our allies. That is a very big reason it is so important that we act now.

We have a President who is talking about what Vladimir Putin and Russia should do and what they shouldn't do. He is talking about it, but we need to go beyond talk to action. What is that action? We need to impose stronger sanctions on Russia. I think there is broad bipartisan support in this Senate to impose stronger sanctions on Russia, but for those sanctions to be truly effective, we need the European Union to join with us in imposing those sanctions. We can have a meaningful impact on what Putin and Russia do, but we have to act and we have to get the European Union to act with us.

So why aren't they acting with us? The reality is Vladimir Putin has them over a barrel—literally. European countries are dependent on Russia for their energy. So they are very reluctant to impose sanctions when they have to get their energy from Russia.

Here is a graph that shows how much all of these different European countries get in terms of their energy, their natural gas from Europe. We can see in some cases it is 100 percent, 60 percent, 50 percent. For some obviously it is less. But for many European countries, they are dependent on Russia for this natural gas.

Here is the pipeline network coming in from Russia. Here we see Russia and all of these pipelines coming into Europe through the Ukraine supplying natural gas. Obviously, these countries are very worried about imposing sanctions which, of course, would create difficulty for them from an economic perspective as well as Russia, but they are very concerned about energy supply. That is why we have to act and we have to act now to make sure they have another supply of energy so they can join with us in meaningful sanctions against Russia.

So how does the LNG Certainty Act work? Quite simply, it provides that the Department of Energy must make a decision on whether to approve an LNG export application within 45 days of that company completing its preliminary application to the FERC—the Federal Energy Regulatory Commission. So understand, right now companies have to apply to both the Department of Energy and to the FERC—the Federal Energy Regulatory Commission. They have to apply to both in order to get approval to build an LNG facility.

When we talk to these companies we learn that the FERC has a fairly rational process that they know they can step through in an orderly fashion. It is pretty dependable, pretty certain. It takes a certain amount of time, covers all the bases, but they know they can get through it. The DOE—the Department of Energy—on the other hand, doesn't have any specific timeframes or criteria on how or whether they will give approval to these companies, so it creates uncertainty and it creates real delay.

As I said, some people want to take the Department of Energy out of the equation completely; others want to continue just as it is. That is why this act truly is a compromise in that we keep the Department of Energy in the mix, but we require that within 45 days after the preliminary application to the FERC is approved, which takes about 6 months, up to as much as 1 year—within 45 days after that preliminary application is filed with the FERC, the DOE then has 45 days to make a decision. So we still have whatever safeguards some people feel need to be in there, as far as the DOE. The DOE is still in there. They still have that safeguard, but we have a reasonably expedited process and a reasonably certain process for these companies that are applying to try to get approval.

Right now we have on the order of 13 different companies—1 has conditional approval but 13 different companies—

seeking approval to build LNG facilities. Many of these companies have been waiting for over 1 year—some 1 to 2 years—and they are not even through the Department of Energy process yet. So while we need to start moving natural gas to Europe, since Europe needs that source of supply so they can stand with us in sanctions against Russia, these applications continue to sit in limbo. How does that possibly make sense? Why aren't we acting? Why is it adequate or satisfactory for the President to just talk about what should be done instead of doing something? This is action we can and must take.

I will give my colleagues an example of a project showing what we are talking about. I am showing my colleagues 13 different projects that are in limbo.

Here is one right here where we take a specific example. This is the Golden Pass project. It is a project ExxonMobil wants to build. They are ready to invest $10 billion—$10 billion—today and save these taxes to build an export facility that will move liquefied natural gas from this country to Europe. Why would we want to sit and hold them up?

Here you see a timeline. They have been in this process already for more than 1 year. It looks to me as though they do not even figure they are halfway done yet, and there is no certainty from the Department of Energy when they will be done. Yet here is a $10 billion project that is sponsored by a company—ExxonMobil—that certainly has the ability to build it, that will take LNG, liquefied natural gas, to Europe.

What is the rationale for holding them up, for just making them wait? Aren't we moving to a so-called jobs bill? How many jobs do you think will be created in building a $10 billion facility? A lot of jobs.

This is just 1 example of the more than 13 I just showed that are sitting in limbo.

That is exactly why I have joined with Senator MCCAIN, Senator MURKOWSKI, and Senator BARRASSO and we proposed the North Atlantic Energy Security Act. The whole focus of this act was to streamline oil and gas production, to build the gathering systems we need, move it to these LNG facilities, and give companies the approval and the authority to build those LNG facilities so they can move that gas to our allies.

All of these steps create jobs. They all create jobs. We create jobs in all of these steps: producing more gas, building the gathering systems, and building the LNG facilities. But instead of doing this—in this picture we have an oil well, which is flaring off gas, meaning burning it off. This picture is an example in my State of North Dakota where we are flaring off $1.5 million worth of gas a day. So instead of just burning up that gas, we would actually have a market for it, so we can capture it, move it to the LNG facilities, and export it to our allies, not only strengthening our national security and their national security but creating a market for our gas.

Right now we produce 30 trillion cubic feet of gas a year in this country, and we use 26 trillion. So gas is flared off instead of captured and sent to market.

If we want to talk about job creation, if we want to talk about economic growth, if we want to talk about environmental stewardship, if we want to talk about working with our allies to actually do something in response to Russian aggression, do we want to actually do something or just keep talking about it?

So while we are considering jobs bills, why don't we consider this jobs bill? Why don't we consider the LNG Certainty Act. The reason I have introduced this compromise bill is so we can do this: move natural gas from the United States, through facilities, to our allies to deter Russian aggression. It is that simple. That is what it is all about.

That is why, again, I joined with Senators MCCAIN, MURKOWSKI, and BARRASSO to introduce the North Atlantic Energy Security Act. But if that is too heavy a lift—if that is too heavy a lift—then let's take up the LNG Certainty Act and just approve the ability to build these facilities. Let's at least take that first step.

There are other bills we can take up as well that are true job creators, real job creators, where we empower companies across this great Nation, large and small, to create jobs, to create more energy, to create better environmental stewardship, and to strengthen national security—energy bills that myself and others have introduced: the LNG Certainty Act which I am talking about right now, the North Atlantic Energy Security Act which I have referenced as well, Keystone—the Keystone XL Pipeline. Why aren't we building that right now to make sure, with Canada, we produce more oil than we consume so we can tell the Middle East we do not need any oil, we have it covered or the Domestic Energy and Jobs Act, which is a whole series of bills that have been passed in the House that I have introduced in the Senate that would cut the regulatory burden, increase the amount of energy we produce in this country both onshore and offshore or the Empower States Act, where we give States the ability to take a primary role in regulating hydraulic fracturing so we have the certainty to continue the investment that is producing an energy renaissance in this country.

All of these acts have been filed. All of these acts create jobs. Why are they being held up so we can consider a bill that increases regulation, increases taxes on companies in the country, and will have the impact of reducing jobs and reducing economic growth rather than accomplishing all of the things we are talking about—not just jobs, not just economic growth but national security and actually working with our allies to accomplish something instead of just talking about it, making Putin tow the line rather than just telling him he should.

With that, I know my colleagues are here to propose additional job-creating ideas as well, and at this time I yield for the outstanding Senator from the State of Georgia.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Mr. President, I thank the Senator from the Dakotas for yielding the floor to me. Before he leaves, I wish to say something about what the Senator just said. In fact, I was sitting here listening to him. I am going to prove I was actually listening to his speech. I don't think we always do—sometimes I think we don't—but I did that because he was right on target.

But my thought process went back to the 1970s. In the 1970s, OPEC and the Arab oil embargo basically held the United States of America hostage. I remember lines where we would wait for an hour and a half to get $10 worth of gasoline because we had a limited supply.

Now we sit here in a country, some 40 years later, that has unlimited resources available to us if we will just take the political moves and the regulatory moves and the practical moves to exhibit our power and extract those resources.

For example, the Keystone Pipeline that the Senator talked about—not a single molecule of carbon will be generated by bringing that petroleum underground through a pipeline from Canada to Houston. We will refine it more soundly and more environmentally than the Chinese would or anybody else would, and then we will have an almost infinite supply to take care of our own country internally and also use it as a part of our soft power around the world.

The Senator is absolutely correct about Germany and about the Ukraine and about Russia. If we become the surrogate and we replace Russia in terms of supply of natural gas to that part of the world, we take away the only asset Russia has. As Senator MCCAIN has so often said, Russia has relegated itself to being a gas station with a flag. If we become the competitive gas station down the line, we can lower our price by nine-tenths of a cent, we can sell more gas than they can, and we can use the soft power of our natural resources to bring back what we need in terms of peace and stability in that part of the world. The byproduct of doing that is not just energy security, it is not just better diplomatic and international policy, but it is jobs for Americans—jobs to build the pipeline, jobs to operate the pipeline, jobs to extract or frack the natural gas out of Haynesville and Marcellus.

We are sitting on a ham sandwich, starving to death as a country with our assets because governmental policy will not let us do some of what we ought to do.

So I came to the floor to talk a little bit about job creating and bringing

jobs home. The bringing jobs home bill is a $214 million bill, which is a rounding error in terms of the way we do business around here, and will do nothing except penalize companies for doing what they have to do and offer a reward that is not a carrot at all to bring jobs back.

I thank the Senator from the Dakotas for his speech and for his continuing and persistent emphasis on our energy and our energy power and our energy independence. It is voices such as his that need to be heard more and more in this Chamber so we can create jobs for the American people and solve the economic problems we have.

I commend the Senator from South Dakota—thank you—from North Dakota.

Mr. HOEVEN. Yes, sir.

Mr. ISAKSON. I apologize. I am a southerner, so I slipped up on that.

Mr. HOEVEN. I thank the good Senator and I appreciate it very much.

Mr. ISAKSON. Mr. President, I rise to talk for a minute about the issue of the day that is before us, the bring jobs home bill. I appreciate any effort to bring jobs home and to create new jobs at home, but I want to talk about how we are making a false promise and giving idle hope to people about bringing jobs back because we are not doing the things we should be doing.

If you ask me to make my choice, what should we do in the Senate, on the floor of the Senate, in this body as legislators to create as many jobs as we can as fast as we can, a tax credit for bringing jobs home will not do it and a tax penalty for taking jobs overseas will not do it, but approving the Keystone Pipeline will do it and giving the President of the United States trade promotion authority will do it. Both of those are pending on the floor of the Senate right now before us. We could take them up tomorrow. If we did, we could make a massive impact on job creation in America and further empower our economy.

I happen to be the ranking Republican on the Finance Committee's subcommittee on trade. We have two major trade agreements pending in the United States of America that we are a part of current negotiations—one of them is the Trans-Pacific Partnership, one is the Transatlantic Trade and Investment Partnership, called TTIP.

Those two trade agreements are free-trade agreements with our biggest trading partners—Asia and Europe and Scandinavia—but the Asians and the Scandinavians both ask me, when I talk to them in meetings discussing trade: When are you going to give your President trade promotion authority? Because we know until the U.S. Congress gives the President that authority, you are not serious about negotiating trade deals.

I first came to the Congress of the United States in 1999, 1 year after we gave President Bill Clinton trade promotion authority. Then we had a plethora of free-trade agreements that passed at that time because of the negotiation power we gave the President. Trade promotion authority just means we give the President the authority to negotiate the trade agreement, and then the Senate gets an up-or-down vote on the agreement. But we do not get to vote on amendment after amendment after amendment, we get a vote on the totality of the agreement. In other words, we give sincerity to our foreign trading partners that what we say is what we mean and that we are going to give our President the authority to negotiate those deals, and we will make them subject to our ratification in the Senate. Trade promotion authority is important for America, for jobs, for our economy, and it is, quite frankly, important for bringing jobs home to the United States of America.

The Keystone Pipeline, which I mentioned a minute ago in talking about Senator HOEVEN's remarks, is a job creator. The unions are for it. Business is for it. Most Americans are for it. It only takes the signature of the President to let it go. The State Department has signed off on it. There is only one reason, I suppose, we are not building the Keystone Pipeline; that is, because of environmental fear of the Keystone Pipeline generating some kind of an environmental problem.

Think about it for a second. If we do not put it in a pipe and bring it underground, we can put it on a truck that burns gasoline or diesel fuel and bring it to Texas and create a whole lot of carbon molecules. We are trying to reduce carbon in the air, so building a pipeline is environmentally friendly. It is safer than putting it on the roads or railcars or trucks or tractors. It is the way to do it. I do not understand why the President will not do it. But I think we need to continue to talk about it because the energy independence Senator HOEVEN talked about is exactly what America is on the cusp of having. We suffered when we were energy dependent in the 1970s and 1980s. We paid a big price for it. We paid the price of inflation, reduced authority around the world, and we lost our position and stature in business. We now have a chance to secure it not just for this decade but for this century in the United States of America, and I hope the President will reconsider his unwillingness to sign the Keystone Pipeline and do so.

On the jobs issue and on the inversion issue, which has brought about this entire discussion—and for those who might be listening and watching, inversion is where American corporations decide to acquire a foreign company and invert to where their headquarters are in the foreign country rather than in the United States of America to take advantage of a better corporate tax rate.

We have now the highest corporate tax rate in the world—the highest in the world. Japan, which used to be up there above us or right with us, has now lowered theirs. Canada has lowered theirs. Ireland has lowered theirs.

Jobs are going offshore because the cost of taxes is lower, because it is a tax code that promotes growth, promotes business, and promotes development.

We need a progrowth tax policy in the United States. We need a simpler tax code. We need a fairer rate of taxation. We need to get rid of corporate welfare. A lot of my friends on the other side are always talking about corporate welfare. They are right. We did it on ethanol subsidies when we were subsidizing people to make ethanol. That was an intent, through a tax incentive, to cause something we thought would be the right thing to happen for the environment, which did not work. Those are the types of things we ought to stop doing—those types of corporate welfare. But what we should do is give a progrowth tax code to the American businesspeople, whether they are C corps or S corps—and I am going to talk about that for a second—so they know what kind of tax rate they can count on, they know it is simple, they know it is fair, and they know it is predictable for the future.

I find it interesting, when the old Soviet Union fell, when the Soviet satellite states such as Estonia and Latvia became independent countries, if you go back and study that—and that was not too long ago—if you go back and study what they did to separate themselves from the Soviet Union—take Estonia, for example. The new President of Estonia, after they became independent, did three things. He gave the state-owned apartments to each person who rented them and let them own them as a home and then created a housing market instantaneously.

That was No. 1. No. 2, they cut the tax rate from 50 percent to 25 percent and revenues went up and not down, because people thought 25 percent was a fair rate and they did not cheat—because there was a lot of cheating going on under the 50-percent rate. Then on the corporate taxes in Estonia, they went to businesses and said: We are not going to tax your profits as long as you reinvest those profits in jobs or in research and development. The rest of it will be taxes. So they incentivized research and development. They incentivized employment. They made corporate Estonia feel as though they had a fair tax system.

What happened? If you fly into a town in Estonia today, it is similar to flying into Dallas or Atlanta. There are cranes everywhere. There is economic development and improvement everywhere. Why? Because they have what people perceive to be a fair code. They do not have a junk code. They have a good tax code, and they incentivize people to do business and make money.

You raise revenue in America by raising prosperity, not by raising rates of taxation. We have proved that every time we have lowered the capital gains tax. Every year following the lowering of the capital gains tax, revenues from capital gains went up and not down.

Why? Because people who had a mature investment were incentivized to pay the lower tax rate, sell the investment, and reinvest in a maturing, developing investment rather than just hold onto it because they did not want to pay what they considered was a confiscatory tax. Tax policy drives economic decisions. There is not one of us in this room who does not make decisions every single day on our own personal finances where we do not consider—in some part or in whole—the tax consequence of it.

That is why you have a tax code. But we all look at fair and equitable corporate tax relief. We ought to do it for S corporations and for C corporations. I want to talk about that part for just a minute. C corporations are the major corporations and dividend-paying companies in America. Their tax rate is 35 percent. S corporations are corporations where they file as partners. The profits of the company flow through on what is known as a K–1 statement. It flows through as ordinary income.

Today the ordinary income tax rates for people making more than $450,000 can go up to 39 percent. It is already higher than the 35 percent C corporations have. If we lower the C corporation rate from 35 to 28 percent through comprehensive tax reform, then there will be a big disparity between the S corporations and the C corporations. The S corporations employ a lot of Americans. They are the mom and pop Main Street businesses. They are 72 percent of the jobs that are created in America. So we ought to take the whole enchilada. We ought to reform both the corporate tax rate, the C corporation rate, the S corporation rate, and the individual tax rate and modernize them together and make them fair, equitable, less complex, and more productive.

If we incentivized American business to invest and to grow, we will raise revenues, we will raise prosperity, and we will raise hope. If we continue to pass bills that say: If you doing something, we are going to tax you or if you do something, we are going to give you a benefit—if we think that is going to cause people to bring jobs back to the United States of America, we are dead wrong.

What would cause them to bring jobs back to America is a fair tax code and to take our strong investments and our strong assets, such as petroleum and liquid natural gas, which we were talking about, and use them to our advantage through the soft power of economic power. So my message today is very simple. If you want to create jobs, build the Keystone Pipeline and give the President Trade Promotion Authority and do it now.

If you want to really stop corporate inversions, just modernize the American Tax Code like every other country in the world has done. There are a lot of people who are talking about offshore profits who are stranded in the Cayman Islands in these secret bank accounts because they do not come back to America. We created the Cayman Islands secret bank accounts when we passed a tax code that was confiscatory in nature.

When it is better off for your company and your stockholders to keep the money you make offshore—somewhere else offshore—so it is not subject the second time to taxes, we created those Cayman Islands tax havens. We will do it again if we do not get our Tax Code fixed. So my message is simple: Build Keystone, explore our natural resources, give the President Trade Promotion Authority, and make a fair equitable change in S corporations, our C corporations, and our individual rate. Let's incentivize prosperity and hope and not penalize and punish Americans for doing business.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

LAWFUL IVORY PROTECTION ACT

Mr. ALEXANDER. Mr. President, I congratulate the Senator from Georgia on his remarks. As usual, they are eloquent and elucidate the issue beautifully. I am glad I had a chance to hear them.

I come to the floor to speak about an effort to expand regulations that will have a damaging effect on thousands of Americans. For those who are concerned this administration is trying to take away our guns, this regulation could actually do that. If this regulation is approved, when you decide to sell a gun, to sell a guitar or anything else that contains African elephant ivory, the government would actually take them away, even if you inherited the item or bought the item at a time when the sale of ivory was not illegal.

In February the U.S. Fish and Wildlife Service announced a plan to prohibit the interstate commerce of African elephant ivory. This was part of President Obama's National Strategy for Combating Wildlife Trade. The plan is intended to stop the poaching of African elephants and to help preserve that species. But the impact will be something very different.

The impact of this plan will be to change a policy that has been in place since 1990, which prevents the importation of ivory for commercial purposes, with the exception of antiques. But it did not restrict interstate or intrastate commerce of legal ivory.

Now, let me be clear. I support stopping poachers. I support the preservation of these magnificent, regal animals, the elephant. I strongly support stopping the trade of illegal ivory. But what I do not support is treating Tennessee musicians, Tennessee antique shops, and Tennessee firearms sellers like illegal ivory smugglers for selling legal ivory products, many of which are decades old, if not over 100 years old.

Banning the buying and selling of products with ivory found in legally produced guitars, legally produced pianos, legally produced firearms, could prohibit musicians from buying or selling instruments that contain ivory, prevent firearms and family heirlooms containing ivory from being sold, and pose a significant threat to antique businesses.

Even though the ban has not yet gone into effect, the confusion and uncertainty created by the Fish and Wildlife Service's action to ban the interstate commerce of ivory and any item that contains ivory are already having a significant impact on businesses and families alike. Let me give you the example of John Case, who owns and operates a small antique family business with four employees in Knoxville, TN, near my home. He says he could see his business devastated by this proposed regulation. This is what John Case says:

> The impact of President Obama's Executive Order expanding the buying and selling of antique ivory and other endangered species has been significant on our auction and appraisal business. If one looks at the number of antique objects we have sold and are selling at auction just for 2014, the total exceeds $156,000. This amount is more than 11 percent of our revenues for 2013 and does not include the number of antique objects we turned away from selling because of these new regulations and the loss of appraisals of those objects.

John Case continues:

> This would easily total an additional $25,000 in revenues. This total loss in revenues of $181,000 equates to one full time salaried employee in addition to hours for part time employees.

Here is one more example of a new regulation, which on a small business will equate to the loss of a job of one full-time salaried employee, in addition to hours for part-time employees. We wonder why the economic recovery has been worse than the great recession? You cannot be pro-jobs if you are antibusiness and if you keep dumping this big wet blanket of regulations on every effort an entrepreneur has to create a new job. Americans who create jobs—one told me the other day in Tennessee: I'm sorry to say that I'm beginning to look at a new employee as a liability instead of an asset. He said: I hate that. I want the employee to be an asset. But when I look at the employee, I think about what new costs does that employee bring to my business because of government regulations, because of ObamaCare, because of this or that. Now, in John Case's case, it is about legal ivory.

Mr. Case goes on to say:

> Further, the loss of revenues for our business is significant, as it encompasses a wide range of antique objects, including 18th and 19th century American portraits on ivory, music boxes and furniture with ivory inlay, silver tea services with ivory insulators, weapons with ivory grips and inlay. If these new regulations go into full effect, I anticipate the reduction of staff and intern programs.

That is fewer jobs.

> The impact of these new regulations has a significant impact on our customers as well.

According to Mr. Case:

> I just fielded calls this past week of two local consignors who had holdings of antique

ivory with values exceeding $200,000. For one of those consignors, his antique ivory was by far the most available personal property he owned. It had been inherited from his grandfather. For many of my consignors such as these gentlemen, they will see a complete devaluing of one of their greatest personal assets.

Mr. Case is not alone. The music industry—and we have a lot of that in Tennessee, in Nashville and in Memphis and East Tennessee as well—is concerned. The National Association of Music Manufacturers, whose mission is to promote the pleasures and benefits of making music, says, of the proposed regulation:

[The] Problem with the Fish and Wildlife Service's plan is many post-1914 instruments containing ivory are still in use. Many famous artists perform with vintage guitars, violin bows or pianos which contain small amounts of ivory. It is worth noting that the music products industry had generally stopped using ivory by the mid-1970s. A ban on the interstate sale of items containing ivory would prohibit musicians from buying or selling instruments. Replacing ivory with other materials could adversely affect the total quality of those instruments.

Instruments are not bought because they contain ivory but because of their playing characteristics. The proposed ban has already resulted in anecdotal reports of Fish and Wildlife Service agents investigating piano transportation companies to see if any instruments are containing ivory—even though these companies do not own the instruments.

Here is another example from the National Rifle Association about the proposed ban of legal ivory:

The effects of the ivory ban would be disastrous for American firearms owners and sportsmen, as well as anyone else who currently owns ivory. This means that shotguns that have an ivory bead or inlay, handguns with ivory grips, or even cleaning tools containing ivory, would be illegal to sell.

My office has heard from businesses and individuals from all different sectors of our economy. The examples go on and on about this misguided policy. Let me repeat. I support stopping poachers. I support preserving these magnificent, regal animals, the elephant. I strongly support stopping the trade of illegal ivory. What I do not support is treating Tennessee musicians, antique owners, and gun owners like illegal ivory smugglers if they sell products that contain legal ivory.

I call on the Fish and Wildlife Service to abandon their current efforts and take a more commonsense approach, an approach that will preserve elephants, while not turning law-abiding citizens and businesses into criminals. In the absence of a more commonsense approach, I have introduced legislation, S. 2587, the Lawful Ivory Protection Act of 2014, to stop this misguided policy from going forward. My bill simply stops the Fish and Wildlife Service from continuing down this unwise path.

It keeps in place the same regulation that prohibited the illegal ivory trade regulation before February 25, which is the date the Fish and Wildlife Service began rolling out new regulations to ban the interstate commerce of ivory and any item that contains ivory. I urge my colleagues to take a look at this issue, and cosponsor my bill, S. 2587, the Lawful Ivory Protection Act of 2014, to stop the administration from taking away our legal guns, from taking away our legal guitars, and from taking away our legal items which contain legal ivory if we try to sell them.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BROWN.) The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINRICH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REFUGEE CRISIS

Mr. HEINRICH. Mr. President, when Congress unanimously passed the bipartisan William Wilberforce Trafficking Victims Protection Reauthorization Act back in 2008 to strengthen Federal trafficking laws and ensure that unaccompanied and undocumented children receive humane treatment, it was welcomed by the Bush administration as a priority issue in preventing the trafficking of persons around the world.

At the time Southern Baptist Ethics & Religious Liberty Commission president Richard Land said that:

It shows a broad coalition all the way from the left to the right and in between when it comes to significant human rights issues.

The law itself was named for William Wilberforce, an evangelical Christian who led the effort in Britain's Parliament to end the slave trade in Britain in the 19th century. But now, 6 years later, too many of my Republican colleagues are calling to roll back the very protections that just a few years ago were rightfully lauded as a tremendous victory for human rights.

Many of us believe the current Central American refugee crisis requires an immediate and compassionate response. Yet the proposals put forth by Senate Republicans have been to reverse critical child refugee protections, and deport DREAMers who have absolutely nothing to do with this current crisis.

The proposal introduced by my colleague from Texas, Senator CORNYN, and similar proposals from my Republican colleagues would weaken the 2008 trafficking law and implement expedited deportation that denies children the chance to go through an orderly process to determine if they need protection—and it applies to all unaccompanied children who cross the border. I believe we are a better nation than that.

My Republican colleagues keep saying they want a humane process, but these proposals would trade the safety of children for expediency and eliminate the very protections unanimously set forth by Congress back in 2008.

As a father, I have to say I believe this debate can't just be about the efficiency with which we can deport refugees. It should take into account the situation these boys and girls are seeking to escape in the first place.

Both the United Nations High Commission on Refugees and the Refugee and Immigrant Center for Education and Legal Services in two separate reviews recently found that approximately 60 percent of unaccompanied children from Central America suffered or faced harms that indicated a potential or actual need for international protection.

To understand how these proposals could adversely harm the children involved, one can read a recent article in the New York Times by Julia Preston. It tells the story of Andrea, a young woman from Honduras who was forced by her own family—associates with the Mexican drug cartel—into prostitution at age 13, if you can imagine that. After 2 years she ran away, hoping to seek safety in the United States. She tried twice to flee abuse, crossing the Rio Grande, and was apprehended by the Border Patrol in both attempts.

When agents questioned her, Andrea did not tell them why she fled. She said:

I was just trying to protect myself . . . I was just afraid of everything, after all those things those guys had been doing to my body.

Andrea, a victim of sex trafficking, was sent back into harm's way to live with relatives in Mexico.

Andrea is not alone. Many more children could also be sent back into a dangerous environment if proposals to overturn the 2008 Trafficking Victims Protection Reauthorization Act are passed.

Unaccompanied children such as Andrea need a safe place to talk about violence and abuse. A Border Patrol station holding cell is no place for an interview that literally will impact the rest of their lives, especially while they are still recovering from a dangerous journey. Subjecting Central American children to this screening process would be a retreat from our Nation's commitment as a humanitarian leader, and, frankly, undercuts our American values of putting children ahead of politics.

A coalition of more than 100 nongovernmental organizations—such as First Focus, Women's Refugee Commission, and the American Immigration Lawyers Association—all wrote a letter to President Obama earlier this month to share their thoughts on this humanitarian crisis. They wrote:

Congress gave consideration to the unique circumstances of children when it enacted the [Trafficking Victims Protection Reauthorization Act].

Undermining due process and protection under the law is not the right answer, and certainly will not appease the criticisms of those who have been calling for more punitive and aggressive enforcement.

Yesterday, in an open letter to Congress, the Evangelical Immigration Table warned against weakening the protections afforded by the Trafficking Victims Protection Reauthorization Act, stating that the law:

> . . . ensures that victims of trafficking are not only identified and screened properly but that traffickers are penalized and brought to justice.

I have also heard from the Southern Baptist Convention, the U.S. Catholic Conference of Bishops, anti-trafficking groups, and children's lawyers who have all sent the same message to us: Don't weaken this anti-trafficking law. Congress should focus on strengthening safeguards for children rather than weakening their protections.

Last week one of my colleagues from Texas proposed that the only way to stop the rise of unaccompanied children is to punish DREAMers and introduce legislation to defund the Deferred Action for Childhood Arrivals Program—or DACA, as it is called. DACA has helped more than 550,000 undocumented students across the country who came to the United States as children to have an opportunity to pursue a higher education. DREAMers in the DACA Program are not the cause of the current Central American refugee crisis. And the notion that any legislation to address this issue must also end DACA is, frankly, out of touch. DREAMers are bright, they are hard-working, and most of them don't know how to be anything but an American.

I have met many DREAMers from New Mexico. I have heard their stories. I have read their letters. They have never given up on this country, and, frankly, I am not giving up on them.

Last year I had the pleasure of meeting a young woman named Laura in Las Cruces, NM. She arrived in the United States from Mexico when she was 7 years old. She learned English. She earned good grades in school. It wasn't actually until she was 13 years old that she even found out she was undocumented.

She said:

> I couldn't believe it. All my dreams, all my hard work, it felt like it was all for nothing. . . . Don't leave anyone behind on the American dream.

Laura wants to be a doctor.

There is the story from a young woman named Yuri. Her family immigrated to the United States from Mexico when she was 2 years old back in 1996. While in high school in Albuquerque, NM, Yuri volunteered in her community, graduated in the top 10 percent of her class. She even received the 2013 Sandia Laboratory scholarship. Recently, she was approved for DACA and is currently a student at the University of New Mexico.

There are literally countless stories just like these of young people who love this country and have only known it as their home. We are not going to let Republicans use this current humanitarian crisis as an opportunity to punish DREAMers.

I am happy to end President Obama's deferred action program, but we will only do that by passing the DREAM Act as part of comprehensive immigration reform.

If we really want to help solve this crisis and make our policies crystal clear, it is all the more reason to pass the Senate's bipartisan comprehensive immigration reform bill.

The reality is, our Nation is facing a refugee crisis at our southern border. Children from Honduras, El Salvador, and Guatemala have fled to the United States and to other neighboring Central American countries to escape unimaginable violence, corruption, extreme poverty, and instability in their home countries. In some cases, these children are literally fleeing for their lives. Many of these children are turning themselves in to Border Patrol agents.

This little boy's name is Alejandro. He is 8 years old. He traveled alone from Honduras, with nothing but his birth certificate in his pocket. I thought about that. I can't imagine my 7-year-old traveling across Washington, DC, or Albuquerque, NM, or any major metropolitan city in the United States by himself.

It took him 3 weeks to make that dangerous journey from Central America to the banks of the Rio Grande. After being asked where his parents were, Alejandro said they were in San Antonio. He came to the United States because he wanted to reunite with his family. He didn't run, he didn't hide when an agent approached him. Alejandro wanted to turn himself in—just as many mothers and children have done over the course of the last year. Yet we have heard this week calls from some who would militarize our border and send in the National Guard.

I would say we need more resources for our Border Patrol agents. They have been taxed. They have certainly been putting in long hours since these numbers started to crest. But I don't think sending soldiers to meet people like Alejandro is the right solution to this crisis. The notion that lax border policies are somehow responsible for this latest crisis is not just a myth, it is a willful misrepresentation driven by politicians who would rather create a political issue than solve a real problem.

In a recent interview when asked to discuss whether sending in the National Guard would be an appropriate response to these problems at the core of the current crisis, Steven Blum—who was the former Chief of the National Guard Bureau under President George W. Bush—told the Washington Post:

> There may be many other organizations that might more appropriately be called upon. If you're talking about search and rescue, maintaining the rule of law or restoring conditions back to normal after a natural disaster or catastrophe, the Guard is superbly suited to that. I'm not so sure that what we're dealing with in scope and causation right now would make it the ideal choice.

That is a very polite statement. The fact is there are more Border Patrol agents today and more technology and resources at the border than any time in our Nation's entire history, and our Border Patrol is better prepared to deal with this issue than the National Guard.

Border Patrol apprehensions are today less than one-third of what they were at their peak, and this is because we have worked so hard and so effectively to secure the border. Those of us who represent border communities understand the challenges we face, but there are solutions before us that are pragmatic and bipartisan; that uphold our American values; that don't compromise them. Republican leaders should demand that their colleagues in the House of Representatives act to fix our broken immigration system. The Senate passed a bipartisan bill more than a year ago now, and passing that bill would make our immigration policies crystal clear to the world.

Additionally, passing the Senate's supplemental funding bill to address this crisis sends a clear signal that we are aggressively stemming the flow of children and families from Central America while continuing to treat those refugee children humanely under the law. This situation is an emergency and frankly we need emergency funding.

Passing the emergency supplemental would allow the Departments Of Homeland Security and Justice to deploy additional enforcement resources, including immigration judges, Immigration and Customs Enforcement attorneys, asylum officers, as well as expand the use of the alternatives to detention program. We are not arguing that every child should stay. Many, in fact, will be returned, but it will be after a Department of Justice judge has evaluated his or her case for asylum.

The supplemental would also help governments in Central America better control their borders and address the root causes of migration, including criminal gangs causing and profiting from this refugee crisis. A number of us today met with the Ambassadors from Honduras, Guatemala, and El Salvador, and it was very clear what was driving these issues. Without getting to those root causes, we won't be able to solve this crisis permanently.

The supplemental would provide much needed resources for U.S. Health and Human Services to ensure that these children receive medical screenings, housing, and counseling. Yet, instead of supporting this funding which seeks to meet these challenges head-on and protects these children, Republicans want to use the crisis to eliminate crucial child protection, punish some of our Nation's brightest students, and promote their border-enforcement-only agenda.

Before I close and hand the floor off to some of my colleagues, I would like to highlight some of the humanitarian work that is being done in my home

State of New Mexico to address this crisis by telling the story of Project Oak Tree volunteer Orlando Antonio Jimenez.

Project Oak Tree is a short-term-stay shelter for Central American undocumented immigrants in Las Cruces run by the Catholic Diocese of Las Cruces. The shelter opened earlier this month after DHS established a temporary facility for undocumented parents and their children at FLETC—the Federal Law Enforcement Training Center campus—in Artesia, NM.

Orlando signed up to volunteer for Project Oak Tree on day one. He said he saw the immediate need to assist families facing this humanitarian crisis and he didn't think twice. He said his Christian values and belief in doing the right thing drove him to volunteer.

Orlando gets the opportunity to speak to almost every single person who arrives at Project Oak Tree and said that almost all of the stories he hears from mothers have some element of fear for their safety if they were to go back home. Orlando said he will never again say the words ''I am starving'' when he is hungry because he knows now what starving really means. He says that this experience has changed his life forever and that he will continue to help as much as he can.

I am grateful for Orlando's work in our community and for the many others in New Mexico who have stepped in and shown compassion and done all they can to help. Now it is Congress's turn to help. It is our turn to be part of the solution to this refugee crisis.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. KAINE. Mr. President, I also rise on the floor together with my colleagues from New Mexico and Florida to talk about the refugee crisis at our Nation's border. I appreciate Senator HEINRICH's leadership on this issue and his comments, and I am looking forward to hearing from Senator NELSON as well.

I would like to share a little bit of a personal story and amplify a few comments I made on the floor last Thursday about this challenge. I feel very personally connected to this issue and to the children who are coming to the border, children such as Alejandro, whose picture was such a stark reminder that we are dealing with little kids.

In 1980 and 1981, I was a student in law school, and I decided that I didn't know what I wanted to do with my life and I needed to figure it out. So what I did was I took a year off from law school and went to work with Jesuit missionaries in the town of El Progreso, Honduras. El Progreso, Honduras, was at that point a small community at the edge of banana plantations in a large agricultural valley in that country. I worked there as the principal of a school that taught kids to be plumbers and carpenters. I was dealing with youngsters in that neighborhood. Well, today El Progreso is in the epicenter of this problem. There have been many hundreds of kids from El Progreso who have come to the border this year.

San Pedro Sula—a nearby large city—is thought to be the murder capital of Honduras, which is now the murder capital of the world.

When I was in Honduras in 1980 and 1981, it was not an overly violent place. It was under military dictatorship. There were problems and challenges, and there was poverty, but refugees were coming into Honduras back then from El Salvador and Guatemala. They weren't leaving because there wasn't the everyday violence we see today. Honduras was a great ally of the United States, a great partner. Honduras was one of the original countries to which we sent Peace Corps volunteers, and I could see their influence all around the country.

But Honduras is a very different nation today. Honduras is now the murder capital of the world, has the highest homicide rate, which is about 40 times the homicide rate of the United States. This area, El Progreso and San Pedro Sula, is the epicenter of that. The United States had to pull Peace Corps volunteers out of the country a few years ago because it got too violent. The friends I have stayed in touch with over the years have informed me about what has been happening in their neighborhoods as the violence has increased.

We had a hearing last week where we had witnesses before us in the Foreign Relations Committee. We asked: Why are the kids leaving Honduras? Is it because their parents don't love them?

I mean, you think about family members. What would it take for a family to let a child take a trip of the kind Alejandro took? I can tell you from living in Honduras that parents love their kids just as much as people love their kids here in the United States. They are no different. To send your child thousands of miles—you would only do it for the most extreme reasons, and living in the murder capital of the world is that extreme reason. These kids are fleeing to the border because they are not safe.

What is the cause of the violence? I talked about this a little bit last week. The violence in Honduras, which is the murder capital of the world; El Salvador, which has the fourth highest homicide rate in the world; and Guatemala, which has the fifth highest homicide rate in the world—the violence is overwhelmingly driven by the drug trade. That was the evidence from our hearing last week as well.

Drug cartels have moved into Honduras and into these Central American countries. They get drugs from South America. They are shipping them to the United States because of the U.S. demand for illegal drugs, especially cocaine. The drug rate in Honduras is not about Hondurans using drugs. Hondurans don't use drugs to any significant degree at all. It is the illegal demand for drugs by people in the United States, largely, and the dollars we are sending down to buy drugs that have turned Honduras—that have turned San Pedro Sula and El Progreso into a massive drug cartel area where the combination of dollars and violence and fights between drug cartels puts little kids in harm's way. And then the gangs want them to join—we want to be the most powerful gangs because we want the money, and the way we do that is we recruit more kids.

So the root of this problem—the root of these refugees—is violence in their neighborhoods that is created by a drug trade that is driven by, sadly, U.S. demand for illegal drugs. That is what is happening. That is what is happening.

It has been heartbreaking to see a country that I care about and love and people whom I care about and love live in what is now the murder capital of the world largely because of the demand for illegal drugs coming from this Nation. So we are going to blame these kids? We are going to call them names or stand out in protest against them? Why? Because they live in a violent neighborhood? Because they want a better future? Because they look at the United States and think we may be a better and safer place for them? We shouldn't be blaming them. We shouldn't be blaming them because they are doing what any of us would do if we lived in a neighborhood where the violence was this extreme. If you have no other way to protect yourself, you are going to leave. We leave neighborhoods and we leave situations that are this bad.

The good news is—and Senator HEINRICH has laid this out—we don't have to stand by and say there is nothing we can do. There are solutions. We had a meeting with the three Ambassadors today, and the Foreign Relations Committee is going to have a meeting with the three Presidents of these Nations tomorrow, and we are going to talk about solutions. Let me run through six things we can do, and I will talk briefly about some of them. My colleagues have already dealt with some of them, and Senator NELSON will, but first let's start off with, how about not blaming the kids, No. 1. Let's not blame the kids. Let's not pretend they are crooks or criminals. Might there be some who are coming across the border who have criminal records? Sure. We can do a criminal record check and we can figure that out, and if that is the case, then we can deal with that. But these kids are leaving to stay alive.

My wife is a juvenile court judge. She used to say: I sometimes put a kid in jail to keep him alive.

The need to remain alive sometimes leads you to do extreme things, even to travel thousands of miles to come to a country where you think you might be more safe.

Let's begin by not blaming these kids. That is No. 1.

No. 2, we do need to implement the law. Senator HEINRICH talked about this law which was passed by a unanimous Congress, which was signed by President Bush, which was named after William Wilberforce. Do you know who William Wilberforce was? William Wilberforce was a great abolitionist English preacher who had interaction with the slave trade when he was in England and then came to realize that the slave trade was wrong and that religions had promoted the slave trade. He turned his life around and became a crusader against human trafficking, a crusader against the slave trade. That is what this law is that was put in place.

Let's not willy-nilly change the law. Let's implement the law. The law was a good law. In order to implement the law, we do need funding. Senator HEINRICH talked about the supplemental request that would be before the Senate. We have had some good discussions about it. I think we have put it in a place where it is now solid. We do need to support that supplemental request so that there will be ample services where these children can be evaluated. If they qualify for asylum, they should be able to stay, just as other refugees stay. If they have committed criminal activities, they can be sent back in order to enforce the law. It seems that is what folks are always saying around here—we should enforce the immigration laws. Let's enforce the William Wilberforce law and make sure there are funds in place to do it.

The third thing we should do is get our priorities right about how we spend money. We are spending the money the wrong way in Central America. It is kind of amazing what we are doing. You would think we ought to be investing a little bit in the security of Central America just as we invest in rebuilding infrastructure in Afghanistan, just as we invest in things all around the world, and we should especially be doing it in Central America because it is the U.S. demand for illegal drugs that is creating the conditions of violence there. Doesn't that create some obligation to take a little bit of responsibility for helping Central American nations with security?

Well, we do spend money on the security in Central American nations, but the money has been dwindling every year—dropping, dropping, dropping. For 2015 the President's budget submission for the Central American Regional Security Initiative was $130 million, which is about $40 million each for the three countries. Compare that to what we will spend on border security in 2015, which is $17 billion. So $130 million for regional security in the nations these refugees are coming from and we are spending $17 billion on the border.

Instead of having to catch all these kids as they are coming across the border and spend time and expense on the legal processes, wouldn't it be a little better to try to take some of that money and spend more in Central America to help these three nations have stronger police forces, stronger judiciary systems? If we could deal with and reduce violence in the neighborhoods—and we have to do it in partnership with these nations. They have responsibilities as well. If we could do that, we could dramatically reduce the number of kids who are coming to the border. We are spending money the wrong way.

I am happy this supplemental has some significant funding to increase our security efforts in Central America. That is very critical. We have to work with the Central American governments to prosecute the coyotes. The coyotes are the smugglers who bring these kids to the border, and they often perpetrate violence and tell these kids: Hey, look, we can get you to the border, and you can stay forever. They will spin false messages about American law, and they do it because they are making money off these poor families.

Honduras is one of the poorest countries in the Western Hemisphere. For a parent to pay $4,000 or $5,000 to one of these smugglers for their kids to come here—that is usually more than their combined assets. They have to gather up money from all kinds of places to be able to do it. We need to prosecute the coyotes and these smugglers in Central America, and our effort is going to help these countries do that.

We need to make sure these countries spread the message that once the kids get here, they are not going to come and stay automatically. That work is being done, but more can be done.

I think probably the most important thing we can do here is to spend more money helping to solve the cause of the violence and the drug cartels in Central America. If we do that, we will see the number of kids who are fleeing neighborhoods such as the ones I lived in dramatically reduced.

The fourth thing we can do—and Senator NELSON is going to talk about this, so I will not get into it—is interdict more drugs. If you want to do something tough, why send the National Guard to the border? These kids are not sneaking across the border. They are turning themselves in to the first person they see. They know if they see someone with a U.S. uniform on, they won't be killed. They feel safe. We don't need more National Guard at the border because the kids are already turning themselves in. But if you want to be tough, how about more funds for the American military so they can interdict more drugs before they get to Honduras, Guatemala, and El Salvador? Senator NELSON will go over that.

Fifth, we need to do immigration reform, and Senator HEINRICH mentioned that. We passed immigration reform in this Chamber 13 months ago. There were all kinds of stories about it. There has been no action in the House—not even bills out of committee, much less from the House floor—on immigration reform.

This morning the ambassadors told us the uncertain status of whether there is going to be immigration reform is an issue. What is going to happen? Something passed, but maybe it won't pass in the other House. When there is uncertainty, it enables these coyotes to go in and kind of market and say something is going to happen. They will say: We can get you to the United States, and you can stay.

The faster we pass immigration reform and create certainty, the easier it will be to deliver a message that everybody in Central America will understand about what our rules are and what they are not and who is allowed to come in and who is not.

Finally—and this is the hardest one of all—we have to figure out better strategies to reduce the illegal use of drugs, especially cocaine, in the United States. As long as there is this massive demand for illegal drugs such as cocaine in countries such as Honduras that have poor budgets, there will be powerful drug cartels that will use them as staging grounds to try to supply the United States drug demand.

We sometimes hear people talk about drug and cocaine use as a victimless crime. They say: It is a victimless crime; I am not hurting anybody. I may use drugs, but I am not hurting anybody.

This is not a victimless crime. The ones who are using recreational, illegal drugs transited through the Americas are the ones who are creating victims. They are creating the murder capital of the world, and they are the reason kids are fleeing their homes and trying to find safety in the arms of a Border Patrol agent on the border of the United States.

We need new strategies to tackle a huge and overwhelming demand for illegal drugs in the United States. Two weeks ago the President's drug control policy key administrator, Michael Botticelli, went to Roanoke, VA, to roll out the national drug control strategy. He chose Roanoke because Virginia, like a lot of States, has had significant problems—whether it is heroin or prescription drugs. He also chose Roanoke because it has been a place where there have been strong efforts to come together to tackle illegal drug use.

Last Friday I went to Roanoke and spoke at a drug court graduation—people who were addicted to drugs but worked with social workers and folks from local courts to break the bonds of that addiction, the bonds that, just as they are addicted to them, also put people in chains in countries such as Honduras by turning their neighborhoods into violent drug-controlled shooting galleries.

We have to be creative and strategic in dealing with the demands for illegal drugs. It is sad that these kids are fleeing their country because of the violence that in some ways has its roots here. The drug demand in this country

is at the origin of the violence that is chasing these kids out of their neighborhoods, and that gives us a moral responsibility to try and tackle this problem and solve it.

I thank my colleagues for their strong support for the supplemental appropriation we will take up. I look forward to working with them. We can solve this problem. We can solve it if we do the right things.

I yield the floor.

The PRESIDING OFFICER (Mr. BLUMENTHAL). The Senator from Florida.

Mr. NELSON. Mr. President, I say to my colleagues that this is a very substantive discussion. This Senator is enormously impressed with the quality of the commentary from the two who have preceded me and those who will follow. We are addressing the treatment of this issue in a comprehensive way.

I was so glad the Senator from Virginia mentioned the initial legislation from years ago protecting children once they reached the border is named after William Wilberforce, a Parliamentarian in England in the late 1700s and early 1800s whose sole mission—it took him 20 years as a politician and a member of Parliament—changed the course of history because he singlehandedly, through his legislative efforts, abolished the English slave trade, and it changed the course of the history of the world.

When we think of that kind of quality of parliamentary endeavor, it is time for the Senate to rise to this occasion in what is considered a humanitarian crisis but is so complicated as to the reason it is causing hundreds and thousands of children to appear at our border.

Right off the bat this law says we are going to treat these children in a humanitarian way. They are going to get medical treatment and a safe place to stay.

When Senator HEINRICH showed the picture of the little boy named Alejandro—doesn't your heart go out to him? Taking care of a little boy like that is at the heart of America. We don't want all of these children coming to our border, begging for entrance.

Listen to these Senators as they dissect the problem of what we should do to eliminate the problem in the first place.

I want to take one snippet of what Senator KAINE said. Why is Honduras the murder capital of the world? Why are the other two Central American countries—El Salvador and Guatemala—ranked so high as murder capitals of the world? Why is it that next door in Nicaragua and Belize their children are not coming to our border in great numbers? The same thing is true with Costa Rica and Panama. Why those three countries? Because the drug lords producing the drugs in South America are sending huge shipments by boat—2 and 3 tons of cocaine per boat—through the Caribbean to the East or the Pacific to the West. Where are they going? They are going to those three countries.

Basically, most of those drug shipments are getting through. Once they get to those Central American countries—since the economic power is among the drug dealers and the drug lords—they can buy off everybody else. If you don't do what they say, you are dead.

When a young man gets close to becoming a teenager, his parents are confronted with a situation of either joining one of these criminal gangs, which is interrelated with the drug lords, or they have to accept the fact that they are going to be attending their child's funeral because he will be killed if he doesn't join them.

The third choice they have comes from what they hear from these coyotes when they say: You are going to have free entrance into the United States.

What do you think a parent is going to do? Because the big shipments of drugs—primarily by boat to the east and the west—has corrupted the whole system in those three Central American countries, what should the United States be doing?

We have had very successful drug interdiction programs in the past. We have been very successful at it. We now have a four-star Marine general—General Kelly, who is the head of the United States Southern Command—who has a task force in Key West, the Joint Interagency Task Force South, watching their radar and aerial surveillance but doesn't have the assets to go after 75 percent of those drug shipments. If we would give General Kelly and the joint task force the additional Navy assets—that is Navy boats with helicopters or Coast Guard cutters with helicopters—to interdict those shipments instead of letting 75 percent of them go, we would get to the root cause of the whole problem of why the children are showing up on our border.

The big shipments of drugs have completely corrupted the societies of those three countries, leading to all of the ramifications of the children and others going north.

Once those big shipments of 2 or 3 tons of cocaine in a boat land in one of those Central American countries, they break them up into small packages. It is then transported by individuals, and it is very hard to interdict those drug shipments as they go north through the rest of Central America, Mexico, and to the border. The place to get them is when they are the large shipments. There are many more of these shipments coming by boat than on airplanes. As a result, what we see is this crisis.

I will close by saying my wife Grace and I have been involved through a Christian charity in trying to help some of the poor villagers have hope, particularly in Honduras in this case. I am not going to say the name of the village because I don't want to alert the bad guys that this is a little village where they are getting attention, an education, nourishment, and some health care. More than that, they are getting the love of Americans. So it is a painful personal picture for us to see what has happened to that little country.

Finally, the President's request of over $3 billion does not include, as we learned in an all-Senators meeting last week with three or four cabinet secretaries and other agencies represented, funds for additional Coast Guard cutters or Navy ships or the movement of those Coast Guard cutters or Navy ships with their helicopters from other places. I hope, by the effort Senator HEINRICH has exerted today, with many of us coming here and speaking about this, that we are going to start to get this message through as to what needs to be done to address this crisis.

Mr. President, it is a privilege for me to share my heart, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BOOKER. Mr. President, I wish to thank my colleagues sitting here before me, especially Senator HEINRICH, who invited us to partner in this dialogue today. I wish right now just to express my frustration. We see on our television sets and we hear throughout the American landscape rhetoric, posturing, and demagoguery that does not reflect the truth of who we are as a nation, and it obscures the facts of what is happening on our southern border right now as a country. We have thousands upon thousands of children in the most vulnerable and innocent stage of their lives showing up at our border. I hear ugly rhetoric about just turning them around and sending them back—rhetoric that does not reflect who we are as a nation, the history of our communities or the laws of this land.

If I may, for a brief time I wish to speak just to reflect on the fact of why these children are showing up. Why are they coming to our borders? As the senior Senator from New Jersey has said clearly: This is not a case of ordinary people seeking better economic opportunities. If this was just about poverty, then we would see people coming from all the nations in that area. To be specific, El Salvador's poverty rate is 34.5 percent. Belize's poverty rate is actually higher at 41.3 percent. To make a journey from a country with a lower poverty rate to a country with a higher poverty rate, because that is where many of these refugees are going—to Belize—begs a closer examination of the true drivers of this migration, because it is not poverty. It is not people simplistically looking for economic opportunity. We are seeing countries in addition to America facing the same problem: Children from these three nations escaping severe persecution, sexual assault, rape, violence, and murder are not just coming to the borders of the United States to escape this persecution but going to other nations in that area.

For example, combined, Mexico, Panama, Nicaragua, Costa Rica, and Belize documented a 435-percent increase in the number of asylum applications logged by individuals from El Salvador, Honduras, and Guatemala. In this area of our globe, where there is such violence and persecution in these three countries, it is driving people out not just to the United States, as some people allege because of the policy of the Obama administration; these are people escaping persecution to countries all throughout the region. This is about violence. This is about heinous crimes. This is about a drug war. This is about cartels carrying out the most egregious of human acts, evidencing the depravity and the evil that so cuts at the conscience of humanity, so that people are escaping to wherever they can go.

We in the United States have a long and noble history that when there are places on our globe that face this level of crisis, we respond, and we are a part of an international community where our peer nations have shown that history as well. Here in North America, we know allies such as Canada have done incredible deeds when there is crisis, violence, war, and persecution—mass rapes going on. There have been responses from our northern neighbor.

In 1972 when Uganda's President Idi Amin announced the Ugandan Asians were to be expelled, Canada set up a refugee office and, by the end of 1973, more than 7,000 Uganda Asians arrived in Canada.

Germany, for example, right now currently is accepting 20,000 Syrian refugees. As I speak right now, Jordan and Lebanon are host to over 2 million Syrian refugees, and we as a nation are encouraging our allies in the Middle East to be there for those refugees when they come to those borders. That is the international community. In America, we set the standard. We are the leaders globally for compassion, for humanity, for charity. I am proud that this tradition, which is two centuries old in America, can continue under Democrats and Republicans. It has not been a partisan football.

In 2008, under the Bush administration, in the face of Burma's humanitarian crisis, this country, with the courage of its compassion, resettled thousands of Burmese refugees, admitting as many as 18,000 of them. President Bush signed the legislation to ease the restrictions that prevented ethnic minorities involved in that struggle against the Burmese regime—eased restrictions for them entering the United States. President Bush spoke eloquently during that time about American compassion. He spoke about American heritage and American tradition. He said, quite poignantly, I thank those of you Americans and those around the country—all of us—who have opened up our arms and said: ''Welcome to America. How can we help you settle in?''

This is who we are as a nation. And when we have children—innocents—escaping violence and terror and crimes against humanity, where we as a nation are not even fully relieved of culpability for what is going on and when our Nation's drug consumption is helping to drive that violence, we have a responsibility. That is who we are. That is our truth. We know this. We are a nation of people who came from persecution, who came from famine, who came from religious war. We are a nation settled by those who were yearning to be free.

Now, I know the Statue of Liberty well because New Jersey has its back. When I travel around the State, I often get a great view of her noble torch. I know it is not down along our southern border, but the ideals of the Statue of Liberty still hold true:

Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tossed to me,
I lift my lamp beside the golden door!

I am grateful and support Senator MIKULSKI's leadership and the push to address this crisis by stepping up as a nation, by following the letter of the law and providing due process for these young people who have come to our borders, so that we can evaluate them and see those who have a justifiable claim for asylum and to see that we honor our tradition and our law and give them a place in our country that is safe and secure from the terror and the violence that is going on in those three countries. It cannot be acceptable that we use our resources now simply to expedite the return of thousands of children into that conflict zone, which is more dangerous now than at the height of civilian dangers during the Iraq war.

We must as Americans follow that great tradition. We must as Americans now do the right thing by innocent children: evaluate them with our resources, expedite the judicial process to understand clearly who is meritorious of asylum. And we should invest our resources in making sure the conflicts in those nations are abated so this crisis ends.

I say clearly: In America we stand for something now as we have time and time again. We must garner our resources and, most importantly, our compassion, which is the truth of who we say we are, and make sure we take care of these vulnerable children and make sure we don't turn them around into a dangerous situation. It is time we show internationally that when there is crisis, America stands and shows leadership and does the right thing.

With that, I yield the floor for the senior Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, first of all, let me say I am really moved by Senator BOOKER's passion, Senator NELSON's clarity of thought, and by my other colleagues who have joined us. I am compelled to join them because we do have a crisis, but we also have, in my mind, a clear moral and legal compass we need to follow.

We have a refugee crisis on our southern border, which I argue requires an emergency response domestically and the urgent recalibration of our foreign policy. Why do I say that? Because, as I have argued for several years in the Foreign Relations Committee, the continuous cuts we have had in the programs that are in our national interests, in our national security, were going to bring us a day in which we would rue the consequences of those cuts.

So here we are with Honduras having the No. 1 murder rate per capita in the world, and the other two Central American countries from which these children are fleeing in the top five in the world. As Senator NELSON spoke so eloquently, there is the whole question of the narcotics trafficking taking place, using this as a via to the United States where the demand is, and the total inability of these countries to deal with entities that have more money and very often have more firepower than any of the national governments that are engaged. Then add to that the dynamic and explosive growth of gangs. I am talking about gangs armed and fueled with money in a symbiotic relationship with the drug traffickers. That creates a challenge. In one of these countries it went from 600 to 40,000 members of a gang. This isn't about some far-off place; this is right here in our own front yard, in our hemisphere, a very relatively short distance. Unless we deal with the root causes of these problems, there will be no resources or any change in law that is going to ultimately meet the challenge of those who flee because to stay is to die.

So that is the challenge we have before us. We have to deal with that challenge on our southern border, and our distinguished chair of the Appropriations Committee has fashioned a package I think is balanced and seeks to do that. But as we deal with this refugee crisis, in my view, it is equally important that we not rush to change our laws in a way that strips children of the very rights for which we have been known as a country. I am not even talking about the 2008 law; I am talking about the very essence of our immigration law for decades that has asylum as a fundamental pillar.

It is imperative to understand this is a desperate effort by desperate parents to do what any parent would do to protect their child from violence and the threat of death. Imagine the circumstances a parent must be in to send an 8-year-old on a treacherous journey of 2,000 miles where all things can happen to them in the hope—in the hope—they can arrive and make a claim for asylum, but not knowing whether their child will actually be able to arrive alive. That is some dramatic choice,

but those are choices facing these parents.

These children are facing tremendous threats: towns and schools controlled by narcotic traffickers, gangs threatening to kill them, rapes and manufacturers.

In the Foreign Relations Committee recently, we held a hearing and I noted a piece that was written in the New York Times by Pulitzer Prize-winning author Sonia Nazario, who testified before the committee. This was to give the Senate the sense of what we are talking about.

A young boy named Christian Omar Reyes, a sixth grader—his father was murdered by gangs while working as a security guard. Three people he knows have been murdered this year. Four others were gunned down on a corner near his house in the first 2 weeks of this year. A girl his age was beaten, had a hole cut in her throat, her body left in a ravine across from his house. Christian said: It is time to flee.

Carlos Baquedana, a 14-year-old who worked in a dump picking scrap metal when he was a boy, making a dollar or two a day, when he was 9 years old, barely escaped two drug traffickers who were trying to rape him. When he was 10, the drug traffickers pressured him to try drugs and join a gang or die. He has known eight people who were murdered—three killed in front of him. In one case he watched as two hit-men brazenly shot two young brothers execution style. Going to school is even too dangerous for him now.

These stories are, unfortunately, not unique. They are tragic stories of life-changing experiences that too many children face in Central America every day—children such as Christian and Carlos whose stories are unknown but no less tragic.

Let me take a moment to repeat that I strongly oppose changing existing law. The answer is not to repeal the law that keeps these children safe and gives them an opportunity—that is all the law gives them, an opportunity—to determine whether their status here can be adjusted under asylum. The answer is not to deny these children their day in court and send them back to very probable death. But those who want to repeal the 2008 law would be doing exactly that.

If we provide the funding the government needs, the administration has the authority to deal with the crisis in a safe and humane way without turning our back on the rule of law that we take pride in as a nation.

Antitrafficking organizations have explained to me that this trafficking law was designed by both Republicans and Democrats in broad bipartisan efforts to give special protections to children who cannot adequately represent themselves and who often do not self-identify as victims of abuse, crime or human trafficking.

Congress sought to provide special protections for those who have fled thousands of miles in recognition of the fact that a larger percentage of these children may have very compelling and legitimate claims.

Unfortunately, the Border Patrol's cursory review of Mexican children's claims often results in a failure to identify children who are at risk of persecution or trafficking, according to the U.N. Commissioner for Refugees. Extending this type of superficial screening to Central American children would certainly mean serious abuse or death upon their return.

We can keep this important antitrafficking law and at the same time address the situation on the border. Let me explain how the administration already—already—has the authority to control this crisis.

Critics have complained that the 2008 trafficking law requires children to be released into the community, but what the law actually says is that children need to be held in the manner that is in the ''best interests of the child.'' In this situation, where we are dealing with an influx of thousands of children, it is clearly in the best interests of these children to hold them in a safe and clean shelter rather than returning them to face possible death or quickly releasing them into the hands of a sponsor who may not be properly vetted. Failure to properly screen these children could result in children being returned to their very traffickers.

Critics have also complained that deportation hearings do not take place for years after the children arrive and that this creates an incentive for children to come to the United States. But the law allows the Justice Department to hold hearings much more quickly—without denying due process—by moving recently arriving children and families to the front of the line for hearings before a judge.

As the Justice Department testified last week before the Appropriations Committee hearing, that is exactly what they are doing—surging resources and expediting full hearings.

This expedited process that still protects due process would send a signal to the parents in Central America that children without valid claims—and there will be a significant universe that will not have a valid claim and will be deported—will not be able to stay in the United States. But at the same time we protect the rights of legitimate refugees and trafficking victims.

So while not every single child apprehended at the border will have a valid claim to stay in the country, and many will be deported, we have a moral and a legal obligation to keep them safe until their status is resolved.

The answer is not to repeal the law that protects them but to enforce it and to provide the administration with the resources it requested to address both the domestic and international aspects of this crisis.

This problem was not created overnight, and it will not be solved overnight. But the solution is not to abandon our values and the rule of law that we uphold as an example to other nations so every child will be safe wherever they may live. If we do this now, I can tell you, I do not know how we will have any authority to look at any other country in the world and say to them: You must accept refugees from Syria, you must accept refugees from Congo, the Dominican Republic, you must accept refugees from Haiti. The list goes on and on.

There is a reason this law was passed. It was passed to say if you are fleeing 2,000 miles to try to come to the United States, there may be a greater probability that you have a real case to be made for asylum because you have a credible fear for the loss of your life.

As I hear those who advocate for the rule of law, I say you are right. The rule of law means you do not undermine the law or change it when you do not want to ultimately live under it. You obey it. You obey it.

If you flee 2,000 miles because you were told by the gangs to join or die or if you were raped and you flee 2,000 miles never to experience that tragic and traumatic set of circumstances again, you have a very compelling case.

So let me close by saying the fact is there are some who are exploiting this issue for political gain, some who could not even see their way to cast a vote or to allow a vote on the type of comprehensive immigration reform the Senate passed on a broad, bipartisan basis in which both border control and human trafficking and all of these other issues we are now facing would have had the resources and would be addressed.

I also find it incredible to see the Governor of Texas saying he is going to send the National Guard to the border. What is the National Guard going to do in what is otherwise a Federal law enforcement obligation with Border Patrol agents who ultimately are obviously interdicting these young people but they are actually turning themselves over to them. What is the National Guard, with rifles, going to do at the Texas border that the Border Patrol cannot do themselves?

This supplemental bill is almost entirely for enforcement of the law. I know Republicans have been saying for years they want more money for enforcement of immigration law. Well, folks, here it is. Here it is. I cannot believe with the resources that are going to the very States that say they face a challenge, there will be those who will vote against it. I cannot believe that just because the President is proposing it, they cannot ultimately find their way to vote for the money that is going to go largely to the States that face the most critical challenge at this time.

So that is what our immigration debate has come to. We began this Congress with an overwhelming bipartisan vote in favor of commonsense immigration reform, and here we are unwilling to even provide something I have never

voted for but will—strictly enforcement funding. We have Republicans calling for DREAMers to be deported as part of this bill in the House of Representatives and a rollback of legislation to protect small children from human trafficking. That is what we have come to.

Rolling back this law, which passed with broad bipartisan support in both Houses of the Congress and was signed by a Republican President, is not something I can personally accept, and I will use the procedures of the Senate—I hope with others who feel the same—if that is the choice that has to come before us, not to permit that to happen.

The President has the authority to control this crisis already. Let's give him the resources to do the job, and let us, in the process of doing that, not create a dark day in our Nation's history which we will regret for years to come.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise as the chair of the Appropriations Committee that will be proposing the emergency supplemental bill. This bill will be introduced tonight, and I want to briefly describe it.

First of all, what does the emergency supplemental bill do? It deals with three crises; one, it will fight wildfires with additional resources as to what is going on in our own country; second, it will help Israel be able to continue to man its Iron Dome antiballistic missile system, as has been under siege by Hamas rockets; and, third, it will help be a downpayment on resolving the crisis of the children arriving at the border.

To be specific, it will fight wildfires to the tune of $615 million. Right now there are 127 wildfires burning in our Western States, covering four or more States.

Second, it will strengthen Israel's Iron Dome and add $225 million to replenish the antimissile defense system, saving lives by shooting down Hamas rockets, helping our essential ally Israel.

Third, it will deal with the crisis of our children arriving at the border, and that will be $2.7 billion—$1 billion less than what the President asked for. It will care for the children. It will provide food, shelter, and other needs. It will resolve children's asylum status, and it will have enforcement money to break up organized crime cartels, the traffickers, and the smugglers.

The total for all three of those will be $3.57 billion.

I agree with President Obama. This is an emergency supplemental. These funds are designated as emergency spending because they meet the criteria set in the Budget Control Act of 2011 that the needs must be urgent, temporary, unforeseen, and prevent loss of life. That is exactly what we are facing.

What does it mean to designate the funds as emergency spending? It means no offsets. So we do not take existing funds where we are either defending the Nation or helping America's families to pay for the spending in this bill.

The needs are urgent.

Firefighting needs are needed now. The Forest Service will run out of money in August. Fires are burning Oregon, Washington, and other States. We need to be able to provide the support to fight those fires and help our neighbors in our Western States.

Iron Dome. The funding is needed now to replenish a key part of the missile defense system, replace Iron Dome artillery. Israel has already used a great deal of its assets dealing with the more than 2,000 Hamas rockets aimed at Israel. Israel has the right to self-defense. We are helping them have what they need to intercept 90 percent of the rockets.

Funds to deal with unaccompanied children crossing our border are needed now. If we do not do this, the Department of Immigration and Customs Enforcement will run out of money in August, and the Department of Homeland Security Border Patrol will run out in early September. It does not mean that our Border Patrol agents or ICE agents will stop working, but it will mean the Department of Homeland Security will have to take money from other Homeland Security needs to keep these agencies doing their jobs.

Also, Health and Human Services will run out of money to house children in August. It means that children will stay longer at the border. They will be in inappropriate holding cells. It also means Border Patrol agents will be taking care of them, rather than child welfare social workers. If you want to use Border Patrol agents to take care of children, that is one thing. I think they should be defending our border and we should have social workers taking care of the children.

Our approach is sensible. It meets human needs. While we acknowledge a tight budget situation, we fund only that which is needed in calendar year 2014. This is very important. It funds only what is needed in calendar year 2014. It defers $1 billion of the President's request until 2015, subject to Congressional action that the need be validated. We hope by 2015 the surge will have diminished because of the prevention and intervention issues we are dealing with. But make no mistake, the funds we say we need we really do need.

This bill defers funds until next year, because I am deeply concerned if we do not follow the Senate number, the House will make draconian cuts that impact the care of the children, and also being penny wise and pound foolish, they are going to stop our ability to go after the smugglers and the coyotes. So we do not want to go after the children, we want to go after those people who are exploiting the children and trying to recruit them into despicable activities.

We also do not want radical riders that will weaken our refugee and human trafficking laws or accelerate deportation of children without due process under existing law. We do not want a backdoor version of bad immigration reform.

This bill is only a money bill. It does not include immigration legislation. How that will be addressed on the Senate floor will be decided by the leadership on both sides. The challenges to this request are many. We have made changes to the President's request. We have included more money for immigration judges and more money for additional legal representation for children so we can determine their legal status and determine whether they have the right to seek asylum status.

We also have robust enforcement against gangs and organized crime. Seven organized crime syndicates are operating in these three Central American countries now. We are talking about more guns at the border. We need more law enforcement and the help of the United States going after the real bums and scums, which is these drug dealers who recruit these children, murder children before other children's eyes.

You know what. We also know that when we work in a crisis and we do urgent supplemental efforts, we sometimes waste money. We can only look at some of the other agencies where we have done this. This bill includes strong oversight from the inspectors general to make sure the taxpayers' money is well spent, to protect our border, protect the children, and go after smugglers, coyotes, and human traffickers.

The best way to make sure the surge of children is slowed is not by rewriting refugee and human trafficking laws, it is by making it harder on these crooks and criminals.

I am going to conclude by saying this: We already have 60,000 children at the border. This crisis is not at our border, however. The crisis is in their home countries: Honduras, El Salvador, Guatemala.

These children are truly fleeing violence. I have been down to the border. I have talked to these children, listened to children who faced sexual assault, the recruitment into human trafficking, gang intimidation, persecution, threats of grisly physical actions directed against them.

What is happening in these countries? When you listen to the cries of the children, I can tell you, in these countries there is a war on children. We cannot turn our backs on these children who are seeking refuge. We need to pass this supplemental and we need to deal with the violence that is coming out of Central America; that if we do not deal with it there, it is not that the children will come to our borders, it is that the violence and the gangs will come to our borders.

I hope when the leader introduces the bill later on this evening we can proceed and debate this with due diligence. I look forward to chairing the committee as we go through this process.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee

Mr. CORKER. Mr. President, I ask unanimous consent to enter into a presentation and colloquy with my fellow Republican colleagues for up to 25 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. CORKER, Mr. GRAHAM, Mr. RUBIO, and Mr. MCCAIN pertaining to the introduction of S. 2650 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. CORKER. I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

UNANIMOUS CONSENT REQUEST—S. 2262

Mrs. SHAHEEN. Mr. President, I come to the floor with a number of my colleagues to ask unanimous consent that at a time to be determined by the majority leader, after consultation with the Republican leader, the Senate resume consideration of S. 2262, which is the Shaheen-Portman energy efficiency bill; that the motion to commit be withdrawn; that amendments Nos. 3023 and 3025 be withdrawn; that the pending substitute amendment be agreed to; that there be no other amendments, points of order, or motions in order to the bill other than budget points of order and the applicable motions to waive; that there be up to 4 hours of debate on the bill equally divided between the two leaders or their designees; that upon the use or yielding back of time, the Senate proceed to vote on passage of the bill, as amended; that the bill be subject to a 60-affirmative-vote threshold; that if the bill is passed, the Senate proceed to the consideration of Calendar No. 371, S. 2282, which is the passage of the Keystone Pipeline, at a time to be determined by the majority leader, after consultation with the Republican leader, but no later than Thursday, July 31, 2014; that there be no amendments, points of order, or motions in order to the bill other than budget points of order and the applicable motions to waive; that there be up to 4 hours of debate on the bill equally divided between the two leaders or their designees; that upon the use or yielding back of time, the Senate proceed to vote on passage of the bill; finally, that the bill be subject to a 60-affirmative-vote threshold.

What I am basically asking is that we get a vote on Shaheen-Portman and if that moves, that we then get a vote on the Keystone Pipeline—something our colleagues on both sides of the aisle have been talking about for months.

The PRESIDING OFFICER. Is there objection?

The Senator from Texas.

Mr. CORNYN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. CORNYN. Mr. President, I would propose to the Senator from New Hampshire an alternative. Before I do that, I would say the biggest problem we have is the inability of the Senate to process amendments in the normal order. I believe the Senator from New Hampshire is sympathetic to that.

If we could just have an opportunity to offer and vote on amendments, I have every confidence this piece of legislation would have been long passed. But somehow we are stuck. And it is not just the minority party that is limited on opportunities to offer ideas to help improve legislation and to get votes. It is even our friends who are in the majority. I can only imagine what it is like to feel like: I am in the majority, and I can't even get votes on my amendments or my legislation passed.

So I ask unanimous consent that the only amendments in order to S. 2262 be five amendments from the Republican side related to energy policy, each with a 60-vote threshold on adoption of each amendment. I further ask that following the disposition of these five amendments, the bill be read a third time and the Senate proceed to vote on passage of the bill, as amended, if amended.

The PRESIDING OFFICER. Is there objection?

Mr. WHITEHOUSE. I object.

The PRESIDING OFFICER. The objection of the Senator from Rhode Island is heard.

The Senator from West Virginia.

Mr. MANCHIN. Mr. President, I came to the floor to speak on these two commonsense pieces of legislation.

My dear friends Senator SHAHEEN and Senator PORTMAN—Democrat and Republican—have worked so hard in a bipartisan way, which we don't always see anymore on the floor here or over on the House side. It is a shame. People tell me about how things used to be. I have been here not quite 4 years, and I haven't seen it yet. I am still waiting for it to happen. But we have a bill, the Shaheen-Portman bill. It is basically a bill that creates jobs, saves money, makes significant strides toward a more energy-efficient nation, which we should be.

I am from an energy-producing State, the great State of West Virginia. My dear friend Senator HEITKAMP is from the great State of North Dakota, which is a tremendous energy-producing State. We believe in energy policies. We believe we should be using everything we have to make sure we have the economic engine so we can compete globally and in a very competitive way.

With that being said, this is the low-hanging fruit. This is truly low-hanging fruit. And we all agree—why shouldn't we pass a piece of legislation that basically we all benefit—all 50 States will benefit. The bill will put us on a path toward a more sustainable future. It has broad support, as we can see. And our colleague Senator CORNYN from Texas will tell you that if it got voted on, it would pass overwhelmingly. Now, that is hard for me, coming from West Virginia where there is a lot of common sense.

People say: Well, if it would pass, why don't you just vote on it and pass it?

That is what I am saying. It is a shame that politics has trumped good policy in this body and in this city, and we have to get back to some order of common sense.

I am a tremendous supporter of this piece of legislation. I thank Senator SHAHEEN for all the hard work she has done. She has not given up. She will not give up. And that is what it takes—the tenacity to make sure a good piece of legislation which not only helps the great people of New Hampshire, it helps all of us. That is what I am looking forward to.

Then we look at the Keystone Pipeline. I have never seen a piece of legislation that makes more sense than this piece of legislation, the Keystone Pipeline. When I first heard about this, people said: Senator MANCHIN, what do you think about this?

The only thing I can say is that in West Virginia we would rather buy from our friends than our enemies. So we are going to buy the oil. The oil is going to be sold somewhere in the world. Why shouldn't we have access to that? Why shouldn't we have control of that? Why shouldn't we benefit from the jobs? We are talking 20,000 direct jobs during construction, 118,000 indirect and spinoff jobs after construction, contributing $20 billion of economic stimulus to the United States. Every State, including my State of West Virginia—new Hampshire, North Dakota, Rhode Island—we are all going to benefit.

It is something we find almost reprehensible, for us not to be able to vote on legislation. And I understand the amendment process. I understand all of that. But when we have very clearly defined pieces of legislation that really create good policy for all of America, that is something for which sometimes maybe we push the politics aside, we vote on the policies and the contents of these other pieces of legislation, which I know West Virginia would be happy for me to vote on, and I will be in very much support of these two pieces.

With that, I thank Senator SHAHEEN for her hard work. I thank her for her not-give-up attitude, that New Hampshire commitment she has. She is going to work and fight. We are going to be right behind her and work with our bipartisan friends on the other side. Senator PORTMAN has committed the same way. So we hope we can get something reasonably done.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Ms. HEITKAMP. Mr. President, I am standing with my good friend from the

great State of West Virginia, certainly a tremendous legislator and former Governor and someone who knows how to get things done, Senator SHAHEEN.

I know what is happening. I think I have learned at least that much since I have been here, about the rules and how things work. But I also see this body through the eyes of an American citizen.

I see two pieces of legislation—one the Keystone Pipeline. The vast majority of people in this country support moving forward with the Keystone Pipeline. It is a critical piece of North American infrastructure. It was critical in the last discussion we had about the disruption and about the horrible conditions in the Middle East. If we haven't learned the lesson, we need to build out our resources right here among our friendly allies in the form of Canada and use our own resources here and then have the ability to use that new energy development for soft power, to actually begin to have a meaningful geopolitical discussion that doesn't involve an addiction to foreign oil.

So we think about Keystone Pipeline, and we think about the relationship we have with Canada and the jobs that could be created, but mainly we think about developing the infrastructure that is absolutely essential to the development of our country and the development of our energy resources.

We can talk about fuel sources—and that is what my great friend from West Virginia just talked about, having a policy that truly includes all of the above—all of the above, not picking and choosing. Let the market decide. Let's make sure that it is diverse, that we have every opportunity to develop everything we are going to develop. But we have to move that energy, and the Keystone Pipeline is example 1.

A lot of the disagreement about the Keystone Pipeline has nothing to do with the pipeline itself. It has to do with the oil sands development up in Canada.

When we pick and choose winners and decide we are not going to vote on something, the American people just shake their head and say this makes so much sense, so why isn't the Congress voting.

Then let's take the second part of a solid energy policy—''all of the above'' but also conservation, also energy efficiency, also making the best use in a great American tradition, a conservative American tradition of making sure we have the best energy efficiency in the world and having a piece of legislation that guarantees that and creates jobs as a result and saves money for schools and saves money for businesses.

All of this makes so much sense, and the American public knows it makes sense. Yet this body cannot find a way forward to take a vote. How frustrating is that?

It is frustrating for us here in this body, but it is more frustrating for the American public that watches this display of inability to move forward on critical pieces of public policy that would make a difference not only for our future but the future of the young people here whom I see every day, the future of the young people in my State, knowing that we need to absolutely have an energy policy that works for the future, that is diverse, that recognizes the importance of energy efficiency, and that moves energy.

We know we have a huge number of people in this body who support the Keystone Pipeline. Do we have 60 votes? We will find out. Let's take a vote. We know there is tremendous bipartisan support not only for Keystone but for energy efficiency, for the Shaheen-Portman bill. Let's take a vote. Let's actually demonstrate to the American public that we can move forward on what are literally no-brainers, things that absolutely make sense. And those of us who support the Keystone Pipeline, we will find out. We will find out if we can pass it.

Think about this: We have a bill here that mandates we approve that little bit of crossing into the United States of America, which is the only way the Federal Government really gets involved in it, is because it is coming from a foreign country—approves that. Maybe we win, maybe we lose, but we will know where we are. The administration has taken 6 years to evaluate the Keystone Pipeline—longer than it took us to fight World War II. There is something dramatically wrong with that. So frustration builds. We know we need to move on the Keystone Pipeline. We need to have a strong vote. Let's take that vote. Let's take the vote on Shaheen-Portman.

It is a critical piece of legislation—well-thought-out—and comes right out of committee where lots of amendments were offered, where there was the ability to have a dialogue. It comes about the right way with the bill sponsors standing on the floor answering questions and debating what the bill does. Yet because of this impasse—because of whatever happens behind closed doors that the American public doesn't see—they only look at what they see happening in the debate here and wonder why.

I support Senator SHAHEEN in her efforts to promote this bill. This will not be the first time we have come and asked this. We will continue to do everything we can to move a vote forward on Shaheen-Portman, to move a vote forward on the Keystone Pipeline, and start getting the work done for the American people.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mrs. SHAHEEN. Before my colleague leaves I wish to thank Senator HEITKAMP for her support, not just for Shaheen-Portman but for a resolution to getting a vote on our energy efficiency legislation that I have worked on for 3½ years with our colleague Senator ROB PORTMAN from Ohio but also for the impasse that would break around the vote for the Keystone Pipeline as well. Pairing the two would allow us to see where we stand on both of these issues.

I appreciate my colleague from West Virginia, Senator MANCHIN, coming to the floor because he and Senator HEITKAMP have talked about the fact that we have to look at a variety of areas of energy if we are going to address our future energy needs in this country. There is new urgency to energy efficiency right now. A recent study just came out that shows the United States ranks 13th out of the world's largest 16 economies in energy efficiency. So that study analyzed the world's largest economies that cover more than 81 percent of the global gross domestic product and posts 71 percent of the global electricity. What it found is we are severely lagging behind other countries in our use of energy efficiency. This legislation, the Energy Efficiency and Industrial Competitiveness Act, also known as Shaheen-Portman, is a way for us to address the deficit we currently have in this country.

We have heard from the American Council for an Energy-Efficient Economy that by 2030 this legislation would create 192,000 domestic jobs. That is nothing to sneeze at, at a time when our economy is still recovering from the recession. It would save consumers and businesses $16 billion a year—again, real savings in a way that is important to consumers and businesses. It would reduce carbon pollution at a time when we know pollution is affecting our environment and we are seeing a record number of disasters. It would be the equivalent of taking 22 million cars off the road. Our legislation does this without any mandates, without raising the deficit. In fact, we see a very small savings of about $12 million in the legislation.

It addresses the building sector where we use about 40 percent of our energy. It addresses the industrial manufacturing sector that consumes more energy than any other sector of our domestic economy, and it addresses the Federal Government where we use more energy than any other entity in our economy; 93 percent of the energy is used by our military. Clearly, energy efficiency is something that would benefit all of us.

There are 10 bipartisan amendments that have been incorporated into this legislation. It is the product of 3½ years of work. It has been endorsed by hundreds—literally hundreds and hundreds of business groups, of businesses, organizations, everything from the Natural Resources Defense Council to the U.S. Chamber of Commerce and National Association of Manufacturers, the International Union of Painters.

This is legislation that makes sense. We just heard Senator CORNYN on the floor saying he thought there was support to get this legislation done. I think we need to figure out how we can

come together. We don't have much time left before we go out in August to go back to our home States. This would be a great bipartisan effort to go out on at the end of July, to be able to go home and say to people across this country that we worked out a deal that passed this energy efficiency legislation, that we got a vote on the Keystone Pipeline—let the chips fall where they may—that we addressed one of the biggest challenges facing this country, which is energy, and what we are going to do about our energy future.

I certainly hope that in the remaining time between now and the beginning of August we can come together, find some sort of resolution to address this issue and get this legislation done. We know the House has said they are willing to take it up. They are interested in seeing some action on energy efficiency. Now is an opportune time to do that.

I am disappointed by today's objections, but as Senator HEITKAMP said so well, we are not going to give up. We are going to continue to try and move this issue and do what is in the best interests of the people of this country.

I thank the Presiding Officer and I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I rise tonight to ask unanimous consent, first of all, to speak as if in morning business.

The PRESIDING OFFICER. Without objection.

TRAUMATIC BRAIN INJURY

Mr. CASEY. Thank you, Mr. President. I rise to highlight an important piece of legislation that was just voted out of the Committee on Health, Education, Labor and Pensions—known by the acronym HELP. We voted out of committee today S. 2539, the Traumatic Brain Injury Reauthorization Act of 2014. Senator HATCH and I introduced S. 2539 to reauthorize existing programs to support States' efforts to help individuals live with traumatic brain injury and of course to help their families.

TBIs range from mild concussions to devastating life-altering injuries that collectively represent a significant public health challenge. It is the signature injury, unfortunately, of the conflicts of the last decade, whether it is Iraq or Afghanistan.

It is also an injury that occurs approximately 2.5 million times in the United States each year. Over 50,000 people die of traumatic brain injuries every year. Traumatic brain injury is implicated in nearly one-third of all injury-related deaths.

Children—just imagine this number—ages 0 to 4 and teens ages 15 to 19 are at the greatest risk for traumatic brain injury. Among all children in an average year, 62,000 will sustain brain injuries that require hospitalization and 564,000 will be seen in hospital emergency rooms. Clearly, we must continue to improve our response to traumatic brain injury, which includes prevention, timely and accurate diagnosis, and treatment.

The bill passed today out of the HELP Committee would make modest but important improvements to the TBI Act that is in place already. We ask that the Department of Health and Human Services develop a traumatic brain injury coordination plan to ensure that Federal activities at HHS and other Federal agencies are being coordinated for maximum efficiency and effectiveness.

We also ask for a review of the scientific evidence on brain injury and in particular brain injury management in children, with a special emphasis on evaluating scientific evidence behind the ''return to school'' and ''return to play'' policies. This of course is very important.

As public awareness of the seriousness of traumatic brain injuries increases, parents, schools, and coaches are struggling to develop appropriate responses. A lot of attention thus far has been focused on the ''return to play'' policies, trying to ensure that children don't return to sports until they have healed from a previous concussion, but there is much less attention on the so-called return to school policies and how we can take steps to ensure that children with a concussion or a more serious brain injury can return to the classroom and continue learning safely and effectively.

It is my hope that this bill, S. 2539, will help focus future research efforts and guide Federal and State agencies looking to develop policies in this area. Along with a lot of the members of the HELP Committee, I am pleased the committee voted today to move forward S. 2539, and I hope the rest of the Senate will join Senator HATCH and me in passing this legislation as quickly as possible.

In conclusion, it has been a great honor to work with Senator HATCH on this legislation as it is when we work together on a whole series of important matters in the Senate.

2014 KIDS COUNT DATA BOOK

Mr. President, I have brief comments on an important set of data that has just been released. I will highlight very briefly the 2014 Kids Count Data Book, something a lot of child advocates and families are aware of. This is an annual report, and I want to highlight the fact that the 2014 report is now on the record.

This Kids Count Data Book was just published by the Annie E. Casey Foundation for this year. The Kids Count Data Book looks at every State to measure child well-being in States and across the country considering factors such as economic well-being, health, education, family, and community. Within each of these categories the report highlights four important metrics and notes whether we have improved from the year 2008 to 2012.

Nationally, 10 of the 16 metrics showed improvement. That is good news. Five metrics worsened. Of course we don't like hearing that, but it is important to measure when we are going in the wrong direction. And one of the metrics remained unchanged. So we are happy the improvement number is 16 metrics and the worsening metric number is 5, but we still have a long way to go to improve in each of these areas.

The report also ranks States based upon their overall results. Pennsylvania is ranked 16th in the Nation. I wish we were in the top 10. I wish we were in the top five and even No. 1. So we have some work to do in Pennsylvania. In some areas Pennsylvania is doing well compared to the national average. For example, we have a lower rate of children without health insurance. That is certainly good news, with still more to do on that. Teen birth rates in Pennsylvania continue to be below the national average. Pennsylvania has a slightly higher percentage of children attending preschool. That is good news. We have a lot more to do on that, both in Pennsylvania and across the Nation. Finally, Pennsylvania students continue to have higher proficiency rates in reading and math skills when compared to the national rate, but there is still more work to do there as well.

The report also highlights areas where we need to improve both in Pennsylvania and nationally. Far too many children in the United States of America are living in poverty with parents who often lack secure employment. Too many teens are not in school and also not working, which dramatically worsens their ability to grow into economically self-sufficient adults.

I would encourage my colleagues to review the 2014 Kids Count Data Book which is available on the Web site of the Annie E. Casey Foundation. We should all consider what we can do in the Senate and in the other body to improve our children's lives and our future.

Mr. ENZI. Mr. President, I wish to speak about amendments I have filed to the Bring Jobs Home Act.

My first amendment, the United States Job Creation and International Tax Reform Act, would truly incentivize American companies to create jobs in the United States, while at the same time leveling the playing field for U.S. companies in the global marketplace. We can do this by reforming the rules for taxing the global operations of American companies and making America a more attractive location to base a business that serves customers around the world.

Our current Tax Code does just the opposite, but the base bill we are debating today wouldn't change that. Instead, it would discourage global businesses from locating their headquarters in the United States and make it harder for U.S.-based companies to expand.

Instead of messaging that we should bring jobs home, we need to reform our

outdated international Tax Code. Let's just do it. Many of the United States' major trading partners have moved to what are called territorial tax systems. Those types of tax systems tax the income generated within their borders and exempt foreign earnings from tax. The United States, on the other hand, taxes the worldwide income of U.S. companies and provides deferral of U.S. tax until the foreign earnings are brought home. Deferring these taxes incentivizes companies to leave their money abroad. Because the United States has one of the highest corporate tax rates in the world, companies don't bring those earnings back home and instead reinvest outside of the United States.

This is having a real impact on jobs. Thirty-six percent of the Fortune Global 500 companies were headquartered in the United States in 2000; in 2009 that number dropped to 28 percent. Clearly, America is losing ground, but the base bill we are considering won't change that.

My amendment would help to right the ship by pulling our international tax rules into the 21st century. This bill would give U.S. companies real incentives to create jobs in the United States in order to win globally. I hope as we talk about jobs this week, we will have a chance to consider the amendment.

My second amendment, the Small Business Fairness in Health Care Act, would remove the ObamaCare disincentive for small businesses to add jobs. Small businesses are the drivers of the economy in Wyoming and across the Nation, but the bill before us is not focused on removing the burdens that current laws have placed on our Main Street businesses.

A recent survey by the National Small Business Association found that because of the President's health care law 34 percent of small businesses report holding off on hiring a new employee and another 12 percent report they had to lay off an employee in the last year.

My amendment is a great step to help address those issues. It would remove the ObamaCare mandate that businesses with 50 employees provide health insurance. This would allow small companies with 49 employees to add jobs without the fear of the employer mandate. My amendment would also clarify that 40 hours, not 30 hours, is full-time so that folks who have jobs aren't limited to 29 hours of work per week.

These aren't the only ideas we should debate when we talk about creating jobs in the United States. We should be fighting the administration's war on coal, an industry that supported over 700,000 good-paying jobs in 2010. The EPA recently issued new regulations that try to force a backdoor cap and tax proposal on Americans that Congress has already rejected. We need to reject that idea again. Instead of running from coal, America needs to run on coal.

We should debate the merits of the Keystone Pipeline and insist that the President approve this project which has been pending for more than 5 years and would create more than 40,000 jobs. The State Department has done five reviews of the project and determined that the pipeline would cause no significant environmental impacts. So let's create those jobs. What are we waiting for?

Mr. CASEY. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CASEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MORNING BUSINESS

Mr. CASEY. Mr. President, I ask unanimous consent the Senate proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TRIBUTE TO THE REVEREND GREGG W. ANDERSON

Mr. MCCONNELL. Mr. President, I rise today to pay tribute to an upstanding citizen from my home State, the Commonwealth of Kentucky. The Reverend Gregg W. Anderson is an accomplished news reporter and dedicated prison chaplain, ministering to inmates in the Commonwealth.

Though he has traveled the world, and worked as a reporter at radio and television stations across the Midwest, Reverend Anderson is honored to call Bardstown in Nelson County, KY, his home, where he hosts ''Talk of the Town'' Monday through Friday evenings on WBRT, Bardstown's hometown radio station on 97.1 FM and 1320 AM. This year, WBRT celebrates its 60th anniversary informing and cultivating a special relationship with the Bardstown community.

During his nearly four decades as a news reporter, Reverend Anderson has enjoyed a varied and successful career covering everything from Super Bowls to bank robberies. However, he has found no assignment more rewarding than that of ''a good news reporter,'' bringing the good news of Christ to others.

His conversion experience began after he covered the horrific 1988 Carrollton school bus crash. Killing 27 people, including 24 children, the Carrollton crash remains the worst drunk-driving accident in our Nation's history.

The gruesomeness and heartache Reverend Anderson witnessed following that crash inspired him to begin bringing the light of Christ to others. On May 15, 1988, the day after the accident, Reverend Anderson felt called by God to be a ''good news reporter.'' One year later he founded 70x7 Evangelistic Ministry. Continuing as a news reporter by day, Reverend Anderson began his ministry career by preaching at church services and revivals at night.

His ministry eventually brought him to the prisons of Kentucky and Ohio, where he became a devoted and beloved prison chaplain. Reverend Anderson worked with the prisoners, bringing many hardened criminals the message of Christ. Reverend Anderson eventually took his prison chaplaincy overseas, ministering to inmates in Estonia and Latvia, before returning to the United States.

The Reverend Gregg W. Anderson's dedication seems to know no bounds. His devotion and commitment to his work, whether in news reporting or in his Christian ministry, is an inspiration for us all, and I ask that my Senate colleagues join me in honoring him today.

## TRIBUTE TO GREGORY SCOTT SALYER

Mr. MCCONNELL. Mr. President, I rise today to pay tribute to a veteran from my home State, the Commonwealth of Kentucky. As a member of the Army National Guard, Gregory Scott Salyer served his country with honor on a tour of duty in Afghanistan.

Service to this country is something that runs deep in Salyer's family. His father, uncle, and grandfather are all military veterans, and Salyer followed suit when he enlisted in 2006.

In Afghanistan, Salyer and his team performed the treacherous, yet indispensable, task of tracking, unearthing, and disposing of improvised explosive devices, IEDs. IEDs were, and still remain, one of the most serious and unnerving threats to our troops abroad. Salyer's work in diffusing that threat undoubtedly increased the safety of our servicemen and women.

Returning to Kentucky following his service in the Guard, Salyer brought with him the National Defense Medal, the Global War on Terrorism Medal, the Armed Forces Reserve Medal, the Afghanistan Campaign Medal, and the ARCOM Medal of Valor.

For his honorable service to this country, Salyer is deserving of our praise here in the Senate.

Therefore, I ask that my Senate colleagues join me in honoring Gregory Scott Salyer.

The Salyersville Independent recently published an article detailing Salyer's service in Afghanistan. I ask unanimous consent that the full article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From the Salyersville Independent, July 3, 2014]

JOINS GUARD FOR WORK, SENT TO AFGHANISTAN

(By Heather Oney)

Gregory Scott Salyer joined the Army National Guard in Prestonsburg in 2006, serving until 2011.

The former Magoffin County High School student said he was having a hard time finding a job, so at the age of 24 he decided to enlist, following in his dad's, uncles' and grandfathers' footsteps.

Salyer served one tour in Afghanistan, working in route clearance. His crew, which included five other men from Magoffin, tracked, dug up and disposed of improvised explosive devices (IEDs). While he said he was hit once, he came home without any injuries.

''I would rather go back than sit here,'' Salyer said. ''Everything was simple. You trained for a job, then you went out and did your job. You would get up the next day and do it all, again.''

Salyer said growing up around guns helped him get ready for his time overseas.

''I had been around guns my whole life and been shot at while corning,'' Salyer laughed. ''You could tell these boys from California with stricter gun laws were not used to it, but us country people were used to doing hard work every now and then.''

Salyer received the National Defense Medal, Global War on Terrorism Medal, Armed Forces Reserve Medal, Afghanistan Campaign Medal, ARCOM Medal of Valor, and Whitelist recognition.

He has one son, Hunter Salyer.

## TRIBUTE TO BARRY E. OWENS

Mr. MCCONNELL. Mr. President, I rise today to pay tribute to one of Kentucky's proud military veterans—Barry E. Owens. Owens hails from Magoffin County, and served his country with honor in the Vietnam war.

Although millions of young Americans were drafted into service during this time, Barry decided to leave nothing to chance and volunteer. He served in the U.S. Army from 1968 until 1970, achieving the rank of specialist 4.

In 1969, he was deployed to Vietnam with the 2nd and 35th Regiments of the 4th Infantry Division. In a time when the war became increasingly unpopular, Owens always retained his sense of duty. ''I served my country with pride and honor,'' he said.

Owens is a member of Veterans of Foreign Wars and the Salyersville chapter of the Disabled American Veterans. His commitment to this country is worthy of praise from this body. Therefore, I ask that my Senate colleagues join me in honoring Barry Owens.

The Salyersville Independent recently published an article detailing Specialist Owens's service in Vietnam. I ask unanimous consent that the full article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From the Salyersville Independent, July 3, 2014]

OWENS VOLUNTEERS FOR DRAFT, GOES TO VIETNAM

(By Heather Oney)

Barry E. Owens, born and raised in Royalton, Magoffin County, volunteered for the draft during the Vietnam War in 1968 with the U.S. Army, climbing to the rank of Specialist 4 by the time he was discharged in 1970.

He attended basic training at Fort Bragg, North Carolina, then advanced training for supply specialist and armory school at Fort Lee, Virginia.

From 1969 until discharged, Owens served in Vietnam with the 2nd and 35th Regiment 4th Infantry Division.

After a few days upon reporting, Owens's company commander decided that for the next year he would be a better fit as an 11 Bravo Infantry soldier, working ''out in the boonies,'' as opposed to sitting around an office in a base camp.

Owens said he can remember the soldiers lining up in a field to get their hair cut by Vietnamese civilians. Since there was no electricity, they had to use the hand clippers where you have to squeeze them to make them work. His sergeant was in line and getting impatient.

''I told him I was a barber before going into the military,'' Owens laughed. ''So I started at the back of his head and came out with a half moon, and that's where I stopped. I threw the clippers and ran. The next time I saw him his head was shaven, I think that's when they started shaving heads.''

Owens was stationed in the Central Highlands of Vietnam, including areas around Pleiku, Kon Tum City, Buon Me Thuot, and many firebases in this region, including VC Valley and areas on the border of Cambodia and Laos.

''The Vietnam veterans returning home from this country were not greeted and welcomed home with parades or such fanfare,'' Owens remembers. ''Many of us were met at airports with degrading slurs, cursed and spat upon.''

It would be another 20 years before the Veterans Administration would acknowledge Post-Traumatic Stress Disorder (PTSD) and other disabilities and afford medical care to this era of veterans. Many Vietnam veterans fell into drug and alcohol abuse, often even resulting in homelessness, with many committing suicide and dying at an early age.

''I served my country with pride and honor,'' Owens said.

He is a life member of the Veterans of Foreign Wars (VFW), and the Disabled American Veterans (DAV) Chapter 15 Salyersville. He has been married to his wife, Shirley, for over 20 years and has three daughters, Melissa, Misty, and Jennifer.

## CONGRATULATING REVEREND SAMUEL C. TOLBERT

Ms. LANDRIEU. Mr. President, I ask my colleagues to join me in congratulating Rev. Samuel Tolbert, pastor of the Greater St. Mary's Missionary Baptist Church in Lake Charles, LA, on his recent election as the 15th president of the National Baptist Convention of America, Inc.

Rev. Samuel C. Tolbert, Jr. was born August 1, 1958 in Lake Charles, LA and graduated from Washington High school in 1976. A graduate of Bishop College in Dallas, he earned his bachelors of arts in religion and philosophy with a minor in speech education. He has also received an honorary doctorate of divinity from Union Baptist College and Theological Seminary and a masters from Payne Theological Seminary. He is currently pursuing a doctorate in ministry at Stephen Olford Center at Union University in Memphis, TN.

Reverend Tolbert is a recognized civic leader. He served as a commissioner for the Lake Charles Housing Authority, a representative of District ''A'' on Lake Charles City Council, and as a member of the board of the Louisiana Economic Development Corporation. Currently, Reverend Tolbert serves on the board of supervisors for the Southern University System.

A devout man of faith, Reverend Tolbert has dedicated himself to a life of religious servitude. He has presided over Greater Saint Mary Missionary Baptist Church since 1984. Reverend Tolbert has held a number of positions in the faith community including serving as first vice president of the Southwest Missionary Baptist Association, president of the Louisiana Home & Foreign Missions Baptist State Convention, and general secretary National Baptist Convention of America Inc. Reverend Tolbert currently serves as president of Greater St. Mary Community Development Foundation, the president & CEO Strategic Faith Leadership Ministries, and as the coordinator of disaster relief North America for Lott Carey Baptist Foreign Mission Convention.

Reverend Tolbert's accomplishments reflect his dedication to his faith, education and service. On June 25, 2014, he was elected the president of the National Baptist Convention of America. With over 3.5 million members worldwide, the National Baptist Convention of America is an organization that seeks to ''positively impact and influence the spiritual, educational, social, and economic conditions of all humankind''.

It is with the greatest sincerity that I ask my colleagues to join me in recognizing Rev. Samuel Tolbert Jr. for his accomplishments as an incredible reverend, father, and mentor. His wife Matilda, and their two daughters Candace and Kayla must be extremely proud and I know that he will serve the National Baptist Convention well.

## HONORING OUR ARMED FORCES

PRIVATE JOHN P. DION

Mr. INHOFE. Mr. President, I wish to pay tribute Army PVT John P. Dion. Private Dion and two other soldiers died January 3, 2010 when insurgents attacked their unit with improvised explosive devices and small arms fire in Ashoque, Afghanistan.

John was born February 4, 1990 in Tarzana, CA and moved to Oklahoma during his sophomore year in high school. He joined the Army in June 2009 after graduating from high school in Shattuck, OK where he was on the baseball and football teams.

Upon graduating from basic training at Fort Benning, GA, John was assigned to the 1st Battalion, 12th Infantry Regiment, 4th Brigade Combat Team, 4th Infantry Division, Fort Carson, CO. He was deployed to Afghanistan in November 2009.

He is survived by his parents Mark and Patricia Elsner, of Reynolds, GA, two sisters: Kelsey Dion, Reynolds, GA, and Jackie Boals of Cedar Grove, TN, two brothers: Justin Werve of Shattuck, OK, and Mark Elsner of Paris, TN, grandmothers: Jane Elsner of Reynolds, GA and Carol Willoughby of Las Vegas, NV.

Dion's half-brother, Justin Werve, who was deployed to Iraq twice with the Air Force, said he tried talking Dion out of joining the Army, but he couldn't be dissuaded. ''He wanted to serve his country,'' Werve said. ''He did it for the same reason I did it: to make sure his family stayed safe.''

The family held a funeral service for Private Dion on January 16, 2010 and he was laid to rest with full military honors in Andersonville National Cemetery, Andersonville, GA.

Today we remember Army PVT John P. Dion, a young man who loved his family and country, and gave his life as a sacrifice for freedom.

STAFF SERGEANT JACK M. MARTIN III

Mr. President, I also would like to honor Army SSG Jack M. Martin III. Sergeant Martin and another soldier died September 29, 2009 when a bomb buried beneath a road detonated while they were helping to resupply a school construction project in the Jolo Islands, Philippines.

Jack, the youngest of five children, was born April 5, 1983 in Maquoketa, IA and later moved to Oklahoma where he played football and was an honors student at Bethany High School, graduating in 2001.

He started out in the Army Reserve where he volunteered to go to Iraq, but when that deployment was canceled he met with a recruiter looking for special forces volunteers. After enlisting and completing the special forces qualification course in 2004, Jack earned his Green Beret and was assigned to 3rd Battalion, 1st Special Forces Group, Fort Lewis, WA.

''Both of his grandfathers served in the Army during World War II. My father was a medic in World War II. I think that influenced him. Jack wanted to serve his country,'' his father said.

He is survived by his wife Ashley, his parents Jack and Cheryl Martin, his brother Abe, and three sisters: Mandi, Amber and Abi.

Today we remember Army SSG Jack M. Martin III, a young man who loved his family and country, and gave his life as a sacrifice for freedom.

FIRST LIEUTENANT DAVID T. WRIGHT II

Mr. President, I would also like to pay tribute to the life and sacrifice of Army 1LT David T. Wright II. First Lieutenant Wright and another soldier died September 14, 2009 of wounds sustained after enemy forces attacked their vehicle with improvised explosive devices in southern Afghanistan.

Born July 7, 1983 in Norman, OK, David did not let his football and track talent go to waste after graduating from Moore High School in 2002. He went to the University of Oklahoma on a track scholarship and earned a bachelor's degree in criminal justice in 2006.

After completing basic training and officer training, he was assigned to 2nd Battalion, 1st Infantry Regiment, 5th Stryker Brigade Combat Team, 2nd Infantry Division, Fort Lewis, WA. On July 21, 2009 he was deployed to Afghanistan as part of II Platoon Bravo Company, 5th Brigade, II Infantry Division; Striker Brigade/Combat Team.

While deployed he wrote home about the honor he felt for his country and his fellow soldiers as they protected a village. He said he had no hard feelings toward the villagers, although some were angry with the soldiers.

''These people deserve a better existence,'' he wrote, ''and hopefully my efforts will help, in a small way, provide that to them.''

That letter was waiting for his parents Tim and Michele, when they returned to Oklahoma after receiving his body.

The family held a funeral service on September 22, 2009, in Norman, OK. He was laid to rest with full military honors in I.O.O.F. Cemetery.

''It was 9/11 that did it for David,'' the Rev. Randy Nail said at his memorial. ''He wanted to do something about it, and he did.''

David is survived by his parents Michele and Tim, of Moore, OK, his uncle Mitchell Scott, and his wife Angie, of Farmington, MN, and cousins, Hunter and Hailey Scott. He is preceded in death by his grandparents Betty and Junior Scott, and his uncle Michael Scott.

Today we remember Army 1LT David T. Wright II, a young man who loved his family and country, and gave his life as a sacrifice for freedom.

## TRIBUTE TO LIEUTENANT GENERAL MICHAEL T. FLYNN

Mr. REED. Mr. President, I wish to pay tribute to an exceptional officer in the U.S. Army. LTG Michael T. Flynn will retire in August after more than 33 years of distinguished service to the Army and the Nation.

Throughout his career, General Flynn has personified the Army values of duty, integrity, and selfless service across the many missions to which he has contributed.

A native Rhode Islander, General Flynn graduated from the University of Rhode Island and was commissioned as a second lieutenant through the university's ROTC program. He was assigned to the ''All-American'' 82nd Airborne Division, and since then, has served in a variety of command and staff assignments, leading men and women during times of peace and war. Over the course of almost four decades of service, he has commanded at the platoon, company, battalion, and brigade levels.

As an intelligence officer, General Flynn was often deployed to Iraq and Afghanistan, serving as the director of intelligence for Joint Special Operations Command, U.S. Central Command, the Joint Staff, and the International Security Assistance Force-Afghanistan and U.S. Forces-Afghanistan.

For the past 2 years, General Flynn has served as the Director of the Defense Intelligence Agency, DIA, focusing on strengthening integration and collaboration with the Combatant Commands and making the agency more flexible and responsive to intelligence requirements. He has overseen DIA's rapid tactical, operational, and strategic intelligence support to U.S. warfighters as they confront a variety of threats—from militancy in North Africa and the crisis in Ukraine, to tracking terrorists and weapons proliferation.

In all of his assignments, General Flynn has provided outstanding leadership with integrity and has offered sound advice on numerous issues of importance to the Army and our Nation.

I know that he is looking forward to spending more time with his family in Rhode Island, and I wish Mike and his wife Lori the very best. On behalf of the citizens of Rhode Island and a grateful Nation, I thank General Flynn and his family for their many years of commitment, sacrifices, and service to our Nation.

## BAY NOMINATION

Mr. SCOTT. Mr. President, I wish to voice my concern over the nomination of Mr. Norman Bay to be a Commissioner on the Federal Energy Regulatory Commission—and eventually Chairman of the entire FERC.

I have serious concerns with Mr. Bay's qualifications to serve as a Commissioner, let alone lead the entire agency, particularly at such a critical time for the Commission and the many issues it must address such as energy grid infrastructure, safety and reliability.

Mr. Bay has at best limited experience in the energy sector and, unlike many of the recent FERC Chairmen, has never served on the Commission. Mr. Bay's inexperience is only further illuminated when compared to the lengthy and significant energy sector experience of current FERC Acting Chairman, Ms. Cheryl LaFleur.

While I may not agree with Ms. LaFleur's various policy positions, there is no denying the fact that she has spent nearly her entire career learning the intricacies of a very complicated electricity grid.

We must have the very best people on FERC, and the Chair must be the best qualified for leading the agency. Mismanagement in this critical agency could have serious consequences for American families, small businesses, national security and energy infrastructure reliability. I do not believe in on-the-job training for such an important position. It appears there has been an undefined deal—some would say a

backroom deal—struck with the administration to give Mr. Bay a FERC apprenticeship, while the qualified Ms. LeFleur is forced out of her current role as FERC Chairman.

Certainly, the Obama administration knows enough regulators to have nominated one that would be ready to serve once confirmed. This presents the question: if he is not ready to serve, why was Mr. Bay nominated in the first place?

I am afraid that President Obama and his Senate cohorts want to use Mr. Bay and the FERC to carry out their radical energy agenda that uses the government to pick winners and losers in the energy marketplace, which will only cause prices to increase on those who can least afford more expensive energy.

I also think serious questions have yet to be answered by Mr. Bay about his time as FERC's Enforcement Director. His answers to questions by various members of the Energy and Natural Resources Committee were vague at best and evasive at worst.

Some suggested that actions taken by Mr. Bay as Enforcement Director have had a chilling effect on wholesale electric markets and have already caused electricity prices to increase in certain parts of the country.

There is simply too much at stake for me to support a nominee we know so little about and who knows so little about the job for which he was nominated.

## ADDITIONAL STATEMENTS

### RECOGNIZING JESSICA BISIAR

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Jessica Bisiar for her hard work as an intern in my Casper office. I recognize her efforts and contributions to my office as well as to the State of Wyoming.

Jessica is a native of Casper, WY and a graduate of Natrona County High School. She currently attends Casper College, where she is studying political science and international studies. She has demonstrated a strong work ethic, which has made her an invaluable asset to our office. The quality of her work is reflected in her great efforts over the last few months.

I want to thank Jessica for the dedication she has shown while working for me and my staff. It was a pleasure to have her as part of our team. I know she will have continued success with all of her future endeavors. I wish her all my best on her next journey.•

### RECOGNIZING MARIDI CHOMA

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Maridi Choma for her hard work as an intern in my Casper office. I recognize her efforts and contributions to my office as well as to the State of Wyoming.

Maridi is a native of Casper, WY and a graduate of Kelly Walsh High School. She will be a freshman at the University of Wyoming this fall, where she plans to study French and international studies. She has demonstrated a strong work ethic, which has made her an invaluable asset to our office. The quality of her work is reflected in her great efforts over the last few months.

I want to thank Maridi for the dedication she has shown while working for me and my staff. It was a pleasure to have her as part of our team. I know she will have continued success with all of her future endeavors. I wish her all my best on her next journey.•

### RECOGNIZING DYLAN CROUSE

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Dylan Crouse for his hard work as an intern in my Republican Policy Committee office. I recognize his efforts and contributions to my office as well as to the State of Wyoming.

Dylan is a native of Basin, WY and a graduate of Riverside High School. He currently attends Colgate University where he is studying history and Spanish. He has demonstrated a strong work ethic, which has made him an invaluable asset to our office. The quality of his work is reflected in his great efforts during his time in my office.

I want to thank Dylan for the dedication he has shown while working for me and my staff. It was a pleasure to have him as part of our team. I know he will have continued success with all of his future endeavors. I wish him all my best on his next journey.•

### RECOGNIZING CAROLINE DANIELSON

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Caroline Danielson for her hard work as an intern in my Casper office. I recognize her efforts and contributions to my office as well as to the State of Wyoming.

Caroline is a native of Casper, WY and a graduate of Natrona County High School. She currently attends Casper College and the University of Wyoming where she is studying distributed social sciences with an emphasis in political science. She has demonstrated a strong work ethic, which has made her an invaluable asset to our office. The quality of her work is reflected in her great efforts over the last few months.

I want to thank Caroline for the dedication she has shown while working for me and my staff. It was a pleasure to have her as part of our team. I know she will have continued success with all of her future endeavors. I wish her all my best on her next journey.•

### RECOGNIZING AMBER FRANKLAND

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Amber Frankland for her hard work as an intern in my Casper office. I recognize her efforts and contributions to my office as well as to the State of Wyoming.

Amber is a native of Casper, WY and a graduate of Natrona County High School. She currently attends the University of Chicago where she is studying Russian. She has demonstrated a strong work ethic, which has made her an invaluable asset to our office. The quality of her work is reflected in her great efforts over the last few months.

I want to thank Amber for the dedication she has shown while working for me and my staff. It was a pleasure to have her as part of our team. I know she will have continued success with all of her future endeavors. I wish her all my best on her next journey.•

### RECOGNIZING CAMERON FRY

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Cameron Fry for his hard work as an intern in my Republican Policy Committee office. I recognize his efforts and contributions to my office as well as to the State of Wyoming.

Cameron is from Laramie, WY and a graduate of Laramie High School. He recently earned a degree from the University of Wyoming where he studied finance and economics. He has demonstrated a strong work ethic, which has made him an invaluable asset to our office. The quality of his work is reflected in his great efforts during his time in my office.

I want to thank Cameron for the dedication he has shown while working for me and my staff. It was a pleasure to have him as part of our team. I know he will have continued success with all of his future endeavors. I wish him all my best on his next journey.•

### RECOGNIZING LEEANN GRAPES

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to LeeAnn Grapes for her hard work as an intern in my Washington, DC office. I recognize her efforts and contributions to my office as well as to the State of Wyoming.

LeeAnn is a native of Casper, WY and a graduate of Kelly Walsh High School. She recently earned a degree from the University of Wyoming where she studied international studies and Spanish. She has demonstrated a strong work ethic, which has made her an invaluable asset to our office. The quality of her work is reflected in her great efforts over the last few months.

I want to thank LeeAnn for the dedication she has shown while working for me and my staff. It was a pleasure to have her as part of our team. I know she will have continued success with all of her future endeavors. I wish her all my best on her next journey.•

RECOGNIZING CHANDLER HARRIS

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Chandler Harris for his hard work as an intern in my Indian Affairs Committee office. I recognize his efforts and contributions to my office as well as to the State of Wyoming.

Chandler is a native of Cokeville, WY and a graduate of Cokeville High School. He currently attends the University of Wyoming where he is studying history. He has demonstrated a strong work ethic, which has made him an invaluable asset to our office. The quality of his work is reflected in his great efforts during his time in my office.

I want to thank Chandler for the dedication he has shown while working for me and my staff. It was a pleasure to have him as part of our team. I know he will have continued success with all of his future endeavors. I wish him all my best on his next journey.•

RECOGNIZING JR KANE

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to JR Kane for his hard work as an intern in my Washington, DC office. I recognize his efforts and contributions to my office as well as to the State of Wyoming.

JR is a native of Big Horn, WY and a graduate of Big Horn High School. He currently attends the University of Montana where he is studying human biology. He has demonstrated a strong work ethic, which has made him an invaluable asset to our office. The quality of his work is reflected in his great efforts during his time in my office.

I want to thank JR for the dedication he has shown while working for me and my staff. It was a pleasure to have him as part of our team. I know he will have continued success with all of his future endeavors. I wish him all my best on his next journey.•

RECOGNIZING KATHRYN KEMPEMA

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Kathryn Kempema for her hard work as an intern in my Indian Affairs Committee office. I recognize her efforts and contributions to my office as well as to the State of Wyoming.

Kathryn is a native of Laramie, WY and a graduate of Laramie Senior High School. She currently attends the University of Wyoming where she is studying mechanical engineering and mathematics. She has demonstrated a strong work ethic, which has made her an invaluable asset to our office. The quality of her work is reflected in her great efforts over the last few months.

I want to thank Kathryn for the dedication she has shown while working for me and my staff. It was a pleasure to have her as part of our team. I know she will have continued success with all of her future endeavors. I wish her all my best on her next journey.•

RECOGNIZING ERIN SIMS

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Erin Sims for her hard work as an intern in my Cheyenne office. I recognize her efforts and contributions to my office as well as to the State of Wyoming.

Erin is a native of Cheyenne, WY and a graduate of Cheyenne Central High School. She currently attends the University of Wyoming where she is studying zoology. She has demonstrated a strong work ethic, which has made her an invaluable asset to our office. The quality of her work is reflected in her great efforts over the last few months.

I want to thank Erin for the dedication she has shown while working for me and my staff. It was a pleasure to have her as part of our team. I know she will have continued success with all of her future endeavors. I wish her all my best on her next journey.•

RECOGNIZING HARRISON SUTTLE

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Harrison Suttle for his hard work as an intern in my Washington, DC office. I recognize his efforts and contributions to my office as well as to the State of Wyoming.

Harrison is a native of Newport News, VA and a graduate of Hampton Roads Academy. He currently attends the College of Wooster where he is studying history. He has demonstrated a strong work ethic, which has made him an invaluable asset to our office. The quality of his work is reflected in his great efforts during his time in my office.

I want to thank Harrison for the dedication he has shown while working for me and my staff. It was a pleasure to have him as part of our team. I know he will have continued success with all of his future endeavors. I wish him all my best on his next journey.•

RECOGNIZING CAMILLE ZENT

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Camille Zent for her hard work as an intern in my Washington, DC office. I recognize her efforts and contributions to my office as well as to the State of Wyoming.

Camille is a native of Shoshoni, WY and a graduate of Shoshoni High School. She recently earned a degree from Utah State University where she studied constitutional law. She has demonstrated a strong work ethic, which has made her an invaluable asset to our office. The quality of her work is reflected in her great efforts over the last few months.

I want to thank Camille for the dedication she has shown while working for me and my staff. It was a pleasure to have her as part of our team. I know she will have continued success with all of her future endeavors. I wish her all my best on her next journey.•

RECOGNIZING DIEGO ZEPEDA

• Mr. BARRASSO. Mr. President, I would like to take the opportunity to express my appreciation to Diego Zepeda for his hard work as an intern in my Sheridan office. I recognize his efforts and contributions to my office as well as to the State of Wyoming.

Diego is from Gillette, WY and a graduate of Campbell County High School. He currently attends Northern Wyoming Community College where he is studying business management. He has demonstrated a strong work ethic, which has made him an invaluable asset to our office. The quality of his work is reflected in his great efforts during his time in my office.

I want to thank Diego for the dedication he has shown while working for me and my staff. It was a pleasure to have him as part of our team. I know he will have continued success with all of his future endeavors. I wish him all my best on his next journey.•

REMEMBERING ROBERT C. BROOMFIELD

• Mr. McCAIN. Mr. President, I was saddened to learn recently of the passing of Judge Robert C. Broomfield, who served on the U.S. District Court for the District of Arizona for nearly 30 years, including as chief judge on that court from 1994 to 1999. During his impressive tenure on the Federal bench, Judge Broomfield was known for his outstanding work improving the administration of our Nation's court system. He was instrumental in bringing the Sandra Day O'Connor Courthouse to Phoenix, where a special memorial service will be held today in the Special Proceedings Courtroom named in his honor. Judge Broomfield was an outstanding public servant and a well-respected jurist, and his work will continue to have a lasting impact on our State for years to come. He will be greatly missed by his family, friends, and all those who had the pleasure of working with him.•

TRIBUTE TO MATT STIGLBAUER

• Mr. RUBIO. Mr. President, today I recognize Matt Stiglbauer, a 2013 summer intern in my Washington, DC, office for all of the hard work he has done for me, my staff, and the people of the State of Florida.

Matt is a senior at the University of North Florida in Jacksonville, FL. Currently, he is majoring in English. Matt is a dedicated and diligent worker who has been devoted to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Matt for all the fine work he has done and wish him continued success in the years to come.●

## TRIBUTE TO BRITTANY ROBERTS

● Mr. RUBIO. Mr. President, today I recognize Brittany Roberts, a 2013 summer intern in my Washington, DC, office for all of the hard work she has done for me, my staff, and the people of the State of Florida.

Brittany is a graduate of American University, Washington College of Law, having specialized in law, politics, and legislation. She is a dedicated and diligent worker who has been devoted to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Brittany for all the fine work she has done and wish her continued success in the years to come.●

## TRIBUTE TO OLIVIA VOSLOW

● Mr. RUBIO. Mr. President, today I recognize Olivia Voslow, a 2013 summer intern in my Washington, DC, office for all of the hard work she has done for me, my staff, and the people of the State of Florida.

Olivia is a rising junior at Middlebury College in Great Falls, VA. Olivia. She is a dedicated and diligent worker who has been devoted to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Olivia for all the fine work she has done and wish her continued success in the years to come.●

## TRIBUTE TO MALLIE WOODFIN

● Mr. RUBIO. Mr. President, today I recognize Mallie Woodfin, a 2013 summer intern in my Washington, DC, office for all of the hard work she has done for me, my staff, and the people of the State of Florida.

Mallie is a graduate of the University of Alabama, having majored in Public Relations. She is a dedicated and diligent worker who has been devoted to getting the most out of her internship experience.

I would like to extend my sincere thanks and appreciation to Mallie for all the fine work she has done and wish her continued success in the years to come.●

## MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Pate, one of his secretaries.

## EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a nomination which was referred to the Committee on Environment and Public Works.

(The message received today is printed at the end of the Senate proceedings.)

## MESSAGES FROM THE HOUSE

### ENROLLED BILL SIGNED

The President pro tempore (Mr. LEAHY) reported that he had signed the following enrolled bill, which was previously signed by the Speaker of the House:

H.R. 1528. An act to amend the Controlled Substances Act to allow a veterinarian to transport and dispense controlled substances in the usual course of veterinary practice outside of the registered location.

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At 3:19 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2430. An act to adjust the boundaries of Paterson Great Falls National Historical Park to include Hinchliffe Stadium, and for other purposes.

H.R. 3716. An act to ratify a water settlement agreement affecting the Pyramid Lake Paiute Tribe, and for other purposes.

H.R. 3802. An act to extend the legislative authority of the Adams Memorial Foundation to establish a commemorative work in honor of former President John Adams and his legacy, and for other purposes.

H.R. 4411. An act to prevent Hezbollah and associated entities from gaining access to international financial and other institutions, and for other purposes.

H.R. 4450. An act to extend the Travel Promotion Act of 2009, and for other purposes.

H.R. 4508. An act to amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services.

H.R. 4562. An act to authorize early repayment of obligations to the Bureau of Reclamation within the Northport Irrigation District in the State of Nebraska.

H.R. 4572. An act to amend the Communications Act of 1934 and title 17, United States Code, to extend expiring provisions relating to the retransmission of signals of television broadcast stations, and for other purposes.

H.R. 4802. An act to improve intergovernmental planning for and communication during security incidents at domestic airports, and for other purposes.

H.R. 4803. An act to require the Transportation Security Administration to conform to existing Federal law and regulations regarding criminal investigator positions, and for other purposes.

H.R. 4812. An act to amend title 49, United States Code, to require the Administrator of the Transportation Security Administration to establish a process for providing expedited and dignified passenger screening services for veterans traveling to visit war memorials built and dedicated to honor their service, and for other purposes.

H.R. 5035. An act to reauthorize the National Institute of Standards and Technology, and for other purposes.

H.R. 5120. An act to improve management of the National Laboratories, enhance technology commercialization, facilitate public-private partnerships, and for other purposes.

## MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2430. An act to adjust the boundaries of Paterson Great Falls National Historical Park to include Hinchliffe Stadium, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3802. An act to extend the legislative authority of the Adams Memorial Foundation to establish a commemorative work in honor of former President John Adams and his legacy, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 4411. An act to prevent Hezbollah and associated entities from gaining access to international financial and other institutions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 4508. An act to amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services; to the Committee on Energy and Natural Resources.

H.R. 4562. An act to authorize early repayment of obligations to the Bureau of Reclamation within the Northport Irrigation District in the State of Nebraska; to the Committee on Energy and Natural Resources.

H.R. 4802. An act to improve intergovernmental planning for and communication during security incidents at domestic airports, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

H.R. 4803. An act to require the Transportation Security Administration to conform to existing Federal law and regulations regarding criminal investigator positions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 4812. An act to amend title 49, United States Code, to require the Administrator of the Transportation Security Administration to establish a process for providing expedited and dignified passenger screening services for veterans traveling to visit war memorials built and dedicated to honor their service, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 5035. An act to reauthorize the National Institute of Standards and Technology, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 5120. An act to improve management of the National Laboratories, enhance technology commercialization, facilitate public-private partnerships, and for other purposes; to the Committee on Energy and Natural Resources.

## MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 4719. An act to amend the Internal Revenue Code of 1986 to permanently extend and expand the charitable deduction for contributions of food inventory.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3716. An act to ratify a water settlement agreement affecting the Pyramid Lake Paiute Tribe, and for other purposes.

## MEASURES READ THE FIRST TIME

The following bill was read the first time:

S. 2648. A bill making emergency supplemental appropriations for the fiscal year ending September 30, 2014, and for other purposes.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–6591. A communication from the Director of Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Tobacco Products, User Fees, Requirements for the Submission of Data Needed To Calculate User Fees for Domestic Manufacturers and Importers of Tobacco Products'' (Docket No. FDA–2012–N–0920) received in the Office of the President of the Senate on July 21, 2014; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6592. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled ''Federal Multiagency Collaboration on Unconventional Oil and Gas Research: A Strategy for Research and Development''; to the Committee on Appropriations.

EC–6593. A communication from the Under Secretary of Defense (Personnel and Readiness), transmitting a report on the approved retirement of Lieutenant General Michael J. Basla, United States Air Force, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

EC–6594. A communication from the Secretary of Defense, transmitting a report on the approved retirement of Admiral Bruce W. Clingan, United States Navy, and his advancement to the grade of admiral on the retired list; to the Committee on Armed Services.

EC–6595. A communication from the Acting Assistant General Counsel for Regulatory Services, Office of Special Education and Rehabilitative Services, Department of Education, transmitting, pursuant to law, the report of a rule entitled ''Final Priority. National Institute on Disability and Rehabilitation Research—Rehabilitation Research and Training Centers'' (CFDA No. 84.133P–5.) received in the Office of the President of the Senate on July 21, 2014; to the Committee on Health, Education, Labor, and Pensions.

EC–6596. A communication from the Director of Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Current Good Manufacturing Practices, Quality Control Procedures, Quality Factors, Notification Requirements, and Records and Reports, for Infant Formula; Correction'' ((RIN0910–AF27) (Docket No. FDA–1995–N–0063, Formerly Docket No. 95N–0309)) received in the Office of the President of the Senate on July 21, 2014; to the Committee on Health, Education, Labor, and Pensions.

EC–6597. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 20–369, ''Heat Wave Safety Temporary Amendment Act of 2014''; to the Committee on Homeland Security and Governmental Affairs.

EC–6598. A communication from the Director, Administrative Office of the United States Courts, transmitting, pursuant to law, a report entitled ''2013 Report of Statistics Required by the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005''; to the Committee on the Judiciary.

EC–6599. A communication from the Chief of Staff, Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Closed Captioning of Internet Protocol-Delivered Video Programming: Implementation of the Twenty-First Century Communications and Video Accessibility Act of 2010; Closed Captioning of Internet Protocol-Delivered Video Clips'' ((MB Docket No. 11–154) (FCC 14–97)) received in the Office of the President of the Senate on July 21, 2014; to the Committee on Commerce, Science, and Transportation.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CARPER, from the Committee on Homeland Security and Governmental Affairs, with an amendment in the nature of a substitute:

S. 675. A bill to prohibit contracting with the enemy (Rept. No. 113–216).

By Mr. CARPER, from the Committee on Homeland Security and Governmental Affairs, without amendment:

S. 1820. A bill to prohibit the use of Federal funds for the costs of official portraits of Members of Congress, heads of executive agencies, and heads of agencies and offices of the legislative branch (Rept. No. 113–217).

By Mr. CARPER, from the Committee on Homeland Security and Governmental Affairs, with amendments:

H.R. 1233. A bill to amend chapter 22 of title 44, United States Code, popularly known as the Presidential Records Act, to establish procedures for the consideration of claims of constitutionally based privilege against disclosure of Presidential records, and for other purposes (Rept. No. 113–218).

By Mr. HARKIN, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute and an amendment to the title:

S. 315. A bill to reauthorize and extend the Paul D. Wellstone Muscular Dystrophy Community Assistance, Research, and Education Amendments of 2008.

S. 531. A bill to provide for the publication by the Secretary of Human Services of physical activity guidelines for Americans.

By Mr. HARKIN, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 2154. A bill to amend the Public Health Service Act to reauthorize the Emergency Medical Services for Children Program.

By Mr. HARKIN, from the Committee on Health, Education, Labor, and Pensions, without amendment:

S. 2405. A bill to amend title XII of the Public Health Service Act to reauthorize certain trauma care programs, and for other purposes.

S. 2406. A bill to amend title XII of the Public Health Service Act to expand the definition of trauma to include thermal, electrical, chemical, radioactive, and other extrinsic agents.

By Mr. HARKIN, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 2539. A bill to amend the Public Health Service Act to reauthorize certain programs relating to traumatic brain injury and to trauma research.

## EXECUTIVE REPORT OF COMMITTEE

The following executive report of a nomination was submitted:

By Mr. SANDERS for the Committee on Veterans' Affairs.

*Robert Alan McDonald, of Ohio, to be Secretary of Veterans Affairs .

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. PAUL:

S. 2644. A bill to restore the integrity of the Fifth Amendment to the Constitution of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. MARKEY (for himself, Mrs. FEINSTEIN, Mr. ROCKEFELLER, Mr. BROWN, Ms. HIRONO, and Mr. DURBIN):

S. 2645. A bill to provide access to medication-assisted therapy, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LEAHY (for himself and Ms. COLLINS):

S. 2646. A bill to reauthorize the Runaway and Homeless Youth Act, and for other purposes; to the Committee on the Judiciary.

By Mr. TOOMEY:

S. 2647. A bill to amend the National Child Protection Act of 1993 to establish a permanent background check system for private security officers; to the Committee on the Judiciary.

By Ms. MIKULSKI:

S. 2648. A bill making emergency supplemental appropriations for the fiscal year ending September 30, 2014, and for other purposes; read the first time.

By Mr. GRAHAM (for himself, Mrs. SHAHEEN, Mr. KIRK, Mr. KAINE, and Mr. MCCAIN):

S. 2649. A bill to provide certain legal relief from politically motivated charges by the Government of Egypt; to the Committee on Foreign Relations.

By Mr. CORKER (for himself, Mr. GRAHAM, Mr. RUBIO, Mr. MCCAIN, Mr. RISCH, and Mr. JOHNSON of Wisconsin):

S. 2650. A bill to provide for congressional review of agreements relating to Iran's nuclear program, and for other purposes; to the Committee on Foreign Relations.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. VITTER (for himself, Mr. CORNYN, Mr. THUNE, Mr. WICKER, Mr. INHOFE, Mr. BLUNT, Mr. CRAPO, Mrs. FISCHER, Mr. SESSIONS, Mr. BOOZMAN, Mr. COATS, Mr. ENZI, Mr. ROBERTS, Mr. CHAMBLISS, Mr. RISCH, Mr. MCCONNELL, Mr. COCHRAN, Mr. MORAN, Mr. JOHANNS, Mr. BARRASSO, Ms. MURKOWSKI, Mr. RUBIO, Mr. HOEVEN, Mr. COBURN, Mr. SHELBY, Mr. HATCH, Mr. TOOMEY, Mr. ISAKSON, Mr. LEE, Mr. CRUZ, Mr. ALEXANDER, and Mr. KIRK):

S. Res. 512. A resolution expressing the sense of the Senate regarding the Environmental Protection Agency and the proposed

rules and guidelines relating to carbon dioxide emissions from power plants; to the Committee on Environment and Public Works.

By Ms. MIKULSKI (for herself, Mr. CARDIN, and Mr. RISCH):

S. Res. 513. A resolution honoring the 70th anniversary of the Warsaw Uprising; to the Committee on Foreign Relations.

By Mr. MERKLEY (for himself and Mr. ALEXANDER):

S. Res. 514. A resolution designating the week of August 10 through August 16, 2014, as ''National Nurse-Managed Health Clinic Week''; considered and agreed to.

By Mr. CASEY (for himself and Mr. ROBERTS):

S. Res. 515. A resolution designating July 24, 2014, as ''International Self-Care Day''; considered and agreed to.

By Mr. REID (for himself and Mr. MCCONNELL):

S. Res. 516. A resolution to authorize testimony, document production, and representation in State of North Dakota v. Beatrice Quill; considered and agreed to.

## ADDITIONAL COSPONSORS

S. 487

At the request of Mr. SCHUMER, the name of the Senator from North Dakota (Ms. HEITKAMP) was added as a cosponsor of S. 487, a bill to amend the Fair Labor Standards Act of 1938 to provide that over-the-road bus drivers are covered under the maximum hours requirements.

S. 539

At the request of Mrs. SHAHEEN, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from Connecticut (Mr. MURPHY) were added as cosponsors of S. 539, a bill to amend the Public Health Service Act to foster more effective implementation and coordination of clinical care for people with pre-diabetes and diabetes.

S. 760

At the request of Mr. JOHNSON of Wisconsin, his name was withdrawn as a cosponsor of S. 760, a bill to require the establishment of Federal customer service standards and to improve the service provided by Federal agencies.

S. 1040

At the request of Mr. PORTMAN, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 1040, a bill to provide for the award of a gold medal on behalf of Congress to Jack Nicklaus, in recognition of his service to the Nation in promoting excellence, good sportsmanship, and philanthropy.

S. 1183

At the request of Mr. THUNE, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 1183, a bill to amend the Internal Revenue Code of 1986 to repeal the estate and generation-skipping transfer taxes, and for other purposes.

S. 1463

At the request of Mrs. BOXER, the names of the Senator from Massachusetts (Mr. MARKEY) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 1463, a bill to amend the Lacey Act Amendments of 1981 to prohibit importation, exportation, transportation, sale, receipt, acquisition, and purchase in interstate or foreign commerce, or in a manner substantially affecting interstate or foreign commerce, of any live animal of any prohibited wildlife species.

S. 1898

At the request of Ms. WARREN, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from Alaska (Mr. BEGICH) were added as cosponsors of S. 1898, a bill to require adequate information regarding the tax treatment of payments under settlement agreements entered into by Federal agencies, and for other purposes.

S. 1955

At the request of Mr. ENZI, the name of the Senator from Idaho (Mr. RISCH) was added as a cosponsor of S. 1955, a bill to protect the right of law-abiding citizens to transport knives interstate, notwithstanding a patchwork of local and State prohibitions.

S. 1999

At the request of Mr. GRAHAM, the name of the Senator from Massachusetts (Ms. WARREN) was added as a cosponsor of S. 1999, a bill to amend the Servicemembers Civil Relief Act to require the consent of parties to contracts for the use of arbitration to resolve controversies arising under the contracts and subject to provisions of such Act and to preserve the rights of servicemembers to bring class actions under such Act, and for other purposes.

S. 2094

At the request of Mr. BEGICH, the name of the Senator from West Virginia (Mr. MANCHIN) was added as a cosponsor of S. 2094, a bill to provide for the establishment of nationally uniform and environmentally sound standards governing discharges incidental to the normal operation of a vessel.

S. 2103

At the request of Mr. BOOZMAN, the name of the Senator from Ohio (Mr. PORTMAN) was added as a cosponsor of S. 2103, a bill to direct the Administrator of the Federal Aviation Administration to issue or revise regulations with respect to the medical certification of certain small aircraft pilots, and for other purposes.

S. 2118

At the request of Mr. BLUNT, the name of the Senator from Wisconsin (Mr. JOHNSON) was added as a cosponsor of S. 2118, a bill to protect the separation of powers in the Constitution of the United States by ensuring that the President takes care that the laws be faithfully executed, and for other purposes.

S. 2154

At the request of Mr. CASEY, the name of the Senator from Tennessee (Mr. ALEXANDER) was added as a cosponsor of S. 2154, a bill to amend the Public Health Service Act to reauthorize the Emergency Medical Services for Children Program.

S. 2199

At the request of Ms. MIKULSKI, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 2199, a bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 2202

At the request of Mr. SCOTT, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of S. 2202, a bill to provide for revenue sharing of qualified revenues from leases in the South Atlantic planning area, and for other purposes.

S. 2329

At the request of Mrs. SHAHEEN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 2329, a bill to prevent Hezbollah from gaining access to international financial and other institutions, and for other purposes.

S. 2405

At the request of Mr. REED, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Massachusetts (Ms. WARREN) were added as cosponsors of S. 2405, a bill to amend title XII of the Public Health Service Act to reauthorize certain trauma care programs, and for other purposes.

S. 2406

At the request of Mr. REED, the names of the Senator from Iowa (Mr. HARKIN), the Senator from Massachusetts (Ms. WARREN) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of S. 2406, a bill to amend title XII of the Public Health Service Act to expand the definition of trauma to include thermal, electrical, chemical, radioactive, and other extrinsic agents.

S. 2508

At the request of Mr. MENENDEZ, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 2508, a bill to establish a comprehensive United States Government policy to assist countries in sub-Saharan Africa to improve access to and the affordability, reliability, and sustainability of power, and for other purposes.

S. 2545

At the request of Ms. AYOTTE, the name of the Senator from Nebraska (Mr. JOHANNS) was added as a cosponsor of S. 2545, a bill to require the Secretary of Veterans Affairs to revoke bonuses paid to employees involved in electronic wait list manipulations, and for other purposes.

S. 2547

At the request of Ms. HEITKAMP, the name of the Senator from Maine (Mr. KING) was added as a cosponsor of S. 2547, a bill to establish the Railroad Emergency Services Preparedness, Operational Needs, and Safety Evaluation (RESPONSE) Subcommittee under the Federal Emergency Management Agency's National Advisory Council to provide recommendations on emergency responder training and resources

relating to hazardous materials incidents involving railroads, and for other purposes.

S. 2591

At the request of Mr. RUBIO, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 2591, a bill to authorize the Secretary of State and the Administrator of the United States Agency for International Development to provide assistance to support the rights of women and girls in developing countries, and for other purposes.

S. 2611

At the request of Mr. CORNYN, the name of the Senator from Illinois (Mr. KIRK) was added as a cosponsor of S. 2611, a bill to facilitate the expedited processing of minors entering the United States across the southern border and for other purposes.

S.J. RES. 37

At the request of Mr. GRAHAM, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S.J. Res. 37, a joint resolution proposing an amendment to the Constitution of the United States relating to parental rights.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY (for himself and Ms. COLLINS):

S. 2646. A bill to reauthorize the Runaway and Homeless Youth Act, and for other purposes; to the Committee on the Judiciary.

Mr. LEAHY. Mr. President, I come to the Senate floor today to introduce the Leahy-Collins Runaway and Homeless Youth and Trafficking Prevention Act. The prevalence of homelessness among young people in America is deplorable. There are 1.6 million homeless teens in the United States. This problem is not limited to large cities. Its impact is felt strongly in smaller communities and rural areas, including in my home State of Vermont. It affects our young people directly and reverberates throughout our families and communities.

The Runaway Youth Act, first signed into law in 1974, has proven essential to providing the services and resources that runaway and homeless youth need, and our continued support is vital. Thirty-nine percent of the homeless population is under the age of 18, and the average age at which a teen becomes homeless is 14.7 years old. These numbers are stark reminders of our duty as a nation to protect the most vulnerable among us.

This bill reauthorizes funding for key elements of the Runaway and Homeless Youth Programs, including the Basic Center Program, which provides short-term emergency shelter and family reunification services to runaway and homeless youth. The Transitional Living Program provides longer term residential services, life skills, education, and employment support to older homeless youth. This bill reauthorizes the Street Outreach Program, which is staffed by workers who go out into the community to provide crisis intervention and services referrals to runaway and homeless youth on the street and at drop-in centers. It also supports funding for national support activities like the national runaway youth crisis line, and access to evaluation tools to help grantees track the success of their efforts and ensure that Federal funding is supporting only the most effective programs.

This reauthorization includes new and important provisions to combat human trafficking. Victims of sexual exploitation and trafficking in persons and runaway and homeless youth—two of our most vulnerable populations—are intersecting populations. Runaway and homeless youth service providers are uniquely situated to identify victims of sexual exploitation and trafficking in persons. These youth have specific needs and this bill ensures that victims of trafficking will be identified as such, and receive the appropriate services.

Another improvement made by this reauthorization is a provision to improve support for family reunification and intervention. Service providers will be able to use grant funds to encourage the resolution of family problems through counseling and other services. Family support is critical to providing stability for homeless youth, and this new provision will help boost positive outcomes.

I am proud that this bill contains a new nondiscrimination clause to prohibit any grantee from discriminating against a child based on their sexual orientation or gender identity. It is estimated that 40 percent of the runaway and homeless youth population identifies as LGBT. It is clear that this community needs the services authorized under the Runaway and Homeless Youth Act. No young person should be turned away from these essential services.

Supporting our youth when they are most in need and helping to get them back on their feet benefits us all. Homeless children are less likely to finish school, more likely to enter our juvenile justice system, and are ill-equipped to find a job. The services authorized by this bill are designed to intervene early and encourage the development of successful, productive young adults.

I have heard from dozens of service providers urging swift passage of this legislation. These are the people who are there on the frontlines when youth have nowhere else to turn. Without the programs funded through the Runaway and Homeless Youth Act, hundreds of thousands of children would be left on the street.

I thank Senator COLLINS for working with me on this legislation and for joining me as an original cosponsor. I hope all Senators will join us in supporting the prompt passage of the Leahy-Collins Runaway and Homeless Youth and Trafficking Prevention Act on the Senate floor.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2646

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Runaway and Homeless Youth and Trafficking Prevention Act''.

**SEC. 2. REFERENCES.**

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a provision, the amendment or repeal shall be considered to be made to a provision of the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.).

**SEC. 3. FINDINGS.**

Section 302 (42 U.S.C. 5701) is amended—

(1) in paragraph (2), by inserting ''age, gender, and culturally and'' before ''linguistically appropriate'';

(2) in paragraph (4), by striking ''outside the welfare system and the law enforcement system'' and inserting '', in collaboration with public assistance systems, the law enforcement system, and the child welfare system'';

(3) in paragraph (5)—

(A) by inserting ''a safe place to live and'' after ''youth need''; and

(B) by striking ''and'' at the end;

(4) in paragraph (6), by striking the period and inserting ''; and''; and

(5) by adding at the end the following:

''(7) runaway and homeless youth are at a high risk of becoming victims of sexual exploitation and trafficking in persons.''.

**SEC. 4. BASIC CENTER GRANT PROGRAM.**

(a) GRANTS FOR CENTERS AND SERVICES.—Section 311(a) (42 U.S.C. 5711(a)) is amended—

(1) in paragraph (1), by striking ''services'' and all that follows through the period and inserting ''safe shelter and services, including trauma-informed services, for runaway and homeless youth and, if appropriate, services for the families of such youth, including (if appropriate) individuals identified by such youth as family.''; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''mental health,'';

(B) in subparagraph (B)—

(i) in clause (i), by striking ''21 days; and'' and inserting ''30 days;''; and

(ii) in clause (ii)—

(I) by inserting ''age, gender, and culturally and linguistically appropriate'' before ''individual'';

(II) by inserting '', as appropriate,'' after ''group''; and

(III) by striking ''as appropriate'' and inserting ''including (if appropriate) counseling for individuals identified by such youth as family''; and

(iii) by adding at the end the following:

''(iii) suicide prevention services; and''; and

(C) in subparagraph (C)—

(i) in clause (ii), by inserting ''age, gender, and culturally and linguistically appropriate'' before ''home-based services'';

(ii) in clause (iii), by striking ''and'' at the end;

(iii) in clause (iv), by striking ''diseases.'' and inserting ''infections;''; and

(iv) by adding at the end the following:

''(v) trauma-informed and gender-responsive services for runaway or homeless youth, including such youth who are victims of trafficking in persons or sexual exploitation; and

''(vi) an assessment of family engagement in support and reunification (if reunification is appropriate), interventions, and services for parents or legal guardians of such youth, or (if appropriate) individuals identified by such youth as family.''.

(b) ELIGIBILITY; PLAN REQUIREMENTS.—Section 312 (42 U.S.C. 5712) is amended—

(1) in subsection (b)—

(A) in paragraph (5), by inserting '', or (if appropriate) individuals identified by such youth as family,'' after ''parents or legal guardians'';

(B) in paragraph (6), by striking ''cultural minority and persons with limited ability to speak English'' and inserting ''cultural minority, persons with limited ability to speak English, and runaway or homeless youth who are victims of trafficking in persons or sexual exploitation'';

(C) by striking paragraph (7) and inserting the following:

''(7) shall keep adequate statistical records profiling the youth and family members of such youth whom the applicant serves, including demographic information on and the number of—

''(A) such youth who are not referred to out-of-home shelter services;

''(B) such youth who are members of vulnerable or underserved populations;

''(C) such youth who are victims of trafficking in persons or sexual exploitation, disaggregated by—

''(i) such youth who have been coerced or forced into a commercial sex act, as defined in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102);

''(ii) such youth who have been coerced or forced into other forms of labor; and

''(iii) such youth who have engaged in a commercial sex act, as so defined, for any reason other than by coercion or force;

''(D) such youth who are pregnant or parenting;

''(E) such youth who have been involved in the child welfare system; and

''(F) such youth who have been involved in the juvenile justice system;'';

(D) by redesignating paragraphs (8) through (13) as paragraphs (9) through (14);

(E) by inserting after paragraph (7) the following:

''(8) shall ensure that—

''(A) the records described in paragraph (7), on an individual runaway or homeless youth, shall not be disclosed without the consent of the individual youth and parent or legal guardian of such youth, or (if appropriate) an individual identified by such youth as family, to anyone other than another agency compiling statistical records or a government agency involved in the disposition of criminal charges against an individual runaway or homeless youth; and

''(B) reports or other documents based on the statistics described in paragraph (7) shall not disclose the identity of any individual runaway or homeless youth;'';

(F) in paragraph (9), as so redesignated, by striking ''statistical summaries'' and inserting ''statistics'';

(G) in paragraph (13)(C), as so redesignated—

(i) by striking clause (i) and inserting:

''(i) the number and characteristics of runaway and homeless youth, and youth at risk of family separation, who participate in the project, including such information on—

''(I) such youth (including both types of such participating youth) who are victims of trafficking in persons or sexual exploitation, disaggregated by—

''(aa) such youth who have been coerced or forced into a commercial sex act, as defined in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102);

''(bb) such youth who have been coerced or forced into other forms of labor; and

''(cc) such youth who have engaged in a commercial sex act, as so defined, for any reason other than by coercion or force;

''(II) such youth who are pregnant or parenting;

''(III) such youth who have been involved in the child welfare system; and

''(IV) such youth who have been involved in the juvenile justice system; and''; and

(ii) in clause (ii), by striking ''and'' at the end;

(H) in paragraph (14), as so redesignated, by striking the period and inserting ''for natural disasters, inclement weather, and mental health emergencies;''; and

(I) by adding at the end the following:

''(15) shall provide age, gender, and culturally and linguistically appropriate services to runaway and homeless youth; and

''(16) shall assist youth in completing the Free Application for Federal Student Aid described in section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090).''; and

(2) in subsection (d)—

(A) in paragraph (1)—

(i) by inserting ''age, gender, and culturally and linguistically appropriate'' after ''provide'';

(ii) by striking ''families (including unrelated individuals in the family households) of such youth'' and inserting ''families of such youth (including unrelated individuals in the family households of such youth and, if appropriate, individuals identified by such youth as family)''; and

(iii) by inserting ''suicide prevention,'' after ''physical health care,''; and

(B) in paragraph (4), by inserting '', including training on trauma-informed and youth-centered care'' after ''home-based services''.

(c) APPROVAL OF APPLICATIONS.—Section 313(b) (42 U.S.C. 5713(b)) is amended—

(1) by striking ''priority to'' and all that follows through ''who'' and inserting ''priority to eligible applicants who'';

(2) by striking ''; and'' and inserting a period; and

(3) by striking paragraph (2).

**SEC. 5. TRANSITIONAL LIVING GRANT PROGRAM.**

Section 322(a) (42 U.S.C. 5714–2(a)) is amended—

(1) in paragraph (1)—

(A) by inserting ''age, gender, and culturally and linguistically appropriate'' before ''information and counseling services''; and

(B) by striking ''job attainment skills, and mental and physical health care'' and inserting ''job attainment skills, mental and physical health care, and suicide prevention services''; and

(2) by redesignating paragraphs (3) through (8) and (9) through (16) as paragraphs (5) through (10) and (12) through (19), respectively;

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

''(3) to provide counseling to homeless youth and to encourage, if appropriate, the involvement in such counseling of their parents or legal guardians, or (if appropriate) individuals identified by such youth as family;

''(4) to provide aftercare services, if possible, to homeless youth who have received shelter and services from a transitional living youth project, including (to the extent practicable) such youth who, after receiving such shelter and services, relocate to a State other than the State in which such project is located;'';

(4) in paragraph (9), as so redesignated—

(A) by inserting ''age, gender, and culturally and linguistically appropriate'' after ''referral of homeless youth to'';

(B) by striking ''and health care programs'' and inserting ''mental health service and health care programs, including programs providing comprehensive services to victims of trafficking in persons or sexual exploitation,''; and

(C) by striking ''such services for youths;'' and inserting ''such programs described in this paragraph;'';

(5) by inserting after paragraph (10), as so redesignated, the following:

''(11) to develop a plan to provide age, gender, and culturally and linguistically appropriate services that address the needs of homeless and street youth;'';

(6) in paragraph (12), as so redesignated, by striking ''the applicant and statistical'' through ''who participate in such project,'' and inserting ''the applicant, statistical summaries describing the number, the characteristics, and the demographic information of the homeless youth who participate in such project, including the prevalence of trafficking in persons and sexual exploitation of such youth,''; and

(7) in paragraph (19), as so redesignated, by inserting ''regarding responses to natural disasters, inclement weather, and mental health emergencies'' after ''management plan''.

**SEC. 6. COORDINATING, TRAINING, RESEARCH, AND OTHER ACTIVITIES.**

(a) COORDINATION.—Section 341 (42 U.S.C. 5714–21) is amended—

(1) in the matter preceding paragraph (1), by inserting ''safety, well-being,'' after ''health,''; and

(2) in paragraph (2), by striking ''other Federal entities'' and inserting ''the Department of Housing and Urban Development, the Department of Education, the Department of Labor, and the Department of Justice''.

(b) GRANTS FOR TECHNICAL ASSISTANCE AND TRAINING.—Section 342 (42 U.S.C. 5714–22) is amended by inserting '', including onsite and web-based techniques, such as on-demand and online learning,'' before ''to public and private entities''.

(c) GRANTS FOR RESEARCH, EVALUATION, DEMONSTRATION, AND SERVICE PROJECTS.—Section 343 (42 U.S.C. 5714–23) is amended—

(1) in subsection (b)—

(A) in paragraph (5)—

(i) in subparagraph (A), by inserting ''violence, trauma, and'' before ''sexual abuse and assault'';

(ii) in subparagraph (B), by striking ''sexual abuse and assault; and'' and inserting ''sexual abuse or assault, trafficking in persons, or sexual exploitation;''; and

(iii) in subparagraph (C), by striking ''who have been sexually victimized'' and inserting ''who are victims of sexual abuse or assault, trafficking in persons, or sexual exploitation''; and

(iv) by adding at the end the following:

''(D) best practices for identifying and providing age, gender, and culturally and linguistically appropriate services to—

''(i) vulnerable and underserved youth populations; and

''(ii) youth who are victims of trafficking in persons or sexual exploitation; and

''(E) verifying youth as runaway or homeless to complete the Free Application for Federal Student Aid described in section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090);'';

(B) in paragraph (9), by striking ''and'' at the end;

(C) in paragraph (10), by striking the period and inserting ''; and''; and

(D) by adding at end the following:

''(11) examining the intersection between the runaway and homeless youth populations and trafficking in persons, including noting whether such youth who are victims of trafficking in persons were previously involved in the child welfare or juvenile justice systems.''; and

(2) in subsection (c)(2)(B), by inserting '', including such youth who are victims of trafficking in persons or sexual exploitation'' after ''runaway or homeless youth''.

(d) PERIODIC ESTIMATE OF INCIDENCE AND PREVALENCE OF YOUTH HOMELESSNESS.—Section 345 (42 U.S.C. 5714–25) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''13'' and inserting ''12''; and

(ii) by striking ''and'' at the end;

(B) in paragraph (2), by striking the period and inserting a semicolon; and

(C) by adding at the end the following:

''(3) that includes demographic information about and characteristics of runaway or homeless youth, including such youth who are victims of trafficking in persons or sexual exploitation; and

''(4) that does not disclose the identity of any runaway or homeless youth.''; and

(2) in subsection (b)(1)—

(A) in the matter preceding subparagraph (A), by striking ''13'' and inserting ''12'';

(B) in subparagraph (A), by striking ''and'' at the end;

(C) by redesignating subparagraph (B) as subparagraph (C);

(D) by inserting after subparagraph (A) the following:

''(B) incidences, if any, of—

''(i) such individuals who are victims of trafficking in persons; or

''(ii) such individuals who are victims of sexual exploitation; and''; and

(E) in subparagraph (C), as so redesignated—

(i) in clause (ii), by striking ''; and'' and inserting '', including mental health services;''; and

(ii) by adding at the end the following:

''(iv) access to education and job training; and''.

**SEC. 7. SEXUAL ABUSE PREVENTION PROGRAM.**

Section 351 (42 U.S.C. 5714–41) is amended—

(1) in subsection (a)—

(A) by inserting ''public and'' before ''nonprofit''; and

(B) by striking ''prostitution, or sexual exploitation.'' and inserting ''violence, trafficking in persons, or sexual exploitation.''; and

(2) by adding at the end the following:

''(c) ELIGIBILITY REQUIREMENTS.—To be eligible to receive a grant under subsection (a), an applicant shall certify to the Secretary that such applicant has systems in place to ensure that such applicant can provide age, gender, and culturally and linguistically appropriate services to all youth described in subsection (a).''.

**SEC. 8. GENERAL PROVISIONS.**

(a) REPORTS.—Section 382(a) (42 U.S.C. 5715(a)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (B) through (D) as subparagraphs (C) through (E), respectively; and

(B) by inserting after subparagraph (A) the following:

''(B) collecting data on trafficking in persons and sexual exploitation of runaway and homeless youth;''; and

(2) in paragraph (2)—

(A) by striking subparagraph (A) and inserting the following:

''(A) the number and characteristics of homeless youth served by such projects, including—

''(i) such youth who are victims of trafficking in persons or sexual exploitation;

''(ii) such youth who are pregnant or parenting;

''(iii) such youth who have been involved in the child welfare system; and

''(iv) such youth who have been involved in the juvenile justice system;''; and

(B) in subparagraph (F), by striking ''intrafamily problems'' and inserting ''problems within the family, including (if appropriate) individuals identified by such youth as family,''.

(b) NONDISCRIMINATION.—Part F is amended by inserting after section 386A (42 U.S.C. 5732–1) the following:

**''SEC. 386B. NONDISCRIMINATION.**

''(a) IN GENERAL.—No person in the United States shall, on the basis of actual or perceived race, color, religion, national origin, sex, gender identity (as defined in section 249(c)(4) of title 18, United States Code), sexual orientation, or disability, be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title, or any other program or activity funded in whole or in part with amounts appropriated for grants, cooperative agreements, or other assistance administered by the Administration for Children and Families of the Department of Health and Human Services.

''(b) DISQUALIFICATION.—Any State, locality, organization, agency, or entity that violates the requirements of subsection (a) shall not be eligible to receive any grant, assistance, or funding provided under this title.''.

(c) DEFINITIONS.—Section 387 (42 U.S.C. 5732a) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively;

(2) in paragraph (5)(B)(v)—

(A) by redesignating subclauses (II) through (IV) as subclauses (III) through (V), respectively;

(B) by inserting after subclause (I), the following:

''(II) trafficking in persons;'';

(C) in subclause (IV), as so redesignated—

(i) by striking ''diseases'' and inserting ''infections''; and

(ii) by striking ''and'' at the end;

(D) in subclause (V), as so redesignated, by striking the period and inserting ''; and''; and

(E) by adding at the end the following:

''(VI) suicide.'';

(3) in paragraph (6)(B), by striking ''prostitution,'' and inserting ''trafficking in persons,'';

(4) by inserting after paragraph (6), the following:

''(7) TRAFFICKING IN PERSONS.—The term 'trafficking in persons' has the meaning given the term 'severe forms of trafficking in persons' in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7102).'';

(5) in paragraph (8), as so redesignated—

(A) by inserting ''to homeless youth'' after ''provides''; and

(B) by inserting '', to establish a stable family or community supports,'' after ''self-sufficient living''; and

(6) in paragraph (9)(B), as so redesignated—

(A) in clause (ii)—

(i) by inserting ''or able'' after ''willing''; and

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

(B) in clause (iii), by striking the period and inserting ''; or''; and

(C) by adding at the end the following:

''(iv) who is involved in the child welfare or juvenile justice system, but who is not receiving government-funded housing.''.

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 388(a) (42 U.S.C. 5751(a)) is amended—

(1) in paragraph (1), by striking ''for fiscal year 2009,'' and all that follows through the period and inserting ''for each of fiscal years 2015 through 2019.'';

(2) in paragraph (3)(B), by striking ''such sums as may be necessary for fiscal years 2009, 2010, 2011, 2012, and 2013.'' and inserting ''$2,000,000 for each of fiscal years 2015 through 2019.''; and

(3) in paragraph (4), by striking ''for fiscal year 2009'' and all that follows through the period and inserting ''for each of fiscal years 2015 through 2019.''.

Ms. COLLINS. Mr. President, I rise today to introduce the Runaway and Homeless Youth and Trafficking Prevention Act with Senate Judiciary Committee Chairman LEAHY. This bill would reauthorize the Runaway and Homeless Youth Act, which expired last September. The programs supported by this Act have provided life-saving services and housing for America's homeless and human trafficked youth for forty years and are a vital tool in addressing the problem of homelessness among young people in our country.

Homelessness is affecting youth in unprecedented numbers. According to the Health Resources and Services Administration, there are approximately 1.6 million homeless teens in the United States. Some advocacy groups estimate that 39 percent of the homeless population is under the age of 18. Some of these youth may stay away from home for only one or two nights, while others have been living on the street for years.

Of the 1.6 million homeless youth, the National Alliance to End Homelessness estimates that, in any given year, there are approximately 550,000 unaccompanied, single youth and young adults up to age 24 who experience a homelessness episode of longer than one week. Approximately 200,000 youth each year live permanently on the street—a life that is extremely difficult, often dangerous, and unhealthy. Sadly, 5,000 teenagers are buried each year in unmarked graves either because they are unidentified or unclaimed.

Teens run away and become homeless for many reasons. A study conducted by the U.S. Department of Health and Human Services found that 46 percent of homeless youth left home because of physical abuse and 17 percent because of sexual abuse. This population is at greater risk of suicide, unintended pregnancy, and substance abuse. Many are unable to continue with school and are more likely to enter our juvenile justice system.

As the Ranking Member of the Transportation, Housing and Urban Development, and Related Agencies Subcommittee on Appropriations, I have made addressing homelessness a priority. Since 2010, we have seen a 16 percent drop in chronic homelessness. We must build on this success and ensure our nation's homeless youth have opportunities to succeed just as other youth. The Administration has set a goal, which I fully support, to prevent and end youth homelessness by 2020.

The programs reauthorized by this bill serve homeless youth by meeting

their immediate needs and providing long-term residential services for youth who cannot be safely reunified with family. In 2013, 94 percent of the minors who entered Basic Center Programs exited these programs safely and appropriately, and 72 percent were reunited with their families. Similarly, 88 percent of youth in Transitional Living Programs made safe and appropriate exits.

In Portland, Maine, the Preble Street Resource Center has used Runaway and Homeless Youth Act resources to connect with youth who need food, a safe place to sleep, health services, and education support. Over 200 individual youth were served at the Joe Kreisler Teen Shelter last year, and dozens received the support they needed to return home, find independent living options, and deal with trauma, substance abuse, and mental health challenges. The Street Outreach Program allows Preble Street to operate a Drop-In center and helps caseworkers and social workers connect with youth who appear homeless or in distress. This support often translates into powerful success stories. In fact, Preble Street has seen some of its youth go on to become physicians, attorneys, film makers, and social workers.

Mr. President, homeless youth are at high risk of victimization, abuse, targeting by human traffickers, criminal activity, and death. Research shows that 40 to 60 percent of homeless youth have experienced physical abuse. Without a safe place to stay, young people suffer and remain disconnected from education, the workforce, and community involvement, and they struggle to enter adulthood successfully.

The Runaway and Homeless Youth and Trafficking Prevention Act will support the critically needed services for young people who run away, are thrown out, or are disconnected from families. A caring and safe place to sleep, eat, grow, and develop is critical for all young people, and the programs reauthorized through this legislation help extend those basic services to the most vulnerable youth in our communities.

I urge my colleagues to join Senator LEAHY and me in supporting this bill.

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By Mr. CORKER (for himself, Mr. GRAHAM, Mr. RUBIO, Mr. MCCAIN, Mr. RISCH, and Mr. JOHNSON of Wisconsin):

S. 2650. A bill to provide for congressional review of agreements relating to Iran's nuclear program, and for other purposes; to the Committee on Foreign Relations.

Mr. CORKER. Mr. President, in order to set the context, I am going to say a few words on the opening, and then enter into a discussion with Senator GRAHAM, Senator RUBIO, and Senator MCCAIN. But let me say that all of us—I know certainly myself—want to start by saying I strongly support the negotiations regarding Iran's nuclear program. I also strongly support the President's stated goal that we must prevent Iran from obtaining a nuclear weapon.

Congress, in fact, has led the way on this point—Senator GRAHAM, Senator MENENDEZ, and many others, Senator KIRK—by building a broad multilateral sanctions regime that has forced Iran to the negotiating table. That is why today we are introducing the bill, the Iran Nuclear Negotiations Act, with a simple message: Allow Congress to weigh in on behalf of the American people on what is one of the most important national security issues facing our Nation.

We hope the administration reaches a good agreement over the next 4 months that will prevent a nuclear-armed Iran from becoming a reality. But if and when they reach an agreement, let's bring all the details out in the open. Let's examine the agreement in its entirety, and let's determine if it is in our national security interests.

To help ensure that that is the case, Senators GRAHAM, MCCAIN, RUBIO, and myself are offering this bill that will do three things: First of all, have a Congressional review. First, it allows Congress to weigh in on any final deal the President reaches with Iran. The bill requires the President to submit any final deal to Congress for review, and then allows Congress to introduce a joint resolution of disapproval should it choose to do so.

Second, it ensures Iran does not cheat on any final agreement. The bill requires the Director of National Intelligence to report on any violation by Iran to Congress. If determined there is credible and accurate evidence that Iran violated the agreement, all sanctions that have been temporarily lifted should be reimposed.

Thirdly, in order to ensure the interim deal does not become the final deal, the bill puts a clock on negotiations. This clock is consistent with the timeline the administration itself has outlined. If the President does not submit a comprehensive final agreement to Congress, all sanctions lifted under the interim agreement would be restored immediately on November 28, 2014, 4 days after the end of the extension period.

Let me be clear: Nothing in this bill talks about imposing new sanctions of any kind. Nothing in this bill would prohibit Congress from seeking further sanctions if it chooses to do so. This bill does not dictate the terms of what a final deal should look like. Rather, it helps to ensure the Iranians do not use the negotiations as a delaying tactic or cover for advancing their program. This bill is all about transparency.

The administration can go out and try to get the best deal possible. They simply have to show Congress and the American people the results, letting the deal fail or succeed on its own merits. This should be an area of broad support and broad bipartisan agreement. Even Secretary Kerry, in testimony before the Senate Foreign Relations Committee, said that any final deal would have to pass muster with Congress.

I want to stop here. I have some additional comments I might make. I know there are numbers of people here who wish to speak. I want to close with this. This bill represents a constructive, responsible role for Congress to play on this important national security issue to try to prevent a nuclear-armed Iran, in the hope that Members on both sides of the aisle will agree, as Secretary Kerry has stated, that any final deal should have to pass muster with Congress and the American people.

I know Senator GRAHAM from South Carolina—no one has played a bigger role in trying to ensure that Iran does not become a nuclear-armed country. With that, I would love to hear his thoughts and his reason for wanting to be a part, with five Senators, in creating this piece of legislation.

Mr. GRAHAM. I thank the Senator very much.

Senators MCCAIN, RUBIO, and CORKER on the Foreign Relations Committee, all have I think revived the committee, along with Senator MENENDEZ. The committee is probably the most effective it has been in a very long time. The committee is doing a lot of work in a bipartisan fashion. I hope one day this becomes a bipartisan piece of legislation. But credit to the three of you all for coming up with this idea. I am glad to be part of it.

I wish to hear from Senator RUBIO about his view of why this legislation is necessary.

Mr. RUBIO. Mr. President, I appreciate the opportunity to speak for a few moments. I thank both the Senators from Tennessee, South Carolina, and Arizona for allowing me this opportunity to join them in this effort.

For those who are watching at home, I know so many other issues are going on around the world—we see the things going on with regard to Israel over the last few days; certainly the shootdown of that airplane by Ukrainian separatists, being armed by the Russians, is of great concern.

But what should not be lost in all of this is there is another urgent matter before the Nation and the world; that is, the ambitions of a rogue, radical regime in Iran to acquire a nuclear weapon that they will use to hold the world hostage and establish dominance in the region and in their stated goal, to destroy Israel and wipe it off the face of the Earth.

What has happened here over the last few months, for those who have been following this, is the White House has engaged in negotiations, along with some other countries, with Iran to get them to walk away from this. These negotiations have been ongoing. I have never been very optimistic about it, although we all hope to wake up one day to the news that the Ayatollah and the Supreme Leader in Iran and those who surround him have somehow decided to

walk away from this ambition and change their direction.

These negotiations are not going very well. That is why they have now been extended for another 4 months. The administration claims there has been great progress being made, although it is not clear what that progress is toward. For example, Iran's right to enrich, which they do not have one, but this right to enrich uranium has essentially been recognized as part of these negotiations, meaning there will be no guarantee that Iran cannot at some time in the future come back and exploit this agreement to develop nuclear weapons. If they keep the machines, and if they keep the process in place to enrich uranium, if they decide at some point in the future to go from a symbolic nuclear program, or a nascent one, into a full-fledged weapons one, they can do that rather quickly.

That is what they have agreed to do, already allowed them to retain a right to enrich. That, in and of itself, should be reason, in my opinion—perhaps it is not shared by others but in my opinion—to pull the plug on these negotiations. But it is not even clear in this instance that the administration is still insisting that Iran dismantle all of its nuclear-related facilities. In fact, according to some press reports, the Iranians want to keep all of their current centrifuges and the United States is supposedly open to allowing Iran to retain thousands of them. Iran's Supreme Leader even said recently that they need a larger enrichment capability than the one they currently have.

Another thing that has happened as part of this extension is that the P5+1 countries are going to allow Iran to access another $2.8 billion in sanctions relief. Basically what they have done here is they have forced the hand of this extension, and they get even more relief as a result of it.

I am also worried that the administration seems willing to allow Iran to have even more than 4 months to provide simply answers about its past work on nuclear weapons.

If they are not even willing to come clean on what they have done in the past, how can we possibly treat them as a reliable, responsible actor. Beyond that, there seems to be no attention whatsoever paid to the need to address Iran's ballistic missile program, its ICBMs. There is only one reason why you have ICBMs and that is these are long-range rockets capable of one day reaching the United States as they continue to develop them. The only reason they would even have one of those is to put a nuclear warhead on it. Just imagine a world where Iran has nuclear weapons capable of reaching this very city or New York or any part of the continental United States.

It would be all-out chaos. They would now have to be treated very differently, and they would basically be able to act with impunity anywhere in the world. And that reaches my last point. Absent in this whole conversation and in all these negotiations is any discussion about Iran's ongoing sponsorship of terrorism and their ongoing human rights violations, including a pastor—an American, with strong links to this country—being held unjustly in that country.

All of this is to say this is the reason why this bill is so important. Any final agreement on a matter of this consequence should be reviewed by this body, should come before Congress, and Congress should have the ability to provide oversight. The absence of that, I believe, unfortunately, leaves us vulnerable, not only to a terrible deal but to a dangerous one that could potentially endanger the future of our allies and even of our own country.

I am grateful to join these Senators. I don't know who would want to speak next. I know all of my colleagues—I know the Senator from Arizona has spent a tremendous amount of time sounding the alarm on the danger—not just of this deal—that Iran poses in this region.

I would be interested in hearing from the Senator from Arizona on his views about this extension.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I thank the Senator from Florida and I thank him for his advocacy for freedom and democracy throughout the world. Frankly, I have been incredibly impressed with his knowledge and depth, including in our own hemisphere, which I think he and I would agree has been very much ignored. There are enormous challenges ahead there as well.

I would ask a couple of questions of my friend from Tennessee and my friend from South Carolina.

Isn't it true that in order to have a true nuclear capability you have to have a warhead and you have to have a delivery system, and the Iranians are proceeding apace forward in acquiring those capabilities? Would anybody believe that if they were truly interested in not going to nuclear weapons, they would not be spending time and effort on that capability?

Doesn't that destroy any credibility they might have about a commitment to not continue the development of nuclear weapons?

Mr. GRAHAM. Well, I would say that if there was a group of people in the world to be suspicious of, I would put Iran very close to the top of that list.

The international intelligence community believes they have tried to militarize their nuclear program in the past. Senator RUBIO made a good point. They deny this, but before you go forward, you would want to answer that question: Were they engaged in militarization of what was claimed to be a peaceful nuclear power program?

Second, why would you go through all of this upheaval, build a nuclear powerplant secretly at the bottom of a mountain, if all you wanted to do was have peaceful nuclear power? None of this really adds up. Why do you need an ICBM if all you want to do is produce peaceful nuclear power?

Having said that, suspicion is warranted here. But more than anything else, the final deal that may be reached should come to this body because I would suggest that of all the problems in the world today, this is the top of the list for me.

If they did break out as did North Korea, if a bad deal turned into a dangerous deal just as with North Korea, Sunni Arabs would respond in kind and we are on the road to Armageddon. I cannot think of a much worse scenario for our national security than the ayatollahs with nukes. I cannot think of a much more direct threat to the survival of the State of Israel than ayatollahs in Iran with nukes. I can't believe the Sunni Arabs would allow the Shia Persians to have a nuclear capability unanswered.

Mr. MCCAIN. I would ask my friend from Tennessee, was he surprised and shocked that there would be an extension of these negotiations? Was he shocked and surprised that the end date is now after the midterm elections that we have in the United States of America?

Was he shocked that even though there has not been ''sufficient progress,'' there was still more relaxation of the sanctions, which then gives the Iranians billions of dollars worth of a boost to their economy? Was he surprised and shocked that this extension took place?

Mr. CORKER. Obviously, just the way the Senator asks the question—and obviously nobody in this Senate has spent more time on these issues than the Senator from Arizona—and I thank the Senator so much for his leadership on the Armed Services Committee and also on the Foreign Relations Committee and on all of these issues—absolutely not.

When you have a deal that is aimed, that says there is a built-in extension, you know that people aren't going to focus until the very end. So we expected there to be an extension. I was very disappointed, though, to know that we were giving additional sanctions relief.

I am very concerned because of the way this has happened. In March the administration agreed to allow them to enrich uranium, which was a big setback. I mean, we don't allow our best friends. We approved one, two, three agreements. The Senator and I just did one the other day in the committee with Senator RUBIO. Senator RISCH is also a part of this bill. But with our closest friends and allies we do not approve enrichment.

So here we are really doing something that will undo many of the agreements that we have and certainly have—as Senator GRAHAM of South Carolina mentioned—a tremendous impact on the region. There is no question people in the Arabian Peninsula right across the strait are looking at a

country that has been their foe—and looking at potentially their having the capability to enrich uranium. Yes, this agreement started in a very bad place, but I think we all want to see a diplomatic solution. We want this to be successful.

I would add that Rouhani has the Supreme Leader whom he has to go back and talk to. He can always use that. The Supreme Leader, as Senator GRAHAM mentioned, wants 100,000 centrifuges—not the 19,000 centrifuges they have.

I would say to our administration to have us as a backstop—where Congress has to approve this. That would actually be an aid to them as they move down this negotiating path. I look at this as an asset to them, and I look at our fulfilling our responsibilities if this bill becomes law. I thank the Senator for asking.

Mr. MCCAIN. Finally, could I ask the Senator from Florida, we judge nations by their behavior, I believe. In fact, we don't view them in a vacuum. For example, the President of the United States said that if Syria crossed the red line in the use of chemical weapons, we would have to respond, and obviously we didn't.

Meanwhile, 170,000 people have been slaughtered—men, women, and children. So isn't it appropriate for us to not look at the Iranians in a very narrow spectrum but to look at overall behavior going all the way back to the bombing of the barracks in Beirut, the USS Cole, and a plot to kill the Saudi Ambassador here? And maybe the worst, most of all, is the Revolutionary Guard that has gone into Syria and the incredible flow of weapons and training on the part of the Iranians which has turned the tide in favor of Bashar al-Assad.

What about the Iranian missiles, some of which are threatening and raining down on Israel. Shouldn't we understand better? Shouldn't the American people and the world understand better what we are dealing with—a country with leaders who are dedicated to the extinction of everything we stand for and believe in? Therefore, wouldn't that impact our calculations as to their sincerity about a nuclear weapons program?

Mr. RUBIO. I think the Senator from Arizona touches on the exact point.

First, we have to understand Iran is the world's leading state sponsor of terrorism. No nation on Earth uses terrorism as an active form of tradecraft as they do. They use terrorism the way we use military forces when necessary. They view it as a very active part of their agenda.

The Senator is correct. Virtually every major terrorist organization in the Middle East, absent a couple, they provide extraordinary assistance to. I think the Senator touched on another point: What is their goal? That is important to understand.

What is the Iranians' goal in these negotiations? In my mind those goals are quite clear. In fact, it is shocking to me because I know the administration knows this as well.

The goal of Iran is pretty simple. They want relief from as many sanctions as possible without agreeing to any irreversible concessions on their nuclear program.

Let's go through what they want to achieve. They want to be able to achieve or obtain an internationally recognized right to enrich—check.

They want the capability to enrich, process in the future, and keep that much in place as possible. They have already gotten that—check.

They want to continue to develop their long-range rockets and missile capabilities so that one day they can be in that position where, when we negotiate with them in the future on anything else, they are untouchable because they can launch a nuclear attack against the United States and certainly against our allies. They continue to do that—check.

The Iranians in this whole negotiation view themselves to be in a position of strength. To be quite frank, they believe that our President wants this deal more than they do. They believe he wants this deal more than they do, and that is what puts them in this tremendous position of strength.

The result is that these negotiations are not going to, in my view—I hope that I am wrong. I hope that tomorrow when we open the paper and read: You know what. They have changed their mind. They don't want to do any more terrorism—no more rockets and no nuclear weapons program—and they have become just a normal government in a normal country. Don't hold your hopes out for that because that is not what they have shown in the past. That is not what they are doing now, and they are negotiating from a position of strength because they know the President wants a deal much more than they want or need a deal.

Mr. MCCAIN. I would ask again, going full circle with the Senator from South Carolina, wouldn't we actually be helping the administration at the negotiating table to say wait a minute, we have a Congress full of people who have spent a lot of time on this issue, are very skeptical and, one, are going to have to be convinced of this deal?

Wouldn't we actually be strengthening the United States' hand at the bargaining table, in the Senator's view, if it were something of this magnitude that Congress would have to be involved in, as we have been in other major treaties that have been made, some of them much less significant than this agreement?

Mr. GRAHAM. The answer, unequivocally to me would be yes, assuming one thing: that those of us in this body would handle this in a mature fashion, assuming that Republicans would not vote no because this is the Obama deal and Democrats would not be tempted to vote yes because their President did this, a Democratic President.

I have confidence in the body that they would not do that. Let me tell you why. There are a lot of treaties out there that affect our national security. I can't think of an event in my life that is going to affect our national security one way or the other greater than the Iranian nuclear deal that I think is coming.

If a Republican scuttled the deal that was good, you would have a very unique place in history because you would have done a disservice to our country and the world at large.

Is it possible to know that it is a good deal? Yes, because the Israelis would comment on it. The Sunni Arab world would comment on it. If it is truly a deal unlike North Korea, which led to a bad outcome, I think you would have a score of people, including me, that would acknowledge that the President did the world a great service.

If it is a bad deal, if Senator RUBIO is right that they want to check the box and get a deal for the sake of getting a deal, I hope my Democratic colleagues would stand and say: This will come back to bite us as a nation.

I have confidence the body can do this because I can't think of anything more serious we will vote on other than going to war.

Mr. MCCAIN. I thank the Senator from Tennessee. As the Senator from South Carolina noted, the relationship that exists between the Senator from Tennessee and the Senator from New Jersey, I believe, has reinvigorated the Foreign Relations Committee in a very incredible way. What has taken place, thanks to that bipartisanship and hard work, has really been some remarkable results.

Frankly, thanks to the Senator's leadership and under the chairman, we have been able to have a significant impact on the conduct of national security in what I would argue is probably the greatest turmoil in my lifetime.

I thank the Senator from Tennessee for his great work.

Mr. CORKER. If I could, since the Senator and I have worked together on the committee, the administration came to us when they didn't have to. They came to us on the authorization for the use of force in Syria. We came together over a very short amount of time, Democrats and Republicans, and crafted something of which I am very proud. It didn't end up coming to the floor because a different course of action was taken, but the fact is that the administration sought our input on something that, as the Senator from South Carolina just mentioned, may pale compared to the impact of this Iranian negotiation relative to nuclear arms.

So this is something that is very important. I agree with the Senator from South Carolina—I believe that if something is presented, we would act very much in the same manner. It would be a sober discussion. People would understand the importance of it. And I

think, from the administration's standpoint, the Senate saying grace over it and approving it gives him additional buy-in from the American people that we are behind him if they negotiate a good deal. On the other hand, if they don't, obviously we should have the right to weigh in and keep the sanctions that have been put in place by us.

Everybody says: Well, the administration still has to come back and talk with you all about sanctions.

That is not true. There is a waiver provision in there. They can't be undone permanently. But I think it gives us the appropriate say-so.

I thank the Senator so much for his leadership and for everybody's time on the floor and for working on this issue. Hopefully, as the Senator mentioned, this will become something that is very bipartisan.

## SUBMITTED RESOLUTIONS

### SENATE RESOLUTION 512—EXPRESSING THE SENSE OF THE SENATE REGARDING THE ENVIRONMENTAL PROTECTION AGENCY AND THE PROPOSED RULES AND GUIDELINES RELATING TO CARBON DIOXIDE EMISSIONS FROM POWER PLANTS

Mr. VITTER (for himself, Mr. CORNYN, Mr. THUNE, Mr. WICKER, Mr. INHOFE, Mr. BLUNT, Mr. CRAPO, Mrs. FISCHER, Mr. SESSIONS, Mr. BOOZMAN, Mr. COATS, Mr. ENZI, Mr. ROBERTS, Mr. CHAMBLISS, Mr. RISCH, Mr. MCCONNELL, Mr. COCHRAN, Mr. MORAN, Mr. JOHANNS, Mr. BARRASSO, Ms. MURKOWSKI, Mr. RUBIO, Mr. HOEVEN, Mr. COBURN, Mr. SHELBY, Mr. HATCH, Mr. TOOMEY, Mr. ISAKSON, Mr. LEE, Mr. CRUZ, Mr. ALEXANDER, and Mr. KIRK) submitted the following resolution; which was referred to the Committee on Environment and Public Works:

S. RES. 512

Whereas the Environmental Protection Agency (referred to in this preamble as the ''EPA'') proposed rules entitled ''Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Generating Units'' (79 Fed. Reg. 34830 (June 18, 2014)), and ''Carbon Pollution Standards for Modified and Reconstructed Stationary Sources: Electric Generating Units'' (79 Fed. Reg. 34960 (June 18, 2014)), in furtherance of the President's Climate Action Plan of June 2013;

Whereas the proposed rules would result in a Federal takeover of the electricity system of the United States leading to significant increases in electricity rates and additional energy costs for consumers and elimination of access to abundant, affordable power, putting the manufacturing of the United States at a competitive disadvantage, threatening the diversity and reliability of the electricity supply, and undermining energy security;

Whereas increased energy costs will, as always, fall most heavily on the elderly, the poor, and individuals on fixed incomes;

Whereas increased energy costs also result in job losses and damage families, businesses, and local institutions such as hospitals and schools;

Whereas in the haste of the Administration to drive coal and eventually natural gas from the energy generation portfolio, the Administration has gone beyond the plain reading of the Clean Air Act (42 U.S.C. 7401 et seq.), disregarding whether the EPA has the legal authority to propose and finalize rules and guidelines that include elements from the cap-and-trade program rejected by the United States Senate in June 2008;

Whereas including emissions sources beyond the power plant fence as opposed to only emissions sources inside the power plant fence creates a cap-and-trade program;

Whereas the President noted in the wake of the initial failure of the proposed cap-and-trade program, ''There are many ways to skin a cat'', demonstrating that the Administration seems determined to accomplish administratively what fails to be achieved through the legislative process;

Whereas at a time when manufacturers are shifting production from overseas to the United States and investing billions of dollars in the process, an Administration with a poor management record decided to embark on a plan that will result in energy rationing, pitting power plants against refineries, chemical plants, and paper mills for the ability to operate under the emissions requirements of the EPA;

Whereas after adopting similar carbon constraints, European countries experienced skyrocketing energy costs, economic decline, and a lower standard of living;

Whereas, on July 17, 2014, Australia repealed a carbon tax because Australia found that the carbon tax eliminated jobs, increased the cost of living for families, and did not benefit the environment;

Whereas the proposed rules mandate renewable energy use and initiate demand destruction to shrink energy production and usage, which will result in reduced economic opportunity at the State level, forcing States to pick winners and losers and choose between economic growth and energy affordability;

Whereas history demonstrates that at the end of the rulemaking process, the EPA will use its authority to constrain State preferences on program design, potentially even dictating policies that restrict when families of the United States can do laundry or run the air-conditioning;

Whereas impositions by the EPA almost guarantee that costs will be maximized and passed along to ratepayers, the size and scope of the Federal government will expand, and the role of the States in the system of cooperative federalism will continue to diminish;

Whereas the EPA failed to provide a complete assessment of the economic costs imposed by the proposed rules or the benefits that may result;

Whereas benefits from the proposed rules (as measured by reductions in global average temperature, reductions in the rate of sea level rise, increases in sea ice, or any other measurement related to climate change) will be essentially zero;

Whereas, in 2009, former EPA Administrator, Lisa Jackson testified that ''U.S. action alone would not impact world $CO_2$ levels.'';

Whereas on June 18, 2014, former EPA Administrator William Reilly testified that ''Absent action by China, Brazil, India and other fast-growing economies, what we do alone will not suffice.'';

Whereas China remains the largest emitter of carbon dioxide in the world with increasing emissions rates;

Whereas China continues to pursue aggressive economic growth, and estimates indicate that China will pass the United States as the largest economy in the world by 2016; and

Whereas while the Junior Senator from Massachusetts, now Secretary of State John Kerry, said ''[W]e need to have an agreement that does not leave enormous components of the world's contributors and future contributors of this problem out of the solution'': Now, therefore, be it

*Resolved,* That it is the sense of the Senate that—

(1) the proposed rule of the Environmental Protection Agency entitled ''Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Generating Units'' (79 Fed. Reg. 34830 (June 18, 2014)), should be withdrawn; and

(2) the proposed rule of the Environmental Protection Agency entitled ''Carbon Pollution Standards for Modified and Reconstructed Stationary Sources: Electric Generating Units'' (79 Fed. Reg. 34960 (June 18, 2014)), should be withdrawn.

### SENATE RESOLUTION 513—HONORING THE 70TH ANNIVERSARY OF THE WARSAW UPRISING

Ms. MIKULSKI (for herself, Mr. CARDIN, and Mr. RISCH) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 513

Whereas August 1, 2014, marks the 70th anniversary of the Warsaw Uprising, a heroic event during World War II during which citizens of Poland, against all odds, fought against the Nazi occupation of Warsaw;

Whereas, on August 1, 1944, the Polish Home Army, with limited supplies and armed with mostly homemade weapons, rose up against the Nazis to fight the nationwide occupation of Poland by Nazi Germany;

Whereas the Polish resistance fought German forces for 63 days, suffering extreme hardship, retribution, and personal sacrifice, and during which approximately 250,000 Poles were killed, wounded, or went missing;

Whereas Adolf Hilter ordered the destruction of Warsaw as punishment for the uprising, leaving 85 percent of the city of Warsaw in ruins, including many historical buildings and monuments;

Whereas the actions of the Polish resistance inspire people throughout the world who fight for freedom and democracy; and

Whereas the actions of the Polish people during the Warsaw Uprising were a significant contribution to Allied war efforts during World War II and those actions continue to be respected and remembered throughout Poland: Now therefore, be it

*Resolved,* That the Senate recognizes the 70th anniversary of the Warsaw Uprising, which occurred during World War II and serves as a symbol of heroism and the power of the human spirit.

### SENATE RESOLUTION 514—DESIGNATING THE WEEK OF AUGUST 10 THROUGH AUGUST 16, 2014, AS ''NATIONAL NURSE-MANAGED HEALTH CLINIC WEEK''

Mr. MERKLEY (for himself and Mr. ALEXANDER) submitted the following resolution; which was considered and agreed to:

S. RES. 514

Whereas nurse-managed health clinics are nonprofit, community-based health care sites that offer primary care and wellness services based on the nursing model;

Whereas the nursing model emphasizes the protection, promotion, and optimization of

health, the prevention of illness, the alleviation of suffering, and the diagnosis and treatment of illness;

Whereas nurse-managed health clinics are led by advanced practice nurses and staffed by an interdisciplinary team of highly qualified health care professionals;

Whereas nurse-managed health clinics offer a broad scope of services, including treatment for acute and chronic illnesses, routine physical exams, immunizations for adults and children, disease screenings, health education, prenatal care, dental care, and drug and alcohol treatment;

Whereas, as of March 2014, approximately 500 nurse-managed health clinics provided care across the United States and recorded more than 2,500,000 patient encounters annually;

Whereas nurse-managed health clinics serve a unique dual role as both health care safety net access points and health workforce development sites, given that the majority of nurse-managed health clinics are affiliated with schools of nursing and serve as clinical education sites for students entering the health profession;

Whereas nurse-managed health clinics strengthen the health care safety net by expanding access to primary care and chronic disease management services for vulnerable and medically underserved populations in diverse rural, urban, and suburban communities;

Whereas research has shown that nurse-managed health clinics experience high patient retention and patient satisfaction rates and nurse-managed health clinic patients experience higher rates of generic medication fills and lower hospitalization rates when compared to similar safety net providers;

Whereas the 2010 report of the Institute of Medicine entitled ''The Future of Nursing: Leading Change, Advancing Health,'' highlights the work nurse-managed health clinics are doing to reduce health disparities by bringing evidence-based care to individuals who may not otherwise receive needed services; and

Whereas nurse-managed health clinics offering both primary care and wellness services provide quality care in a cost-effective manner: Now, therefore, be it

*Resolved*, That the Senate—

(1) designates the week of August 10 through August 16, 2014, as ''National Nurse-Managed Health Clinic Week'';

(2) supports the ideals and goals of National Nurse-Managed Health Clinic Week; and

(3) encourages the continued support of nurse-managed health clinics so that nurse-managed health clinics may continue to serve as health care workforce development sites for the next generation of primary care providers.

## SENATE RESOLUTION 515—DESIGNATING JULY 24, 2014, AS ''INTERNATIONAL SELF-CARE DAY''

Mr. CASEY (for himself and Mr. ROBERTS) submitted the following resolution; which was considered and agreed to:

S. RES. 515

Whereas chronic diseases impose high costs in the United States in the forms of human capital, medical expenditures, and economic productivity;

Whereas chronic diseases are the leading cause of disability and death in the United States, and chronic diseases account for 7 out of 10 deaths in the United States;

Whereas approximately 25 percent of individuals with a chronic disease have some limitation on daily living activities and may be restricted from working or attending school;

Whereas chronic diseases account for $3 of every $4 spent on health care in the United States, including—

(1) $432,000,000,000 spent annually on heart disease and stroke;

(2) $174,000,000,000 spent annually on diabetes;

(3) $154,000,000,000 spent annually on lung disease; and

(4) $148,000,000,000 spent annually on Alzheimer's Disease;

Whereas the adoption of proactive healthy behaviors and lifestyles by individuals will materially reduce the burden of chronic diseases in the United States;

Whereas it is not possible to meet the enormous challenges presented by chronic diseases, the aging of the population, and other demographic changes without engaging individuals to be active participants in maintaining their health and well-being;

Whereas self-care can reduce the human and economic costs of chronic diseases, help individuals achieve better overall health, and prevent or delay many diseases;

Whereas self-care includes simple actions that individuals can take for themselves and their families to stay healthy, treat minor illnesses, and prevent or manage long-term conditions;

Whereas self-care entails a lifelong habit and culture of—

(1) making healthy lifestyle choices on a daily basis;

(2) practicing good hygiene to prevent infection and illness;

(3) avoiding unhealthy and risky actions;

(4) monitoring for signs and symptoms of changes in health;

(5) taking care of minor ailments; and

(6) knowing when to consult a doctor, pharmacist, or other health care professional;

Whereas individuals need greater access to tools that enable better self-care, including those that improve health literacy, promote good nutrition and overall wellness, facilitate physical activity, and prevent and manage chronic diseases;

Whereas over-the-counter medicines (commonly known as ''self-care medicines'' in other regions of the world) are some of the most important self-care tools, and help individuals improve wellness, treat everyday ailments, and prevent chronic diseases;

Whereas every $1 spent on over-the-counter medicines in the United States each year saves the health care system in the United States $6 to $7, accounting for $102,000,000,000 in annual savings relative to treatment alternatives;

Whereas self-care and the responsible use of over-the-counter medicines can help individuals avoid unnecessary visits to health care professionals, easing the burden on those health care professionals;

Whereas self-care empowers individuals with higher self-esteem, improves wellness, and reduces the use of health care services;

Whereas individuals in the United States have not sufficiently taken advantage of the potential of self-care to improve health, reduce the burden of chronic disease, and strengthen the sustainability of the health care system in the United States; and

Whereas achieving the full potential of self-care is the shared responsibility of consumers, policymakers, regulators, and health care professionals: Now, therefore, be it

*Resolved*, That the Senate—

(1) designates July 24, 2014, as ''International Self-Care Day'';

(2) recognizes the importance of improving awareness of self-care and the value self-care represents for the people of the United States;

(3) encourages patients, government officials, health care professionals, manufacturers and providers of medical products, and the media to use ''International Self-Care Day'' to highlight the benefits of self-care; and

(4) acknowledges that ''International Self-Care Day'' is recognized by health care organizations and parties with an interest in health care around the world.

## SENATE RESOLUTION 516—TO AUTHORIZE TESTIMONY, DOCUMENT PRODUCTION, AND REPRESENTATION IN STATE OF NORTH DAKOTA V. BEATRICE QUILL

Mr. REID of Nevada (for himself and Mr. MCCONNELL) submitted the following resolution; which was considered and agreed to:

S. RES. 516

Whereas, in the case of *State of North Dakota v. Beatrice Quill*, Crim. No. 08–2014–CR–01545, pending in South Central Judicial District Court in Bismarck, North Dakota, the prosecution has requested the production of testimony from two employees in the Bismarck, North Dakota office of Senator Heidi Heitkamp, and a video recording from that office;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent current or former employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate; and

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

*Resolved*, That Megan Carranza and Jane Opdahl, employees in the Office of Senator Heidi Heitkamp, and any other current or former employee of the Senator's office from whom relevant evidence may be necessary, are authorized to produce documents and provide testimony in the case of *State of North Dakota v. Beatrice Quill*, except concerning matters for which a privilege should be asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent employees of Senator Heitkamp's office in connection with the production of evidence authorized in section one of this resolution.

## AMENDMENTS SUBMITTED AND PROPOSED

SA 3582. Mr. WYDEN (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table.

SA 3583. Mr. CARPER (for himself, Mr. CORKER, and Mrs. BOXER) submitted an amendment intended to be proposed by him to the bill H.R. 5021, supra; which was ordered to lie on the table.

SA 3584. Mr. LEE submitted an amendment intended to be proposed by him to the bill H.R. 5021, supra; which was ordered to lie on the table.

SA 3585. Mr. TOOMEY submitted an amendment intended to be proposed by him to the bill H.R. 5021, supra; which was ordered to lie on the table.

SA 3586. Mr. VITTER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 3587. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3588. Mr. TESTER (for himself, Mr. WALSH, and Mr. PRYOR) submitted an amendment intended to be proposed by him to the bill S. 2410, to authorize appropriations for fiscal year 2015 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table.

SA 3589. Mr. DURBIN (for himself, Mr. BROWN, Mr. REED, Mr. SANDERS, Ms. WARREN, and Ms. BALDWIN) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 3590. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3591. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3592. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3593. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3594. Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3595. Mr. MORAN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3596. Mr. FLAKE submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3597. Mr. FLAKE submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3598. Mr. ENZI (for himself, Mr. BARRASSO, and Mr. PORTMAN) submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3599. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3600. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3601. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3602. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3603. Mr. BARRASSO (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3604. Mr. BARRASSO (for himself, Mr. INHOFE, and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3605. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3606. Mr. CRUZ submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3607. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3608. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3609. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3610. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3611. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3612. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3613. Mr. WARNER (for himself and Mr. BLUNT) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table.

SA 3614. Mr. SCOTT submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 3615. Mr. RUBIO submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3616. Mr. COONS (for himself and Mr. MORAN) submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3617. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3618. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3619. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3620. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3621. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3622. Mr. ISAKSON submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

SA 3623. Mr. CASEY (for Mr. KIRK) proposed an amendment to the resolution S. Res. 489, supporting the goals and ideals of ''Growth Awareness Week''.

SA 3624. Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 3625. Mr. BOOZMAN submitted an amendment intended to be proposed by him to the bill S. 2569, supra; which was ordered to lie on the table.

## TEXT OF AMENDMENTS

**SA 3582.** Mr. WYDEN (for himself and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

Strike title II and insert the following:

### TITLE II—REVENUE PROVISIONS

**SEC. 2001. SHORT TITLE, ETC.**

(a) SHORT TITLE.—This title may be cited as the ''Preserving America's Transit and Highways Act of 2014''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

### Subtitle A—Extension of Trust Fund Expenditure Authority

**SEC. 2011. EXTENSION OF TRUST FUND EXPENDITURE AUTHORITY.**

(a) HIGHWAY TRUST FUND.—Section 9503 is amended—

(1) by striking ''before October 1, 2014,'' in subsections (b)(6)(B), (c)(1), and (e)(3), and

(2) by striking ''MAP-21'' in subsections (c)(1) and (e)(3) and inserting ''Highway and Transportation Funding Act of 2014''.

(b) SPORT FISH RESTORATION AND BOATING TRUST FUND.—Section 9504 is amended—

(1) by striking ''MAP-21'' each place it appears in subsection (b)(2) and inserting ''Highway and Transportation Funding Act of 2014'', and

(2) by striking ''before October 1, 2014,'' in subsection (d)(2).

(c) LEAKING UNDERGROUND STORAGE TANK TRUST FUND.—Paragraph (2) of section 9508(e) is amended by striking ''before October 1, 2014,''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SEC. 2012. FURTHER APPROPRIATIONS TO TRUST FUND.**

Subsection (f) of section 9503 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

''(5) FURTHER APPROPRIATIONS TO TRUST FUND.—For fiscal year 2014, out of money in the Treasury not otherwise appropriated, there is hereby appropriated, in addition to any amounts under paragraph (4), to—

''(A) the Highway Account (as defined in subsection (e)(5)(B)) in the Highway Trust Fund, $7,824,000,000, and

''(B) the Mass Transit Account of the Highway Trust Fund, $2,000,000,000.''.

**Subtitle B—Other Revenue Provisions**

**SEC. 2021. ADDITIONAL INFORMATION ON RETURNS RELATING TO MORTGAGE INTEREST.**

(a) IN GENERAL.—Paragraph (2) of section 6050H(b) is amended by striking ''and'' at the end of subparagraph (C), by redesignating subparagraph (D) as subparagraph (I), and by inserting after subparagraph (C) the following new subparagraphs:

''(D) the unpaid balance with respect to such mortgage at the close of the calendar year,

''(E) the address of the property securing such mortgage,

''(F) information with respect to whether the mortgage is a refinancing that occurred in such calendar year,

''(G) the amount of real estate taxes paid from an escrow account with respect to the property securing such mortgage,

''(H) the date of the origination of such mortgage, and''.

(b) PAYEE STATEMENTS.—Subsection (d) of section 6050H is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by inserting after paragraph (2) the following new paragraph:

''(3) the information required to be included on the return under subparagraphs (D), (E), (F), (G) and (H) of subsection (b)(2).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which (determined without regard to extensions) is after December 31, 2015.

**SEC. 2022. CLARIFICATION OF 6-YEAR STATUTE OF LIMITATIONS IN CASE OF OVERSTATEMENT OF BASIS.**

(a) IN GENERAL.—Subparagraph (B) of section 6501(e)(1) is amended—

(1) by striking ''and'' at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

''(ii) An understatement of gross income by reason of an overstatement of unrecovered cost or other basis is an omission from gross income; and'',

(2) by inserting ''(other than in the case of an overstatement of unrecovered cost or other basis)'' in clause (iii) (as so redesignated) after ''In determining the amount omitted from gross income'', and

(3) by inserting ''AMOUNT OMITTED FROM'' after ''DETERMINATION OF'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) returns filed after the date of the enactment of this Act, and

(2) returns filed on or before such date if the period specified in section 6501 of the Internal Revenue Code of 1986 (determined without regard to such amendments) for assessment of the taxes with respect to which such return relates has not expired as of such date.

**SEC. 2023. ADDITIONAL TRANSFER FROM THE LEAKING UNDERGROUND STORAGE TANK TRUST FUND TO THE HIGHWAY TRUST FUND.**

(a) IN GENERAL.—Subsection (c) of section 9508 is amended—

(1) in paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)'', and

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

''(3) ADDITIONAL TRANSFER TO HIGHWAY TRUST FUND.—Out of amounts in the Leaking Underground Storage Tank Trust Fund there is hereby appropriated $1,000,000,000 to be transferred under section 9503(f)(3) to the Highway Account (as defined in section 9503(e)(5)(B)) in the Highway Trust Fund.''.

(b) TRANSFER TO HIGHWAY TRUST FUND.—Paragraph (3) of section 9503(f) is amended by striking ''section 9508(c)(2).'' and inserting ''paragraphs (2) and (3) of section 9508(c).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SEC. 2024. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NATURAL GAS AND LIQUEFIED PETROLEUM GAS.**

(a) LIQUEFIED PETROLEUM GAS.—

(1) IN GENERAL.—Subparagraph (B) of section 4041(a)(2) is amended by striking ''and'' at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

''(ii) in the case of liquefied petroleum gas, 18.3 cents per energy equivalent of a gallon of gasoline, and''.

(2) ENERGY EQUIVALENT OF A GALLON OF GASOLINE.—Paragraph (2) of section 4041(a) is amended by adding at the end the following:

''(C) ENERGY EQUIVALENT OF A GALLON OF GASOLINE.—For purposes of this paragraph, the term 'energy equivalent of a gallon of gasoline' means, with respect to a liquefied petroleum gas fuel, the amount of such fuel having a Btu content of 115,400 (lower heating value).''.

(b) LIQUEFIED NATURAL GAS.—

(1) IN GENERAL.—Subparagraph (B) of section 4041(a)(2), as amended by subsection (a)(1), is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'' and by inserting after clause (iii) the following new clause:

''(iv) in the case of liquefied natural gas, 24.3 cents per energy equivalent of a gallon of diesel.''.

(2) ENERGY EQUIVALENT OF A GALLON OF DIESEL.—Paragraph (2) of section 4041(a), as amended by subsection (a)(2), is amended by adding at the end the following:

''(D) ENERGY EQUIVALENT OF A GALLON OF DIESEL.—For purposes of this paragraph, the term 'energy equivalent of a gallon of diesel' means, with respect to a liquefied natural gas fuel, the amount of such fuel having a Btu content of 128,700 (lower heating value).''.

(3) CONFORMING AMENDMENTS.—Section 4041(a)(2)(B)(iv), as redesignated by subsection (a)(1) and paragraph (1), is amended—

(A) by striking ''liquefied natural gas,'', and

(B) by striking ''peat), and'' and inserting ''peat) and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any sale or use of fuel after September 30, 2014.

**SEC. 2025. CLARIFICATION OF THE NORMAL RETIREMENT AGE.**

(a) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 204 of the Employee Retirement Income Security Act of 1974 is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

''(k) SPECIAL RULE FOR DETERMINING NORMAL RETIREMENT AGE FOR CERTAIN EXISTING DEFINED BENEFIT PLANS.—

''(1) IN GENERAL.—Notwithstanding section 3(24), an applicable plan shall not be treated as failing to meet any requirement of this title, or as failing to have a uniform normal retirement age for purposes of this title, solely because the plan provides for a normal retirement age described in paragraph (2).

''(2) APPLICABLE PLAN.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'applicable plan' means a defined benefit plan the terms of which, on or before June 25, 2014, provided for a normal retirement age which is the earlier of—

''(i) an age otherwise permitted under section 3(24), or

''(ii) the age at which a participant completes the number of years (not less than 30 years) of benefit accrual service specified by the plan.

A plan shall not fail to be treated as an applicable plan solely because the normal retirement age described in the preceding sentence only applied to certain participants or only applied to employees of certain employers in the case of a plan maintained by more than 1 employer.

''(B) EXPANDED APPLICATION.—Subject to subparagraph (C), if, after June 25, 2014, an applicable plan is amended to expand the application of the normal retirement age described in subparagraph (A) to additional participants or to employees of additional employers maintaining the plan, such plan shall also be treated as an applicable plan with respect to such participants or employees.

''(C) LIMITATION ON EXPANDED APPLICATION.—A defined benefit plan shall be an applicable plan only with respect to an individual who—

''(i) is a participant in the plan on or before January 1, 2017, or

''(ii) is an employee at any time on or before January 1, 2017, of any employer maintaining the plan, and who becomes a participant in such plan after such date.''.

(b) AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.—Section 411 is amended by adding at the end the following new subsection:

''(f) SPECIAL RULE FOR DETERMINING NORMAL RETIREMENT AGE FOR CERTAIN EXISTING DEFINED BENEFIT PLANS.—

''(1) IN GENERAL.—Notwithstanding subsection (a)(8), an applicable plan shall not be treated as failing to meet any requirement of this subchapter, or as failing to have a uniform normal retirement age for purposes of this subchapter, solely because the plan provides for a normal retirement age described in paragraph (2).

''(2) APPLICABLE PLAN.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'applicable plan' means a defined benefit plan the terms of which, on or before June 25, 2014, provided for a normal retirement age which is the earlier of—

''(i) an age otherwise permitted under subsection (a)(8), or

''(ii) the age at which a participant completes the number of years (not less than 30 years) of benefit accrual service specified by the plan.

A plan shall not fail to be treated as an applicable plan solely because the normal retirement age described in the preceding sentence only applied to certain participants or only applied to employees of certain employers in the case of a plan maintained by more than 1 employer.

''(B) EXPANDED APPLICATION.—Subject to subparagraph (C), if, after June 25, 2014, an applicable plan is amended to expand the application of the normal retirement age described in subparagraph (A) to additional participants or to employees of additional employers maintaining the plan, such plan shall also be treated as an applicable plan with respect to such participants or employees.

''(C) LIMITATION ON EXPANDED APPLICATION.—A defined benefit plan shall be an applicable plan only with respect to an individual who—

''(i) is a participant in the plan on or before January 1, 2017, or

''(ii) is an employee at any time on or before January 1, 2017, of any employer maintaining the plan, and who becomes a participant in such plan after such date.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to all periods before, on, and after the date of enactment of this Act.

**SEC. 2026. PENALTY FOR FAILURE TO MEET DUE DILIGENCE REQUIREMENTS FOR THE CHILD TAX CREDIT.**

(a) IN GENERAL.—Section 6695 is amended by adding at the end the following new subsection:

''(h) FAILURE TO BE DILIGENT IN DETERMINING ELIGIBILITY FOR CHILD TAX CREDIT.—Any person who is a tax return preparer with respect to any return or claim for refund who fails to comply with due diligence requirements imposed by the Secretary by regulations with respect to determining eligibility for, or the amount of, the credit allowable by section 24 shall pay a penalty of $500 for each such failure.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

**SEC. 2027. FUNDING STABILIZATION.**

(a) FUNDING STABILIZATION UNDER THE INTERNAL REVENUE CODE OF 1986.—The table in subclause (II) of section 430(h)(2)(C)(iv) is amended to read as follows:

| ''If the calendar year is: | The applicable minimum percentage is: | The applicable maximum percentage is: |
|---|---|---|
| 2012, 2013, 2014, or 2015 | 90% | 110% |
| 2016 | 85% | 115% |
| 2017 | 80% | 120% |
| 2018 | 75% | 125% |
| After 2018 | 70% | 130%''. |

(b) FUNDING STABILIZATION UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—The table in subclause (II) of section 303(h)(2)(C)(iv) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(h)(2)(C)(iv)) is amended to read as follows:

| ''If the calendar year is: | The applicable minimum percentage is: | The applicable maximum percentage is: |
|---|---|---|
| 2012, 2013, 2014, or 2015 | 90% | 110% |
| 2016 | 85% | 115% |
| 2017 | 80% | 120% |
| 2018 | 75% | 125% |
| After 2018 | 70% | 130%''. |

(2) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Section 101(f)(2)(D) of such Act (29 U.S.C. 1021(f)(2)(D)) is amended—

(i) in clause (i) by inserting ''and Preserving America's Transit and Highways Act of 2014'' after ''MAP-21'' both places it appears, and

(ii) in clause (ii) by striking ''2015'' and inserting ''2018''.

(B) STATEMENTS.—The Secretary of Labor shall modify the statements required under subclauses (I) and (II) of section 101(f)(2)(D)(i) of such Act to conform to the amendments made by this section.

(c) STABILIZATION NOT TO APPLY FOR PURPOSES OF CERTAIN ACCELERATED BENEFIT DISTRIBUTION RULES.—

(1) INTERNAL REVENUE CODE OF 1986.—The second sentence of paragraph (2) of section 436(d) is amended by striking ''of such plan'' and inserting ''of such plan (determined by not taking into account any adjustment of segment rates under section 430(h)(2)(C)(iv))''.

(2) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—The second sentence of subparagraph (B) of section 206(g)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(g)(3)(B)) is amended by striking ''of such plan'' and inserting ''of such plan (determined by not taking into account any adjustment of segment rates under section 303(h)(2)(C)(iv))''.

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to plan years beginning after December 31, 2014.

(B) COLLECTIVELY BARGAINED PLANS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements, the amendments made by this subsection shall apply to plan years beginning after December 31, 2015.

(4) PROVISIONS RELATING TO PLAN AMENDMENTS.—

(A) IN GENERAL.—If this paragraph applies to any amendment to any plan or annuity contract, such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subparagraph (B)(ii).

(B) AMENDMENTS TO WHICH PARAGRAPH APPLIES.—

(i) IN GENERAL.—This paragraph shall apply to any amendment to any plan or annuity contract which is made—

(I) pursuant to the amendments made by this subsection, or pursuant to any regulation issued by the Secretary of the Treasury or the Secretary of Labor under any provision as so amended, and

(II) on or before the last day of the first plan year beginning on or after January 1, 2016, or such later date as the Secretary of the Treasury may prescribe.

(ii) CONDITIONS.—This subsection shall not apply to any amendment unless, during the period—

(I) beginning on the date that the amendments made by this subsection or the regulation described in clause (i)(I) takes effect (or in the case of a plan or contract amendment not required by such amendments or such regulation, the effective date specified by the plan), and

(II) ending on the date described in clause (i)(II) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and such plan or contract amendment applies retroactively for such period.

(C) ANTI-CUTBACK RELIEF.—A plan shall not be treated as failing to meet the requirements of section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U. S. C. 1054(g)) and section 411(d)(6) of the Internal Revenue Code of 1986 solely by reason of a plan amendment to which this paragraph applies.

(d) MODIFICATION OF FUNDING TARGET DETERMINATION PERIODS.—

(1) INTERNAL REVENUE CODE OF 1986.—Clause (i) of section 430(h)(2)(B) is amended by striking ''the first day of the plan year'' and inserting ''the valuation date for the plan year''.

(2) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Clause (i) of section 303(h)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(h)(2)(B)(i)) is amended by striking ''the first day of the plan year'' and inserting ''the valuation date for the plan year''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), and (d) shall apply with respect to plan years beginning after December 31, 2012.

(2) ELECTIONS.—A plan sponsor may elect not to have the amendments made by subsections (a), (b), and (d) apply to any plan year beginning before January 1, 2014, either (as specified in the election)—

(A) for all purposes for which such amendments apply, or

(B) solely for purposes of determining the adjusted funding target attainment percentage under sections 436 of the Internal Revenue Code of 1986 and 206(g) of the Employee Retirement Income Security Act of 1974 for such plan year.

A plan shall not be treated as failing to meet the requirements of section 204(g) of such Act (29 U. S. C. 1054(g)) and section 411(d)(6) of such Code solely by reason of an election under this paragraph.

**SEC. 2028. MERCHANDISE PROCESSING FEES.**

(a) RATE INCREASE.—For the period beginning on July 1, 2021, and ending on September 30, 2024, section 13031(a)(9) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)) shall be applied and administered by substituting ''0.3464'' for ''0.21'' each place it appears.

(b) EXTENSION.—Section 13031(j)(3)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(A)) is amended by striking ''September 30, 2023'' and inserting ''January 7, 2024''.

**SEC. 2029. 100 PERCENT CONTINUOUS LEVY ON PAYMENT TO MEDICARE PROVIDERS AND SUPPLIERS.**

(a) IN GENERAL.—Paragraph (3) of section 6331(h) is amended by striking the period at the end and inserting '', or to a Medicare provider or supplier under title XVIII of the Social Security Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made on or after the date which is 6 months after the date of the enactment of this Act.

**SEC. 2030. MODIFICATION OF TAX EXEMPTION REQUIREMENTS FOR MUTUAL DITCH OR IRRIGATION COMPANIES.**

(a) IN GENERAL.—Paragraph (12) of section 501(c) is amended by adding at the end the following new subparagraph:

''(I) TREATMENT OF MUTUAL DITCH IRRIGATION COMPANIES.—

''(i) IN GENERAL.—In the case of a mutual ditch or irrigation company or of a like organization to a mutual ditch or irrigation company, subparagraph (A) shall be applied without taking into account any income received or accrued—

''(I) from the sale, lease, or exchange of fee or other interests in real property, including interests in water,

''(II) from the sale or exchange of stock in a mutual ditch or irrigation company (or in a like organization to a mutual ditch or irrigation company) or contract rights for the delivery or use of water, or

''(III) from the investment of proceeds from sales, leases, or exchanges under subclauses (I) and (II),

except that any income received under subclause (I), (II), or (III) which is distributed or expended for expenses (other than for operations, maintenance, and capital improvements) of the mutual ditch or irrigation company or of the like organization to a mutual ditch or irrigation company (as the case may be) shall be treated as nonmember income in the year in which it is distributed or expended. For purposes of the preceding sentence, expenses (other than for operations, maintenance, and capital improvements) include expenses for the construction of conveyances designed to deliver water outside of the system of the mutual ditch or irrigation company or of the like organization.

''(ii) TREATMENT OF ORGANIZATIONAL GOVERNANCE.—In the case of a mutual ditch or irrigation company or of a like organization to a mutual ditch or irrigation company, where State law provides that such a company or organization may be organized in a manner that permits voting on a basis which is pro rata to share ownership on corporate governance matters, subparagraph (A) shall be applied without taking into account whether its member shareholders have one vote on corporate governance matters per share held in the corporation. Nothing in this clause shall be construed to create any inference about the requirements of this subsection for companies or organizations not included in this clause.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

**SEC. 2031. SENSE OF THE SENATE RELATING TO THE NEED FOR LONG-TERM TRANSPORTATION FUNDING BILL.**

(a) FINDINGS.—The Senate finds the following:

(1) The Highway Trust Fund is projected to become insolvent before the end of fiscal year 2014.

(2) The user-fee principle upon which the Highway Trust Fund was established is eroding as demonstrated by the fact that since 2008 Congress has transferred $54,000,000,000 from the general fund to the Highway Trust Fund.

(3) The gas tax and diesel tax, which are the primary funding mechanisms for the Highway Trust Fund, have not been increased since 1993 and are not indexed for inflation.

(4) Highway Trust Fund revenues have not kept pace with the infrastructure needs of the United States, in significant part due to a decline in miles driven, a decline in the purchasing power of highway excise taxes, and increased fuel efficiency.

(5) In 2013, according to the World Economic Forum Report on Global Competitiveness, the United States was ranked 25th globally in overall infrastructure quality.

(6) Short-term surface transportation extensions increase costs of transportation projects, limit the ability of State and local governments to plan infrastructure improvement, and ultimately have resulted in the degradation of infrastructure of the United States.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) any long-term transportation reauthorization bill should at a minimum fund infrastructure spending levels established in Senate authorizing legislation through fiscal year 2020; and

(2) the Committee on Finance of the Senate and other relevant committees of jurisdiction should work diligently to produce long-term surface transportation reauthorization legislation expeditiously.

**Subtitle C—Budgetary Provisions**

**SEC. 2041. UNUSED EARMARKS.**

(a) DEFINITIONS.—In this section—

(1) the term ''earmark'' means—

(A) a congressionally directed spending item, as defined in rule XLIV of the Standing Rules of the Senate; and

(B) a congressional earmark, as defined in rule XXI of the Rules of the House of Representatives; and

(2) the term ''unused DOT earmark'' means an earmark of funds for the Department of Transportation for a Federal-aid highway or highway safety construction program provided in an Act other than an appropriation Act for which—

(A) funds were first made available for any fiscal year before fiscal year 2005;

(B) as of September 30, 2014, more than 90 percent of the dollar amount of the earmark of funds remains available for obligation; and

(C) no amounts from the earmark of funds were expended during fiscal year 2013 or 2014.

(b) RESCISSION OF UNUSED DOT EARMARKS.—

(1) IN GENERAL.—Except as provided in paragraph (2), effective on September 30, 2014, all unobligated amounts made available under an unused DOT earmark are rescinded.

(2) EXCEPTIONS.—

(A) DELAY BY SECRETARY.—

(i) IN GENERAL.—The Secretary of Transportation may delay the rescission of amounts made available under an unused DOT earmark under paragraph (1) if the Secretary determines that an additional obligation of amounts from the earmark of funds is likely to occur during fiscal year 2015.

(ii) EARMARK FUNDS NOT USED.—For an unused DOT earmark for which the Secretary of Transportation delayed rescission under clause (i), if no amounts from the earmark of funds are obligated during fiscal year 2015, effective on October 1, 2015, all unobligated amounts made available under the unused DOT earmark are rescinded.

(B) WRITTEN REQUEST BY RECIPIENTS.—Amounts made available under an unused DOT earmark shall not be rescinded under paragraph (1) if, before September 30, 2014, the recipient of the unused DOT earmark notifies the Secretary of Transportation in writing that—

(i) the project to be carried out using the unused DOT earmark is a priority project for the recipient; and

(ii) the recipient intends to spend the amounts made available for the project to be carried out using the unused DOT earmark.

(c) DOT EARMARK IDENTIFICATION AND REPORT.—

(1) IDENTIFICATION.—The Secretary of Transportation shall identify and submit to the Director of the Office of Management and Budget an annual report regarding every Federal-aid highway or highway safety construction program of the Department of Transportation for which—

(A) amounts are made available under an earmark provided in an Act other than an appropriation Act; and

(B) as of the end of a fiscal year, unobligated balances remain available.

(2) ANNUAL REPORT.—The Director of the Office of Management and Budget shall submit to Congress and publically post on the website of the Office of Management and Budget an annual report that includes a listing and accounting for earmarks for a Federal-aid highway or highway safety construction program of the Department of Transportation provided in an Act other than an appropriation Act for which unobligated balances remain available, which shall include, for each earmark—

(A) the amount of funds made available under the original earmark;

(B) the amount of the unobligated balances that remain available;

(C) the fiscal year through which the funds are made available, if applicable; and

(D) recommendations and justifications for whether the earmark should be rescinded or retained in the next fiscal year.

**SEC. 2042. TREATMENT FOR PAYGO PURPOSES.**

(a) PAYGO SCORECARD.—The budgetary effects of this Act and the amendments made by this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C. 933(d)).

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act and the amendments made by this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con. Res. 21 (110th Congress).

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**SA 3583.** Mr. CARPER (for himself, Mr. CORKER, and Mrs. BOXER) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

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 ''Highway and Transportation Funding Act of 2014''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—SURFACE TRANSPORTATION PROGRAM EXTENSION

Subtitle A—Federal-aid Highways

Sec. 1001. Extension of Federal-aid highway programs.

Subtitle B—Extension of Highway Safety Programs

Sec. 1101. Extension of National Highway Traffic Safety Administration highway safety programs.
Sec. 1102. Extension of Federal Motor Carrier Safety Administration programs.
Sec. 1103. Dingell-Johnson Sport Fish Restoration Act.

Subtitle C—Public Transportation Programs

Sec. 1201. Public transportation programs continuation.

Subtitle D—Hazardous Materials

Sec. 1301. Extension of hazardous materials programs.

TITLE II—REVENUE PROVISIONS

Sec. 2001. Extension of Highway Trust Fund expenditure authority.
Sec. 2002. Funding of Highway Trust Fund.
Sec. 2003. Additional information on returns relating to mortgage interest.
Sec. 2004. Penalty for failure to meet due diligence requirements for the child tax credit.
Sec. 2005. Clarification of 6-year statute of limitations in case of overstatement of basis.
Sec. 2006. 100 percent continuous levy on payment to medicare providers and suppliers.

Sec. 2007. Modification of tax exemption requirements for mutual ditch or irrigation companies.
Sec. 2008. Equalization of excise tax on liquefied natural gas and liquefied petroleum gas.
Sec. 2009. Extension of customs user fees.
TITLE III—BUDGETARY PROVISIONS
Sec. 301. Treatment for PAYGO purposes.

**SEC. 2. DEFINITIONS.**

In this Act and the amendments made by this Act:

(1) MAP-21.—The term ''MAP-21'' means the Moving Ahead for Progress in the 21st Century Act (Public Law 112–141; 126 Stat. 405).

(2) PART-YEAR EXTENSION PERIOD.—The term ''Part-Year Extension Period'' means the period beginning on October 1, 2014, and ending on the Part-Year Funding Date.

(3) PART-YEAR FUNDING DATE.—The term ''Part-Year Funding Date'' means December 19, 2014.

(4) PART-YEAR RATIO.—The term ''Part-Year Ratio'' means the ratio calculated by dividing—

(A) the number of days included in the period beginning on October 1, 2014, and ending on the Part-Year Funding Date; by

(B) 365.

(5) SAFETEA-LU.—The term ''SAFETEA-LU'' means the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109–59; 119 Stat. 1144).

## TITLE I—SURFACE TRANSPORTATION PROGRAM EXTENSION

### Subtitle A—Federal-aid Highways

**SEC. 1001. EXTENSION OF FEDERAL-AID HIGHWAY PROGRAMS.**

(a) IN GENERAL.—Except as otherwise provided in this subtitle, requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under divisions A and E of MAP-21 (Public Law 112–141), the SAFETEA-LU Technical Corrections Act of 2008 (Public Law 110–244), titles I, V, and VI of SAFETEA-LU (Public Law 109–59), titles I and V of the Transportation Equity Act for the 21st Century (Public Law 105–178), the National Highway System Designation Act of 1995 (Public Law 104–59), titles I and VI of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240), and title 23, United States Code (excluding chapter 4 of that title), that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the Part-Year Extension Period a sum equal to—

(1) the total amount authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for programs, projects, and activities for fiscal year 2014 under divisions A and E of MAP-21 and title 23, United States Code (excluding chapter 4 of that title); multiplied by

(2) the Part-Year Ratio.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Except as otherwise expressly provided in this title, funds authorized to be appropriated under subsection (b) for the Part-Year Extension Period shall be distributed, administered, limited, and made available for obligation in the same manner and in the same amounts (as calculated using the Part-Year Ratio) as the funds authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for fiscal year 2014 to carry out programs, projects, activities, eligibilities, and requirements under—

(A) MAP-21 (Public Law 112–141);

(B) the SAFETEA-LU Technical Corrections Act of 2008 (Public Law 110–244);

(C) SAFETEA-LU (Public Law 109–59);

(D) the Transportation Equity Act for the 21st Century (Public Law 105–178);

(E) the National Highway System Designation Act of 1995 (Public Law 104–59);

(F) the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240); and

(G) title 23, United States Code (excluding chapter 4 of that title).

(2) CONTRACT AUTHORITY.—Funds authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) under this section shall be—

(A) available for obligation and shall be administered in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code; and

(B) for the Part-Year Extension Period, except as provided in paragraph (3)(B), subject to the limitation on obligations for Federal-aid highways and highway safety construction programs for fiscal year 2015 in paragraph (3)(A) or an Act making appropriations for fiscal year 2015 or a portion of that fiscal year.

(3) OBLIGATION CEILING.—

(A) IN GENERAL.—In the absence of an Act making appropriations for fiscal year 2015 or a portion of that fiscal year—

(i) the annual limitation on obligations for Federal-aid highway and highway safety construction programs for fiscal year 2015 shall be equal to that of fiscal year 2014; and

(ii) the limitation on obligations shall be distributed and funding shall be exempt from the limitation on obligations in the same manner as for fiscal year 2014

(B) APPLICATION DURING PART-YEAR EXTENSION PERIOD.—

(i) LIMITATION ON OBLIGATIONS.—During the Part-Year Extension Period, obligations subject to the limitation described in paragraph (2)(B) shall not exceed—

(I) the annual limitation on obligations imposed under that paragraph; multiplied by

(II) the Part-Year Ratio.

(ii) EXEMPT NHPP FUNDS.—During the Part-Year Extension Period, the amount of funds under section 119 of title 23, United States Code, that is exempt from the limitation on obligations imposed under paragraph (2)(B) shall be—

(I) $639,000,000; multiplied by

(II) the Part-Year Ratio.

(C) CALCULATIONS FOR DISTRIBUTION OF OBLIGATION LIMITATION.—The Secretary of Transportation shall, as necessary for purposes of making the calculations for the distribution of any obligation limitation during the Part-Year Extension Period—

(i) annualize the amount of contract authority provided under this Act for Federal-aid highways and highway safety construction programs; and

(ii) multiply the resulting distribution of obligation limitation by either the Part-Year Ratio or the pro rata for the period of an Act making appropriations for a portion of fiscal year 2015, whichever is applicable.

### Subtitle B—Extension of Highway Safety Programs

**SEC. 1101. EXTENSION OF NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION HIGHWAY SAFETY PROGRAMS.**

(a) IN GENERAL.—Except as otherwise provided in this section, requirements, authorities, conditions, and other provisions authorized under subtitle A of title I of division C of MAP-21 (Public Law 112–141), section 2009 of SAFETEA-LU (23 U.S.C. 402 note; Public Law 109–59), and chapter 4 of title 23, United States Code, that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the Part-Year Extension Period a sum equal to—

(1) the total amount authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for programs, projects, and activities for fiscal year 2014 under subtitle A of title I of division C of MAP-21 (Public Law 112–141), section 2009 of SAFETEA-LU (23 U.S.C. 402 note; Public Law 109–59), and chapter 4 of title 23, United States Code; multiplied by

(2) the Part-Year Ratio.

(c) USE OF FUNDS.—Funds authorized to appropriated or made available for obligation under the authority of this section shall be distributed, administered, and made available for obligation in the same manner and at the same rate as funds authorized to be appropriated or made available for fiscal year 2014 to carry out programs, projects and activities under—

(1) subtitle A of title I of division C of MAP-21 (Public Law 112–141);

(2) section 2009 of SAFETEA-LU (23 U.S.C. 402 note; Public Law 109–59); and

(3) chapter 4 of title 23, United States Code.

(d) CONTRACT AUTHORITY.—Section 31101(c) of MAP-21 (126 Stat. 733) is amended by striking ''fiscal years 2013 and 2014'' and inserting ''fiscal years 2013, 2014, and 2015''.

(e) LAW ENFORCEMENT CAMPAIGNS.—Section 2009(a) of SAFETEA-LU (23 U.S.C. 402 note; Public Law 109–59) is amended by striking ''fiscal years 2013 and 2014'' each place it appears and inserting ''fiscal years 2013, 2014, and 2015''.

**SEC. 1102. EXTENSION OF FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION PROGRAMS.**

(a) EXTENSION OF PROGRAMS.—Except as otherwise provided in this section, requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under title II of division C of MAP-21 (Public Law 112–141), title IV of SAFETEA-LU (Public Law 109–59), and part B of subtitle VI of title 49, United States Code, that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) for the period beginning October 1, 2014, and ending on the Part-Year Funding Date, a sum equal to—

(1) the total amount authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) for programs, projects, and activities for fiscal year 2014 under title II of division C of MAP-21 (Public Law 112–141), title IV of SAFETEA-LU (Public Law 109–59), and part B of subtitle VI of title 49, United States Code; multiplied by

(2) the Part-Year Ratio.

(c) CONTRACT AUTHORITY.—Funds authorized to be appropriated under this section shall be available for obligation and shall be administered in the same manner as if the funds were authorized by section 4101 of SAFETEA-LU (Public Law 109–59) and amendments made by that section, as amended by section 32603 of MAP-21 (Public Law 112–141), or authorized by section 31104 of title 49, United States Code.

(d) USE OF FUNDS.—Funds authorized to be appropriated or made available for obligation and expended under the authority of this section shall be distributed, administered, limited, and made available for obligation in the same manner and at the same

rate as funds authorized to be appropriated or made available for fiscal year 2014 to carry out programs, projects, activities, eligibilities, and requirements under—

(1) title II of division C of MAP-21 (Public Law 112–141);

(2) title IV of SAFETEA-LU (Public Law 109–59); and

(3) part B of subtitle VI of title 49, United States Code.

**SEC. 1103. DINGELL-JOHNSON SPORT FISH RESTORATION ACT.**

Section 4 of the Dingell-Johnson Sport Fish Restoration Act (16 U.S.C. 777c) is amended—

(1) in subsection (a) in the matter preceding paragraph (1) by striking ''2014'' and inserting ''2015''; and

(2) in subsection (b)(1)(A) in the first sentence by striking ''2014'' and inserting ''2015''.

**Subtitle C—Public Transportation Programs**

**SEC. 1201. PUBLIC TRANSPORTATION PROGRAMS CONTINUATION.**

(a) EXTENSION FOR PUBLIC TRANSPORTATION PROGRAMS.—Except as otherwise provided in this section, requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under division B of MAP-21 (Public Law 112–141) and chapter 53 of title 49, United States Code, that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) MASS TRANSIT ACCOUNT.—There shall be available from the Mass Transit Account of the Highway Trust Fund for the Part-Year Extension Period, a sum equal to—

(A) the total amount authorized to be appropriated out of the Mass Transit Account of the Highway Trust Fund for programs, projects, and activities for fiscal year 2014 authorized under division B of MAP-21 (Public Law 112–141) and under chapter 53 of title 49, United States Code; multiplied by

(B) the Part-Year Ratio.

(2) GENERAL FUND.—There is authorized to be appropriated from the general fund of the Treasury for the period beginning October 1, 2014, and ending on the Part-Year Funding Date, a sum equal to—

(A) the total amount authorized to be appropriated from the general fund of the Treasury for programs, projects, and activities for fiscal year 2014 under division B of MAP–21 (Public Law 112–141) and under chapter 53 of title 49, United States Code; multiplied by

(B) the Part-Year Ratio.

(c) CONTRACT AUTHORITY.—Funds made available under this section from the Mass Transit Account of the Highway Trust Fund shall be available for obligation in the same manner as set forth in section 5338(j)(1) of title 49, United States Code.

(d) USE OF FUNDS.—Funds authorized to appropriated or made available for obligation and expended under the authority of this section shall be distributed, administered, limited, and made available for obligation in the same manner and at the same rate as funds authorized to be appropriated or made available for fiscal year 2014 to carry out programs, projects, activities, eligibilities, and requirements under division B of MAP–21 (Public Law 112–141) and chapter 53 of title 49, United States Code.

(e) DISTRIBUTION OF FUNDS UNDER DIVISION B OF MAP-21.—Funds authorized to be appropriated or made available for programs continued under this section shall be distributed to those programs in the same proportion as funds were allocated for those programs for fiscal year 2014.

**Subtitle D—Hazardous Materials**

**SEC. 1301. EXTENSION OF HAZARDOUS MATERIALS PROGRAMS.**

(a) EXTENSION OF PROGRAMS.—Except as otherwise provided in this section, requirements, authorities, conditions, eligibilities, limitations, and other provisions authorized under title III of division C of MAP–21 (Public Law 112–141) and chapter 51 of title 49, United States Code, that would otherwise expire on or cease to apply after September 30, 2014, are incorporated by reference and shall continue in effect through the Part-Year Extension Period.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated from the general fund of the Treasury and the Hazardous Materials Emergency Preparedness Fund established under section 5116(i) of title 49, United States Code, for the period beginning October 1, 2014, and ending on the Part-Year Funding Date, an amount equal to—

(1) the total amount authorized to be appropriated from the general fund of the Treasury and the Hazardous Materials Emergency Preparedness Fund for programs, projects, and activities for fiscal year 2014 under title III of division C of MAP-21 (Public Law 112–141) and chapter 51 of title 49, United States Code; multiplied by

(2) the Part-Year Ratio.

(c) USE OF FUNDS.—Funds authorized to be appropriated or made available for obligation and expended under the authority of this section shall be distributed, administered, limited, and made available for obligation in the same manner and at the same rate as funds authorized to be appropriated or made available for fiscal year 2014 to carry out programs, projects, activities, eligibilities, and requirements under title III of division C of MAP–21 (Public Law 112–141) and chapter 51 of title 49, United States Code.

**TITLE II—REVENUE PROVISIONS**

**SEC. 2001. EXTENSION OF HIGHWAY TRUST FUND EXPENDITURE AUTHORITY.**

(a) HIGHWAY TRUST FUND.—Section 9503 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''October 1, 2014'' in subsections (b)(6)(B), (c)(1), and (e)(3) and inserting ''December 20, 2014'', and

(2) by striking ''MAP–21'' in subsections (c)(1) and (e)(3) and inserting ''Highway and Transportation Funding Act of 2014''.

(b) SPORT FISH RESTORATION AND BOATING TRUST FUND.—Section 9504 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''MAP–21'' each place it appears in subsection (b)(2) and inserting ''Highway and Transportation Funding Act of 2014'', and

(2) by striking ''October 1, 2014'' in subsection (d)(2) and inserting ''December 20, 2014''.

(c) LEAKING UNDERGROUND STORAGE TANK TRUST FUND.—Paragraph (2) of section 9508(e) of the Internal Revenue Code of 1986 is amended by striking ''October 1, 2014'' and inserting ''December 20, 2014''.

**SEC. 2002. FUNDING OF HIGHWAY TRUST FUND.**

(a) IN GENERAL.—Subsection (f) of section 9503 of the Internal Revenue Code of 1986 is amended by redesignating paragraph (5) as paragraph (7) and by inserting after paragraph (4) the following new paragraphs:

''(A) $5,633,000,000 to the Highway Account (as defined in subsection (e)(5)(B)) in the Highway Trust Fund; and

''(B) $1,500,000,000 to the Mass Transit Account in the Highway Trust Fund.

''(6) ADDITIONAL INCREASE IN FUND BALANCE.—There is hereby transferred to the Highway Account (as defined in subsection (e)(5)(B)) in the Highway Trust Fund amounts appropriated from the Leaking Underground Storage Tank Trust Fund under section 9508(c)(3).''.

(b) APPROPRIATION FROM LEAKING UNDERGROUND STORAGE TANK TRUST FUND.—

(1) IN GENERAL.—Subsection (c) of section 9508 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(3) ADDITIONAL TRANSFER TO HIGHWAY TRUST FUND.—Out of amounts in the Leaking Underground Storage Tank Trust Fund there is hereby appropriated $1,000,000,000 to be transferred under section 9503(f)(6) to the Highway Account (as defined in section 9503(e)(5)(B)) in the Highway Trust Fund.''.

(2) CONFORMING AMENDMENT.—Section 9508(c)(1) of the Internal Revenue Code of 1986 is amended by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)''.

**SEC. 2003. ADDITIONAL INFORMATION ON RETURNS RELATING TO MORTGAGE INTEREST.**

(a) IN GENERAL.—Paragraph (2) of section 6050H(b) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of subparagraph (C), by redesignating subparagraph (D) as subparagraph (I), and by inserting after subparagraph (C) the following new subparagraphs:

''(D) the unpaid balance with respect to such mortgage at the close of the calendar year,

''(E) the address of the property securing such mortgage,

''(F) information with respect to whether the mortgage is a refinancing that occurred in such calendar year,

''(G) the amount of real estate taxes paid from an escrow account with respect to the property securing such mortgage,

''(H) the date of the origination of such mortgage, and''.

(b) PAYEE STATEMENTS.—Subsection (d) of section 6050H of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by inserting after paragraph (2) the following new paragraph:

''(3) the information required to be included on the return under subparagraphs (D), (E), (F), (G) and (H) of subsection (b)(2).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns and statements the due date for which (determined without regard to extensions) is after December 31, 2015.

**SEC. 2004. PENALTY FOR FAILURE TO MEET DUE DILIGENCE REQUIREMENTS FOR THE CHILD TAX CREDIT.**

(a) IN GENERAL.—Section 6695 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(h) FAILURE TO BE DILIGENT IN DETERMINING ELIGIBILITY FOR CHILD TAX CREDIT.—Any person who is a tax return preparer with respect to any return or claim for refund who fails to comply with due diligence requirements imposed by the Secretary by regulations with respect to determining eligibility for, or the amount of, the credit allowable by section 24 shall pay a penalty of $500 for each such failure.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

**SEC. 2005. CLARIFICATION OF 6-YEAR STATUTE OF LIMITATIONS IN CASE OF OVERSTATEMENT OF BASIS.**

(a) IN GENERAL.—Subparagraph (B) of section 6501(e)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''and'' at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

''(ii) An understatement of gross income by reason of an overstatement of unrecovered cost or other basis is an omission from gross income; and'',

(2) by inserting ''(other than in the case of an overstatement of unrecovered cost or other basis)'' in clause (iii) (as so redesignated) after ''In determining the amount omitted from gross income'', and

(3) by inserting ''AMOUNT OMITTED FROM'' after ''DETERMINATION OF'' in the heading thereof.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) returns filed after the date of the enactment of this Act, and

(2) returns filed on or before such date if the period specified in section 6501 of the Internal Revenue Code of 1986 (determined without regard to such amendments) for assessment of the taxes with respect to which such return relates has not expired as of such date.

**SEC. 2006. 100 PERCENT CONTINUOUS LEVY ON PAYMENT TO MEDICARE PROVIDERS AND SUPPLIERS.**

(a) IN GENERAL.—Paragraph (3) of section 6331(h) of the Internal Revenue Code of 1986 is amended by striking the period at the end and inserting '', or to a Medicare provider or supplier under title XVIII of the Social Security Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made on or after the date which is 6 months after the date of the enactment of this Act.

**SEC. 2007. MODIFICATION OF TAX EXEMPTION REQUIREMENTS FOR MUTUAL DITCH OR IRRIGATION COMPANIES.**

(a) IN GENERAL.—Paragraph (12) of section 501(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(I) TREATMENT OF MUTUAL DITCH IRRIGATION COMPANIES.—

''(i) IN GENERAL.—In the case of a mutual ditch or irrigation company or of a like organization to a mutual ditch or irrigation company, subparagraph (A) shall be applied without taking into account any income received or accrued—

''(I) from the sale, lease, or exchange of fee or other interests in real property, including interests in water,

''(II) from the sale or exchange of stock in a mutual ditch or irrigation company (or in a like organization to a mutual ditch or irrigation company) or contract rights for the delivery or use of water, or

''(III) from the investment of proceeds from sales, leases, or exchanges under subclauses (I) and (II),

except that any income received under subclause (I), (II), or (III) which is distributed or expended for expenses (other than for operations, maintenance, and capital improvements) of the mutual ditch or irrigation company or of the like organization to a mutual ditch or irrigation company (as the case may be) shall be treated as nonmember income in the year in which it is distributed or expended. For purposes of the preceding sentence, expenses (other than for operations, maintenance, and capital improvements) include expenses for the construction of conveyances designed to deliver water outside of the system of the mutual ditch or irrigation company or of the like organization.

''(ii) TREATMENT OF ORGANIZATIONAL GOVERNANCE.—In the case of a mutual ditch or irrigation company or of a like organization to a mutual ditch or irrigation company, where State law provides that such a company or organization may be organized in a manner that permits voting on a basis which is pro rata to share ownership on corporate governance matters, subparagraph (A) shall be applied without taking into account whether its member shareholders have one vote on corporate governance matters per share held in the corporation. Nothing in this clause shall be construed to create any inference about the requirements of this subsection for companies or organizations not included in this clause.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

**SEC. 2008. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NATURAL GAS AND LIQUEFIED PETROLEUM GAS.**

(a) LIQUEFIED PETROLEUM GAS.—

(1) IN GENERAL.—Subparagraph (B) of section 4041(a)(2) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

''(ii) in the case of liquefied petroleum gas, 18.3 cents per energy equivalent of a gallon of gasoline, and''.

(2) ENERGY EQUIVALENT OF A GALLON OF GASOLINE.—Paragraph (2) of section 4041(a) of such Code is amended by adding at the end the following:

''(C) ENERGY EQUIVALENT OF A GALLON OF GASOLINE.—For purposes of this paragraph, the term 'energy equivalent of a gallon of gasoline' means, with respect to a liquefied petroleum gas fuel, the amount of such fuel having a Btu content of 115,400 (lower heating value).''.

(b) LIQUEFIED NATURAL GAS.—

(1) IN GENERAL.—Subparagraph (B) of section 4041(a)(2) of the Internal Revenue Code of 1986, as amended by subsection (a)(1), is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'' and by inserting after clause (iii) the following new clause:

''(iv) in the case of liquefied natural gas, 24.3 cents per energy equivalent of a gallon of diesel.''.

(2) ENERGY EQUIVALENT OF A GALLON OF DIESEL.—Paragraph (2) of section 4041(a) of such Code, as amended by subsection (a)(2), is amended by adding at the end the following:

''(D) ENERGY EQUIVALENT OF A GALLON OF DIESEL.—For purposes of this paragraph, the term 'energy equivalent of a gallon of diesel' means, with respect to a liquefied natural gas fuel, the amount of such fuel having a Btu content of 128,700 (lower heating value).''.

(3) CONFORMING AMENDMENTS.—Section 4041(a)(2)(B)(iv) of the Internal Revenue Code of 1986, as redesignated by subsection (a)(1) and paragraph (1), is amended—

(A) by striking ''liquefied natural gas,'', and

(B) by striking ''peat), and'' and inserting ''peat) and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any sale or use of fuel after September 30, 2014.

**SEC. 2009. EXTENSION OF CUSTOMS USER FEES.**

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended—

(1) in subparagraph (A), by striking ''September 30, 2023'' and inserting ''January 7, 2024'', and

(2) in subparagraph (B)(i), by striking ''September 30, 2023'' and inserting ''January 7, 2024''.

**TITLE III—BUDGETARY PROVISIONS**

**SEC. 301. TREATMENT FOR PAYGO PURPOSES.**

(a) PAYGO SCORECARD.—The budgetary effects of this Act and the amendments made by this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C. 933(d)).

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act and the amendments made by this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con. Res. 21 (110th Congress).

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**SA 3584.** Mr. LEE submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE _____—TRANSPORTATION EMPOWERMENT**

**SEC. ___01. SHORT TITLE.**

This title may be cited as the ''Transportation Empowerment Act''.

**SEC. ___02. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) the objective of the Federal highway program has been to facilitate the construction of a modern freeway system that promotes efficient interstate commerce by connecting all States;

(2) the objective described in paragraph (1) has been attained, and the Interstate System connecting all States is near completion;

(3) each State has the responsibility of providing an efficient transportation network for the residents of the State;

(4) each State has the means to build and operate a network of transportation systems, including highways, that best serves the needs of the State;

(5) each State is best capable of determining the needs of the State and acting on those needs;

(6) the Federal role in highway transportation has, over time, usurped the role of the States by taxing motor fuels used in the States and then distributing the proceeds to the States based on the perceptions of the Federal Government on what is best for the States;

(7) the Federal Government has used the Federal motor fuels tax revenues to force all States to take actions that are not necessarily appropriate for individual States;

(8) the Federal distribution, review, and enforcement process wastes billions of dollars on unproductive activities;

(9) Federal mandates that apply uniformly to all 50 States, regardless of the different circumstances of the States, cause the States to waste billions of hard-earned tax dollars on projects, programs, and activities that the States would not otherwise undertake; and

(10) Congress has expressed a strong interest in reducing the role of the Federal Government by allowing each State to manage its own affairs.

(b) PURPOSES.—The purposes of this title are—

(1) to return to the individual States maximum discretionary authority and fiscal responsibility for all elements of the national surface transportation systems that are not within the direct purview of the Federal Government;

(2) to preserve Federal responsibility for the Dwight D. Eisenhower National System of Interstate and Defense Highways;

(3) to preserve the responsibility of the Department of Transportation for—

(A) design, construction, and preservation of transportation facilities on Federal public land;

(B) national programs of transportation research and development and transportation safety; and

(C) emergency assistance to the States in response to natural disasters;

(4) to eliminate to the maximum extent practicable Federal obstacles to the ability of each State to apply innovative solutions to the financing, design, construction, operation, and preservation of Federal and State transportation facilities; and

(5) with respect to transportation activities carried out by States, local governments, and the private sector, to encourage—

(A) competition among States, local governments, and the private sector; and

(B) innovation, energy efficiency, private sector participation, and productivity.

**SEC. ___03. FUNDING LIMITATION.**

Notwithstanding any other provision of law, if the Secretary of Transportation determines for any of fiscal years 2016 through 2020 that the aggregate amount required to carry out transportation programs and projects under this title and amendments made by this title exceeds the estimated aggregate amount in the Highway Trust Fund available for those programs and projects for the fiscal year, each amount made available for that program or project shall be reduced by the pro rata percentage required to reduce the aggregate amount required to carry out those programs and projects to an amount equal to that available for those programs and projects in the Highway Trust Fund for the fiscal year.

**SEC. ___04. FUNDING FOR CORE HIGHWAY PROGRAMS.**

(a) IN GENERAL.—

(1) AUTHORIZATION OF APPROPRIATIONS.—The following sums are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(A) FEDERAL-AID HIGHWAY PROGRAM.—For the national highway performance program under section 119 of title 23, United States Code, the surface transportation program under section 133 of that title, the metropolitan transportation planning program under section 134 of that title, the highway safety improvement program under section 148 of that title, and the congestion mitigation and air quality improvement program under section 149 of that title—

(i) $37,592,576,000 for fiscal year 2016;

(ii) $19,720,696,000 for fiscal year 2017;

(iii) $13,147,130,000 for fiscal year 2018;

(iv) $10,271,196,000 for fiscal year 2019; and

(v) $7,600,685,000 for fiscal year 2020.

(B) EMERGENCY RELIEF.—For emergency relief under section 125 of title 23, United States Code, $100,000,000 for each of fiscal years 2016 through 2020.

(C) FEDERAL LANDS PROGRAMS.—

(i) FEDERAL LANDS TRANSPORTATION PROGRAM.—For the Federal lands transportation program under section 203 of title 23, United States Code, $300,000,000 for each of fiscal years 2016 through 2020, of which $240,000,000 of the amount made available for each fiscal year shall be the amount for the National Park Service and $30,000,000 of the amount made available for each fiscal year shall be the amount for the United States Fish and Wildlife Service.

(ii) FEDERAL LANDS ACCESS PROGRAM.—For the Federal lands access program under section 204 of title 23, United States Code, $250,000,000 for each of fiscal years 2016 through 2020.

(D) ADMINISTRATIVE EXPENSES.—Section 104(a) of title 23, United States Code, is amended by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to be made available to the Secretary for administrative expenses of the Federal Highway Administration—

''(A) $437,600,000 for fiscal year 2016;

''(B) $229,565,000 for fiscal year 2017;

''(C) $153,043,000 for fiscal year 2018;

''(D) $119,565,000 for fiscal year 2019; and

''(E) $88,478,000 for fiscal year 2020.''.

(2) TRANSFERABILITY OF FUNDS.—Section 104 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

''(f) TRANSFERABILITY OF FUNDS.—

''(1) IN GENERAL.—To the extent that a State determines that funds made available under this title to the State for a purpose are in excess of the needs of the State for that purpose, the State may transfer the excess funds to, and use the excess funds for, any surface transportation (including mass transit and rail) purpose in the State.

''(2) ENFORCEMENT.—If the Secretary determines that a State has transferred funds under paragraph (1) to a purpose that is not a surface transportation purpose as described in paragraph (1), the amount of the improperly transferred funds shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for the fiscal year that begins after the date of the determination.''.

(3) FEDERAL-AID SYSTEM.—

(A) IN GENERAL.—Section 103(a) of title 23, United States Code, is amended by striking ''the National Highway System, which includes''.

(B) CONFORMING AMENDMENTS.—Chapter 1 of title 23, United States Code, is amended—

(i) in section 103 by striking the section designation and heading and inserting the following:

**''§ 103. Federal-aid system'';**

and

(ii) in the analysis by striking the item relating to section 103 and inserting the following:

''103. Federal-aid system.''.

(4) CALCULATION OF STATE AMOUNTS.—Section 104(c)(2) of title 23, United States Code, is amended—

(A) in the paragraph heading by striking ''FOR FISCAL YEAR 2014'' and inserting ''SUBSEQUENT FISCAL YEARS''; and

(B) in subparagraph (A) by striking ''fiscal year 2014'' and inserting ''fiscal year 2016 and each subsequent fiscal year''.

(5) NATIONAL BRIDGE AND TUNNEL INVENTORY AND INSPECTION STANDARDS.—

(A) IN GENERAL.—Section 144 of title 23, United States Code, is amended—

(i) in subsection (e)(1) by inserting ''on the Federal-aid system'' after ''any bridge''; and

(ii) in subsection (f)(1) by inserting ''on the Federal-aid system'' after ''construct any bridge''.

(B) REPEAL OF HISTORIC BRIDGES PROVISIONS.—Section 144(g) of title 23, United States Code, is repealed.

(6) REPEAL OF TRANSPORTATION ALTERNATIVES PROGRAM.—The following provisions are repealed:

(A) Section 213 of title 23, United States Code.

(B) The item relating to section 213 in the analysis for chapter 1 of title 23, United States Code.

(7) NATIONAL DEFENSE HIGHWAYS.—Section 311 of title 23, United States Code, is amended—

(A) in the first sentence, by striking ''under subsection (a) of section 104 of this title'' and inserting ''to carry out this section''; and

(B) by striking the second sentence.

(8) FEDERALIZATION AND DEFEDERALIZATION OF PROJECTS.—Notwithstanding any other provision of law, beginning on October 1, 2015—

(A) a highway construction or improvement project shall not be considered to be a Federal highway construction or improvement project unless and until a State expends Federal funds for the construction portion of the project;

(B) a highway construction or improvement project shall not be considered to be a Federal highway construction or improvement project solely by reason of the expenditure of Federal funds by a State before the construction phase of the project to pay expenses relating to the project, including for any environmental document or design work required for the project; and

(C)(i) a State may, after having used Federal funds to pay all or a portion of the costs of a highway construction or improvement project, reimburse the Federal Government in an amount equal to the amount of Federal funds so expended; and

(ii) after completion of a reimbursement described in clause (i), a highway construction or improvement project described in that clause shall no longer be considered to be a Federal highway construction or improvement project.

(9) REPORTING REQUIREMENTS.—No reporting requirement, other than a reporting requirement in effect as of the date of enactment of this Act, shall apply on or after October 1, 2016, to the use of Federal funds for highway projects by a public-private partnership.

(b) EXPENDITURES FROM HIGHWAY TRUST FUND.—

(1) EXPENDITURES FOR CORE PROGRAMS.—Section 9503(c) of the Internal Revenue Code of 1986 is amended—

(A) in paragraph (1)—

(i) by striking ''October 1, 2014'' and inserting ''October 1, 2021''; and

(ii) by striking ''MAP–21'' and inserting ''Transportation Empowerment Act'';

(B) in paragraphs (3)(A)(i), (4)(A), and (5), by striking ''October 1, 2016'' each place it appears and inserting ''October 1, 2023''; and

(C) in paragraph (2), by striking ''July 1, 2017'' and inserting ''July 1, 2024''.

(2) AMOUNTS AVAILABLE FOR CORE PROGRAM EXPENDITURES.—Section 9503 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(g) CORE PROGRAMS FINANCING RATE.—

''(1) IN GENERAL.—Except as provided in paragraph (2)—

''(A) in the case of gasoline and special motor fuels the tax rate of which is the rate specified in section 4081(a)(2)(A)(i), the core programs financing rate is—

''(i) after September 30, 2015, and before October 1, 2016, 18.3 cents per gallon,

''(ii) after September 30, 2016, and before October 1, 2017, 9.6 cents per gallon,

''(iii) after September 30, 2017, and before October 1, 2018, 6.4 cents per gallon,

''(iv) after September 30, 2018, and before October 1, 2019, 5.0 cents per gallon, and

''(v) after September 30, 2019, 3.7 cents per gallon, and

''(B) in the case of kerosene, diesel fuel, and special motor fuels the tax rate of which is the rate specified in section 4081(a)(2)(A)(iii), the core programs financing rate is—

''(i) after September 30, 2015, and before October 1, 2016, 24.3 cents per gallon,

''(ii) after September 30, 2016, and before October 1, 2017, 12.7 cents per gallon,

''(iii) after September 30, 2017, and before October 1, 2018, 8.5 cents per gallon,

''(iv) after September 30, 2018, and before October 1, 2019, 6.6 cents per gallon, and

''(v) after September 30, 2019 5.0 cents per gallon.

''(2) APPLICATION OF RATE.—In the case of fuels used as described in paragraphs (3)(C), (4)(B), and (5) of subsection (c), the core programs financing rate is zero.''.

(c) TERMINATION OF MASS TRANSIT ACCOUNT.—Section 9503(e)(2) of the Internal Revenue Code of 1986 is amended—

(1) in the first sentence, by inserting '', and before October 1, 2015'' after ''March 31, 1983''; and

(2) by adding at the end the following:

''(6) TRANSFER TO HIGHWAY ACCOUNT.—On October 1, 2016, the Secretary shall transfer all amounts in the Mass Transit Account to the Highway Account.''.

(d) EFFECTIVE DATE.—The amendments and repeals made by this section take effect on October 1, 2015.

**SEC. ____05. FUNDING FOR HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM.**

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) to carry out section 503(b) of title 23, United States Code, $115,000,000 for each of fiscal years 2016 through 2020.

(b) APPLICABILITY OF TITLE 23, UNITED STATES CODE.—Funds authorized to be appropriated by subsection (a) shall—

(1) be available for obligation in the same manner as if those funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project or activity carried out using those funds shall be 80 percent, unless otherwise expressly provided by this title (including the amendments by this title) or otherwise determined by the Secretary; and

(2) remain available until expended and not be transferable.

**SEC. ____06. RETURN OF EXCESS TAX RECEIPTS TO STATES.**

(a) IN GENERAL.—Section 9503(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(6) RETURN OF EXCESS TAX RECEIPTS TO STATES FOR SURFACE TRANSPORTATION PURPOSES.—

''(A) IN GENERAL.—On the first day of each of fiscal years 2017, 2018, 2019, and 2020, the Secretary, in consultation with the Secretary of Transportation, shall—

''(i) determine the excess (if any) of—

''(I) the amounts appropriated in such fiscal year to the Highway Trust Fund under subsection (b) which are attributable to the taxes described in paragraphs (1) and (2) thereof (after the application of paragraph (4) thereof) over the sum of—

''(II) the amounts so appropriated which are equivalent to—

''(aa) such amounts attributable to the core programs financing rate for such year, plus

''(bb) the taxes described in paragraphs (3)(C), (4)(B), and (5) of subsection (c), and

''(ii) allocate the amount determined under clause (i) among the States (as defined in section 101(a) of title 23, United States Code) for surface transportation (including mass transit and rail) purposes so that—

''(I) the percentage of that amount allocated to each State, is equal to

''(II) the percentage of the amount determined under clause (i)(I) paid into the Highway Trust Fund in the latest fiscal year for which such data are available which is attributable to highway users in the State.

''(B) ENFORCEMENT.—If the Secretary determines that a State has used amounts under subparagraph (A) for a purpose which is not a surface transportation purpose as described in subparagraph (A), the improperly used amounts shall be deducted from any amount the State would otherwise receive from the Highway Trust Fund for the fiscal year which begins after the date of the determination.''.

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on October 1, 2015.

**SEC. ____07. REDUCTION IN TAXES ON GASOLINE, DIESEL FUEL, KEROSENE, AND SPECIAL FUELS FUNDING HIGHWAY TRUST FUND.**

(a) REDUCTION IN TAX RATE.—

(1) IN GENERAL.—Section 4081(a)(2)(A) of the Internal Revenue Code of 1986 is amended—

(A) in clause (i), by striking ''18.3 cents'' and inserting ''3.7 cents''; and

(B) in clause (iii), by striking ''24.3 cents'' and inserting ''5.0 cents''.

(2) CONFORMING AMENDMENTS.—

(A) Section 4081(a)(2)(D) of such Code is amended—

(i) by striking ''19.7 cents'' and inserting ''4.1 cents'', and

(ii) by striking ''24.3 cents'' and inserting ''5.0 cents''.

(B) Section 6427(b)(2)(A) of such Code is amended by striking ''7.4 cents'' and inserting ''1.5 cents''.

(b) ADDITIONAL CONFORMING AMENDMENTS.—

(1) Section 4041(a)(1)(C)(iii)(I) of the Internal Revenue Code of 1986 is amended by striking ''7.3 cents per gallon (4.3 cents per gallon after September 30, 2016)'' and inserting ''1.4 cents per gallon (zero after September 30, 2022)''.

(2) Section 4041(a)(2)(B)(ii) of such Code is amended by striking ''24.3 cents'' and inserting ''5.0 cents''.

(3) Section 4041(a)(3)(A) of such Code is amended by striking ''18.3 cents'' and inserting ''3.7 cents''.

(4) Section 4041(m)(1) of such Code is amended—

(A) in subparagraph (A), by striking ''2016'' and inserting ''2022,'';

(B) in subparagraph (A)(i), by striking ''9.15 cents'' and inserting ''1.8 cents'';

(C) in subparagraph (A)(ii), by striking ''11.3 cents'' and inserting ''2.3 cents''; and

(D) by striking subparagraph (B) and inserting the following:

''(B) zero after September 30, 2022.''.

(5) Section 4081(d)(1) of such Code is amended by striking ''4.3 cents per gallon after September 30, 2016'' and inserting ''zero after September 30, 2022''.

(6) Section 9503(b) of such Code is amended—

(A) in paragraphs (1) and (2), by striking ''October 1, 2016'' both places it appears and inserting ''October 1, 2022'';

(B) in the heading of paragraph (2), by striking ''OCTOBER 1, 2016'' and inserting ''OCTOBER 1, 2022'';

(C) in paragraph (2), by striking ''after September 30, 2016, and before July 1, 2017'' and inserting ''after September 30, 2021, and before July 1, 2023''; and

(D) in paragraph (6)(B), by striking ''October 1, 2014'' and inserting ''October 1, 2020''.

(c) FLOOR STOCK REFUNDS.—

(1) IN GENERAL.—If—

(A) before October 1, 2020, tax has been imposed under section 4081 of the Internal Revenue Code of 1986 on any liquid; and

(B) on such date such liquid is held by a dealer and has not been used and is intended for sale;

there shall be credited or refunded (without interest) to the person who paid such tax (in this subsection referred to as the ''taxpayer'') an amount equal to the excess of the tax paid by the taxpayer over the amount of such tax which would be imposed on such liquid had the taxable event occurred on such date.

(2) TIME FOR FILING CLAIMS.—No credit or refund shall be allowed or made under this subsection unless—

(A) claim therefor is filed with the Secretary of the Treasury before April 1, 2021; and

(B) in any case where liquid is held by a dealer (other than the taxpayer) on October 1, 2020—

(i) the dealer submits a request for refund or credit to the taxpayer before January 1, 2021; and

(ii) the taxpayer has repaid or agreed to repay the amount so claimed to such dealer or has obtained the written consent of such dealer to the allowance of the credit or the making of the refund.

(3) EXCEPTION FOR FUEL HELD IN RETAIL STOCKS.—No credit or refund shall be allowed under this subsection with respect to any liquid in retail stocks held at the place where intended to be sold at retail.

(4) DEFINITIONS.—For purposes of this subsection, the terms ''dealer'' and ''held by a dealer'' have the respective meanings given to such terms by section 6412 of such Code; except that the term ''dealer'' includes a producer.

(5) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (b) and (c) of section 6412 and sections 6206 and 6675 of such Code shall apply for purposes of this subsection.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to fuel removed after September 30, 2020.

(2) CERTAIN CONFORMING AMENDMENTS.—The amendments made by subsections (b)(4) and (b)(6) shall apply to fuel removed after September 30, 2017.

**SEC. ____08. REPORT TO CONGRESS.**

Not later than 180 days after the date of enactment of this Act, after consultation with the appropriate committees of Congress, the Secretary of Transportation shall submit a report to Congress describing such technical and conforming amendments to titles 23 and 49, United States Code, and such technical and conforming amendments to other laws, as are necessary to bring those titles and other laws into conformity with the policy embodied in this title and the amendments made by this title.

**SEC. ____09. EFFECTIVE DATE CONTINGENT ON CERTIFICATION OF DEFICIT NEUTRALITY.**

(a) PURPOSE.—The purpose of this section is to ensure that—

(1) this title will become effective only if the Director of the Office of Management and Budget certifies that this title is deficit neutral;

(2) discretionary spending limits are reduced to capture the savings realized in devolving transportation functions to the State level pursuant to this title; and

(3) the tax reduction made by this title is not scored under pay-as-you-go and does not inadvertently trigger a sequestration.

(b) EFFECTIVE DATE CONTINGENCY.—Notwithstanding any other provision of this title, this title and the amendments made by this title shall take effect only if—

(1) the Director of the Office of Management and Budget (referred to in this section as the ''Director'') submits the report as required in subsection (c); and

(2) the report contains a certification by the Director that, based on the required estimates, the reduction in discretionary outlays resulting from the reduction in contract authority is at least as great as the reduction in revenues for each fiscal year through fiscal year 2021.

(c) OMB ESTIMATES AND REPORT.—

(1) REQUIREMENTS.—Not later than 5 calendar days after the date of enactment of this Act, the Director shall—

(A) estimate the net change in revenues resulting from this title for each fiscal year through fiscal year 2020;

(B) estimate the net change in discretionary outlays resulting from the reduction in contract authority under this title for each fiscal year through fiscal year 2020;

(C) determine, based on those estimates, whether the reduction in discretionary outlays is at least as great as the reduction in revenues for each fiscal year through fiscal year 2021; and

(D) submit to Congress a report setting forth the estimates and determination.

(2) APPLICABLE ASSUMPTIONS AND GUIDELINES.—

(A) REVENUE ESTIMATES.—The revenue estimates required under paragraph (1)(A) shall be predicated on the same economic and technical assumptions and score keeping guidelines that would be used for estimates made pursuant to section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)).

(B) OUTLAY ESTIMATES.—The outlay estimates required under paragraph (1)(B) shall be determined by comparing the level of discretionary outlays resulting from this title with the corresponding level of discretionary outlays projected in the baseline under section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 907).

(d) CONFORMING ADJUSTMENT TO DISCRETIONARY SPENDING LIMITS.—On compliance with the requirements specified in subsection (b), the Director shall adjust the adjusted discretionary spending limits for each fiscal year through fiscal year 2019 under section 601(a)(2) of the Congressional Budget Act of 1974 (2 U.S.C. 665(a)(2)) by the estimated reductions in discretionary outlays under subsection (c)(1)(B).

(e) PAYGO INTERACTION.—On compliance with the requirements specified in subsection (b), no changes in revenues estimated to result from the enactment of this Act shall be counted for the purposes of section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)).

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**SA 3585.** Mr. TOOMEY submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title I, add the following:

**SEC. 10____. EMERGENCY EXEMPTIONS.**

Any road, highway, railway, bridge, or transit facility that is damaged by an emergency that is declared by the Governor of the State and concurred in by the Secretary of Homeland Security or declared as an emergency by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) and that is in operation or under construction on the date on which the emergency occurs—

(1) may be reconstructed in the same location with the same capacity, dimensions, and design as before the emergency; and

(2) shall be exempt from any environmental reviews, approvals, licensing, and permit requirements under—

(A) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(B) sections 402 and 404 of the Federal Water Pollution Control Act (33 U.S.C. 1342, 1344);

(C) the National Historic Preservation Act (16 U.S.C. 470 et seq.);

(D) the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.);

(E) the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.);

(F) the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.);

(G) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), except when the reconstruction occurs in designated critical habitat for threatened and endangered species;

(H) Executive Order 11990 (42 U.S.C. 4321 note; relating to the protection of wetland); and

(I) any Federal law (including regulations) requiring no net loss of wetland.

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**SA 3586.** Mr. VITTER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ____. HEALTH INSURANCE COVERAGE FOR CERTAIN CONGRESSIONAL STAFF AND MEMBERS OF THE EXECUTIVE BRANCH.**

Section 1312(d)(3)(D) of the Patient Protection and Affordable Care Act (42 U.S.C. 18032(d)(3)(D)) is amended—

(1) by striking the subparagraph heading and inserting the following:

''(D) MEMBERS OF CONGRESS, CONGRESSIONAL STAFF, AND POLITICAL APPOINTEES IN THE EXCHANGE.—'';

(2) in clause (i), in the matter preceding subclause (I)—

(A) by striking ''and congressional staff with'' and inserting '', congressional staff, the President, the Vice President, and political appointees with''; and

(B) by striking ''or congressional staff shall'' and inserting '', congressional staff, the President, the Vice President, or a political appointee shall'';

(3) in clause (ii)—

(A) in subclause (II), by inserting after ''Congress,'' the following: ''of a committee of Congress, or of a leadership office of Congress,''; and

(B) by adding at the end the following:

''(III) POLITICAL APPOINTEE.—In this subparagraph, the term 'political appointee' means any individual who—

''(aa) is employed in a position described under sections 5312 through 5316 of title 5, United States Code, (relating to the Executive Schedule);

''(bb) is a limited term appointee, limited emergency appointee, or noncareer appointee in the Senior Executive Service, as defined under paragraphs (5), (6), and (7), respectively, of section 3132(a) of title 5, United States Code;

''(cc) is employed in a position in the executive branch of the Government of a confidential or policy-determining character under schedule C of subpart C of part 213 of title 5 of the Code of Federal Regulations; or

''(dd) is employed in or under the Executive Office of the President in a position that is excluded from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character.''; and

(4) by adding at the end the following:

''(iii) GOVERNMENT CONTRIBUTION.—No Government contribution under section 8906 of title 5, United States Code, shall be provided on behalf of an individual who is a Member of Congress, a congressional staff member, the President, the Vice President, or a political appointees for coverage under this paragraph.

''(iv) LIMITATION ON AMOUNT OF TAX CREDIT OR COST-SHARING.—An individual enrolling in health insurance coverage pursuant to this paragraph shall not be eligible to receive a tax credit under section 36B of the Internal Revenue Code of 1986 or reduced cost sharing under section 1402 of this Act in an amount that exceeds the total amount for which a similarly situated individual (who is not so enrolled) would be entitled to receive under such sections.

''(v) LIMITATION ON DISCRETION FOR DESIGNATION OF STAFF.—Notwithstanding any other provision of law, a Member of Congress shall not have discretion in determinations with respect to which employees employed by the office of such Member are eligible to enroll for coverage through an Exchange.''.

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**SA 3587.** Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Foreign Earnings Reinvestment Act''.

**SEC. 2. ALLOWANCE OF TEMPORARY DIVIDENDS RECEIVED DEDUCTION FOR DIVIDENDS RECEIVED FROM A CONTROLLED FOREIGN CORPORATION.**

(a) APPLICABILITY OF PROVISION.—

(1) IN GENERAL.—Subsection (f) of section 965 of the Internal Revenue Code of 1986 is amended to read as follows:

''(f) ELECTION; ELECTION YEAR.—

''(1) IN GENERAL.—The taxpayer may elect to apply this section to—

''(A) the taxpayer's last taxable year which begins before the date of the enactment of the Foreign Earnings Reinvestment Act, or

''(B) the taxpayer's first taxable year which begins during the 1-year period beginning on such date.

Such election may be made for a taxable year only if made on or before the due date (including extensions) for filing the return of tax for such taxable year.

''(C) ELECTION YEAR.—For purposes of this section, the term 'election year' means the taxable year—

''(i) which begins after the date that is one year before the date of the enactment of the Foreign Earnings Reinvestment Act, and

''(ii) to which the taxpayer elects under paragraph (1) to apply this section.''.

(2) CONFORMING AMENDMENTS.—

(A) EXTRAORDINARY DIVIDENDS.—Section 965(b)(2) of such Code is amended—

(i) by striking ''June 30, 2003'' and inserting ''June 30, 2014'', and

(ii) by adding at the end the following new sentence: ''The amounts described in clauses (i), (ii), and (iii) shall not include any amounts which were taken into account in determining the deduction under subsection (a) for any prior taxable year.''.

(B) DETERMINATIONS RELATING TO RELATED PARTY INDEBTEDNESS.—Section 965(b)(3)(B) of such Code is amended by striking ''October 3, 2004'' and inserting ''June 30, 2014''.

(C) DETERMINATIONS RELATING TO BASE PERIOD.—Section 965(c)(2) of such Code is amended by striking ''June 30, 2003'' and inserting ''June 30, 2014''.

(b) DEDUCTION INCLUDES CURRENT AND ACCUMULATED FOREIGN EARNINGS.—

(1) IN GENERAL.—Paragraph (1) of section 965(b) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the sum of the current and accumulated earnings and profits described in section 959(c)(3) for the year a deduction is claimed under subsection (a), without diminution by reason of any distributions made during the election year, for all controlled

foreign corporations of the United States shareholder.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 965(c) of such Code, as amended by subsection (a), is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5), as paragraphs (1), (2), (3), and (4), respectively.

(B) Paragraph (4) of section 965(c) of such Code, as redesignated by subparagraph (A), is amended to read as follows:

''(4) CONTROLLED GROUPS.—All United States shareholders which are members of an affiliated group filing a consolidated return under section 1501 shall be treated as one United States shareholder.''.

(c) AMOUNT OF DEDUCTION.—

(1) IN GENERAL.—Paragraph (1) of section 965(a) of the Internal Revenue Code of 1986 is amended by striking ''85 percent'' and inserting ''75 percent''.

(2) BONUS DEDUCTION IN SUBSEQUENT TAXABLE YEAR FOR INCREASING JOBS.—Section 965 of such Code is amended by adding at the end the following new subsection:

''(g) BONUS DEDUCTION.—

''(1) IN GENERAL.—In the case of any taxpayer who makes an election to apply this section, there shall be allowed as a deduction for the first taxable year following the election year an amount equal to the applicable percentage of the cash dividends which are taken into account under subsection (a) with respect to such taxpayer for the election year.

''(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is the amount which bears the same ratio (not greater than 1) to 10 percent as—

''(A) the excess (if any) of—

''(i) the qualified payroll of the taxpayer for the calendar year which begins with or within the first taxable year following the election year, over

''(ii) the qualified payroll of the taxpayer for calendar year 2013, bears to

''(B) 10 percent of the qualified payroll of the taxpayer for calendar year 2013.

''(3) QUALIFIED PAYROLL.—For purposes of this paragraph:

''(A) IN GENERAL.—The term 'qualified payroll' means, with respect to a taxpayer for any calendar year, the aggregate wages (as defined in section 3121(a)) paid by the corporation during such calendar year.

''(B) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—

''(i) ACQUISITIONS.—If, after December 31, 2012, and before the close of the first taxable year following the election year, a taxpayer acquires the trade or business of a predecessor, then the qualified payroll of such taxpayer for any calendar year shall be increased by so much of the qualified payroll of the predecessor for such calendar year as was attributable to the trade or business acquired by the taxpayer.

''(ii) DISPOSITIONS.—If, after December 31, 2012, and before the close of the first taxable year following the election year, a taxpayer disposes of a trade or business, then—

''(I) the qualified payroll of such taxpayer for calendar year 2013 shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer, and

''(II) if the disposition occurs after the beginning of the first taxable year following the election year, the qualified payroll of such taxpayer for the calendar year which begins with or within such taxable year shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer.

''(C) SPECIAL RULE.—For purposes of determining qualified payroll for any calendar year after calendar year 2014, such term shall not include wages paid to any individual if such individual received compensation from the taxpayer for services performed—

''(i) after the date of the enactment of this paragraph, and

''(ii) at a time when such individual was not an employee of the taxpayer.''.

(3) REDUCTION FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—Paragraph (4) of section 965(b) of such Code is amended to read as follows:

''(4) REDUCTION IN BENEFITS FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—

''(A) IN GENERAL.—If, during the period consisting of the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1) and the succeeding 23 calendar months, the taxpayer does not maintain an average employment level at least equal to the taxpayer's prior average employment, an additional amount equal to $75,000 multiplied by the number of employees by which the taxpayer's average employment level during such period falls below the prior average employment (but not exceeding the aggregate amount allowed as a deduction pursuant to subsection (a)(1)) shall be taken into income by the taxpayer during the taxable year that includes the final day of such period.

''(B) AVERAGE EMPLOYMENT LEVEL.—For purposes of this paragraph, the taxpayer's average employment level for a period shall be the average number of full-time United States employees of the taxpayer, measured at the end of each month during the period.

''(C) PRIOR AVERAGE EMPLOYMENT.—For purposes of this paragraph, the taxpayer's 'prior average employment' shall be the average number of full-time United States employees of the taxpayer during the period consisting of the 24 calendar months immediately preceding the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1).

''(D) FULL-TIME UNITED STATES EMPLOYEE.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'full-time United States employee' means an individual who provides services in the United States as a full-time employee, based on the employer's standards and practices; except that regardless of the employer's classification of the employee, an employee whose normal schedule is 40 hours or more per week is considered a full-time employee.

''(ii) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—Such term does not include—

''(I) any individual who was an employee, on the date of acquisition, of any trade or business acquired by the taxpayer during the 24-month period referred to in subparagraph (A), and

''(II) any individual who was an employee of any trade or business disposed of by the taxpayer during the 24-month period referred to in subparagraph (A) or the 24-month period referred to in subparagraph (C).

''(E) AGGREGATION RULES.—In determining the taxpayer's average employment level and prior average employment, all domestic members of a controlled group shall be treated as a single taxpayer.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

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**SA 3588.** Mr. TESTER (for himself, Mr. WALSH, and Mr. PRYOR) submitted an amendment intended to be proposed by him to the bill S. 2410, to authorize appropriations for fiscal year 2015 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title I, add the following:

**SEC. 141. AUTHORIZATION OF MODERNIZATION PROGRAMS FOR C-130 AIRCRAFT.**

The Air Force may use programs in addition to the avionics modernization program for C-130 aircraft to modernize such aircraft.

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**SA 3589.** Mr. DURBIN (for himself, Mr. BROWN, Mr. REED, Mr. SANDERS, Ms. WARREN, and Ms. BALDWIN) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. __. PATRIOT EMPLOYER TAX CREDIT.**

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new section:

**''SEC. 45T. PATRIOT EMPLOYER TAX CREDIT.**

''(a) DETERMINATION OF AMOUNT.—

''(1) IN GENERAL.—For purposes of section 38, the Patriot employer credit determined under this section with respect to any taxpayer who is a Patriot employer for any taxable year shall be equal to 10 percent of the qualified wages paid or incurred by the Patriot employer.

''(2) LIMITATION.—The amount of qualified wages which may be taken into account under paragraph (1) with respect to any employee for any taxable year shall not exceed $15,000.

''(b) PATRIOT EMPLOYER.—

''(1) IN GENERAL.—For purposes of subsection (a), the term 'Patriot employer' means, with respect to any taxable year, any taxpayer—

''(A) which—

''(i) maintains its headquarters in the United States if the taxpayer (or any predecessor) has ever been headquartered in the United States, and

''(ii) is not (and no predecessor of which is) an expatriated entity (as defined in section 7874(a)(2)) for the taxable year or any preceding taxable year ending after March 4, 2003,

''(B) with respect to which no assessable payment has been imposed under section 4980H with respect to any month occurring during the taxable year, and

''(C) in the case of—

''(i) a taxpayer which employs an average of more than 50 employees on business days during the taxable year, which—

''(I) provides compensation for at least 90 percent of its employees for services provided by such employees during the taxable year at an hourly rate (or equivalent thereof) not less than an amount equal to 150 percent of the Federal poverty level for a family of three for the calendar year in which the taxable year begins divided by 2,080,

''(II) meets the retirement plan requirements of subsection (c) with respect to at least 90 percent of its employees providing services during the taxable year who are not highly compensated employees, and

''(III) meets the additional requirements of subparagraphs (A) and (B) of paragraph (2), or

''(ii) any other taxpayer, which meets the requirements of either subclause (I) or (II) of clause (i) for the taxable year.

''(2) ADDITIONAL REQUIREMENTS FOR LARGE EMPLOYERS.—

''(A) UNITED STATES EMPLOYMENT.—The requirements of this subparagraph are met for any taxable year if—

''(i) in any case in which the taxpayer increases the number of employees performing substantially all of their services for the taxable year outside the United States, the taxpayer either—

''(I) increases the number of employees performing substantially all of their services inside the United States by an amount not less than the increase in such number for employees outside the United States, or

''(II) has a percentage increase in such employees inside the United States which is not less than the percentage increase in such employees outside the United States,

''(ii) in any case in which the taxpayer decreases the number of employees performing substantially all of their services for the taxable year inside the United States, the taxpayer either—

''(I) decreases the number of employees performing substantially all of their services outside the United States by an amount not less than the decrease in such number for employees inside the United States, or

''(II) has a percentage decrease in employees outside the United States which is not less than the percentage decrease in such employees inside the United States, and

''(iii) there is not a decrease in the number of employees performing substantially all of their services for the taxable year inside the United States by reason of the taxpayer contracting out such services to persons who are not employees of the taxpayer.

''(B) TREATMENT OF INDIVIDUALS IN THE UNIFORMED SERVICES AND THE DISABLED.—The requirements of this subparagraph are met for any taxable year if—

''(i) the taxpayer provides differential wage payments (as defined in section 3401(h)(2)) to each employee described in section 3401(h)(2)(A) for any period during the taxable year in an amount not less than the difference between the wages which would have been received from the employer during such period and the amount of pay and allowances which the employee receives for service in the uniformed services during such period, and

''(ii) the taxpayer has in place at all times during the taxable year a written policy for the recruitment of employees who have served in the uniformed services or who are disabled.

''(3) SPECIAL RULES FOR APPLYING THE MINIMUM WAGE AND RETIREMENT PLAN REQUIREMENTS.—

''(A) MINIMUM WAGE.—In determining whether the minimum wage requirements of paragraph (1)(C)(i)(I) are met with respect to 90 percent of a taxpayer's employees for any taxable year—

''(i) a taxpayer may elect to exclude from such determination apprentices or learners that an employer may exclude under the regulations under section 14(a) of the Fair Labor Standards Act of 1938, and

''(ii) if a taxpayer meets the requirements of paragraph (2)(B)(i) with respect to providing differential wage payments to any employee for any period (without regard to whether such requirements apply to the taxpayer), the hourly rate (or equivalent thereof) for such payments shall be determined on the basis of the wages which would have been paid by the employer during such period if the employee had not been providing service in the uniformed services.

''(B) RETIREMENT PLAN.—In determining whether the retirement plan requirements of paragraph (1)(C)(i)(II) are met with respect to 90 percent of a taxpayer's employees for any taxable year, a taxpayer may elect to exclude from such determination—

''(i) employees not meeting the age or service requirements under section 410(a)(1) (or such lower age or service requirements as the employer provides), and

''(ii) employees described in section 410(b)(3).

''(c) RETIREMENT PLAN REQUIREMENTS.—

''(1) IN GENERAL.—The requirements of this subsection are met for any taxable year with respect to an employee of the taxpayer who is not a highly compensated employee if the employee is eligible to participate in 1 or more applicable eligible retirement plans maintained by the employer for a plan year ending with or within the taxable year.

''(2) APPLICABLE ELIGIBLE RETIREMENT PLAN.—For purposes of this subsection, the term 'applicable eligible retirement plan' means an eligible retirement plan which, with respect to the plan year described in paragraph (1), is either—

''(A) a defined contribution plan which—

''(i) requires the employer to make nonelective contributions of at least 5 percent of the compensation of the employee, or

''(ii) both—

''(I) includes an eligible automatic contribution arrangement (as defined in section 414(w)(3)) under which the uniform percentage described in section 414(w)(3)(B) is at least 5 percent, and

''(II) requires the employer to make matching contributions of 100 percent of the elective deferrals (as defined in section 414(u)(2)(C)) of the employee to the extent such deferrals do not exceed the percentage specified by the plan (not less than 5 percent) of the employee's compensation, or

''(B) a defined benefit plan—

''(i) with respect to which the accrued benefit of the employee derived from employer contributions, when expressed as an annual retirement benefit, is not less than the product of—

''(I) the lesser of 2 percent multiplied by the employee's years of service (determined under the rules of paragraphs (4), (5), and (6) of section 411(a)) with the employer or 20 percent, multiplied by

''(II) the employee's final average pay, or

''(ii) which is an applicable defined benefit plan (as defined in section 411(a)(13)(B))—

''(I) which meets the interest credit requirements of section 411(b)(5)(B)(i) with respect to the plan year, and

''(II) under which the employee receives a pay credit for the plan year which is not less than 5 percent of compensation.

''(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

''(A) ELIGIBLE RETIREMENT PLAN.—The term 'eligible retirement plan' has the meaning given such term by section 402(c)(8)(B), except that in the case of an account or annuity described in clause (i) or (ii) thereof, such term shall only include an account or annuity which is a simplified employee pension (as defined in section 408(k)).

''(B) FINAL AVERAGE PAY.—For purposes of paragraph (2)(B)(i)(II), final average pay shall be determined using the period of consecutive years (not exceeding 5) during which the employee had the greatest compensation from the taxpayer.

''(C) ALTERNATIVE PLAN DESIGNS.—The Secretary may prescribe regulations for a taxpayer to meet the requirements of this subsection through a combination of defined contribution plans or defined benefit plans described in paragraph (1) or through a combination of both such types of plans.

''(D) PLANS MUST MEET REQUIREMENTS WITHOUT TAKING INTO ACCOUNT SOCIAL SECURITY AND SIMILAR CONTRIBUTIONS AND BENEFITS.—A rule similar to the rule of section 416(e) shall apply.

''(d) QUALIFIED WAGES AND COMPENSATION.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified wages' means wages (as defined in section 51(c), determined without regard to paragraph (4) thereof) paid or incurred by the Patriot employer during the taxable year to employees—

''(A) who perform substantially all of their services for such Patriot employer inside the United States, and

''(B) with respect to whom—

''(i) in the case of a Patriot employer which employs an average of more than 50 employees on business days during the taxable year, the requirements of subclauses (I) and (II) of subsection (b)(1)(C)(i) are met, and

''(ii) in the case of any other Patriot employer, the requirements of either subclause (I) or (II) of subsection (b)(1)(C)(i) are met.

''(2) SPECIAL RULES FOR AGRICULTURAL LABOR AND RAILWAY LABOR.—Rules similar to the rules of section 51(h) shall apply.

''(3) COMPENSATION.—For purposes of subsections (b)(1)(C)(i)(I) and (c), the term 'compensation' has the same meaning as qualified wages, except that section 51(c)(2) shall be disregarded in determining the amount of such wages.

''(e) AGGREGATION RULES.—For purposes of this section—

''(1) IN GENERAL.—All persons treated as a single employer under subsection (a) or (b) of section 52 shall be treated as a single taxpayer.

''(2) SPECIAL RULES FOR CERTAIN REQUIREMENTS.—For purposes of applying paragraphs (1)(A) and (2)(A) of subsection (b)—

''(A) the determination under subsections (a) and (b) of section 52 for purposes of paragraph (1) shall be made without regard to section 1563(b)(2)(C) (relating to exclusion of foreign corporations), and

''(B) if any person treated as a single taxpayer under this subsection (after application of subparagraph (A)), or any predecessor of such person, was an expatriated entity (as defined in section 7874(a)(2)) for any taxable year ending after March 4, 2003, then all persons treated as a single taxpayer with such person shall be treated as expatriated entities.

''(f) ELECTION TO HAVE CREDIT NOT APPLY.—

''(1) IN GENERAL.—A taxpayer may elect to have this section not apply for any taxable year.

''(2) TIME FOR MAKING ELECTION.—An election under paragraph (1) for any taxable year may be made (or revoked) at any time before the expiration of the 3-year period beginning on the last date prescribed by law for filing the return for such taxable year (determined without regard to extensions).

''(3) MANNER OF MAKING ELECTION.—An election under paragraph (1) (or revocation thereof) shall be made in such manner as the Secretary may by regulations prescribe.''.

(b) ALLOWANCE AS GENERAL BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986, as amended by this Act, is amended by striking ''plus'' at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting '', plus'', and by adding at the end the following:

''(38) in the case of a Patriot employer (as defined in section 45T(b)) for any taxable year, the Patriot employer credit determined under section 45T(a).''.

(c) DENIAL OF DOUBLE BENEFIT.—Subsection (a) of section 280C of the Internal Revenue Code of 1986 is amended by inserting ''45T(a),'' after ''45P(a)''.

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following new item:

''Sec. 45T. Patriot employer tax credit.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2014.

**SEC. __. DEFER DEDUCTION OF INTEREST EXPENSE RELATED TO DEFERRED INCOME.**

(a) IN GENERAL.—Section 163 of the Internal Revenue Code of 1986 (relating to deductions for interest expense) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

''(n) DEFERRAL OF DEDUCTION FOR INTEREST EXPENSE RELATED TO DEFERRED INCOME.—

''(1) GENERAL RULE.—The amount of foreign-related interest expense of any taxpayer allowed as a deduction under this chapter for any taxable year shall not exceed an amount equal to the applicable percentage of the sum of—

''(A) the taxpayer's foreign-related interest expense for the taxable year, plus

''(B) the taxpayer's deferred foreign-related interest expense.

For purposes of the paragraph, the applicable percentage is the percentage equal to the current inclusion ratio.

''(2) TREATMENT OF DEFERRED DEDUCTIONS.—If, for any taxable year, the amount of the limitation determined under paragraph (1) exceeds the taxpayer's foreign-related interest expense for the taxable year, there shall be allowed as a deduction for the taxable year an amount equal to the lesser of—

''(A) such excess, or

''(B) the taxpayer's deferred foreign-related interest expense.

''(3) DEFINITIONS AND SPECIAL RULE.—For purposes of this subsection—

''(A) FOREIGN-RELATED INTEREST EXPENSE.—The term 'foreign-related interest expense' means, with respect to any taxpayer for any taxable year, the amount which bears the same ratio to the amount of interest expense for such taxable year allocated and apportioned under sections 861, 864(e), and 864(f) to income from sources outside the United States as—

''(i) the value of all stock held by the taxpayer in all section 902 corporations with respect to which the taxpayer meets the ownership requirements of subsection (a) or (b) of section 902, bears to

''(ii) the value of all assets of the taxpayer which generate gross income from sources outside the United States.

''(B) DEFERRED FOREIGN-RELATED INTEREST EXPENSE.—The term 'deferred foreign-related interest expense' means the excess, if any, of the aggregate foreign-related interest expense for all prior taxable years beginning after December 31, 2014, over the aggregate amount allowed as a deduction under paragraphs (1) and (2) for all such prior taxable years.

''(C) VALUE OF ASSETS.—Except as otherwise provided by the Secretary, for purposes of subparagraph (A)(ii), the value of any asset shall be the amount with respect to such asset determined for purposes of allocating and apportioning interest expense under sections 861, 864(e), and 864(f).

''(D) CURRENT INCLUSION RATIO.—The term 'current inclusion ratio' means, with respect to any domestic corporation which meets the ownership requirements of subsection (a) or (b) of section 902 with respect to one or more section 902 corporations for any taxable year, the ratio (expressed as a percentage) of—

''(i) the sum of all dividends received by the domestic corporation from all such section 902 corporations during the taxable year plus amounts includible in gross income under section 951(a) from all such section 902 corporations, in each case computed without regard to section 78, divided by

''(ii) the aggregate amount of post-1986 undistributed earnings.

''(E) AGGREGATE AMOUNT OF POST-1986 UNDISTRIBUTED EARNINGS.—The term 'aggregate amount of post-1986 undistributed earnings' means, with respect to any domestic corporation which meets the ownership requirements of subsection (a) or (b) of section 902 with respect to one or more section 902 corporations, the domestic corporation's pro rata share of the post-1986 undistributed earnings (as defined in section 902(c)(1)) of all such section 902 corporations.

''(F) FOREIGN CURRENCY CONVERSION.—For purposes of determining the current inclusion ratio, and except as otherwise provided by the Secretary, the aggregate amount of post-1986 undistributed earnings for the taxable year shall be determined by translating each section 902 corporation's post-1986 undistributed earnings into dollars using the average exchange rate for such year.

''(G) SECTION 902 CORPORATION.—The term 'section 902 corporation' has the meaning given to such term by section 909(d)(5).

''(4) TREATMENT OF AFFILIATED GROUPS.—The current inclusion ratio of each member of an affiliated group (as defined in section 864(e)(5)(A)) shall be determined as if all members of such group were a single corporation.

''(5) APPLICATION TO SEPARATE CATEGORIES OF INCOME.—This subsection shall be applied separately with respect to the categories of income specified in section 904(d)(1).

''(6) REGULATIONS.—The Secretary may prescribe such regulations or other guidance as is necessary or appropriate to carry out the purposes of this subsection, including regulations or other guidance providing—

''(A) for the proper application of this subsection with respect to changes in ownership of a section 902 corporation,

''(B) that certain corporations that otherwise would not be members of the affiliated group will be treated as members of the affiliated group for purposes of this subsection,

''(C) for the proper application of this subsection with respect to the taxpayer's share of a deficit in earnings and profits of a section 902 corporation,

''(D) for appropriate adjustments to the determination of the value of stock in any section 902 corporation for purposes of this subsection or to the foreign-related interest expense to account for income that is subject to tax under section 882(a)(1), and

''(E) for the proper application of this subsection with respect to interest expense that is directly allocable to income with respect to certain assets.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2014.

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**SA 3590.** Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE II—LYON COUNTY ECONOMIC DEVELOPMENT**

**SEC. 201. LAND CONVEYANCE TO YERINGTON, NEVADA.**

(a) DEFINITIONS.—In this section:

(1) CITY.—The term ''City'' means the city of Yerington, Nevada.

(2) FEDERAL LAND.—The term ''Federal land'' means the land located in Lyon County and Mineral County, Nevada, that is identified on the map as ''City of Yerington Sustainable Development Conveyance Lands''.

(3) MAP.—The term ''map'' means the map entitled ''Yerington Land Conveyance'' and dated December 19, 2012.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(b) CONVEYANCES OF LAND TO CITY OF YERINGTON, NEVADA.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, subject to valid existing rights and to such terms and conditions as the Secretary determines to be necessary and notwithstanding the land use planning requirements of sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713), the Secretary shall convey to the City, subject to the agreement of the City, all right, title, and interest of the United States in and to the Federal land identified on the map.

(2) APPRAISAL TO DETERMINE FAIR MARKET VALUE.—The Secretary shall determine the fair market value of the Federal land to be conveyed—

(A) in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.); and

(B) based on an appraisal that is conducted in accordance with—

(i) the Uniform Appraisal Standards for Federal Land Acquisition; and

(ii) the Uniform Standards of Professional Appraisal Practice.

(3) AVAILABILITY OF MAP.—The map shall be on file and available for public inspection in the appropriate offices of the Bureau of Land Management.

(4) APPLICABLE LAW.—Beginning on the date on which the Federal land is conveyed to the City, the development of and conduct of activities on the Federal land shall be subject to all applicable Federal laws (including regulations).

(5) COSTS.—As a condition of the conveyance of the Federal land under paragraph (1), the City shall pay—

(A) an amount equal to the appraised value determined in accordance with paragraph (2); and

(B) all costs related to the conveyance, including all surveys, appraisals, and other administrative costs associated with the conveyance of the Federal land to the City under paragraph (1).

**SEC. 202. WOVOKA WILDERNESS.**

(a) FINDINGS.—Congress finds that—

(1) the area designated as the Wovoka Wilderness by this section contains unique and spectacular natural resources, including—

(A) priceless habitat for numerous species of plants and wildlife;

(B) thousands of acres of land that remain in a natural state; and

(C) habitat important to the continued survival of the population of the greater sage grouse of western Nevada and eastern California (referred to in this section as the ''Bi-State population of greater sage-grouse'');

(2) continued preservation of those areas would benefit the County and all of the United States by—

(A) ensuring the conservation of ecologically diverse habitat;

(B) protecting prehistoric cultural resources;

(C) conserving primitive recreational resources;

(D) protecting air and water quality; and

(E) protecting and strengthening the Bi-State population of greater sage-grouse; and

(3) the Secretary of Agriculture should collaborate with the Lyon County Commission and the local community on wildfire and forest management planning and implementation with the goal of preventing catastrophic wildfire and resource damage.

(b) DEFINITIONS.—In this section:

(1) COUNTY.—The term ''County'' means Lyon County, Nevada.

(2) MAP.—The term ''map'' means the map entitled ''Wovoka Wilderness Area'' and dated December 18, 2012.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(4) STATE.—The term ''State'' means the State of Nevada.

(5) WILDERNESS.—The term ''Wilderness'' means the Wovoka Wilderness designated by subsection (c)(1).

(c) ADDITIONS TO NATIONAL WILDERNESS PRESERVATION SYSTEM.—

(1) DESIGNATION.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.), the Federal land managed by the Forest Service, as generally depicted on the Map, is designated as wilderness and as a component of the National Wilderness Preservation System, to be known as the ''Wovoka Wilderness''.

(2) BOUNDARY.—The boundary of any portion of the Wilderness that is bordered by a road shall be 150 feet from the centerline of the road.

(3) MAP AND LEGAL DESCRIPTION.—

(A) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall prepare a map and legal description of the Wilderness.

(B) EFFECT.—The map and legal description prepared under subparagraph (A) shall have the same force and effect as if included in this section, except that the Secretary may correct any clerical and typographical errors in the map or legal description.

(C) AVAILABILITY.—Each map and legal description prepared under subparagraph (A) shall be on file and available for public inspection in the appropriate offices of the Forest Service.

(4) WITHDRAWAL.—Subject to valid existing rights, the Wilderness is withdrawn from—

(A) all forms of entry, appropriation, or disposal under the public land laws;

(B) location, entry, and patent under the mining laws; and

(C) disposition under all laws relating to mineral and geothermal leasing or mineral materials.

(d) ADMINISTRATION.—

(1) MANAGEMENT.—Subject to valid existing rights, the Wilderness shall be administered by the Secretary in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.), except that any reference in that Act to the effective date shall be considered to be a reference to the date of enactment of this Act.

(2) LIVESTOCK.—The grazing of livestock in the Wilderness, if established before the date of enactment of this Act, shall be allowed to continue, subject to such reasonable regulations, policies, and practices as the Secretary considers to be necessary, in accordance with—

(A) section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)); and

(B) the guidelines set forth in Appendix A of the report of the Committee on Interior and Insular Affairs of the House of Representatives accompanying H.R. 2570 of the 101st Congress (House Report 101–405).

(3) INCORPORATION OF ACQUIRED LAND AND INTERESTS.—Any land or interest in land within the boundary of the Wilderness that is acquired by the United States after the date of enactment of this Act shall be added to and administered as part of the Wilderness.

(4) ADJACENT MANAGEMENT.—

(A) IN GENERAL.—Congress does not intend for the designation of the Wilderness to create a protective perimeter or buffer zone around the Wilderness.

(B) NONWILDERNESS ACTIVITIES.—The fact that nonwilderness activities or uses can be seen or heard from areas within the Wilderness shall not preclude the conduct of the activities or uses outside the boundary of the Wilderness.

(5) OVERFLIGHTS.—

(A) MILITARY OVERFLIGHTS.—Nothing in this title restricts or precludes—

(i) low-level overflights of military aircraft over the Wilderness, including military overflights that can been seen or heard within the Wilderness;

(ii) flight testing and evaluation; or

(iii) the designation or creation of new units of special airspace, or the establishment of military flight training routes, over the Wilderness.

(B) EXISTING AIRSTRIPS.—Nothing in this title restricts or precludes low-level overflights by aircraft originating from airstrips in existence on the date of enactment of this Act that are located within 5 miles of the proposed boundary of the Wilderness.

(6) WILDFIRE, INSECT, AND DISEASE MANAGEMENT.—In accordance with section 4(d)(1) of the Wilderness Act (16 U.S.C. 1133(d)(1)), the Secretary may take any measures in the Wilderness that the Secretary determines to be necessary for the control of fire, insects, and diseases, including, as the Secretary determines to be appropriate, the coordination of the activities with a State or local agency.

(7) WATER RIGHTS.—

(A) FINDINGS.—Congress finds that—

(i) the Wilderness is located—

(I) in the semiarid region of the Great Basin; and

(II) at the headwaters of the streams and rivers on land with respect to which there are few—

(aa) actual or proposed water resource facilities located upstream; and

(bb) opportunities for diversion, storage, or other uses of water occurring outside the land that would adversely affect the wilderness values of the land;

(ii) the Wilderness is generally not suitable for use or development of new water resource facilities; and

(iii) because of the unique nature of the Wilderness, it is possible to provide for proper management and protection of the wilderness and other values of land in ways different from those used in other laws.

(B) PURPOSE.—The purpose of this paragraph is to protect the wilderness values of the Wilderness by means other than a federally reserved water right.

(C) STATUTORY CONSTRUCTION.—Nothing in this paragraph—

(i) constitutes an express or implied reservation by the United States of any water or water rights with respect to the Wilderness;

(ii) affects any water rights in the State (including any water rights held by the United States) in existence on the date of enactment of this Act;

(iii) establishes a precedent with regard to any future wilderness designations;

(iv) affects the interpretation of, or any designation made under, any other Act; or

(v) limits, alters, modifies, or amends any interstate compact or equitable apportionment decree that apportions water among and between the State and other States.

(D) NEVADA WATER LAW.—The Secretary shall follow the procedural and substantive requirements of State law in order to obtain and hold any water rights not in existence on the date of enactment of this Act with respect to the Wilderness.

(E) NEW PROJECTS.—

(i) DEFINITION OF WATER RESOURCE FACILITY.—

(I) IN GENERAL.—In this subparagraph, the term ''water resource facility'' means irrigation and pumping facilities, reservoirs, water conservation works, aqueducts, canals, ditches, pipelines, wells, hydropower projects, transmission and other ancillary facilities, and other water diversion, storage, and carriage structures.

(II) EXCLUSION.—In this subparagraph, the term ''water resource facility'' does not include wildlife guzzlers.

(ii) RESTRICTION ON NEW WATER RESOURCE FACILITIES.—

(I) IN GENERAL.—Except as otherwise provided in this section, on or after the date of enactment of this Act, no officer, employee, or agent of the United States shall fund, assist, authorize, or issue a license or permit for the development of any new water resource facility within the Wilderness, any portion of which is located in the County.

(II) EXCEPTION.—If a permittee within the Bald Mountain grazing allotment submits an application for the development of water resources for the purpose of livestock watering by the date that is 10 years after the date of enactment of this Act, the Secretary shall issue a water development permit within the non-wilderness boundaries of the Bald Mountain grazing allotment for the purposes of carrying out activities under paragraph (2).

(8) NONWILDERNESS ROADS.—Nothing in this title prevents the Secretary from implementing or amending a final travel management plan.

(e) WILDLIFE MANAGEMENT.—

(1) IN GENERAL.—In accordance with section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this section affects or diminishes the jurisdiction of the State with respect to fish and wildlife management, including the regulation of hunting, fishing, and trapping, in the Wilderness.

(2) MANAGEMENT ACTIVITIES.—In furtherance of the purposes and principles of the Wilderness Act (16 U.S.C. 1131 et seq.), the Secretary may conduct any management activities in the Wilderness that are necessary to maintain or restore fish and wildlife populations and the habitats to support the populations, if the activities are carried out—

(A) consistent with relevant wilderness management plans; and

(B) in accordance with—

(i) the Wilderness Act (16 U.S.C. 1131 et seq.); and

(ii) appropriate policies, such as those set forth in Appendix B of the report of the Committee on Interior and Insular Affairs of the House of Representatives accompanying H.R. 2570 of the 101st Congress (House Report 101–405), including the occasional and temporary use of motorized vehicles and aircraft, if the use, as determined by the Secretary, would promote healthy, viable, and more naturally distributed wildlife populations that would enhance wilderness values with the minimal impact necessary to reasonably accomplish those tasks.

(3) EXISTING ACTIVITIES.—Consistent with section 4(d)(1) of the Wilderness Act (16 U.S.C. 1133(d)(1)) and in accordance with appropriate policies such as those set forth in Appendix B of House Report 101–405, the State may continue to use aircraft, including helicopters, to survey, capture, transplant, monitor, and provide water for wildlife populations in the Wilderness.

(4) HUNTING, FISHING, AND TRAPPING.—

(A) IN GENERAL.—The Secretary may designate areas in which, and establish periods during which, for reasons of public safety, administration, or compliance with applicable laws, no hunting, fishing, or trapping will be permitted in the Wilderness.

(B) CONSULTATION.—Except in emergencies, the Secretary shall consult with the appropriate State agency and notify the public before making any designation under paragraph (1).

(5) AGREEMENT.—The State, including a designee of the State, may conduct wildlife management activities in the Wilderness—

(A) in accordance with the terms and conditions specified in the cooperative agreement between the Secretary and the State entitled ''Memorandum of Understanding: Intermountain Region USDA Forest Service and the Nevada Department of Wildlife State of Nevada'' and signed by the designee of the State on February 6, 1984, and by the designee of the Secretary on January 24, 1984, including any amendments, appendices, or additions to the agreement agreed to by the Secretary and the State or a designee; and

(B) subject to all applicable laws (including regulations).

(f) WILDLIFE WATER DEVELOPMENT PROJECTS.—Subject to subsection (d), the Secretary shall authorize structures and facilities, including existing structures and facilities, for wildlife water development projects (including guzzlers) in the Wilderness if—

(1) the structures and facilities will, as determined by the Secretary, enhance wilderness values by promoting healthy, viable, and more naturally distributed wildlife populations; and

(2) the visual impacts of the structures and facilities on the Wilderness can reasonably be minimized.

**SEC. 203. WITHDRAWAL.**

(a) DEFINITION OF WITHDRAWAL AREA.—In this section, the term ''Withdrawal Area'' means the land administered by the Forest Service and identified as ''Withdrawal Area'' on the map described in section 202(b)(2).

(b) WITHDRAWAL.—Subject to valid existing rights, all Federal land within the Withdrawal Area is withdrawn from all forms of—

(1) entry, appropriation, or disposal under the public land laws;

(2) location, entry, and patent under the mining laws; and

(3) operation of the mineral laws, geothermal leasing laws, and mineral materials laws.

(c) MOTORIZED AND MECHANICAL VEHICLES.—

(1) IN GENERAL.—Subject to paragraph (2), use of motorized and mechanical vehicles in the Withdrawal Area shall be permitted only on roads and trails designated for the use of those vehicles, unless the use of those vehicles is needed—

(A) for administrative purposes; or

(B) to respond to an emergency.

(2) EXCEPTION.—Paragraph (1) does not apply to aircraft (including helicopters).

**SEC. 204. NATIVE AMERICAN CULTURAL AND RELIGIOUS USES.**

Nothing in this title alters or diminishes the treaty rights of any Indian tribe.

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**SA 3591.** Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. _____. REVIEW OF CERTAIN FEDERAL REGISTER NOTICES.**

If, by the date that is 45 days after the date on which a State Bureau of Land Management office has submitted a Federal Register notice to the Washington, DC, office of the Bureau of Land Management for Department of the Interior review, the review has not been completed—

(1) the notice shall consider to be approved; and

(2) the State Bureau of Land Management office shall immediately forward the notice to the Federal Register for publication.

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**SA 3592.** Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

On page 13, after line 3, add the following:

**SEC. 4. EMERGENCY FUEL REDUCTION.**

(a) PURPOSES.—The purposes of this section are—

(1) to expedite wildfire prevention projects to reduce the chances of wildfire on certain high-risk Federal land adjacent to communities, private property, and critical infrastructure;

(2) to improve forest and wildland health; and

(3) to promote the recovery of threatened and endangered species, or other species under consideration for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), including sage-grouse, whose habitat is negatively impacted by wildland fire.

(b) EXPEDITED REVIEW OF PROJECTS ON FEDERAL LAND.—Section 104 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6514) is amended—

(1) by redesignating subsections (e) through (h) as subsections (f) through (i), respectively;

(2) in subsection (c)(1)(C)(i), by striking ''subsection (f)'' and inserting ''subsection (g)''; and

(3) by inserting after subsection (d) the following:

''(e) CATEGORICAL EXCLUSION OF CERTAIN PROJECTS.—

''(1) DEFINITION OF ADJACENT FEDERAL LAND.—In this subsection, the term 'adjacent Federal land' means an area of Federal land—

''(A) that, while not located in the wildland-urban interface, is located within not more than 5 miles of non-Federal land; and

''(B) on which the Secretary determines that conditions, such as the risk of wildfire, an insect or disease epidemic, or the presence of invasive species, pose a risk to the adjacent non-Federal land.

''(2) CATEGORICAL EXCLUSION OF CERTAIN PROJECTS.—

''(A) IN GENERAL.—An authorized hazardous fuel reduction project shall be categorically excluded from the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) if the project—

''(i) involves the removal of insect-infected trees, dead or dying trees, trees presenting a threat to public safety or electrical reliability, or the removal of other hazardous fuels within 500 feet of utility or communications infrastructure, a municipal water supply system, campground, roadside, heritage site, recreation site, school, or other infrastructure;

''(ii) is intended to treat 10,000 acres or less of public land or National Forest System land that—

''(I) contains threatened and endangered species habitat; or

''(II) provides conservation benefits to species that are not listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533) but are a State- listed species, a special concern species, or candidates for a listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

''(iii) is proposed to be conducted on adjacent Federal land or is recommended in a community wildfire protection plan if—

''(I) the Secretary determines that the project is consistent with the applicable resource management plan; and

''(II) the decision to categorically exclude the project is made in accordance with applicable extraordinary circumstances procedures established pursuant to section 1508.4 of title 40, Code of Federal Regulations (or a successor regulation).

''(B) CONSULTATION.—In determining whether an area contains trees or other hazardous fuels described in clause (i), the Secretary shall consult with any utility or other entity that manages the area.

''(C) PRIORITY FOR CERTAIN PROJECTS.—In providing categorical exclusions under subparagraph (A), the Secretary shall give priority to authorized hazardous fuel reduction projects and other projects recommended in a community wildfire protection plan.

''(D) EXCLUSIONS.—National Forest System land or public land eligible for treatment under this subsection shall not include land—

''(i) that is a component of the National Wilderness Preservation System;

''(ii) on which the removal of vegetation is specifically prohibited by Federal law; or

''(iii) that is within a National Monument as of the date of the enactment of the Bring Jobs Home Act.''.

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**SA 3593.** Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

**TITLE II—PUBLIC LAND RENEWABLE ENERGY DEVELOPMENT**

**Subtitle A—Geothermal Energy**

**SEC. 201. EXTENSION OF FUNDING FOR IMPLEMENTATION OF ENERGY POLICY ACT OF 2005.**

(a) IN GENERAL.—Section 234(a) of the Energy Policy Act of 2005 (42 U.S.C. 15873(a)) is amended by striking ''in the first 5 fiscal years beginning after the date of enactment of this Act'' and inserting ''through fiscal year 2020''.

(b) AUTHORIZATION.—Section 234(b) of the Energy Policy Act of 2005 (42 U.S.C. 15873(b)) is amended—

(1) by striking ''Amounts'' and inserting the following:

''(1) IN GENERAL.—Amounts''; and

(2) by adding at the end the following:

''(2) AUTHORIZATION.—Effective for fiscal year [2015] and each fiscal year thereafter, amounts deposited under subsection (a) shall be available to the Secretary of the Interior for expenditure, subject to appropriation and without fiscal year limitation, to implement the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) and this Act.''.

**SEC. 202. CATEGORICAL EXCLUSION FOR GEOTHERMAL DRILLING.**

Not later than 1 year after the date of enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall establish a new categorical exclusion under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for geothermal drilling activities on any National Forest System land or public land (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702)) that were reviewed under the programmatic environmental impact statement relating to the authorization of geothermal leasing completed in October 2008.

**Subtitle B—Development of Wind and Solar Energy on Certain Federal Land**

**SEC. 211. DEFINITIONS.**

In this subtitle:

(1) COVERED LAND.—The term ''covered land'' means land that is—

(A)(i) public land administered by the Secretary; or

(ii) National Forest System land administered by the Secretary of Agriculture; and

(B) not excluded from the development of solar or wind energy under—

(i) a final land use plan established under the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

(ii) a final land and resource management plan established under the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.); or

(iii) other Federal law.

(2) FUND.—The term ''Fund'' means the Renewable Energy Resource Conservation Fund established by section 214(b)(1).

(3) PILOT PROGRAM.—The term ''pilot program'' means the wind and solar leasing pilot program established under section 212(a)(1).

(4) PUBLIC LAND.—The term ''public land'' has the meaning given the term ''public lands'' in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702).

(5) SECRETARIES.—The term ''Secretaries'' means—

(A) in the case of public land administered by the Secretary, the Secretary; and

(B) in the case of National Forest System land administered by the Secretary of Agriculture, the Secretary of Agriculture.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

**SEC. 212. DEVELOPMENT OF SOLAR AND WIND ENERGY ON COVERED LAND.**

(a) PILOT PROGRAM.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretaries each shall establish a wind and solar leasing pilot program under which the Secretaries shall conduct lease sales of certain sites located on covered land for purposes of carrying out wind and solar energy projects.

(2) SELECTION OF SITES.—

(A) IN GENERAL.—Not later than 90 days after the date the pilot program is established under paragraph (1), the Secretaries shall each select from covered land—

(i) 1 site for the development of a solar energy project; and

(ii) 1 site for the development of a wind energy project.

(B) SITE SELECTION.—In selecting sites under subparagraph (A), the Secretaries shall—

(i) give a preference to sites that the Secretaries determine—

(I) are likely to attract a high level of wind and solar energy industry interest;

(II) have a comparatively low value for resources, other than wind and solar energy; and

(III) would serve as models for the expansion of the pilot program to other locations, if the program is expanded under subsection (c);

(ii) take into consideration the value of the multiple resources of the covered land on which the sites are located; and

(iii) not select any site for which a right-of-way or special use permit for site testing or construction has been issued under—

(I) title V of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1761 et seq.); or

(II) the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.).

(3) LEASE SALES.—

(A) IN GENERAL.—Except as provided in paragraph (4)(B)(i), not later than 180 days after the date on which sites are selected under paragraph (2), the Secretaries shall offer each site for competitive leasing to bidders that the Secretaries determine to be qualified under subparagraph (C) under such terms and conditions as are required by the Secretaries.

(B) BIDDING SYSTEMS.—

(i) IN GENERAL.—In offering the sites for lease, the Secretaries may vary the bidding system selected by the Secretaries, including—

(I) cash bonus bids with a requirement for payment of the royalty established under this subtitle;

(II) variable royalty bids based on a percentage of the gross proceeds from the sale of electricity produced from the lease, except that the royalty shall not be less than the royalty required under this subtitle, together with a fixed cash bonus; or

(III) such other bidding system as the Secretaries determine will ensure a fair return to the public, consistent with the royalty established under this subtitle.

(ii) ROUND.—The Secretaries shall limit bidding to 1 round in any lease sale.

(C) BIDDER QUALIFICATIONS.—Before conducting a lease sale under this section, the Secretaries shall—

(i) establish qualifications for bidders that ensure the bidders—

(I) are able to expeditiously develop a wind or solar energy project on the site for lease;

(II) possess—

(aa) the financial resources necessary to complete a project;

(bb) knowledge of the technology needed to complete a project; and

(cc) such other qualifications as the Secretaries determine to be necessary; and

(III) meet eligibility requirements that are substantially similar to the eligibility requirements for leasing that apply under the first section of the Mineral Leasing Act (30 U.S.C. 181); and

(ii) using the requirements established under clause (i), determine whether a person is qualified to be a bidder on a site offered for lease under this subsection.

(D) CREDIT FOR BID PREPARATION EXPENDITURES.—If more than 1 bid is submitted with respect to a site offered for lease under this subsection on the date of the lease sale, the Secretaries shall give credit to each person who submitted a bid with respect to the site for expenditures the person incurred in the preparation of the bid.

(4) LEASE TERMS.—

(A) IN GENERAL.—The Secretaries may establish such lease terms and conditions with respect to any site offered for lease under this subsection as the Secretaries consider appropriate, including the duration of the lease.

(B) DATA COLLECTION.—As part of the pilot program, the Secretaries shall—

(i) offer on a noncompetitive basis a short-term lease with respect to at least 1 site for data collection; and

(ii) on the expiration of the short-term lease described in clause (i), offer on a competitive basis a long-term lease, giving credit toward the bonus bid to the holder of the short-term lease for any qualified expenditures to collect data or to develop the site during the short-term lease.

(5) REVENUES.—Subject to section 213, the Secretaries may collect bonus bids, royalties, fees, or other payments (except rental payments) with respect to sites offered for lease under this subsection.

(6) REPORT.—Not later than 90 days after the date on which the Secretaries conduct the final lease sale under this subsection, the Secretaries shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Natural Resources and the Committee on Agriculture of the House of Representatives a report that describes the results of the pilot program, including—

(A) the level of competitive interest;

(B) a summary of bids and revenues received; and

(C) any other factors that may have impacted the lease sale process.

(7) OTHER LAWS.—

(A) COMPLIANCE WITH LAND MANAGEMENT AND ENVIRONMENTAL LAWS.—In offering sites for lease under this subsection, the Secretary concerned shall comply with—

(i) all Federal laws applicable to public land or National Forest System land;

(ii) applicable Federal and State environmental laws; and

(iii) any other relevant laws.

(B) APPLICABILITY TO WIND AND SOLAR ENERGY PROJECTS UNDER OTHER FEDERAL LAW.—Nothing in this subsection prohibits the Secretaries from issuing rights-of-way or special use permits with respect to wind and solar energy projects in compliance with other Federal laws (including regulations) in effect on the date of enactment of this Act.

(8) ENFORCEMENT OF FEDERAL LAND POLICY MANAGEMENT.—

(A) IN GENERAL.—Sections 302(c) and 303 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732(c), 1733) shall apply to activities conducted on sites on covered land offered for lease under this subsection.

(B) EFFECT ON ENFORCEMENT AUTHORITY UNDER OTHER FEDERAL LAW.—Nothing in this subsection reduces or limits the enforcement authority vested in the Secretaries or the Attorney General on covered land under any other Federal law.

(b) TEMPORARY EXTENSION OF PILOT PROGRAM.—Until the date on which final regulations are promulgated under subsection (c)(4), the Secretaries—

(1) shall continue to carry out the pilot program on the sites offered for lease under subsection (a); and

(2) as the Secretaries determine to be necessary, may extend any lease issued under subsection (a) under the same terms and conditions applicable to the lease on the date of the lease sale.

(c) EXPANSION OF PILOT PROGRAM TO ALL COVERED LAND.—

(1) JOINT DETERMINATION REQUIRED; EXPANSION.—The Secretaries shall—

(A) not later than 5 years after the date of enactment of this Act, jointly determine whether to expand the pilot program to all covered land, including sites with respect to which leases were issued under subsection (a); and

(B) if the Secretaries determine to expand the pilot program under subparagraph (A), expand the pilot program.

(2) CONSIDERATION; CONSULTATION.—In making a determination under paragraph (1)(A), the Secretaries shall—

(A) take into consideration the results of the pilot program;

(B) consult with—

(i) the heads of Federal agencies and relevant State agencies (including State fish and wildlife agencies);

(ii) interested States, Indian tribes, and local governments;

(iii) representatives of the solar and wind energy industries;

(iv) representatives of the environment, conservation, and outdoor sporting communities; and

(v) the public; and

(C) consider whether the expansion of the pilot program—

(i) provides an effective means of developing wind or solar energy; and

(ii) is in the public interest.

(3) REPORT ON JOINT DETERMINATION.—Not later than 60 days after the date on which the Secretaries make a determination under paragraph (1)(A) to expand the pilot program, the Secretaries jointly shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate and

the Committee on Natural Resources and the Committee on Agriculture of the House of Representatives a report describing the basis and findings for the determination.

(4) REGULATIONS TO IMPLEMENT EXPANSION.—Not later than 1 year after making a determination to expand the pilot program under paragraph (1)(A), the Secretaries jointly shall promulgate final regulations to implement this subtitle.

(5) APPLICABILITY OF PROVISIONS OF PILOT PROGRAM TO EXPANDED PROGRAM.—

(A) IN GENERAL.—Except as provided in subparagraph (B), paragraphs (3), (7), and (8) of subsection (a) shall apply to covered land offered for lease under this subsection in the same manner as those paragraphs apply to sites offered for lease under subsection (a).

(B) COMPETITIVE LEASING NOT REQUIRED UNDER CERTAIN CIRCUMSTANCES.—The requirement under subsection (a)(3) that a lease be sold on a competitive basis shall not apply to a lease issued under this subsection if the Secretary or the Secretary of Agriculture, as applicable, determines that—

(i) no competitive interest exists for the covered land offered for lease;

(ii) the public interest would not be served by the competitive issuance of a lease with respect to the covered land; or

(iii) the lease is for a purpose described in paragraph (7)(A)(ii).

(6) PAYMENTS.—

(A) IN GENERAL.—Subject to section 213, the Secretaries jointly shall establish fees, bonuses, or other payments (except rental payments) to ensure a fair return to the United States for any lease issued under this subsection.

(B) BONUS BIDS.—The Secretary concerned may grant credit toward any bonus bid for a qualified expenditure by the holder of a lease described in paragraph (7)(A)(ii) in any competitive lease sale held for a long-term lease of the covered land that is the subject of the lease described in that paragraph.

(7) LEASE DURATION, ADMINISTRATION, AND READJUSTMENT.—

(A) DURATION.—

(i) IN GENERAL.—Except as provided in clause (ii), a lease issued under this subsection shall be for—

(I) an initial term of 30 years; and

(II) any additional period after the initial 25-year term during which electricity is being produced annually in commercial quantities from the lease.

(ii) DATA COLLECTION LEASES.—In the case of a lease issued under this subsection for the placement and operation of a meteorological or data collection facility or for the development or demonstration of a new wind or solar technology, the lease shall have a term of not more than 5 years.

(B) ADMINISTRATION.—The Secretaries jointly shall establish terms and conditions for the issuance, transfer, renewal, suspension, and cancellation of a lease issued under this subsection.

(C) READJUSTMENT PROVISION REQUIRED.—Each lease issued under this subsection shall provide for readjustment in accordance with subparagraph (A).

(8) SURFACE-DISTURBING ACTIVITIES.—The Secretaries jointly shall promulgate regulations regarding surface-disturbing activities conducted under any lease issued under this subsection, including any reclamation and other actions necessary to conserve and offset impacts to surface resources.

(9) SECURITY.—

(A) IN GENERAL.—The Secretaries shall require that the holder of a lease issued under this subsection shall—

(i) furnish a surety bond or other form of security, as prescribed by the Secretaries;

(ii) provide for the reclamation and restoration of the covered land that is the subject of the lease; and

(iii) comply with such other requirements as the Secretaries consider to be necessary to protect the interests of the public and the United States.

(B) PERIODIC REVIEW.—Not less frequently than once every 5 years, the Secretaries shall conduct a review of the adequacy of a surety bond or other form of security provided by the holder of a lease issued under this subsection.

**SEC. 213. ROYALTIES.**

(a) IN GENERAL.—The Secretaries shall—

(1) require as a term and condition of any lease issued under section 212, the payment of a royalty; and

(2) pursuant to a joint rulemaking, establish those royalties as a percentage of the gross proceeds from the sale of electricity produced on covered land that is the subject of the lease at a rate that—

(A) encourages production of solar or wind energy;

(B) ensures a fair return to the public comparable to the return that would be obtained on State or private land; and

(C) encourages the maximum energy generation while disturbing the least quantity of covered land and other natural resources, including water.

(b) FACTOR FOR CONSIDERATION.—In establishing the royalties under subsection (a), the Secretaries shall take into consideration the relative capacity factors of wind and solar energy projects.

(c) EXCLUSIVE PAYMENT ON SALE OF ELECTRICITY.—The royalty under subsection (a) shall be the only rent, royalty, or similar payment to the Federal Government required with respect to the sale of electricity produced under a lease issued under section 212.

(d) ROYALTY RELIEF.—The Secretaries may reduce the royalty rate established under subsection (a) if the holder of a lease issued under this subtitle demonstrates to the satisfaction of the Secretaries by clear and convincing evidence that—

(1) collection of the full royalty would unreasonably burden energy generation on covered land that is the subject of the lease; and

(2) the royalty reduction is in the public interest.

(e) ENFORCEMENT.—

(1) AUDITING SYSTEM.—The Secretaries jointly shall establish a comprehensive inspection, collection, fiscal, and production accounting and auditing system—

(A) to accurately determine royalties, interest, fines, penalties, fees, deposits, and other payments owed under this subtitle; and

(B) to collect and account for the payments in a timely manner.

(2) APPLICABILITY OF FEDERAL OIL AND GAS ROYALTY MANAGEMENT ACT.—The Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.) (including the civil and criminal enforcement provisions of that Act) shall apply to leases issued under this subtitle with respect to wind and solar energy projects in the same manner as that Act applies to oil and gas leases.

(f) REPORT ON ROYALTIES.—Not later than 5 years after the date of enactment of this Act and not less frequently than once every 5 years thereafter, the Secretary, in consultation with the Secretary of Agriculture, shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Natural Resources and the Committee on Agriculture of the House of Representatives a report that includes a review of the collections and impacts of the royalties and fees collected under this subtitle, including—

(1) the total revenues received (expressed by category) on an annual basis as royalties from wind, solar, and geothermal development and production, specified by energy source, on covered land;

(2) whether the revenues received for the development of wind, solar, and geothermal development are comparable to the revenues received for similar development on State or private land;

(3) any impact on the development of wind, solar, or geothermal development and production on covered land as a result of the royalties; and

(4) any recommendations with respect to changes in Federal law (including regulations) relating to the amount or method of collection (including auditing, compliance, and enforcement) of the royalties.

(g) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretaries jointly shall promulgate final regulations to carry out this section.

**SEC. 214. DISPOSITION OF ROYALTY REVENUES.**

(a) ALLOCATION OF REVENUE.—Effective beginning on the date of enactment of this Act, all amounts collected by the Secretaries as royalties or bonuses under subsection (a)(5) or (c)(6) of section 212 shall be distributed as follows:

(1) 25 percent shall be paid by the Secretary of the Treasury to States within the boundaries of which the royalties or bonuses are derived, to be allocated among those States based on the percentage of covered land from which the royalties or bonuses are derived in each State.

(2) 25 percent shall be paid by the Secretary of the Treasury to the counties within the boundaries of which the royalties or bonuses are derived, to be allocated among those counties based on the percentage of covered land from which the royalties or bonuses are derived in each county.

(3) 25 percent shall be deposited in the Fund.

(4) For the 15-year period beginning on the date of enactment of this Act, 15 percent shall be paid by the Secretary of the Treasury directly to the State offices of the Bureau of Land Management and the regional office of the Forest Service with jurisdiction over the areas from which the royalties or bonuses are derived for purposes of reducing the number of renewable energy permits that have not been processed before the date of enactment of this Act, to be allocated among those offices based on the percentage of covered land from which the royalties or bonuses are derived in each State.

(5) The remainder shall be deposited into the general fund of the Treasury for purposes of reducing the annual Federal budget deficit.

(b) RENEWABLE ENERGY RESOURCE CONSERVATION FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund, to be known as the ''Renewable Energy Resource Conservation Fund'', to be administered by the Secretary, in consultation with the Secretary of Agriculture, for use in regions impacted by the development of wind or solar energy on public land.

(2) USE OF FUNDS.—The Secretary shall use amounts in the Fund to carry out activities and make payments to State agencies, Federal agencies, or other interested persons in regions described in paragraph (1) for—

(A) protecting and restoring important fish and wildlife habitat in the regions, including corridors, water resources, and other sensitive land; and

(B) ensuring and improving access to Federal land and water in the regions for hunting, fishing, and other forms of outdoor

recreation in a manner consistent with the conservation of fish and wildlife habitat.

(3) AVAILABILITY OF AMOUNTS.—Amounts in the Fund shall be available for expenditure, in accordance with this subsection, without further appropriation and without fiscal year limitation.

(4) INVESTMENT.—

(A) IN GENERAL.—Amounts deposited in the Fund shall earn interest in an amount determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities.

(B) USE.—Any interest earned under subparagraph (A) may be expended in accordance with this subsection.

(5) MITIGATION REQUIREMENTS.—The expenditure of amounts under this subsection shall be separate and distinct from any mitigation requirement imposed pursuant to any law, regulation, or term or condition of any lease, right-of-way, or other authorization.

(c) ALLOCATION FOR PERMITTING AFTER EXPIRATION OF 15-YEAR PERIOD.—

(1) CERTIFICATION BY SECRETARY.—At the end of the 15-year period described in paragraph (4) of subsection (a), the Secretary shall certify whether the State offices referred to in that paragraph have adequately reduced the renewable energy permitting backlog referred to in that paragraph.

(2) ALLOCATION AFTER CERTIFICATION.—If the Secretary certifies under paragraph (1) that—

(A) the State offices referred to in that paragraph have not adequately reduced the backlog referred to in that paragraph—

(i) the 15-year period described in subsection (a)(4) shall be extended by an additional 15-year period; and

(ii) payments shall continue to be made during that period as described in subsection (a)(4); or

(B) the State offices referred to in that paragraph have adequately reduced the backlog, of the amount otherwise required to be paid under subsection (a)(4)—

(i) ⅔ shall be added to the amount deposited in the Fund; and

(ii) ⅓ shall be deposited into the general fund of the Treasury for purposes of reducing the annual Federal budget deficit.

(d) PAYMENTS TO STATES AND COUNTIES.—

(1) IN GENERAL.—The amounts paid to States and counties under this section shall be used in a manner that is consistent with section 35 of the Mineral Leasing Act (30 U.S.C. 191).

(2) IMPACTS.—Not less than 35 percent of the amounts paid to a State under this section for each fiscal year shall be used for the purposes described in subsection (b)(2) .

(3) ADDITION TO PILT PAYMENTS.—A payment to a county under this section shall be in addition to a payment received in lieu of taxes under chapter 69 of title 31, United States Code.

**SEC. 215. STUDY AND REPORT ON MITIGATION BANKING.**

(a) STUDY.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretaries shall carry out a study to determine the feasibility of carrying out a mitigation banking program on Federal land administered by the Secretaries for purposes of fully offsetting the impacts of wind or solar energy on that Federal land.

(2) CONTENTS.—The study under paragraph (1) shall—

(A) identify areas in which—

(i) privately owned land is not available to fully offset the impacts of wind or solar energy development on Federal land administered by the Secretaries; or

(ii) mitigation investments on that Federal land are likely to provide greater conservation value for the impacts of wind or solar energy development on the Federal land; and

(B) examine—

(i) the effectiveness of laws (including regulations) and policies in effect on the date of enactment of this Act in facilitating the development and effective operation of mitigation banks;

(ii) the advantages and disadvantages of using mitigation banks on Federal land administered by the Secretaries to mitigate impacts to natural resources on private, State, and tribal land; and

(iii) any changes in Federal law (including regulations) or policy necessary to advance development of a Federal mitigation banking program.

(b) REPORT TO CONGRESS.—Not later than 18 months after the date of enactment of this Act, the Secretaries jointly shall submit to Congress a report that includes—

(1) the recommendations of the Secretaries relating to—

(A) the most effective system for Federal land administered by the Secretaries to meet the goals of facilitating the development of a mitigation banking program on Federal land administered by the Secretaries; and

(B) any change to Federal law (including regulations) or policy necessary to address more effectively the siting, development, and management of mitigation banking programs on that Federal land to mitigate impacts to natural resources on private, State, and tribal land; and

(2) a description of any administrative action to be taken by the Secretaries in response to the recommendations.

(c) AVAILABILITY TO THE PUBLIC.—Not later than 30 days after the date on which the report is submitted to Congress under subsection (b), the Secretaries shall make the report available to the public.

**SEC. 216. RENEWABLE ENERGY POTENTIAL AT MILITARY INSTALLATIONS.**

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of Defense, in consultation with the Secretary, shall conduct, and prepare for States that have not completed a comparable analysis a report describing the results of, a study that—

(1) identifies locations on land withdrawn from the public domain and reserved for military purposes that—

(A) exhibit a high potential for solar, wind, geothermal, or other renewable energy production;

(B) are disturbed or otherwise have comparatively low value for other resources; and

(C) could be developed for renewable energy production in a manner consistent with all present and reasonably foreseeable military training and operational missions and research, development, testing, and evaluation requirements; and

(2) describes the administration of public land withdrawn for military purposes for the development of commercial-scale renewable energy projects, including the legal authorities governing authorization for that use.

(b) ENVIRONMENTAL IMPACT ANALYSIS.—The Secretary of Defense, in consultation with the Secretary, shall prepare and publish in the Federal Register a notice of intent to prepare an environmental impact analysis document to support a program to develop renewable energy on withdrawn military land identified in the study under subsection (a) as suitable for the production.

(c) SUBMISSION TO CONGRESS.—On completion of the report under subsection (a), the Secretary and the Secretary of Defense jointly shall submit the report to—

(1) the Committee on Armed Services of the Senate;

(2) the Committee on Energy and Natural Resources of the Senate;

(3) the Committee on Armed Services of the House Representatives; and

(4) the Committee on Natural Resources of the House of Representatives.

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**SA 3594.** Mr. HELLER submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

**SEC. ____. RELIEF FOR ENERGY CONSUMERS.**

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) COVERED ENERGY-RELATED RULE.—The term ''covered energy-related rule'' means a rule of the Environmental Protection Agency that—

(A)(i) regulates any aspect of the production, supply, distribution, or use of energy; or

(ii) provides for the regulation described in clause (i) by States or other governmental entities; and

(B) is estimated by the Administrator or the Director of the Office of Management and Budget to impose direct costs and indirect costs, in the aggregate, of more than $1,000,000,000.

(3) DIRECT COSTS.—The term ''direct costs'' has the meaning given the term in chapter 8 of the document of the Environmental Protection Agency entitled ''Guidelines for Preparing Economic Analyses'' and dated December 17, 2010.

(4) INDIRECT COSTS.—The term ''indirect costs'' has the meaning given the term in chapter 8 of the document of the Environmental Protection Agency entitled ''Guidelines for Preparing Economic Analyses'' and dated December 17, 2010.

(5) RULE.—The term ''rule'' has the meaning given the term in section 551 of title 5, United States Code.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(b) PROHIBITION AGAINST FINALIZING CERTAIN ENERGY-RELATED RULES THAT WILL CAUSE SIGNIFICANT ADVERSE EFFECTS TO THE ECONOMY.—Notwithstanding any other provision of law, the Administrator shall not promulgate as final any covered energy-related rule if the Secretary determines under subsection (c)(4) that the covered energy-related rule will result in significant adverse effects to the economy.

(c) REPORTS AND DETERMINATIONS PRIOR TO PROMULGATING AS FINAL CERTAIN ENERGY-RELATED RULES.—

(1) IN GENERAL.—Before promulgating as final any covered energy-related rule, the Administrator shall carry out the activities described in paragraphs (3) and (4).

(2) REPORT TO CONGRESS.—For each covered energy-related rule, the Administrator shall submit to Congress and Secretary a report containing—

(A) a copy of the covered energy-related rule;

(B) a concise general statement relating to the covered energy-related rule;

(C) an estimate of the total costs of the covered energy-related rule, including the direct costs and indirect costs of the covered energy-related rule;

(D) an estimate of—

(i) the total benefits of the covered energy-related rule; and

(ii) when those benefits are expected to be realized;

(E) a description of the modeling, the assumptions, and the limitations due to uncertainty, speculation, or lack of information

associated with the estimates under subparagraph (D);

(F) an estimate of the increases in energy prices, including potential increases in gasoline or electricity prices for consumers, that may result from implementation or enforcement of the covered energy-related rule; and

(G) a detailed description of the employment effects, including potential job losses and shifts in employment, that may result from implementation or enforcement of the covered energy-related rule.

(3) INITIAL DETERMINATION ON INCREASES AND IMPACTS.—The Secretary, in consultation with the Federal Energy Regulatory Commission and the Administrator of the Energy Information Administration, shall prepare an independent analysis to determine whether the covered energy-related rule will cause—

(A) any increase in energy prices for consumers, including low-income households, small businesses, and manufacturers;

(B) any impact on fuel diversity of the electricity generation portfolio of the United States or on national, regional, or local electric reliability;

(C) any adverse effect on energy supply, distribution, or use due to the economic or technical infeasibility of implementing the covered energy-related rule; or

(D) any other adverse effect on energy supply, distribution, or use (including a shortfall in supply and increased use of foreign supplies).

(4) SUBSEQUENT DETERMINATION ON ADVERSE EFFECTS TO THE ECONOMY.—If the Secretary determines, under paragraph (3), that the covered energy-related rule will result in an increase, impact, or effect described in that subsection, the Secretary, in consultation with the Administrator, the Secretary of Commerce, the Secretary of Labor, and the Administrator of the Small Business Administration, shall—

(A) determine whether the covered energy-related rule will result in significant adverse effects to the economy, taking into consideration—

(i) the costs and benefits of the covered energy-related rule and limitations in calculating those costs and benefits due to uncertainty, speculation, or lack of information; and

(ii) the positive and negative impacts of the covered energy-related rule on economic indicators, including those related to gross domestic product, unemployment, wages, consumer prices, and business and manufacturing activity; and

(B) publish the results of that determination in the Federal Register.

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**SA 3595.** Mr. MORAN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

**SEC. 4. SUPPORTING NEW BUSINESSES.**

(a) SHORT TITLE.—This section may be cited as the ''Startup Act 3.0''.

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

(1) Achieving economic recovery will require the formation and growth of new companies.

(2) Between 1980 and 2005, companies less than 5 years old accounted for nearly all net job creation in the United States.

(3) New firms in the United States create an average of 3,000,000 jobs per year.

(4) To get Americans back to work, entrepreneurs must be free to innovate, create new companies, and hire employees.

(c) CONDITIONAL PERMANENT RESIDENT STATUS FOR IMMIGRANTS WITH AN ADVANCED DEGREE IN A STEM FIELD.—

(1) IN GENERAL.—Chapter 2 of title II of the Immigration and Nationality Act (8 U.S.C. 1181 et seq.) is amended by inserting after section 216A the following:

**''SEC. 216B. CONDITIONAL PERMANENT RESIDENT STATUS FOR ALIENS WITH AN ADVANCED DEGREE IN A STEM FIELD.**

''(a) IN GENERAL.—Notwithstanding any other provision of this Act, the Secretary of Homeland Security may adjust the status of not more than 50,000 aliens who have earned a master's degree or a doctorate degree at an institution of higher education in a STEM field to that of an alien conditionally admitted for permanent residence and authorize each alien granted such adjustment of status to remain in the United States—

''(1) for up to 1 year after the expiration of the alien's student visa under section 101(a)(15)(F)(i) if the alien is diligently searching for an opportunity to become actively engaged in a STEM field; and

''(2) indefinitely if the alien remains actively engaged in a STEM field.

''(b) APPLICATION FOR CONDITIONAL PERMANENT RESIDENT STATUS.—Every alien applying for a conditional permanent resident status under this section shall submit an application to the Secretary of Homeland Security before the expiration of the alien's student visa in such form and manner as the Secretary shall prescribe by regulation.

''(c) INELIGIBILITY FOR FEDERAL GOVERNMENT ASSISTANCE.—An alien granted conditional permanent resident status under this section shall not be eligible, while in such status, for—

''(1) any unemployment compensation (as defined in section 85(b) of the Internal Revenue Code of 1986); or

''(2) any Federal means-tested public benefit (as that term is used in section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613)).

''(d) EFFECT ON NATURALIZATION RESIDENCY REQUIREMENT.—An alien granted conditional permanent resident status under this section shall be deemed to have been lawfully admitted for permanent residence for purposes of meeting the 5-year residency requirement set forth in section 316(a)(1).

''(e) REMOVAL OF CONDITION.—The Secretary of Homeland Security shall remove the conditional basis of an alien's conditional permanent resident status under this section on the date that is 5 years after the date such status was granted if the alien maintained his or her eligibility for such status during the entire 5-year period.

''(f) DEFINITIONS.—In this section:

''(1) ACTIVELY ENGAGED IN A STEM FIELD.—The term 'actively engaged in a STEM field'—

''(A) means—

''(i) gainfully employed in a for-profit business or nonprofit organization in the United States in a STEM field;

''(ii) teaching 1 or more STEM field courses at an institution of higher education; or

''(iii) employed by a Federal, State, or local government entity; and

''(B) includes any period of up to 6 months during which the alien does not meet the requirement under subparagraph (A) if such period was immediately preceded by a 1-year period during which the alien met the requirement under subparagraph (A).

''(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

''(3) STEM FIELD.—The term 'STEM field' means any field of study or occupation included on the most recent STEM-Designated Degree Program List published in the Federal Register by the Department of Homeland Security (as described in section 214.2(f)(11)(i)(C)(2) of title 8, Code of Federal Regulations).''.

(2) CLERICAL AMENDMENT.—The table of contents in the first section of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by inserting after the item relating to section 216A the following:

''Sec. 216B. Conditional permanent resident status for aliens with an advanced degree in a STEM field.''.

(d) GOVERNMENT ACCOUNTABILITY OFFICE STUDY.—

(1) DEFINITIONS.—In this subsection, the terms ''institution of higher education'' and ''STEM field'' have the meanings given such terms in section 216B(f) of the Immigration and Nationality Act, as added by subsection (c).

(2) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on the alien college graduates granted immigrant status under section 216B of the Immigration and Nationality Act, as added by subsection (c).

(3) CONTENTS.—The report required under paragraph (2) shall include—

(A) the number of aliens described in paragraph (2) who have earned a master's degree, broken down by the number of such degrees in science, technology, engineering, and mathematics;

(B) the number of aliens described in paragraph (2) who have earned a doctorate degree, broken down by the number of such degrees in science, technology, engineering, and mathematics;

(C) the number of aliens described in paragraph (2) who have founded a business in the United States in a STEM field;

(D) the number of aliens described in paragraph (2) who are employed in the United States in a STEM field, broken down by employment sector (for profit, nonprofit, or government); and

(E) the number of aliens described in paragraph (2) who are employed by an institution of higher education.

(e) IMMIGRANT ENTREPRENEURS.—

(1) QUALIFIED ALIEN ENTREPRENEURS.—

(A) ADMISSION AS IMMIGRANTS.—Chapter 1 of title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.) is amended by adding at the end the following:

**''SEC. 210A. QUALIFIED ALIEN ENTREPRENEURS.**

''(a) ADMISSION AS IMMIGRANTS.—The Secretary of Homeland Security, in accordance with the provisions of this section and section 216B, may issue a conditional immigrant visa to not more than 75,000 qualified alien entrepreneurs.

''(b) APPLICATION FOR CONDITIONAL PERMANENT RESIDENT STATUS.—Every alien applying for a conditional immigrant visa under this section shall submit an application to the Secretary of Homeland Security in such form and manner as the Secretary shall prescribe by regulation.

''(c) REVOCATION.—If, during the 4-year period beginning on the date that an alien is granted a visa under this section, the Secretary of Homeland Security determines that such alien is no longer a qualified alien entrepreneur, the Secretary shall—

''(1) revoke such visa; and

''(2) notify the alien that the alien—

''(A) may voluntarily depart from the United States in accordance to section 240B; or

''(B) will be subject to removal proceedings under section 240 if the alien does not depart from the United States not later than 6 months after receiving such notification.

''(d) REMOVAL OF CONDITIONAL BASIS.—The Secretary of Homeland Security shall remove the conditional basis of the status of an alien issued an immigrant visa under this section on that date that is 4 years after the date on which such visa was issued if such visa was not revoked pursuant to subsection (c).

''(e) DEFINITIONS.—In this section:

''(1) FULL-TIME EMPLOYEE.—The term 'full-time employee' means a United States citizen or legal permanent resident who is paid by the new business entity registered by a qualified alien entrepreneur at a rate that is comparable to the median income of employees in the region.

''(2) QUALIFIED ALIEN ENTREPRENEUR.—The term 'qualified alien entrepreneur' means an alien who—

''(A) at the time the alien applies for an immigrant visa under this section—

''(i) is lawfully present in the United States; and

''(ii)(I) holds a nonimmigrant visa pursuant to section 101(a)(15)(H)(i)(b); or

''(II) holds a nonimmigrant visa pursuant to section 101(a)(15)(F)(i);

''(B) during the 1-year period beginning on the date the alien is granted a visa under this section—

''(i) registers at least 1 new business entity in a State;

''(ii) employs, at such business entity in the United States, at least 2 full-time employees who are not relatives of the alien; and

''(iii) invests, or raises capital investment of, not less than $100,000 in such business entity; and

''(C) during the 3-year period beginning on the last day of the 1-year period described in paragraph (2), employs, at such business entity in the United States, an average of at least 5 full-time employees who are not relatives of the alien.''.

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in the first section of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by adding after the item relating to section 210 the following:

''Sec. 210A. Qualified alien entrepreneurs.''.

(2) CONDITIONAL PERMANENT RESIDENT STATUS.—Section 216A of the Immigration and Nationality Act (8 U.S.C. 1186b) is amended—

(A) by striking ''Attorney General'' each place such term appears and inserting ''Secretary of Homeland Security'';

(B) in subsection (b)(1)(C), by striking ''203(b)(5),'' and inserting ''203(b)(5) or 210A, as appropriate,'';

(C) in subsection (c)(1), by striking ''alien entrepreneur must'' each place such term appears and inserting ''alien entrepreneur shall'';

(D) in subsection (d)(1)(B), by striking the period at the end and inserting ''or 210A, as appropriate.''; and

(E) in subsection (f)(1), by striking the period at the end and inserting ''or 210A.''.

(f) GOVERNMENT ACCOUNTABILITY OFFICE STUDY.—

(1) IN GENERAL.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress on the qualified alien entrepreneurs granted immigrant status under section 210A of the Immigration and Nationality Act, as added by subsection (e).

(2) CONTENTS.—The report described in paragraph (1) shall include information regarding—

(A) the number of qualified alien entrepreneurs who have received immigrant status under section 210A of the Immigration and Nationality Act, listed by country of origin;

(B) the localities in which such qualified alien entrepreneurs have initially settled;

(C) whether such qualified alien entrepreneurs generally remain in the localities in which they initially settle;

(D) the types of commercial enterprises that such qualified alien entrepreneurs have established; and

(E) the types and number of jobs created by such qualified alien entrepreneurs.

(g) ELIMINATION OF THE PER-COUNTRY NUMERICAL LIMITATION FOR EMPLOYMENT-BASED VISAS.—

(1) IN GENERAL.—Section 202(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1152(a)(2)) is amended—

(A) in the paragraph heading, by striking ''AND EMPLOYMENT-BASED'';

(B) by striking ''(3), (4), and (5),'' and inserting ''(3) and (4),'';

(C) by striking ''subsections (a) and (b) of section 203'' and inserting ''section 203(a)'';

(D) by striking ''7'' and inserting ''15''; and

(E) by striking ''such subsections'' and inserting ''such section''.

(2) CONFORMING AMENDMENTS.—Section 202 of the Immigration and Nationality Act (8 U.S.C. 1152) is amended—

(A) in subsection (a)—

(i) in paragraph (3), by striking ''both subsections (a) and (b) of section 203'' and inserting ''section 203(a)''; and

(ii) by striking paragraph (5); and

(B) by amending subsection (e) to read as follows:

''(e) SPECIAL RULES FOR COUNTRIES AT CEILING.—If it is determined that the total number of immigrant visas made available under section 203(a) to natives of any single foreign state or dependent area will exceed the numerical limitation specified in subsection (a)(2) in any fiscal year, in determining the allotment of immigrant visa numbers to natives under section 203(a), visa numbers with respect to natives of that state or area shall be allocated (to the extent practicable and otherwise consistent with this section and section 203) in a manner so that, except as provided in subsection (a)(4), the proportion of the visa numbers made available under each of paragraphs (1) through (4) of section 203(a) is equal to the ratio of the total number of visas made available under the respective paragraph to the total number of visas made available under section 203(a).''.

(3) COUNTRY-SPECIFIC OFFSET.—Section 2 of the Chinese Student Protection Act of 1992 (8 U.S.C. 1255 note) is amended—

(A) in subsection (a), by striking ''subsection (e))'' and inserting ''subsection (d))''; and

(B) by striking subsection (d) and redesignating subsection (e) as subsection (d).

(h) TRANSITION RULES FOR EMPLOYMENT-BASED IMMIGRANTS.—

(1) IN GENERAL.—Subject to paragraphs (2) and (4), and notwithstanding title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.), the following rules shall apply:

(A) For fiscal year 2014, 15 percent of the immigrant visas made available under each of paragraphs (2) and (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) shall be allotted to immigrants who are natives of a foreign state or dependent area that was not 1 of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2012 under such paragraphs.

(B) For fiscal year 2015, 10 percent of the immigrant visas made available under each of such paragraphs shall be allotted to immigrants who are natives of a foreign state or dependent area that was not 1 of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2013 under such paragraphs.

(C) For fiscal year 2016, 10 percent of the immigrant visas made available under each of such paragraphs shall be allotted to immigrants who are natives of a foreign state or dependent area that was not 1 of the 2 states with the largest aggregate numbers of natives obtaining immigrant visas during fiscal year 2014 under such paragraphs.

(2) PER-COUNTRY LEVELS.—

(A) RESERVED VISAS.—With respect to the visas reserved under each of subparagraphs (A) through (C) of paragraph (1), the number of such visas made available to natives of any single foreign state or dependent area in the appropriate fiscal year may not exceed 25 percent (in the case of a single foreign state) or 2 percent (in the case of a dependent area) of the total number of such visas.

(B) UNRESERVED VISAS.—With respect to the immigrant visas made available under each of paragraphs (2) and (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) and not reserved under paragraph (1), for each of fiscal years 2013, 2014, and 2015, not more than 85 percent shall be allotted to immigrants who are natives of any single foreign state.

(3) SPECIAL RULE TO PREVENT UNUSED VISAS.—If, with respect to fiscal year 2014, 2015, or 2016, the operation of paragraphs (1) and (2) would prevent the total number of immigrant visas made available under paragraph (2) or (3) of section 203(b) of such Act (8 U.S.C. 1153(b)) from being issued, such visas may be issued during the remainder of such fiscal year without regard to paragraphs (1) and (2).

(4) RULES FOR CHARGEABILITY.—Section 202(b) of the Immigration and Nationality Act (8 U.S.C. 1152(b)) shall apply in determining the foreign state to which an alien is chargeable for purposes of this subsection.

(i) CAPITAL GAINS TAX EXEMPTION FOR STARTUP COMPANIES.—

(1) PERMANENT FULL EXCLUSION.—

(A) IN GENERAL.—Section 1202(a) of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) EXCLUSION.—In the case of a taxpayer other than a corporation, gross income shall not include 100 percent of any gain from the sale or exchange of qualified small business stock held for more than 5 years.''.

(B) CONFORMING AMENDMENTS.—

(i) The heading for section 1202 of such Code is amended by striking ''**PARTIAL**''.

(ii) The item relating to section 1202 in the table of sections for part I of subchapter P of chapter 1 of such Code is amended by striking ''Partial exclusion'' and inserting ''Exclusion''.

(iii) Section 1223(13) of such Code is amended by striking ''1202(a)(2),''.

(2) REPEAL OF MINIMUM TAX PREFERENCE.—

(A) IN GENERAL.—Section 57(a) of the Internal Revenue Code of 1986 is amended by striking paragraph (7).

(B) TECHNICAL AMENDMENT.—Section 53(d)(1)(B)(ii)(II) of such Code is amended by striking '', (5), and (7)'' and inserting ''and (5)''.

(3) REPEAL OF 28 PERCENT CAPITAL GAINS RATE ON QUALIFIED SMALL BUSINESS STOCK.—

(A) IN GENERAL.—Section 1(h)(4)(A) of the Internal Revenue Code of 1986 is amended to read as follows:

''(A) collectibles gain, over''.

(B) CONFORMING AMENDMENTS.—

(i) Section 1(h) of such Code is amended—

(I) by striking paragraph (7); and

(II) by redesignating paragraphs (8), (9), (10), (11), (12), and (13) as paragraphs (7), (8), (9), (10), (11), and (12), respectively.

(ii) Sections 163(d)(4)(B), 854(b)(5), 857(c)(2)(D) of such Code are each amended by striking ''section 1(h)(11)(B)'' and inserting ''section 1(h)(10)(B)''.

(iii) The following sections of such Code are each amended by striking ''section 1(h)(11)'' and inserting ''section 1(h)(10)'':

(I) Section 301(f)(4).

(II) Section 306(a)(1)(D).

(III) Section 584(c).

(IV) Section 702(a)(5).

(V) Section 854(a).

(VI) Section 854(b)(2).

(iv) The heading of section 857(c)(2) of such Code is amended by striking ''1(h)(11)'' and inserting ''1(h)(10)''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to stock acquired after the date of the enactment of this Act.

(j) RESEARCH CREDIT FOR STARTUP COMPANIES.—

(1) IN GENERAL.—

(A) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(i) TREATMENT OF CREDIT TO QUALIFIED SMALL BUSINESSES.—

''(1) IN GENERAL.—At the election of a qualified small business, the payroll tax credit portion of the credit determined under subsection (a) shall be treated as a credit allowed under section 3111(f) (and not under this section).

''(2) PAYROLL TAX CREDIT PORTION.—For purposes of this subsection, the payroll tax credit portion of the credit determined under subsection (a) for any taxable year is so much of such credit as does not exceed $250,000.

''(3) QUALIFIED SMALL BUSINESS.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified small business' means, with respect to any taxable year—

''(i) a corporation, partnership, or S corporation if—

''(I) the gross receipts (as determined under subsection (c)(7)) of such entity for the taxable year is less than $5,000,000, and

''(II) such entity did not have gross receipts (as so determined) for any period preceding the 5-taxable-year period ending with such taxable year, and

''(ii) any person not described in subparagraph (A) if clauses (i) and (ii) of subparagraph (A) applied to such person, determined—

''(I) by substituting 'person' for 'entity' each place it appears, and

''(II) in the case of an individual, by only taking into account the aggregate gross receipts received by such individual in carrying on trades or businesses of such individual.

''(B) LIMITATION.—Such term shall not include an organization which is exempt from taxation under section 501.

''(4) ELECTION.—

''(A) IN GENERAL.—In the case of a partnership or S corporation, an election under this subsection shall be made at the entity level.

''(B) REVOCATION.—An election under this subsection may not be revoked without the consent of the Secretary.

''(C) LIMITATION.—A taxpayer may not make an election under this subsection if such taxpayer has made an election under this subsection for 5 or more preceding taxable years.

''(5) AGGREGATION RULES.—For purposes of determining the $250,000 limitation under paragraph (2) and determining gross receipts under paragraph (3), all members of the same controlled group of corporations (within the meaning of section 267(f)) and all persons under common control (within the meaning of section 52(b) but determined by treating an interest of more than 50 percent as a controlling interest) shall be treated as 1 person.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including—

''(A) regulations to prevent the avoidance of the purposes of paragraph (3) through the use of successor companies or other means,

''(B) regulations to minimize compliance and recordkeeping burdens under this subsection for start-up companies, and

''(C) regulations for recapturing the benefit of credits determined under section 3111(f) in cases where there is a subsequent adjustment to the payroll tax credit portion of the credit determined under subsection (a), including requiring amended returns in the cases where there is such an adjustment.''.

(B) CONFORMING AMENDMENT.—Section 280C(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(5) TREATMENT OF QUALIFIED SMALL BUSINESS CREDIT.—For purposes of determining the amount of any credit under section 41(a) under this subsection, any election under section 41(i) shall be disregarded.''.

(2) CREDIT ALLOWED AGAINST FICA TAXES.—

(A) IN GENERAL.—Section 3111 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(f) CREDIT FOR RESEARCH EXPENDITURES OF QUALIFIED SMALL BUSINESSES.—

''(1) IN GENERAL.—In the case of a qualified small business which has made an election under section 41(i), there shall be allowed as a credit against the tax imposed by subsection (a) on wages paid with respect to the employment of all employees of the qualified small business for days in an applicable calendar quarter an amount equal to the payroll tax credit portion of the research credit determined under section 41(a).

''(2) CARRYOVER OF UNUSED CREDIT.—In any case in which the payroll tax credit portion of the research credit determined under section 41(a) exceeds the tax imposed under subsection (a) for an applicable calendar quarter—

''(A) the succeeding calendar quarter shall be treated as an applicable calendar quarter, and

''(B) the amount of credit allowed under paragraph (1) shall be reduced by the amount of credit allowed under such paragraph for all preceding applicable calendar quarters.

''(3) ALLOCATION OF CREDIT FOR CONTROLLED GROUPS, ETC.—In determining the amount of the credit under this subsection—

''(A) all persons treated as a single taxpayer under section 41 shall be treated as a single taxpayer under this section, and

''(B) the credit (if any) allowable by this section to each such member shall be its proportionate share of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums, giving rise to the credit allowable under section 41.

''(4) DEFINITIONS.—For purposes of this subsection—

''(A) APPLICABLE CALENDAR QUARTER.—The term 'applicable calendar quarter' means—

''(i) the first calendar quarter following the date on which the qualified small business files a return under section 6012 for the taxable year for which the payroll tax credit portion of the research credit under section 41(a) is determined, and

''(ii) any succeeding calendar quarter treated as an applicable calendar quarter under paragraph (2)(A).

''For purposes of determining the date on which a return is filed, rules similar to the rules of section 6513 shall apply.

''(B) OTHER TERMS.—Any term used in this subsection which is also used in section 41 shall have the meaning given such term under section 41.''.

(B) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the amendments made by paragraph (1). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2012.

(k) ACCELERATED COMMERCIALIZATION OF TAXPAYER-FUNDED RESEARCH.—

(1) DEFINITIONS.—In this subsection:

(A) COUNCIL.—The term ''Council'' means the Advisory Council on Innovation and Entrepreneurship of the Department of Commerce established pursuant to section 25(c) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3720(c)).

(B) EXTRAMURAL BUDGET.—The term ''extramural budget'' means the sum of the total obligations minus amounts obligated for such activities by employees of the agency in or through Government-owned, Government-operated facilities, except that for the Department of Energy it shall not include amounts obligated for atomic energy defense programs solely for weapons activities or for naval reactor programs, and except that for the Agency for International Development it shall not include amounts obligated solely for general institutional support of international research centers or for grants to foreign countries.

(C) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(D) RESEARCH OR RESEARCH AND DEVELOPMENT.—The term ''research'' or ''research and development'' means any activity that is—

(i) a systematic, intensive study directed toward greater knowledge or understanding of the subject studied;

(ii) a systematic study directed specifically toward applying new knowledge to meet a recognized need; or

(iii) a systematic application of knowledge toward the production of useful materials, devices, and systems or methods, including design, development, and improvement of prototypes and new processes to meet specific requirements.

(E) SECRETARY.—The term ''Secretary'' means the Secretary of Commerce.

(2) GRANT PROGRAM AUTHORIZED.—

(A) IN GENERAL.—Each Federal agency that has an extramural budget for research or research and development that is in excess of $100,000,000 for each of the fiscal years 2015 through 2019, shall transfer 0.15 percent of such extramural budget for each of such fiscal years to the Secretary to enable the Secretary to carry out a grant program in accordance with this paragraph.

(B) GRANTS.—

(i) AWARDING OF GRANTS.—

(I) IN GENERAL.—From amounts transferred under subparagraph (A), the Secretary shall use the criteria developed by the Council to award grants to institutions of higher education, including consortia of institutions of higher education, for initiatives to improve commercialization and transfer of technology.

(II) REQUEST FOR PROPOSALS.—Not later than 30 days after the Council submits the

recommendations for criteria to the Secretary under paragraph (3)(B)(i), and annually thereafter for each fiscal year for which the grant program is authorized, the Secretary shall release a request for proposals.

(III) APPLICATIONS.—Each institution of higher education that desires to receive a grant under this paragraph shall submit an application to the Secretary not later than 90 days after the Secretary releases the request for proposals under subclause (II).

(IV) COUNCIL REVIEW.—

(aa) IN GENERAL.—The Secretary shall submit each application received under subclause (III) to the Council for Council review.

(bb) RECOMMENDATIONS.—The Council shall review each application received under item (aa) and submit recommendations for grant awards to the Secretary, including funding recommendations for each proposal.

(cc) PUBLIC RELEASE.—The Council shall publicly release any recommendations made under item (bb).

(dd) CONSIDERATION OF RECOMMENDATIONS.—In awarding grants under this paragraph, the Secretary shall take into consideration the recommendations of the Council under item (bb)).

(ii) COMMERCIALIZATION CAPACITY BUILDING GRANTS.—

(I) IN GENERAL.—The Secretary shall award grants to support institutions of higher education pursuing specific innovative initiatives to improve an institution's capacity to commercialize faculty research that can be widely adopted if the research yields measurable results.

(II) CONTENT OF PROPOSALS.—Grants shall be awarded under this clause to proposals demonstrating the capacity for accelerated commercialization, proof-of-concept proficiency, and translating scientific discoveries and cutting-edge inventions into technological innovations and new companies. Grant funds shall be expended to support innovative approaches to achieving these goals that can be replicated by other institutions of higher education if the innovative approaches are successful.

(iii) COMMERCIALIZATION ACCELERATOR GRANTS.—The Secretary shall award grants to support institutions of higher education pursuing initiatives that allow faculty to directly commercialize research in an effort to accelerate research breakthroughs. The Secretary shall prioritize those initiatives that have a management structure that encourages collaboration between other institutions of higher education or other entities with demonstrated proficiency in creating and growing new companies based on verifiable metrics.

(C) ASSESSMENT OF SUCCESS.—Grants awarded under this paragraph shall use criteria for assessing the success of programs through the establishment of benchmarks.

(D) TERMINATION.—The Secretary shall have the authority to terminate grant funding to an institution of higher education in accordance with the process and performance metrics recommended by the Council.

(E) LIMITATIONS.—

(i) PROJECT MANAGEMENT COSTS.—A grant recipient may use not more than 10 percent of grant funds awarded under this paragraph for the purpose of funding project management costs of the grant program.

(ii) SUPPLEMENT, NOT SUPPLANT.—An institution of higher education that receives a grant under this paragraph shall use the grant funds to supplement, and not supplant, non-Federal funds that would, in the absence of such grant funds, be made available for activities described in this subsection.

(F) UNSPENT FUNDS.—Any funds transferred to the Secretary under subparagraph (A) for a fiscal year that are not expended by the end of such fiscal year may be expended in any subsequent fiscal year through fiscal year 2019. Any funds transferred under subparagraph (A) that are remaining at the end of the grant program's authorization under this subsection shall be transferred to the Treasury for deficit reduction.

(3) COUNCIL.—

(A) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Council shall convene and develop recommendations for criteria in awarding grants to institutions of higher education under paragraph (2).

(B) SUBMISSION TO SECRETARY OF COMMERCE AND PUBLIC RELEASE.—The Council shall—

(i) submit the recommendations described in subparagraph (A) to the Secretary; and

(ii) release the recommendations to the public.

(C) MAJORITY VOTE.—The recommendations submitted by the Council under subparagraph (A) shall be determined by a majority vote of Council members.

(D) PERFORMANCE METRICS.—The Council shall develop and provide to the Secretary recommendations on performance metrics to be used to evaluate grants awarded under paragraph (2).

(E) EVALUATION.—

(i) IN GENERAL.—Not later than 180 days before the date on which the grant program authorized under paragraph (2) expires, the Council shall conduct an evaluation of the effect that the grant program is having on accelerating the commercialization of faculty research.

(ii) INCLUSIONS.—The evaluation shall include—

(I) the recommendation of the Council as to whether the grant program should be continued or terminated;

(II) quantitative data related to the effect, if any, that the grant program has had on faculty research commercialization; and

(III) a description of lessons learned in administering the grant program, and how those lessons could be applied to future efforts to accelerate commercialization of faculty research.

(iii) AVAILABILITY.—Upon completion of the evaluation, the evaluation shall be made available on a public website and submitted to Congress. The Secretary shall notify all institutions of higher education when the evaluation is published and how it can be accessed.

(4) CONSTRUCTION.—Nothing in this subsection may be construed to alter, modify, or amend any provision of chapter 18 of title 35, United States Code (commonly known as the ''Bayh-Dole Act'').

(l) ECONOMIC IMPACT OF SIGNIFICANT FEDERAL AGENCY RULES.—Section 553 of title 5, United States Code, is amended by adding at the end the following:

''(f) REQUIRED REVIEW BEFORE ISSUANCE OF SIGNIFICANT RULES.—

''(1) IN GENERAL.—Before issuing a notice of proposed rulemaking in the Federal Register regarding the issuance of a proposed significant rule, the head of the Federal agency or independent regulatory agency seeking to issue the rule shall complete a review, to the extent permitted by law, that—

''(A) analyzes the problem that the proposed rule intends to address, including—

''(i) the specific market failure, such as externalities, market power, or lack of information, that justifies such rule; or

''(ii) any other specific problem, such as the failures of public institutions, that justifies such rule;

''(B) analyzes the expected impact of the proposed rule on the ability of new businesses to form and expand;

''(C) identifies the expected impact of the proposed rule on State, local, and tribal governments, including the availability of resources—

''(i) to carry out the mandates imposed by the rule on such government entities; and

''(ii) to minimize the burdens that uniquely or significantly affect such governmental entities, consistent with achieving regulatory objectives;

''(D) identifies any conflicting or duplicative regulations;

''(E) determines—

''(i) if existing laws or regulations created, or contributed to, the problem that the new rule is intended to correct; and

''(ii) if the laws or regulations referred to in clause (i) should be modified to more effectively achieve the intended goal of the rule; and

''(F) includes the cost-benefit analysis described in paragraph (2).

''(2) COST-BENEFIT ANALYSIS.—A cost-benefit analysis described in this paragraph shall include—

''(A)(i) an assessment, including the underlying analysis, of benefits anticipated from the proposed rule, such as—

''(I) promoting the efficient functioning of the economy and private markets;

''(II) enhancing health and safety;

''(III) protecting the natural environment; and

''(IV) eliminating or reducing discrimination or bias; and

''(ii) the quantification of the benefits described in clause (i), to the extent feasible;

''(B)(i) an assessment, including the underlying analysis, of costs anticipated from the proposed rule, such as—

''(I) the direct costs to the Federal Government to administer the rule;

''(II) the direct costs to businesses and others to comply with the rule; and

''(III) any adverse effects on the efficient functioning of the economy, private markets (including productivity, employment, and competitiveness), health, safety, and the natural environment; and

''(ii) the quantification of the costs described in clause (i), to the extent feasible;

''(C)(i) an assessment, including the underlying analysis, of costs and benefits of potentially effective and reasonably feasible alternatives to the proposed rule, which have been identified by the agency or by the public, including taking reasonably viable nonregulatory actions; and

''(ii) an explanation of why the proposed rule is preferable to the alternatives identified under clause (i).

''(3) REPORT.—Before issuing a notice of proposed rulemaking in the Federal Register regarding the issuance of a proposed significant rule, the head of the Federal agency or independent regulatory agency seeking to issue the rule shall—

''(A) submit the results of the review conducted under paragraph (1) to the appropriate congressional committees; and

''(B) post the results of the review conducted under paragraph (1) on a publicly available website.

''(4) JUDICIAL REVIEW.—Any determinations made, or other actions taken, by an agency or independent regulatory agency under this subsection shall not be subject to judicial review.

''(5) DEFINED TERM.—In this subsection the term 'significant rule' means a rule that is likely to—

''(A) have an annual effect on the economy of $100,000,000 or more;

''(B) adversely affect, in a material way, the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities; or

''(C) create a serious inconsistency or otherwise interfere with an action taken or planned by another agency.''.

(m) BIENNIAL STATE STARTUP BUSINESS REPORT.—

(1) DATA COLLECTION.—The Secretary of Commerce shall regularly compile information from each of the 50 States and the District of Columbia on State or District laws that affect the formation and growth of new businesses within the State or District.

(2) REPORT.—Not later than 18 months after the date of the enactment of this Act, and every 2 years thereafter, the Secretary, using data compiled under paragraph (1), shall prepare a report that—

(A) analyzes the economic effect of State and District laws that either encourage or inhibit business formation and growth; and

(B) ranks the States and the District based on the effectiveness with which their laws foster new business creation and economic growth.

(3) DISTRIBUTION.—The Secretary shall—

(A) submit each report prepared under paragraph (1) to Congress; and

(B) make each report available to the public on the website of the Department of Commerce.

(4) INCLUSION OF LARGE METROPOLITAN AREAS.—Not later than 90 days after the submission of the first report under this subsection, the Secretary of Commerce shall submit a study to Congress on the feasibility and advisability of including, in future reports, information about the effect of local laws and ordinances on the formation and growth of new businesses in large metropolitan areas within the United States.

(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(n) NEW BUSINESS FORMATION REPORT.—

(1) IN GENERAL.—The Secretary of Commerce shall regularly compile quantitative and qualitative information on businesses in the United States that are not more than 1 year old.

(2) DATA COLLECTION.—The Secretary shall—

(A) regularly compile information from the Bureau of the Census' business register on new business formation in the United States; and

(B) conduct quarterly surveys of business owners who start a business during the 1-year period ending on the date on which such survey is conducted to gather qualitative information about the factors that influenced their decision to start the business.

(3) RANDOM SAMPLING.—In conducting surveys under paragraph (2)(B), the Secretary may use random sampling to identify a group of business owners who are representative of all the business owners described in paragraph (2)(B).

(4) BENEFITS.—The Secretary shall inform business owners selected to participate in a survey conducted under this subsection of the benefits they would receive from participating in the survey.

(5) VOLUNTARY PARTICIPATION.—Business owners selected to participate in a survey conducted under this subsection may decline to participate without penalty.

(6) REPORT.—Not later than 18 months after the date of the enactment of this Act, and every 3 months thereafter, the Secretary shall use the data compiled under paragraph (2) to prepare a report that—

(A) lists the aggregate number of new businesses formed in the United States;

(B) lists the aggregate number of persons employed by new businesses formed in the United States;

(C) analyzes the payroll of new businesses formed in the United States;

(D) summarizes the data collected under paragraph (2); and

(E) identifies the most effective means by which government officials can encourage the formation and growth of new businesses in the United States.

(7) DISTRIBUTION.—The Secretary shall—

(A) submit each report prepared under paragraph (6) to Congress; and

(B) make each report available to the public on the website of the Department of Commerce.

(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(o) RESCISSION OF UNSPENT FEDERAL FUNDS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, of all available unobligated funds for fiscal year 2014, the amount necessary to carry out this section and the amendments made by this section in appropriated discretionary funds are hereby rescinded.

(2) IMPLEMENTATION.—

(A) DETERMINATION.—The Director of the Office of Management and Budget shall determine and identify from which appropriation accounts the rescission under paragraph (1) shall apply and the amount of such rescission that shall apply to each such account.

(B) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall submit a report to the Secretary of the Treasury and Congress of the accounts and amounts determined and identified for rescission under subparagraph (A).

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**SA 3596.** Mr. FLAKE submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, insert the following:

**SEC. 4. EXPENSING CERTAIN DEPRECIABLE BUSINESS ASSETS FOR SMALL BUSINESS.**

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 is amended by striking ''shall not exceed—'' and all that follows and inserting ''shall not exceed $500,000.''.

(2) REDUCTION IN LIMITATION.—Paragraph (2) of section 179(b) of such Code is amended by striking ''exceeds—'' and all that follows and inserting ''exceeds $2,000,000.''.

(b) COMPUTER SOFTWARE.—Clause (ii) of section 179(d)(1)(A) of the Internal Revenue Code of 1986 is amended by striking '', to which section 167 applies, and which is placed in service in a taxable year beginning after 2002 and before 2014'' and inserting ''and to which section 167 applies''.

(c) ELECTION.—Paragraph (2) of section 179(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''may not be revoked'' and all that follows through ''and before 2014'', and

(2) by striking ''IRREVOCABLE'' in the heading thereof.

(d) AIR CONDITIONING AND HEATING UNITS.—Paragraph (1) of section 179(d) of the Internal Revenue Code of 1986 is amended by striking ''and shall not include air conditioning or heating units''.

(e) QUALIFIED REAL PROPERTY.—Subsection (f) of section 179 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''beginning in 2010, 2011, 2012, or 2013'' in paragraph (1), and

(2) by striking paragraphs (3) and (4).

(f) INFLATION ADJUSTMENT.—Subsection (b) of section 179 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning after 2014, the dollar amounts in paragraphs (1) and (2) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(c)(2)(A) for such calendar year, determined by substituting 'calendar year 2013' for 'calendar year 2012' in clause (ii) thereof.

''(B) ROUNDING.—The amount of any increase under subparagraph (A) shall be rounded to the nearest multiple of $10,000.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

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**SA 3597.** Mr. FLAKE submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. AUTHORITY TO OFFER ADDITIONAL PLAN OPTIONS.**

(a) CATASTROPHIC PLANS.—Notwithstanding title I of the Patient Protection and Affordable Care Act (Public Law 111–148), a catastrophic plan as described in section 1302(e) of such Act shall be deemed to be a qualified health plan (including for purposes of receiving tax credits under section 36B of the Internal Revenue Code of 1986 and cost-sharing assistance under section 1402 of the Patient Protection and Affordable Care Act), except that for purposes of enrollment in such plans, the provisions of paragraph (2) of such section 1302(e) shall not apply.

(b) INDIVIDUAL MANDATE.—Coverage under a catastrophic plan under subsection (a) shall be deemed to be minimum essential coverage for purposes of section 5000A of the Internal Revenue Code of 1986.

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**SA 3598.** Mr. ENZI (for himself, Mr. BARRASSO, and Mr. PORTMAN) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. RESTRICTIONS ON APPLICATION OF EMPLOYER HEALTH INSURANCE MANDATE.**

(a) EXCEPTION FOR SMALL BUSINESS CONCERNS.—Section 4980H(c)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(F) EXCEPTION FOR SMALL BUSINESS CONCERNS.—The term 'applicable large employer' shall not include any employer which is a small business concern (within the meaning of section 3 of the Small Business Act).''.

(b) DEFINITION OF FULL-TIME EMPLOYEE.—Section 4980H(c) of such Code is amended—

(1) in paragraph (2)(E), by striking ''by 120'' and inserting ''by 174'', and

(2) in paragraph (4)(A), by striking ''30 hours'' and inserting ''40 hours''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2013.

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**SA 3599.** Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE __—TAX RETURN DUE DATE SIMPLIFICATION AND MODERNIZATION**

**SEC. __01. SHORT TITLE; REFERENCE.**

(a) SHORT TITLE.—This title may be cited as the ''Tax Return Due Date Simplification and Modernization Act of 2014''.

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

**SEC. __02. NEW DUE DATE FOR PARTNERSHIP FORM 1065, S CORPORATION FORM 1120S, AND C CORPORATION FORM 1120.**

(a) PARTNERSHIPS.—

(1) IN GENERAL.—Section 6072 is amended by adding at the end the following new subsection:

''(f) RETURNS OF PARTNERSHIPS.—Returns of partnerships under section 6031 made on the basis of the calendar year shall be filed on or before the 15th day of March following the close of the calendar year, and such returns made on the basis of a fiscal year shall be filed on or before the 15th day of the third month following the close of the fiscal year.''.

(2) CONFORMING AMENDMENT.—Section 6072(a) is amended by striking ''6017, or 6031'' and inserting ''or 6017''.

(b) S CORPORATIONS.—

(1) IN GENERAL.—So much of subsection (b) of 6072 as precedes the second sentence thereof is amended to read as follows:

''(b) RETURNS OF CERTAIN CORPORATIONS.—Returns of S corporations under sections 6012 and 6037 made on the basis of the calendar year shall be filed on or before the 31st day of March following the close of the calendar year, and such returns made on the basis of a fiscal year shall be filed on or before the last day of the third month following the close of the fiscal year.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1362(b) is amended—

(i) by striking ''15th'' each place it appears and inserting ''last'',

(ii) by striking ''2½'' each place it appears and inserting ''3'', and

(iii) by striking ''2 months and 15 days'' in paragraph (4) and inserting ''3 months''.

(B) Section 1362(d)(1)(C)(i) is amended by striking ''15th'' and inserting ''last''.

(C) Section 1362(d)(1)(C)(ii) is amended by striking ''such 15th day'' and inserting ''the last day of the 3d month thereof''.

(c) CONFORMING AMENDMENTS RELATING TO C CORPORATIONS.—

(1) Section 170(a)(2)(B) is amended by striking ''third month'' and inserting ''4th month''.

(2) Section 563 is amended by striking ''third month'' each place it appears and inserting ''4th month''.

(3) Section 1354(d)(1)(B)(i) is amended by striking ''3d month'' and inserting ''4th month''.

(4) Subsection (a) and (c) of section 6167 are each amended by striking ''third month'' and inserting ''4th month''.

(5) Section 6425(a)(1) is amended by striking ''third month'' and inserting ''4th month''.

(6) Subsections (b)(2)(A), (g)(3), and (h)(1) of section 6655 are each amended by striking ''3rd month'' and inserting ''4th month''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to returns for taxable years beginning after December 31, 2014.

**SEC. __03. MODIFICATION OF DUE DATES BY REGULATION.**

In the case of returns for taxable years beginning after December 31, 2014, the Secretary of the Treasury or the Secretary's delegate shall modify appropriate regulations to provide as follows:

(1) The maximum extension for the returns of partnerships filing Form 1065 shall be a 6-month period beginning on the due date for filing the return (without regard to any extensions).

(2) The maximum extension for the returns of trusts and estates filing Form 1041 shall be a 5½-month period beginning on the due date for filing the return (without regard to any extensions).

(3) The maximum extension for the returns of employee benefit plans filing Form 5500 shall be an automatic 3½-month period beginning on the due date for filing the return (without regard to any extensions).

(4) The maximum extension for the Forms 990 (series) returns of organizations exempt from income tax shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(5) The maximum extension for the returns of organizations exempt from income tax that are required to file Form 4720 returns of excise taxes shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(6) The maximum extension for the returns of trusts required to file Form 5227 shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(7) The maximum extension for the returns of Black Lung Benefit Trusts required to file Form 6069 returns of excise taxes shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(8) The maximum extension for a taxpayer required to file Form 8870 shall be an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

(9) The due date of Form 3520–A, Annual Information Return of a Foreign Trust with a United States Owner, shall be the 15th day of the 4th month after the close of the trust's taxable year, and the maximum extension shall be a 6-month period beginning on such day.

(10) The due date of Form TD F 90–22.1 (relating to Report of Foreign Bank and Financial Accounts) shall be April 15 with a maximum extension for a 6-month period ending on October 15, and with provision for an extension under rules similar to the rules of 26 C.F.R. 1.6081–5. For any taxpayer required to file such form for the first time, the Secretary of the Treasury may waive any penalty for failure to timely request or file an extension.

(11) Taxpayers filing Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, shall be allowed to extend the time for filing such form separately from the income tax return of the taxpayer, for an automatic 6-month period beginning on the due date for filing the return (without regard to any extensions).

**SEC. __04. CORPORATIONS PERMITTED STATUTORY AUTOMATIC 6-MONTH EXTENSION OF INCOME TAX RETURNS.**

(a) IN GENERAL.—Section 6081(b) is amended by striking ''3 months'' and inserting ''6 months''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns for taxable years beginning after December 31, 2014.

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**SA 3600.** Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the ''United States Job Creation and International Tax Reform Act of 2014''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—PARTICIPATION EXEMPTION SYSTEM FOR TAXATION OF FOREIGN INCOME

Sec. 101. Deduction for dividends received by domestic corporations from certain foreign corporations.

Sec. 102. Application of dividends received deduction to certain sales and exchanges of stock.

Sec. 103. Deduction for foreign intangible income derived from trade or business within the United States.

Sec. 104. Treatment of deferred foreign income upon transition to participation exemption system of taxation.

TITLE II—OTHER INTERNATIONAL TAX REFORMS

Subtitle A—Modifications of Subpart F

Sec. 201. Treatment of low-taxed foreign income as subpart F income.

Sec. 202. Permanent extension of look-thru rule for controlled foreign corporations.

Sec. 203. Permanent extension of exceptions for active financing income.

Sec. 204. Foreign base company income not to include sales or services income.

Subtitle B—Modifications Related to Foreign Tax Credit

Sec. 211. Modification of application of sections 902 and 960 with respect to post-2014 earnings.

Sec. 212. Separate foreign tax credit basket for foreign intangible income.

Sec. 213. Inventory property sales source rule exceptions not to apply for foreign tax credit limitation.

Subtitle C—Allocation of Interest on Worldwide Basis

Sec. 221. Acceleration of election to allocate interest on a worldwide basis.

**TITLE I—PARTICIPATION EXEMPTION SYSTEM FOR TAXATION OF FOREIGN INCOME**

**SEC. 101. DEDUCTION FOR DIVIDENDS RECEIVED BY DOMESTIC CORPORATIONS FROM CERTAIN FOREIGN CORPORATIONS.**

(a) ALLOWANCE OF DEDUCTION.—Part VIII of subchapter B of chapter 1 is amended by inserting after section 245 the following new section:

**''SEC. 245A. DIVIDENDS RECEIVED BY DOMESTIC CORPORATIONS FROM CERTAIN FOREIGN CORPORATIONS.**

''(a) IN GENERAL.—In the case of any dividend received from a controlled foreign corporation by a domestic corporation which is a United States shareholder with respect to such controlled foreign corporation, there

shall be allowed as a deduction an amount equal to 95 percent of the qualified foreign-source portion of the dividend.

''(b) TREATMENT OF ELECTING NONCONTROLLED SECTION 902 CORPORATIONS AS CONTROLLED FOREIGN CORPORATIONS.—

''(1) IN GENERAL.—If a domestic corporation elects the application of this subsection for any noncontrolled section 902 corporation with respect to the domestic corporation, then, for purposes of this title—

''(A) the noncontrolled section 902 corporation shall be treated as a controlled foreign corporation with respect to the domestic corporation, and

''(B) the domestic corporation shall be treated as a United States shareholder with respect to the noncontrolled section 902 corporation.

''(2) ELECTION.—

''(A) TIME OF ELECTION.—Any election under this subsection with respect to any noncontrolled section 902 corporation shall be made not later than the due date for filing the return of tax for the first taxable year of the taxpayer with respect to which the foreign corporation is a noncontrolled section 902 corporation with respect to the taxpayer (or, if later, the first taxable year of the taxpayer for which this section is in effect).

''(B) REVOCATION OF ELECTION.—Any election under this subsection, once made, may be revoked only with the consent of the Secretary.

''(C) CONTROLLED GROUPS.—If a domestic corporation making an election under this subsection with respect to any noncontrolled section 902 corporation is a member of a controlled group of corporations (within the meaning of section 1563(a), except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears therein), then, except as otherwise provided by the Secretary, such election shall apply to all members of such group.

''(c) QUALIFIED FOREIGN-SOURCE PORTION OF DIVIDENDS.—For purposes of this section—

''(1) QUALIFIED FOREIGN-SOURCE PORTION.—

''(A) IN GENERAL.—The qualified foreign-source portion of any dividend is an amount which bears the same ratio to such dividend as—

''(i) the post-2014 undistributed qualified foreign earnings, bears to

''(ii) the total post-2014 undistributed earnings.

''(B) POST-2014 UNDISTRIBUTED EARNINGS.—The term 'post-2014 undistributed earnings' means the amount of the earnings and profits of a controlled foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2014—

''(i) as of the close of the taxable year of the controlled foreign corporation in which the dividend is distributed, and

''(ii) without diminution by reason of dividends distributed during such taxable years.

''(C) POST-2014 UNDISTRIBUTED QUALIFIED FOREIGN EARNINGS.—The term 'post-2014 undistributed qualified foreign earnings' means the portion of the post-2014 undistributed earnings which is attributable to income other than—

''(i) income described in section 245(a)(5)(A), or

''(ii) dividends described in section 245(a)(5)(B).

''(2) ORDERING RULE FOR DISTRIBUTIONS OF EARNINGS AND PROFITS.—Distributions shall be treated as first made out of earnings and profits of a controlled foreign corporation which are not post-2014 undistributed earnings and then out of post-2014 undistributed earnings.

''(d) DISALLOWANCE OF FOREIGN TAX CREDIT, ETC.—

''(1) IN GENERAL.—No credit shall be allowed under section 901 for any taxes paid or accrued (or treated as paid or accrued) with respect to the qualified foreign-source portion of any dividend.

''(2) DENIAL OF DEDUCTION.—No deduction shall be allowed under this chapter for any tax for which credit is not allowable under section 901 by reason of paragraph (1).

''(3) COORDINATION WITH SECTION 78.—Section 78 shall not apply to any tax for which credit is not allowable under section 901 by reason of paragraph (1).

''(4) TREATMENT OF NONDEDUCTIBLE PORTION IN APPLYING FOREIGN TAX CREDIT LIMIT.—For purposes of applying the limitation under section 904(a), the remaining 5 percent of the qualified foreign-source portion of any dividend with respect to which a deduction is not allowable to the domestic corporation under subsection (a) shall be treated as income from sources within the United States.

''(e) SPECIAL RULES FOR HYBRID DIVIDENDS.—

''(1) IN GENERAL.—Subsection (a) shall not apply to any dividend received by a United States shareholder from a controlled foreign corporation if the dividend is a hybrid dividend.

''(2) HYBRID DIVIDENDS OF TIERED CONTROLLED FOREIGN CORPORATIONS.—If a controlled foreign corporation with respect to which a domestic corporation is a United States shareholder receives a hybrid dividend from any other controlled foreign corporation with respect to which such domestic corporation is also a United States shareholder, then, notwithstanding any other provision of this title—

''(A) the hybrid dividend shall be treated for purposes of section 951(a)(1)(A) as subpart F income of the receiving controlled foreign corporation for the taxable year of the controlled foreign corporation in which the dividend was received, and

''(B) the United States shareholder shall include in gross income an amount equal to the shareholder's pro rata share (determined in the same manner as under section 951(a)(2)) of the subpart F income described in subparagraph (A).

''(3) DENIAL OF FOREIGN TAX CREDIT, ETC.—The rules of subsection (d) shall apply to any hybrid dividend received by, or any amount included under paragraph (2) in the gross income of, a United States shareholder, except that, for purposes of applying subsection (d)(4), all of such dividend or amount shall be treated as income from sources within the United States.

''(4) HYBRID DIVIDEND.—The term 'hybrid dividend' means an amount received from a controlled foreign corporation—

''(A) which is treated as a dividend for purposes of this title, and

''(B) for which the controlled foreign corporation received a deduction (or similar tax benefit) under the laws of the country in which the controlled foreign corporation was created or organized.

''(f) DEFINITIONS.—For purposes of this section—

''(1) UNITED STATES SHAREHOLDER.—The term 'United States shareholder' has the meaning given such term in section 951(b).

''(2) CONTROLLED FOREIGN CORPORATION.—The term 'controlled foreign corporation' has the meaning given such term in section 957(a).

''(3) NONCONTROLLED SECTION 902 CORPORATION.—The term 'noncontrolled section 902 corporation' has the meaning given such term in section 904(d)(2)(E)(i).

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section.''.

(b) APPLICATION OF HOLDING PERIOD REQUIREMENT.—Subsection (c) of section 246 is amended—

(1) by striking ''or 245'' in paragraph (1) and inserting ''245, or 245A'', and

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

''(5) SPECIAL RULES FOR QUALIFIED FOREIGN-SOURCE PORTION OF DIVIDENDS RECEIVED FROM CONTROLLED FOREIGN CORPORATIONS.—

''(A) 1-YEAR HOLDING PERIOD REQUIREMENT.—For purposes of section 245A—

''(i) paragraph (1)(A) shall be applied—

''(I) by substituting '365 days' for '45 days' each place it appears, and

''(II) by substituting '731-day period' for '91-day period', and

''(ii) paragraph (2) shall not apply.

''(B) STATUS MUST BE MAINTAINED DURING HOLDING PERIOD.—For purposes of section 245A, the holding period requirement of this subsection shall be treated as met only if—

''(i) the controlled foreign corporation referred to in section 245A(a) is a controlled foreign corporation at all times during such period, and

''(ii) the taxpayer is a United States shareholder (as defined in section 951) with respect to such controlled foreign corporation at all times during such period.

''(C) SPECIAL RULES FOR ELECTING NONCONTROLLED SECTION 902 CORPORATIONS.—In the case of an election under section 245A(b) to treat a noncontrolled section 902 corporation as a controlled foreign corporation, the requirements of subparagraph (B) shall be treated as met for any continuous period ending on the day before the effective date of the election for which the taxpayer met the ownership requirements of section 904(d)(2)(E) with respect to such corporation.''.

(c) APPLICATION OF RULES GENERALLY APPLICABLE TO DEDUCTIONS FOR DIVIDENDS RECEIVED.—

(1) TREATMENT OF DIVIDENDS FROM TAX-EXEMPT CORPORATIONS.—Paragraph (1) of section 246(a) is amended by striking ''and 245'' and inserting ''245, and 245A''.

(2) ASSETS GENERATING TAX-EXEMPT PORTION OF DIVIDEND NOT TAKEN INTO ACCOUNT IN ALLOCATING AND APPORTIONING DEDUCTIBLE EXPENSES.—Paragraph (3) of section 864(e) is amended by striking ''or 245(a)'' and inserting '', 245(a), or 245A''.

(3) COORDINATION WITH SECTION 1059.—Subparagraph (B) of section 1059(b)(2) is amended by striking ''or 245'' and inserting ''245, or 245A''.

(d) CONFORMING AMENDMENTS.—

(1) Clause (vi) of section 56(g)(4)(C) is amended by inserting ''245A or'' before ''965''.

(2) Subsection (b) of section 951 is amended—

(A) by striking ''subpart'' and inserting ''title'', and

(B) by adding at the end the following: ''Such term shall include, with respect to any entity treated as a controlled foreign corporation under section 245A(b), any domestic corporation treated as a United States shareholder with respect to such entity under such section.''.

(3) Subsection (a) of section 957 is amended—

(A) by striking ''subpart'' in the matter preceding paragraph (1) and inserting ''title'', and

(B) by adding at the end the following: ''Such term shall include any entity treated as a controlled foreign corporation under section 245A(b).''.

(4) The table of sections for part VIII of subchapter B of chapter 1 is amended by inserting after the item relating to section 245 the following new item:

''Sec. 245A. Dividends received by domestic corporations from certain foreign corporations.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

**SEC. 102. APPLICATION OF DIVIDENDS RECEIVED DEDUCTION TO CERTAIN SALES AND EXCHANGES OF STOCK.**

(a) SALES BY UNITED STATES PERSONS OF STOCK IN CFC.—Section 1248 is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) COORDINATION WITH DIVIDENDS RECEIVED DEDUCTION.—

''(1) IN GENERAL.—In the case of the sale or exchange by a domestic corporation of stock in a foreign corporation held for 1 year or more, any amount received by the domestic corporation which is treated as a dividend by reason of this section shall be treated as a dividend for purposes of applying section 245A.

''(2) LOSSES DISALLOWED.—If a domestic corporation—

''(A) sells or exchanges stock in a foreign corporation in a taxable year of the domestic corporation with or within which a taxable year of the foreign corporation beginning after December 31, 2014, ends, and

''(B) met the ownership requirements of subsection (a)(2) with respect to such stock, no deduction shall be allowed to the domestic corporation with respect to any loss from the sale or exchange.''.

(b) SALE BY A CFC OF A LOWER TIER CFC.—Section 964(e) is amended by adding at the end the following new paragraph:

''(4) COORDINATION WITH DIVIDENDS RECEIVED DEDUCTION.—

''(A) IN GENERAL.—If, for any taxable year of a controlled foreign corporation beginning after December 31, 2014, any amount is treated as a dividend under paragraph (1) by reason of a sale or exchange by the controlled foreign corporation of stock in another foreign corporation held for 1 year or more, then, notwithstanding any other provision of this title—

''(i) the qualified foreign-source portion of such dividend shall be treated for purposes of section 951(a)(1)(A) as subpart F income of the selling controlled foreign corporation for such taxable year,

''(ii) a United States shareholder with respect to the selling controlled foreign corporation shall include in gross income for the taxable year of the shareholder with or within which such taxable year of the controlled foreign corporation ends an amount equal to the shareholder's pro rata share (determined in the same manner as under section 951(a)(2)) of the amount treated as subpart F income under clause (i), and

''(iii) the deduction under section 245A(a) shall be allowable to the United States shareholder with respect to the subpart F income included in gross income under clause (ii) in the same manner as if such subpart F income were a dividend received by the shareholder from the selling controlled foreign corporation.

''(B) EFFECT OF LOSS ON EARNINGS AND PROFITS.—For purposes of this title, in the case of a sale or exchange by a controlled foreign corporation of stock in another foreign corporation in a taxable year of the selling controlled foreign corporation beginning after December 31, 2014, to which this paragraph would apply if gain were recognized, the earnings and profits of the selling controlled foreign corporation shall not be reduced by reason of any loss from such sale or exchange.

''(C) QUALIFIED FOREIGN-SOURCE PORTION.—For purposes of this paragraph, the qualified foreign-source portion of any amount treated as a dividend under paragraph (1) shall be determined in the same manner as under section 245A(c).''.

**SEC. 103. DEDUCTION FOR FOREIGN INTANGIBLE INCOME DERIVED FROM TRADE OR BUSINESS WITHIN THE UNITED STATES.**

(a) IN GENERAL.—Part VIII of subchapter B of chapter 1 is amended by adding at the end the following new section:

**''SEC. 250. FOREIGN INTANGIBLE INCOME DERIVED FROM TRADE OR BUSINESS WITHIN THE UNITED STATES.**

''(a) IN GENERAL.—In the case of a domestic corporation, there shall be allowed as a deduction an amount equal to 50 percent of the qualified foreign intangible income of such domestic corporation for the taxable year.

''(b) QUALIFIED FOREIGN INTANGIBLE INCOME.—

''(1) IN GENERAL.—The term 'qualified foreign intangible income' means, with respect to any domestic corporation, foreign intangible income which is derived by the domestic corporation from the active conduct of a trade or business within the United States with respect to the intangible property giving rise to the income.

''(2) REQUIREMENTS RELATING TO TRADE OR BUSINESS WITHIN THE UNITED STATES.—For purposes of this section, foreign intangible income shall be treated as derived by a domestic corporation from the active conduct of a trade or business within the United States only if—

''(A) the domestic corporation developed, created, or produced within the United States the intangible property giving rise to the income, or

''(B) in any case in which the domestic corporation acquired such intangible property, the domestic corporation added substantial value to the property through the active conduct of such trade or business within the United States.

''(c) FOREIGN INTANGIBLE INCOME.—For purposes of this section—

''(1) IN GENERAL.—The term 'foreign intangible income' means any intangible income which is derived in connection with—

''(A) property which is sold, leased, licensed, or otherwise disposed of for use, consumption, or disposition outside the United States, or

''(B) services provided with respect to persons or property located outside the United States.

''(2) EXCEPTIONS FOR CERTAIN INCOME.—The following amounts shall not be taken into account in computing foreign intangible income:

''(A) Any amount treated as received by the domestic corporation under section 367(d)(2) with respect to any intangible property.

''(B) Any payment under a cost-sharing arrangement entered into under section 482.

''(C) Any amount received from a controlled foreign corporation with respect to which the domestic corporation is a United States shareholder to the extent such amount is attributable or properly allocable to income which is—

''(i) effectively connected with the conduct of a trade or business within the United States and subject to tax under this chapter, or

''(ii) subpart F income.

For purposes of clause (ii), amounts not otherwise treated as subpart F income shall be so treated if the amount creates (or increases) a deficit which under section 952(c) may reduce the subpart F income of the payor or any other controlled foreign corporation.

''(3) INTANGIBLE INCOME.—The term 'intangible income' means gross income from—

''(A) the sale, lease, license, or other disposition of property in which intangible property is used directly or indirectly, or

''(B) the provision of services related to intangible property or in connection with property in which intangible property is used directly or indirectly,

to the extent that such gross income is properly attributable to such intangible property.

''(4) DEDUCTIONS TO BE TAKEN INTO ACCOUNT.—The gross income of a domestic corporation taken into account under this subsection shall be reduced, under regulations prescribed by the Secretary, so as to take into account deductions properly allocable to such income.

''(5) INTANGIBLE PROPERTY.—The term 'intangible property' has the meaning given such term by section 936(h)(3)(B).

''(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section.''.

(b) CONFORMING AMENDMENT.—The table of sections for part VIII of subchapter B of chapter 1 is amended by adding at the end the following new item:

''Sec. 250. Foreign intangible income derived from trade or business within the United States.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of domestic corporations beginning after December 31, 2014.

**SEC. 104. TREATMENT OF DEFERRED FOREIGN INCOME UPON TRANSITION TO PARTICIPATION EXEMPTION SYSTEM OF TAXATION.**

(a) IN GENERAL.—Section 965 is amended to read as follows:

**''SEC. 965. TREATMENT OF DEFERRED FOREIGN INCOME UPON TRANSITION TO PARTICIPATION EXEMPTION SYSTEM OF TAXATION.**

''(a) DEDUCTION ALLOWED.—In the case of a domestic corporation which elects the application of this section to any controlled foreign corporation with respect to which it is a United States shareholder, there shall be allowed as a deduction for the taxable year of the United States shareholder with or within which the first taxable year of the controlled foreign corporation beginning after December 31, 2014, ends an amount equal to 70 percent of the amount determined under subsection (b) for the taxable year.

''(b) ELIGIBLE AMOUNT.—For purposes of subsection (a)—

''(1) IN GENERAL.—The amount determined under this subsection for a United States shareholder with respect to any controlled foreign corporation for the taxable year of the shareholder described in subsection (a) is the lesser of—

''(A) the shareholder's pro rata share of the earnings and profits of the controlled foreign corporation described in section 959(c)(3) as of the close of the taxable year preceding the first taxable year of the controlled foreign corporation beginning after December 31, 2014, or

''(B) an amount equal to the sum of—

''(i) the dividends received by the shareholder during such taxable year from the controlled foreign corporation which are attributable to the earnings and profits described in subparagraph (A), plus

''(ii) the increase in subpart F income required to be included in gross income of the shareholder for the taxable year by reason of the election under paragraph (2).

''(2) ELECTION OF DEEMED SUBPART F INCLUSION.—A United States shareholder may

elect for purposes of paragraph (1)(B)(ii) to treat all (or any portion) of the shareholder's pro rata share of the earnings and profits of a controlled foreign corporation described in paragraph (1)(A) as subpart F income includible in the gross income of the shareholder for the taxable year of the shareholder described in subsection (a).

''(3) ORDERING RULE.—For purposes of paragraph (1)(B)(i), distributions shall be treated as first made out of earnings and profits of a controlled foreign corporation described in paragraph (1)(A).

''(4) DIVIDEND.—The term 'dividend' shall not include amounts includible in gross income as a dividend under section 78.

''(c) DISALLOWANCE OF FOREIGN TAX CREDIT, ETC.—In the case of a domestic corporation making an election under subsection (a) with respect to any controlled foreign corporation—

''(1) IN GENERAL.—No credit shall be allowed under section 901 for any taxes paid or accrued (or treated as paid or accrued) with respect to the earnings and profits taken into account in determining the amount under subsection (b).

''(2) DENIAL OF DEDUCTION.—No deduction shall be allowed under this chapter for any tax for which credit is not allowable under section 901 by reason of paragraph (1).

''(3) COORDINATION WITH SECTION 78.—Section 78 shall not apply to any tax for which credit is not allowable under section 901 by reason of paragraph (1).

''(4) TREATMENT OF NONDEDUCTIBLE PORTION IN APPLYING FOREIGN TAX CREDIT LIMIT.—For purposes of applying the limitation under section 904(a), the remaining 30 percent of the amount determined under subsection (b) with respect to which a deduction is not allowable under subsection (a) shall be treated as income from sources within the United States.

''(d) ELECTION TO PAY LIABILITY FOR DEEMED SUBPART F INCOME IN INSTALLMENTS.—

''(1) IN GENERAL.—In the case of a United States shareholder with respect to 1 or more controlled foreign corporations to which elections under subsections (a) and (b)(2) apply, such United States shareholder may elect to pay the net tax liability determined with respect to its deemed subpart F inclusions with respect to such corporations under subsection (b)(2) for the taxable year described in subsection (a) in 2 or more (but not exceeding 8) equal installments.

''(2) DATE FOR PAYMENT OF INSTALLMENTS.—If an election is made under paragraph (1), the first installment shall be paid on the due date (determined without regard to any extension of time for filing the return) for the return of tax for the taxable year for which the election was made and each succeeding installment shall be paid on the due date (as so determined) for the return of tax for the taxable year following the taxable year with respect to which the preceding installment was made.

''(3) ACCELERATION OF PAYMENT.—If there is an addition to tax for failure to pay timely assessed with respect to any installment required under this subsection, a liquidation or sale of substantially all the assets of the taxpayer (including in a title 11 or similar case), a cessation of business by the taxpayer, or any similar circumstance, then the unpaid portion of all remaining installments shall be due on the date of such event (or in the case of a title 11 or similar case, the day before the petition is filed).

''(4) PRORATION OF DEFICIENCY TO INSTALLMENTS.—If an election is made under paragraph (1) to pay the net tax liability described in paragraph (1) in installments and a deficiency has been assessed which increases such net tax liability, the increase shall be prorated to the installments payable under paragraph (1). The part of the increase so prorated to any installment the date for payment of which has not arrived shall be collected at the same time as, and as a part of, such installment. The part of the increase so prorated to any installment the date for payment of which has arrived shall be paid upon notice and demand from the Secretary. This subsection shall not apply if the deficiency is due to negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax.

''(5) TIME FOR PAYMENT OF INTEREST.—Interest payable under section 6601 on the unpaid portion of any amount of tax the time for payment of which as been extended under this subsection shall be paid annually at the same time as, and as part of, each installment payment of such tax. In the case of a deficiency to which paragraph (4) applies, interest with respect to such deficiency which is assigned under the preceding sentence to any installment the date for payment of which has arrived on or before the date of the assessment of the deficiency, shall be paid upon notice and demand from the Secretary.

''(6) NET TAX LIABILITY FOR DEEMED SUBPART F INCLUSIONS.—For purposes of this subsection—

''(A) IN GENERAL.—The net tax liability described in paragraph (1) with respect to any United States shareholder for any taxable year is the excess (if any) of—

''(i) such taxpayer's net income tax for the taxable year, over

''(ii) such taxpayer's net income tax for such taxable year determined as if the elections under subsection (b)(2) with respect to 1 or more controlled foreign corporations had not been made.

''(B) NET INCOME TAX.—The term 'net income tax' means the net income tax (as defined in section 38(c)(1)) reduced by the credit allowed under section 38.

''(e) SPECIAL RULES.—For purposes of this section—

''(1) ELECTIONS.—Any election under subsection (a), (b)(2), or (d)(1) shall be made not later than the due date (including extensions) for the return of tax for the taxable year for which made and shall be made in such manner as the Secretary may provide.

''(2) SECTION NOT TO APPLY TO NONCONTROLLED SECTION 902 CORPORATIONS TREATED AS CFCS.—No election may be made under subsection (a) with respect to a controlled foreign corporation which was a noncontrolled section 902 corporation which a United States shareholder elected under section 245A(b) to treat as a controlled foreign corporation.

''(3) PRO RATA SHARE.—A shareholder's pro rata share of any earnings and profits shall be determined in the same manner as under section 951(a)(2).''.

(b) CONFORMING AMENDMENTS.—

(1) Clause (vi) of section 56(g)(4)(C), as amended by this Act, is amended—

(A) by striking ''965'' and inserting ''965(b)'', and

(B) by inserting ''AND INCLUSIONS'' after ''CERTAIN DISTRIBUTIONS'' in the heading thereof.

(2) Paragraph (2) of section 6601(b) is amended—

(A) by striking ''section 6156(a)'' in the matter preceding subparagraph (A) and inserting ''section 965(d)(1) or 6156(a)'', and

(B) by striking ''section 6156(b)'' in subparagraph (A) and inserting ''section 965(d)(2) or 6156(b), as the case may be''.

(3) The table of section for subpart F of part III of subchapter N of chapter 1 is amended by striking the item relating to section 965 and inserting the following:

''Sec. 965. Treatment of deferred foreign income upon transition to participation exemption system of taxation.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

## TITLE II—OTHER INTERNATIONAL TAX REFORMS

### Subtitle A—Modifications of Subpart F

#### SEC. 201. TREATMENT OF LOW-TAXED FOREIGN INCOME AS SUBPART F INCOME.

(a) IN GENERAL.—Subsection (a) of section 952 is amended by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively, and by inserting after paragraph (2) the following new paragraph:

''(3) low-taxed income (as defined under subsection (e)),''.

(b) LOW-TAXED INCOME.—Section 952 is amended by adding at the end the following new subsection:

''(e) LOW-TAXED INCOME.—

''(1) IN GENERAL.—For purposes of subsection (a), except as provided in paragraph (2), the term 'low-taxed income' means, with respect to any taxable year of a controlled foreign corporation, the entire gross income of the controlled foreign corporation unless the taxpayer establishes to the satisfaction of the Secretary that such income was subject to an effective rate of income tax (determined under rules similar to the rules of section 954(b)(4)) imposed by a foreign country in excess of one-half of the highest rate of tax under section 11(b) for taxable years of United States corporations beginning in the same calendar year as the taxable year of the controlled foreign corporation begins.

''(2) EXCEPTION FOR QUALIFIED BUSINESS INCOME.—For purposes of paragraph (1), qualified business income—

''(A) shall be taken into account in determining the effective rate of income tax at which the entire gross income of the controlled foreign corporation is taxed, but

''(B) the amount of gross income treated as low-taxed income under paragraph (1) shall be reduced by the amount of the qualified business income.

''(3) QUALIFIED BUSINESS INCOME.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified business income' means, with respect to any controlled foreign corporation, income derived by the controlled foreign corporation in a foreign country but only if—

''(i) such income is attributable to the active conduct of a trade or business of such corporation in such foreign country,

''(ii) the corporation maintains an office or fixed place of business in such foreign country, and

''(iii) officers and employees of the corporation physically located at such office or place of business in such foreign country conducted (or significantly contributed to the conduct of) activities within the foreign country which are substantial in relation to the activities necessary for the active conduct of the trade or business to which such income is attributable.

''(B) EXCEPTION FOR INTANGIBLE INCOME.—For purposes of subparagraph (A), qualified business income of a controlled foreign corporation shall not include intangible income (as defined in section 250(c)(3)).

''(4) DETERMINATION OF EFFECTIVE RATE OF FOREIGN INCOME TAX AND QUALIFIED BUSINESS INCOME.—

''(A) COUNTRY-BY-COUNTRY DETERMINATION.—For purposes of determining the effective rate of income tax imposed by any foreign country under paragraph (1) and qualified business income under paragraph (3), each such paragraph shall be applied separately with respect to—

''(i) each foreign country in which a controlled foreign corporation conducts any trade or business, and

''(ii) the entire gross income and qualified business income derived with respect to such foreign country.

''(B) TREATMENT OF LOSSES.—For purposes of determining the effective rate of income tax imposed by any foreign country under paragraph (1)—

''(i) such effective rate shall be determined without regard to any losses carried to the relevant taxable year, and

''(ii) to the extent the income of the controlled foreign corporation reduces losses in the relevant taxable year, such effective rate shall be treated as being the effective rate which would have been imposed on such income without regard to such losses.

''(5) DEDUCTIONS TO BE TAKEN INTO ACCOUNT.—The gross income of a controlled foreign corporation taken into account under this subsection shall be reduced, under regulations prescribed by the Secretary, so as to take into account deductions (including taxes) properly allocable to such income.''.

(c) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 952 is amended—

(A) by striking ''paragraph (4)'' in the next to last sentence and inserting ''paragraph (5)'', and

(B) by striking ''paragraph (5)'' in the last sentence and inserting ''paragraph (6)''.

(2) Subsection (d) of section 952 is amended by striking ''subsection (a)(5)'' and inserting ''subsection (a)(6)''.

(3) Paragraphs (1) and (2) of section 999(c) are each amended by striking ''section 952(a)(3)'' and inserting ''section 952(a)(4)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

**SEC. 202. PERMANENT EXTENSION OF LOOK-THRU RULE FOR CONTROLLED FOREIGN CORPORATIONS.**

(a) IN GENERAL.—Section 954(c)(6)(C) is amended by striking ''and before January 1, 2014,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2013, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

**SEC. 203. PERMANENT EXTENSION OF EXCEPTIONS FOR ACTIVE FINANCING INCOME.**

(a) EXCEPTION FROM INSURANCE INCOME.—Section 953(e)(10) is amended—

(1) by striking ''and before January 1, 2014,'', and

(2) by striking the last sentence.

(b) EXCEPTION FROM FOREIGN PERSONAL HOLDING COMPANY INCOME.—Section 954(h)(9) is amended by striking ''and before January 1, 2014,''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2013, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

**SEC. 204. FOREIGN BASE COMPANY INCOME NOT TO INCLUDE SALES OR SERVICES INCOME.**

(a) REPEAL.—Paragraphs (2) and (3) of section 954(a) are repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 954(d) is amended by adding at the end the following new paragraph:

''(5) TERMINATION.—This subsection shall not apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.''.

(2) Section 954(e) is amended by adding at the end the following new paragraph:

''(3) TERMINATION.—This subsection shall not apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2014, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

## Subtitle B—Modifications Related to Foreign Tax Credit

**SEC. 211. MODIFICATION OF APPLICATION OF SECTIONS 902 AND 960 WITH RESPECT TO POST-2014 EARNINGS.**

(a) SECTION 902 NOT TO APPLY TO DIVIDENDS FROM POST-2014 EARNINGS.—Section 902 is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

''(d) SECTION NOT TO APPLY TO DIVIDENDS FROM POST-2014 EARNINGS.—

''(1) IN GENERAL.—This section shall not apply to the portion of any dividend paid by a foreign corporation to the extent such portion is made out of earnings and profits of the foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2014.

''(2) COORDINATION WITH DISTRIBUTIONS FROM PRE-2015 EARNINGS AND PROFITS.—For purposes of this section—

''(A) ORDERING RULE.—Any distribution in a taxable year beginning after December 31, 2014, shall be treated as first made out of earnings and profits of the foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning before January 1, 2015.

''(B) POST-1986 UNDISTRIBUTED EARNINGS.—Post-1986 undistributed earnings shall not include earnings and profits described in paragraph (1).''.

(b) DETERMINATION OF SECTION 960 CREDIT ON CURRENT YEAR BASIS.—Section 960 is amended by adding at the end the following new subsection:

''(d) DEEMED PAID CREDIT FOR SUBPART F INCLUSIONS ATTRIBUTABLE TO POST-2014 EARNINGS.—

''(1) IN GENERAL.—For purposes of this subpart, if there is included in the gross income of a domestic corporation any amount under section 951(a)—

''(A) with respect to any controlled foreign corporation with respect to which such domestic corporation is a United States shareholder, and

''(B) which is attributable to the earnings and profits of the controlled foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2014,

then subsections (a), (b), and (c) shall not apply and such domestic corporation shall be deemed to have paid so much of such foreign corporation's foreign income taxes as are properly attributable to the amount so included.

''(2) FOREIGN INCOME TAXES.—For purposes of this subsection, the term 'foreign income taxes' means any income, war profits, or excess profits taxes paid or accrued by the controlled foreign corporation to any foreign country or possession of the United States.

''(3) REGULATIONS.—The Secretary shall provide such regulations as may be necessary or appropriate to carry out the provisions of this subsection.''.

**SEC. 212. SEPARATE FOREIGN TAX CREDIT BASKET FOR FOREIGN INTANGIBLE INCOME.**

(a) IN GENERAL.—Paragraph (1) of section 904(d) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following:

''(C) foreign intangible income (as defined in paragraph (2)(J)).''.

(b) FOREIGN INTANGIBLE INCOME.—

(1) IN GENERAL.—Section 904(d)(2) is amended by redesignating subparagraphs (J) and (K) as subparagraphs (K) and (L) and by inserting after subparagraph (I) the following:

''(J) FOREIGN INTANGIBLE INCOME.—For purposes of this section—

''(i) IN GENERAL.—The term 'foreign intangible income' has the meaning given such term by section 250(c).

''(ii) COORDINATION.—Passive category income and general category income shall not include foreign intangible income.''.

(2) GENERAL CATEGORY INCOME.—Section 904(d)(2)(A)(ii) is amended by inserting ''or foreign intangible income'' after ''passive category income''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2014.

(2) TRANSITIONAL RULE.—For purposes of section 904(d)(1) of the Internal Revenue Code of 1986 (as amended by this Act)—

(A) taxes carried from any taxable year beginning before January 1, 2015, to any taxable year beginning on or after such date, with respect to any item of income, shall be treated as described in the subparagraph of such section 904(d)(1) in which such income would be described without regard to the amendments made by this section, and

(B) any carryback of taxes with respect to foreign intangible income from a taxable year beginning on or after January 1, 2015, to a taxable year beginning before such date shall be allocated to the general income category.

**SEC. 213. INVENTORY PROPERTY SALES SOURCE RULE EXCEPTIONS NOT TO APPLY FOR FOREIGN TAX CREDIT LIMITATION.**

(a) IN GENERAL.—Section 904 is amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

''(l) INVENTORY PROPERTY SALES SOURCE RULE EXCEPTIONS NOT TO APPLY.—Any amount which would be treated as derived from sources without the United States by reason of the application of section 862(a)(6) or 863(b)(2) for any taxable year shall be treated as derived from sources within the United States for purposes of this section.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2014.

## Subtitle C—Allocation of Interest on Worldwide Basis

**SEC. 221. ACCELERATION OF ELECTION TO ALLOCATE INTEREST ON A WORLDWIDE BASIS.**

Section 864(f)(6) is amended by striking ''December 31, 2020'' and inserting ''December 31, 2014''.

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**SA 3601.** Mr. ALEXANDER submitted an amendment intended to be proposed

by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE ____—IMPACT OF ACA**

**SEC. __01. SHORT TITLE.**

This title may be cited as the ''Certify It Act of 2014''.

**SEC. __02. STUDY ON IMPACT ON SMALL BUSINESS JOBS.**

(a) STUDY AND REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and December 1 for each of the 4 consecutive years thereafter, the Comptroller General of the United States, shall conduct a study on the impact of the Affordable Care Act on small businesses, including—

(A) the impact of any increased health insurance costs resulting from the provisions of such Act on economic indicators (including jobs lost, hours worked per employee, and any resulting loss of wages); and

(B) the impact of section 4980H of the Internal Revenue Code of 1986 (relating to shared responsibility for employers regarding health coverage) on economic indicators, including any jobs lost.

(2) REPORT.—The Comptroller General of the United States, using data from the Office of the Actuary, Centers for Medicare & Medicaid Services, under section __03 and economic indicators data from other Federal agencies, shall submit to the appropriate committees of Congress a report on the study conducted under paragraph (1).

(b) APPROPRIATE COMMITTEES OF CONGRESS.—For purposes of this section, the term ''appropriate committees of Congress'' means the Committee on Ways and Means, the Committee on Education and Labor, the Committee on Energy and Commerce, and the Small Business Committee of the House of Representatives and the Committee on Finance, the Committee on Health, Education, Labor and Pensions, and the Small Business and Entrepreneurship Committee of the Senate.

(c) DEFINITIONS.—For purposes of this title:

(1) AFFORDABLE CARE ACT.—The term ''Affordable Care Act'' means the Patient Protection and Affordable Care Act (Public Law 111–148) and title I and subtitle B of title II of the Health Care and Education Reconciliation Act of 2010 (Public law 111–152).

(2) SMALL BUSINESS.—The term ''small business'' means an employer with 250 or fewer employees.

**SEC. __03. STUDY ON IMPACT ON SMALL BUSINESS HEALTH INSURANCE.**

(a) STUDY AND REPORT.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, and December 1 for each of the 4 consecutive years thereafter, the Office of the Actuary, Centers for Medicare & Medicaid Services, shall conduct a study on the impact of the Affordable Care Act on small group health insurance costs, including—

(A) the impact of requirements and benefits pursuant to such Act on the small group health insurance market, including community rating requirements, minimum actuarial value requirements, requirements to provide for essential health benefits described in section 1302(b) of the Patient Protection and Affordable Care Act (42 U.S.C. 18022(b)), requirements related to cost-sharing, the prohibition on annual and lifetime limits on benefits under section 2711 of the Public Health Service Act (42 U.S.C. 300gg–11), prohibitions on cost-sharing requirements for preventive services, and the extension of dependent coverage under section 2714 of the Public Health Service Act (42 U.S.C. 300gg–14); and

(B) the impact of new taxes and fees on the small group health insurance market costs, including the fee imposed under section 9010 of the Patient Protection and Affordable Care Act (relating to imposition of annual fee on health insurance providers), the transitional reinsurance program contributions, the fees imposed under subchapter B of chapter 34 of the Internal Revenue Code of 1986 (relating to the Patient Centered Outcome Research Institute fees), and Exchange assessments or user fees.

(2) REPORT.—The Office of the Actuary, Centers for Medicare & Medicaid Services, in consultation with the Comptroller General for purposes of verifying the methodology, assumptions, validity, and reasonableness of the data used by the Actuary, shall submit to the appropriate committees of Congress a report on the study conducted under paragraph (1).

(b) APPROPRIATE COMMITTEES OF CONGRESS.—For purposes of this section, the term ''appropriate committees of Congress'' means the Committee on Ways and Means, the Committee on Education and Labor, the Committee on Energy and Commerce, and the Small Business Committee of the House of Representatives and the Committee on Finance, the Committee on Health, Education, Labor and Pensions, and the Small Business and Entrepreneurship Committee of the Senate.

**SEC. __04. ONE-YEAR DELAY FOR EMPLOYER MANDATE IN CASE OF NEGATIVE IMPACT ON SMALL BUSINESS.**

(a) IN GENERAL.—If the Comptroller General of the United States or the Office of the Actuary, Centers for Medicare & Medicaid Services, determines in any report submitted under section __02 or __03 that the Affordable Care Act has caused net employment loss amongst small businesses or caused small group health insurance costs to rise, section 4980H of the Internal Revenue Code of 1986 shall not apply for months beginning during the 1-year period beginning on the date of the submission of such report.

(b) FAILURE TO SUBMIT.—If the Comptroller General of the United States or the Office of the Actuary, Centers for Medicare & Medicaid Services, fails to submit a report in accordance with the timelines specified in this title, section 4980H of the Internal Revenue Code of 1986 shall not apply the following calendar year.

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**SA 3602.** Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

**TITLE II—SAVING COAL JOBS**

**SEC. 201. SHORT TITLE.**

This title may be cited as the ''Saving Coal Jobs Act of 2014''.

**Subtitle A—Prohibition on Energy Tax**

**SEC. 211. PROHIBITION ON ENERGY TAX.**

(a) FINDINGS; PURPOSES.—

(1) FINDINGS.—Congress finds that—

(A) on June 25, 2013, President Obama issued a Presidential memorandum directing the Administrator of the Environmental Protection Agency to issue regulations relating to power sector carbon pollution standards for existing coal fired power plants;

(B) the issuance of that memorandum circumvents Congress and the will of the people of the United States;

(C) any action to control emissions of greenhouse gases from existing coal fired power plants in the United States by mandating a national energy tax would devastate major sectors of the economy, cost thousands of jobs, and increase energy costs for low-income households, small businesses, and seniors on fixed income;

(D) joblessness increases the likelihood of hospital visits, illnesses, and premature deaths;

(E) according to testimony on June 15, 2011, before the Committee on Environment and Public Works of the Senate by Dr. Harvey Brenner of Johns Hopkins University, ''The unemployment rate is well established as a risk factor for elevated illness and mortality rates in epidemiological studies performed since the early 1980s. In addition to influences on mental disorder, suicide and alcohol abuse and alcoholism, unemployment is also an important risk factor in cardiovascular disease and overall decreases in life expectancy.'';

(F) according to the National Center for Health Statistics, ''children in poor families were four times as likely to be in fair or poor health as children that were not poor'';

(G) any major decision that would cost the economy of the United States millions of dollars and lead to serious negative health effects for the people of the United States should be debated and explicitly authorized by Congress, not approved by a Presidential memorandum or regulations; and

(H) any policy adopted by Congress should make United States energy as clean as practicable, as quickly as practicable, without increasing the cost of energy for struggling families, seniors, low-income households, and small businesses.

(2) PURPOSES.—The purposes of this section are—

(A) to ensure that—

(i) a national energy tax is not imposed on the economy of the United States; and

(ii) struggling families, seniors, low-income households, and small businesses do not experience skyrocketing electricity bills and joblessness;

(B) to protect the people of the United States, particularly families, seniors, and children, from the serious negative health effects of joblessness;

(C) to allow sufficient time for Congress to develop and authorize an appropriate mechanism to address the energy needs of the United States and the potential challenges posed by severe weather; and

(D) to restore the legislative process and congressional authority over the energy policy of the United States.

(b) PRESIDENTIAL MEMORANDUM.—Notwithstanding any other provision of law, the head of a Federal agency shall not promulgate any regulation relating to power sector carbon pollution standards or any substantially similar regulation on or after June 25, 2013, unless that regulation is explicitly authorized by an Act of Congress.

**Subtitle B—Permits**

**SEC. 221. NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM.**

(a) APPLICABILITY OF GUIDANCE.—Section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) is amended by adding at the end the following:

''(s) APPLICABILITY OF GUIDANCE.—

''(1) DEFINITIONS.—In this subsection:

''(A) GUIDANCE.—

''(i) IN GENERAL.—The term 'guidance' means draft, interim, or final guidance issued by the Administrator.

''(ii) INCLUSIONS.—The term 'guidance' includes—

''(I) the comprehensive guidance issued by the Administrator and dated April 1, 2010;

''(II) the proposed guidance entitled 'Draft Guidance on Identifying Waters Protected by the Clean Water Act' and dated April 28, 2011;

''(III) the final guidance proposed by the Administrator and dated July 21, 2011; and

''(IV) any other document or paper issued by the Administrator through any process other than the notice and comment rulemaking process.

''(B) NEW PERMIT.—The term 'new permit' means a permit covering discharges from a structure—

''(i) that is issued under this section by a permitting authority; and

''(ii) for which an application is—

''(I) pending as of the date of enactment of this subsection; or

''(II) filed on or after the date of enactment of this subsection.

''(C) PERMITTING AUTHORITY.—The term 'permitting authority' means—

''(i) the Administrator; or

''(ii) a State, acting pursuant to a State program that is equivalent to the program under this section and approved by the Administrator.

''(2) PERMITS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, in making a determination whether to approve a new permit or a renewed permit, the permitting authority—

''(i) shall base the determination only on compliance with regulations issued by the Administrator or the permitting authority; and

''(ii) shall not base the determination on the extent of adherence of the applicant for the new permit or renewed permit to guidance.

''(B) NEW PERMITS.—If the permitting authority does not approve or deny an application for a new permit by the date that is 270 days after the date of receipt of the application for the new permit, the applicant may operate as if the application were approved in accordance with Federal law for the period of time for which a permit from the same industry would be approved.

''(C) SUBSTANTIAL COMPLETENESS.—In determining whether an application for a new permit or a renewed permit received under this paragraph is substantially complete, the permitting authority shall use standards for determining substantial completeness of similar permits for similar facilities submitted in fiscal year 2007.''.

(b) STATE PERMIT PROGRAMS.—

(1) IN GENERAL.—Section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342) is amended by striking subsection (b) and inserting the following:

''(b) STATE PERMIT PROGRAMS.—

''(1) IN GENERAL.—At any time after the promulgation of the guidelines required by section 304(a)(2), the Governor of each State desiring to administer a permit program for discharges into navigable waters within the jurisdiction of the State may submit to the Administrator—

''(A) a full and complete description of the program the State proposes to establish and administer under State law or under an interstate compact; and

''(B) a statement from the attorney general (or the attorney for those State water pollution control agencies that have independent legal counsel), or from the chief legal officer in the case of an interstate agency, that the laws of the State, or the interstate compact, as applicable, provide adequate authority to carry out the described program.

''(2) APPROVAL.—The Administrator shall approve each program for which a description is submitted under paragraph (1) unless the Administrator determines that adequate authority does not exist—

''(A) to issue permits that—

''(i) apply, and ensure compliance with, any applicable requirements of sections 301, 302, 306, 307, and 403;

''(ii) are for fixed terms not exceeding 5 years;

''(iii) can be terminated or modified for cause, including—

''(I) a violation of any condition of the permit;

''(II) obtaining a permit by misrepresentation or failure to disclose fully all relevant facts; and

''(III) a change in any condition that requires either a temporary or permanent reduction or elimination of the permitted discharge; and

''(iv) control the disposal of pollutants into wells;

''(B)(i) to issue permits that apply, and ensure compliance with, all applicable requirements of section 308; or

''(ii) to inspect, monitor, enter, and require reports to at least the same extent as required in section 308;

''(C) to ensure that the public, and any other State the waters of which may be affected, receives notice of each application for a permit and an opportunity for a public hearing before a ruling on each application;

''(D) to ensure that the Administrator receives notice and a copy of each application for a permit;

''(E) to ensure that any State (other than the permitting State), whose waters may be affected by the issuance of a permit may submit written recommendations to the permitting State and the Administrator with respect to any permit application and, if any part of the written recommendations are not accepted by the permitting State, that the permitting State will notify the affected State and the Administrator in writing of the failure of the State to accept the recommendations, including the reasons for not accepting the recommendations;

''(F) to ensure that no permit will be issued if, in the judgment of the Secretary of the Army (acting through the Chief of Engineers), after consultation with the Secretary of the department in which the Coast Guard is operating, anchorage and navigation of any of the navigable waters would be substantially impaired by the issuance of the permit;

''(G) to abate violations of the permit or the permit program, including civil and criminal penalties and other means of enforcement;

''(H) to ensure that any permit for a discharge from a publicly owned treatment works includes conditions to require the identification in terms of character and volume of pollutants of any significant source introducing pollutants subject to pretreatment standards under section 307(b) into the treatment works and a program to ensure compliance with those pretreatment standards by each source, in addition to adequate notice, which shall include information on the quality and quantity of effluent to be introduced into the treatment works and any anticipated impact of the change in the quantity or quality of effluent to be discharged from the publicly owned treatment works, to the permitting agency of—

''(i) new introductions into the treatment works of pollutants from any source that would be a new source (as defined in section 306(a)) if the source were discharging pollutants;

''(ii) new introductions of pollutants into the treatment works from a source that would be subject to section 301 if the source were discharging those pollutants; or

''(iii) a substantial change in volume or character of pollutants being introduced into the treatment works by a source introducing pollutants into the treatment works at the time of issuance of the permit; and

''(I) to ensure that any industrial user of any publicly owned treatment works will comply with sections 204(b), 307, and 308.

''(3) ADMINISTRATION.—Notwithstanding paragraph (2), the Administrator may not disapprove or withdraw approval of a program under this subsection on the basis of the following:

''(A) The failure of the program to incorporate or comply with guidance (as defined in subsection (s)(1)).

''(B) The implementation of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).''.

(2) CONFORMING AMENDMENTS.—

(A) Section 309 of the Federal Water Pollution Control Act (33 U.S.C. 1319) is amended—

(i) in subsection (c)—

(I) in paragraph (1)(A), by striking ''402(b)(8)'' and inserting ''402(b)(2)(H)''; and

(II) in paragraph (2)(A), by striking ''402(b)(8)'' and inserting ''402(b)(2)(H)''; and

(ii) in subsection (d), in the first sentence, by striking ''402(b)(8)'' and inserting ''402(b)(2)(H)''.

(B) Section 402(m) of the Federal Water Pollution Control Act (33 U.S.C. 1342(m)) is amended in the first sentence by striking ''subsection (b)(8) of this section'' and inserting ''subsection (b)(2)(H)''.

(c) SUSPENSION OF FEDERAL PROGRAM.—Section 402(c) of the Federal Water Pollution Control Act (33 U.S.C. 1342(c)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

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

''(4) LIMITATION ON DISAPPROVAL.—Notwithstanding paragraphs (1) through (3), the Administrator may not disapprove or withdraw approval of a State program under subsection (b) on the basis of the failure of the following:

''(A) The failure of the program to incorporate or comply with guidance (as defined in subsection (s)(1)).

''(B) The implementation of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).''.

(d) NOTIFICATION OF ADMINISTRATOR.—Section 402(d)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1342(d)(2)) is amended—

(1) by striking ''(2)'' and all that follows through the end of the first sentence and inserting the following:

''(2) OBJECTION BY ADMINISTRATOR.—

''(A) IN GENERAL.—Subject to subparagraph (C), no permit shall issue if—

''(i) not later than 90 days after the date on which the Administrator receives notification under subsection (b)(2)(E), the Administrator objects in writing to the issuance of the permit; or

''(ii) not later than 90 days after the date on which the proposed permit of the State is transmitted to the Administrator, the Administrator objects in writing to the issuance of the permit as being outside the guidelines and requirements of this Act.'';

(2) in the second sentence, by striking ''Whenever the Administrator'' and inserting the following:

''(B) REQUIREMENTS.—If the Administrator''; and

(3) by adding at the end the following:

''(C) EXCEPTION.—The Administrator shall not object to or deny the issuance of a permit by a State under subsection (b) or (s) based on the following:

''(i) Guidance, as that term is defined in subsection (s)(1).

''(ii) The interpretation of the Administrator of a water quality standard that has been adopted by the State and approved by the Administrator under section 303(c).''.

**SEC. 222. PERMITS FOR DREDGED OR FILL MATERIAL.**

(a) IN GENERAL.—Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended—

(1) by striking the section heading and all that follows through ''SEC. 404. (a) The Secretary may issue'' and inserting the following:

**''SEC. 404. PERMITS FOR DREDGED OR FILL MATERIAL.**

''(a) PERMITS.—

''(1) IN GENERAL.—The Secretary may issue''; and

(2) in subsection (a), by adding at the end the following:

''(2) DEADLINE FOR APPROVAL.—

''(A) PERMIT APPLICATIONS.—

''(i) IN GENERAL.—Except as provided in clause (ii), if an environmental assessment or environmental impact statement, as appropriate, is required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Secretary shall—

''(I) begin the process not later than 90 days after the date on which the Secretary receives a permit application; and

''(II) approve or deny an application for a permit under this subsection not later than the latter of—

''(aa) if an agency carries out an environmental assessment that leads to a finding of no significant impact, the date on which the finding of no significant impact is issued; or

''(bb) if an agency carries out an environmental assessment that leads to a record of decision, 15 days after the date on which the record of decision on an environmental impact statement is issued.

''(ii) PROCESSES.—Notwithstanding clause (i), regardless of whether the Secretary has commenced an environmental assessment or environmental impact statement by the date described in clause (i)(I), the following deadlines shall apply:

''(I) An environmental assessment carried out under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be completed not later than 1 year after the deadline for commencing the permit process under clause (i)(I).

''(II) An environmental impact statement carried out under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be completed not later than 2 years after the deadline for commencing the permit process under clause (i)(I).

''(B) FAILURE TO ACT.—If the Secretary fails to act by the deadline specified in clause (i) or (ii) of subparagraph (A)—

''(i) the application, and the permit requested in the application, shall be considered to be approved;

''(ii) the Secretary shall issue a permit to the applicant; and

''(iii) the permit shall not be subject to judicial review.''.

(b) STATE PERMITTING PROGRAMS.—Section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344) is amended by striking subsection (c) and inserting the following:

''(c) AUTHORITY OF ADMINISTRATOR.—

''(1) IN GENERAL.—Subject to paragraphs (2) through (4), until the Secretary has issued a permit under this section, the Administrator is authorized to prohibit the specification (including the withdrawal of specification) of any defined area as a disposal site, and deny or restrict the use of any defined area for specification (including the withdrawal of specification) as a disposal site, if the Administrator determines, after notice and opportunity for public hearings, that the discharge of the materials into the area will have an unacceptable adverse effect on municipal water supplies, shellfish beds or fishery areas (including spawning and breeding areas), wildlife, or recreational areas.

''(2) CONSULTATION.—Before making a determination under paragraph (1), the Administrator shall consult with the Secretary.

''(3) FINDINGS.—The Administrator shall set forth in writing and make public the findings of the Administrator and the reasons of the Administrator for making any determination under this subsection.

''(4) AUTHORITY OF STATE PERMITTING PROGRAMS.—This subsection shall not apply to any permit if the State in which the discharge originates or will originate does not concur with the determination of the Administrator that the discharge will result in an unacceptable adverse effect as described in paragraph (1).''.

(c) STATE PROGRAMS.—Section 404(g)(1) of the Federal Water Pollution Control Act (33 U.S.C. 1344(g)(1)) is amended in the first sentence by striking ''for the discharge'' and inserting ''for all or part of the discharges''.

**SEC. 223. IMPACTS OF ENVIRONMENTAL PROTECTION AGENCY REGULATORY ACTIVITY ON EMPLOYMENT AND ECONOMIC ACTIVITY.**

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) COVERED ACTION.—The term ''covered action'' means any of the following actions taken by the Administrator under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.):

(A) Issuing a regulation, policy statement, guidance, response to a petition, or other requirement.

(B) Implementing a new or substantially altered program.

(3) MORE THAN A DE MINIMIS NEGATIVE IMPACT.—The term ''more than a de minimis negative impact'' means the following:

(A) With respect to employment levels, a loss of more than 100 jobs, except that any offsetting job gains that result from the hypothetical creation of new jobs through new technologies or government employment may not be used in the job loss calculation.

(B) With respect to economic activity, a decrease in economic activity of more than $1,000,000 over any calendar year, except that any offsetting economic activity that results from the hypothetical creation of new economic activity through new technologies or government employment may not be used in the economic activity calculation.

(b) ANALYSIS OF IMPACTS OF ACTIONS ON EMPLOYMENT AND ECONOMIC ACTIVITY.—

(1) ANALYSIS.—Before taking a covered action, the Administrator shall analyze the impact, disaggregated by State, of the covered action on employment levels and economic activity, including estimated job losses and decreased economic activity.

(2) ECONOMIC MODELS.—

(A) IN GENERAL.—In carrying out paragraph (1), the Administrator shall use the best available economic models.

(B) ANNUAL GAO REPORT.—Not later than December 31st of each year, the Comptroller General of the United States shall submit to Congress a report on the economic models used by the Administrator to carry out this subsection.

(3) AVAILABILITY OF INFORMATION.—With respect to any covered action, the Administrator shall—

(A) post the analysis under paragraph (1) as a link on the main page of the public Internet Web site of the Environmental Protection Agency; and

(B) request that the Governor of any State experiencing more than a de minimis negative impact post the analysis in the Capitol of the State.

(c) PUBLIC HEARINGS.—

(1) IN GENERAL.—If the Administrator concludes under subsection (b)(1) that a covered action will have more than a de minimis negative impact on employment levels or economic activity in a State, the Administrator shall hold a public hearing in each such State at least 30 days prior to the effective date of the covered action.

(2) TIME, LOCATION, AND SELECTION.—

(A) IN GENERAL.—A public hearing required under paragraph (1) shall be held at a convenient time and location for impacted residents.

(B) PRIORITY.—In selecting a location for such a public hearing, the Administrator shall give priority to locations in the State that will experience the greatest number of job losses.

(d) NOTIFICATION.—If the Administrator concludes under subsection (b)(1) that a covered action will have more than a de minimis negative impact on employment levels or economic activity in any State, the Administrator shall give notice of such impact to the congressional delegation, Governor, and legislature of the State at least 45 days before the effective date of the covered action.

**SEC. 224. IDENTIFICATION OF WATERS PROTECTED BY THE CLEAN WATER ACT.**

(a) IN GENERAL.—The Secretary of the Army and the Administrator of the Environmental Protection Agency may not—

(1) finalize, adopt, implement, administer, or enforce the proposed guidance described in the notice of availability and request for comments entitled ''EPA and Army Corps of Engineers Guidance Regarding Identification of Waters Protected by the Clean Water Act'' (EPA–HQ–OW–2011–0409) (76 Fed. Reg. 24479 (May 2, 2011)); and

(2) use the guidance described in paragraph (1), any successor document, or any substantially similar guidance made publicly available on or after December 3, 2008, as the basis for any decision regarding the scope of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or any rulemaking.

(b) RULES.—The use of the guidance described in subsection (a)(1), or any successor document or substantially similar guidance made publicly available on or after December 3, 2008, as the basis for any rule shall be grounds for vacating the rule.

**SEC. 225. LIMITATIONS ON AUTHORITY TO MODIFY STATE WATER QUALITY STANDARDS.**

(a) STATE WATER QUALITY STANDARDS.—Section 303(c)(4) of the Federal Water Pollution Control Act (33 U.S.C. 1313(c)(4)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and indenting appropriately;

(2) by striking ''(4) The'' and inserting the following:

''(4) PROMULGATION OF REVISED OR NEW STANDARDS.—

''(A) IN GENERAL.—The'';

(3) by striking ''The Administrator shall promulgate'' and inserting the following:

''(B) DEADLINE.—The Administrator shall promulgate;'' and

(4) by adding at the end the following:

''(C) STATE WATER QUALITY STANDARDS.—Notwithstanding any other provision of this paragraph, the Administrator may not promulgate a revised or new standard for a pollutant in any case in which the State has submitted to the Administrator and the Administrator has approved a water quality standard for that pollutant, unless the State concurs with the determination of the Administrator that the revised or new standard is necessary to meet the requirements of this Act.''.

(b) FEDERAL LICENSES AND PERMITS.—Section 401(a) of the Federal Water Pollution Control Act (33 U.S.C. 1341(a)) is amended by adding at the end the following:

''(7) STATE OR INTERSTATE AGENCY DETERMINATION.—With respect to any discharge, if a State or interstate agency having jurisdiction over the navigable waters at the point at which the discharge originates or will originate determines under paragraph (1) that the discharge will comply with the applicable provisions of sections 301, 302, 303, 306, and 307, the Administrator may not take any action to supersede the determination.''.

**SEC. 226. STATE AUTHORITY TO IDENTIFY WATERS WITHIN BOUNDARIES OF THE STATE.**

Section 303(d) of the Federal Water Pollution Control Act (33 U.S.C. 1313(d)) is amended by striking paragraph (2) and inserting the following:

''(2) STATE AUTHORITY TO IDENTIFY WATERS WITHIN BOUNDARIES OF THE STATE.—

''(A) IN GENERAL.—Each State shall submit to the Administrator from time to time, with the first such submission not later than 180 days after the date of publication of the first identification of pollutants under section 304(a)(2)(D), the waters identified and the loads established under subparagraphs (A), (B), (C), and (D) of paragraph (1).

''(B) APPROVAL OR DISAPPROVAL BY ADMINISTRATOR.—

''(i) IN GENERAL.—Not later than 30 days after the date of submission, the Administrator shall approve the State identification and load or announce the disagreement of the Administrator with the State identification and load.

''(ii) APPROVAL.—If the Administrator approves the identification and load submitted by the State under this subsection, the State shall incorporate the identification and load into the current plan of the State under subsection (e).

''(iii) DISAPPROVAL.—If the Administrator announces the disagreement of the Administrator with the identification and load submitted by the State under this subsection. the Administrator shall submit, not later than 30 days after the date that the Administrator announces the disagreement of the Administrator with the submission of the State, to the State the written recommendation of the Administrator of those additional waters that the Administrator identifies and such loads for such waters as the Administrator believes are necessary to implement the water quality standards applicable to the waters.

''(C) ACTION BY STATE.—Not later than 30 days after receipt of the recommendation of the Administrator, the State shall—

''(i) disregard the recommendation of the Administrator in full and incorporate its own identification and load into the current plan of the State under subsection (e);

''(ii) accept the recommendation of the Administrator in full and incorporate its identification and load as amended by the recommendation of the Administrator into the current plan of the State under subsection (e); or

''(iii) accept the recommendation of the Administrator in part, identifying certain additional waters and certain additional loads proposed by the Administrator to be added to the State's identification and load and incorporate the State's identification and load as amended into the current plan of the State under subsection (e).

''(D) NONCOMPLIANCE BY ADMINISTRATOR.—

''(i) IN GENERAL.—If the Administrator fails to approve the State identification and load or announce the disagreement of the Administrator with the State identification and load within the time specified in this subsection—

''(I) the identification and load of the State shall be considered approved; and

''(II) the State shall incorporate the identification and load that the State submitted into the current plan of the State under subsection (e).

''(ii) RECOMMENDATIONS NOT SUBMITTED.—If the Administrator announces the disagreement of the Administrator with the identification and load of the State but fails to submit the written recommendation of the Administrator to the State within 30 days as required by subparagraph (B)(iii)—

''(I) the identification and load of the State shall be considered approved; and

''(II) the State shall incorporate the identification and load that the State submitted into the current plan of the State under subsection (e).

''(E) APPLICATION.—This section shall apply to any decision made by the Administrator under this subsection issued on or after March 1, 2013.''.

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**SA 3603.** Mr. BARRASSO (for himself and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

## TITLE II—NATURAL GAS GATHERING ENHANCEMENT

**SEC. 201. SHORT TITLE.**

This title may be cited as the ''Natural Gas Gathering Enhancement Act''.

**SEC. 202. FINDINGS.**

Congress finds that—

(1) record volumes of natural gas production in the United States as of the date of enactment of this Act are providing enormous benefits to the United States, including by—

(A) reducing the need for imports of natural gas, thereby directly reducing the trade deficit;

(B) strengthening trade ties among the United States, Canada, and Mexico;

(C) providing the opportunity for the United States to join the emerging global gas trade through the export of liquefied natural gas;

(D) creating and supporting millions of new jobs across the United States;

(E) adding billions of dollars to the gross domestic product of the United States every year;

(F) generating additional Federal, State, and local government tax revenues; and

(G) revitalizing the manufacturing sector by providing abundant and affordable feedstock;

(2) large quantities of natural gas are lost due to venting and flaring, primarily in areas where natural gas infrastructure has not been developed quickly enough, such as States with large quantities of Federal land and Indian land;

(3) permitting processes can hinder the development of natural gas infrastructure, such as pipeline lines and gathering lines on Federal land and Indian land; and

(4) additional authority for the Secretary of the Interior to approve natural gas pipelines and gathering lines on Federal land and Indian land would—

(A) assist in bringing gas to market that would otherwise be vented or flared; and

(B) significantly increase royalties collected by the Secretary of the Interior and disbursed to Federal, State, and tribal governments and individual Indians.

**SEC. 203. AUTHORITY TO APPROVE NATURAL GAS PIPELINES.**

Section 1 of the Act of February 15, 1901 (31 Stat. 790, chapter 372; 16 U.S.C. 79) is amended by inserting '', for natural gas pipelines'' after ''distribution of electrical power''.

**SEC. 204. CERTAIN NATURAL GAS GATHERING LINES LOCATED ON FEDERAL LAND AND INDIAN LAND.**

(a) IN GENERAL.—Subtitle B of title III of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 685) is amended by adding at the end the following:

**''SEC. 319. CERTAIN NATURAL GAS GATHERING LINES LOCATED ON FEDERAL LAND AND INDIAN LAND.**

''(a) DEFINITIONS.—In this section:

''(1) GAS GATHERING LINE AND ASSOCIATED FIELD COMPRESSION UNIT.—

''(A) IN GENERAL.—The term 'gas gathering line and associated field compression unit' means—

''(i) a pipeline that is installed to transport natural gas production associated with 1 or more wells drilled and completed to produce crude oil; and

''(ii) if necessary, a compressor to raise the pressure of that transported natural gas to higher pressures suitable to enable the gas to flow into pipelines and other facilities.

''(B) EXCLUSIONS.—The term 'gas gathering line and associated field compression unit' does not include a pipeline or compression unit that is installed to transport natural gas from a processing plant to a common carrier pipeline or facility.

''(2) FEDERAL LAND.—

''(A) IN GENERAL.—The term 'Federal land' means land the title to which is held by the United States.

''(B) EXCLUSIONS.—The term 'Federal land' does not include—

''(i) a unit of the National Park System;

''(ii) a unit of the National Wildlife Refuge System; or

''(iii) a component of the National Wilderness Preservation System.

''(3) INDIAN LAND.—The term 'Indian land' means land the title to which is held by—

''(A) the United States in trust for an Indian tribe or an individual Indian; or

''(B) an Indian tribe or an individual Indian subject to a restriction by the United States against alienation.

''(b) CERTAIN NATURAL GAS GATHERING LINES.—

''(1) IN GENERAL.—Subject to paragraph (2), the issuance of a sundry notice or right-of-way for a gas gathering line and associated field compression unit that is located on Federal land or Indian land and that services any oil well shall be considered to be an action that is categorically excluded (as defined in section 1508.4 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this Act)) for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) if the gas gathering line and associated field compression unit are—

''(A) within a field or unit for which an approved land use plan or an environmental document prepared pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) analyzed transportation of natural gas produced from 1 or more oil wells in that field or unit as a reasonably foreseeable activity; and

''(B) located adjacent to an existing disturbed area for the construction of a road or pad.

''(2) APPLICABILITY.—

''(A) FEDERAL LAND.—Paragraph (1) shall not apply to Federal land, or a portion of Federal land, for which the Governor of the State in which the Federal land is located submits to the Secretary of the Interior or the Secretary of Agriculture, as applicable, a

written request that paragraph (1) not apply to that Federal land (or portion of Federal land).

''(B) INDIAN LAND.—Paragraph (1) shall apply to Indian land, or a portion of Indian land, for which the Indian tribe with jurisdiction over the Indian land submits to the Secretary of the Interior a written request that paragraph (1) apply to that Indian land (or portion of Indian land).

''(c) EFFECT ON OTHER LAW.—Nothing in this section affects or alters any requirement—

''(1) relating to prior consent under—

''(A) section 2 of the Act of February 5, 1948 (25 U.S.C. 324); or

''(B) section 16(e) of the Act of June 18, 1934 (25 U.S.C. 476(e)) (commonly known as the 'Indian Reorganization Act'); or

''(2) under any other Federal law (including regulations) relating to tribal consent for rights-of-way across Indian land.''.

(b) ASSESSMENTS.—Title XVIII of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 1122) is amended by adding at the end the following:

**''SEC. 1841. NATURAL GAS GATHERING SYSTEM ASSESSMENTS.**

''(a) DEFINITION OF GAS GATHERING LINE AND ASSOCIATED FIELD COMPRESSION UNIT.—In this section, the term 'gas gathering line and associated field compression unit' has the meaning given the term in section 319.

''(b) STUDY.—Not later than 1 year after the date of enactment of the Natural Gas Gathering Enhancement Act, the Secretary of the Interior, in consultation with other appropriate Federal agencies, States, and Indian tribes, shall conduct a study to identify—

''(1) any actions that may be taken, under Federal law (including regulations), to expedite permitting for gas gathering lines and associated field compression units that are located on Federal land or Indian land, for the purpose of transporting natural gas associated with crude oil production on any land to a processing plant or a common carrier pipeline for delivery to markets; and

''(2) any proposed changes to Federal law (including regulations) to expedite permitting for gas gathering lines and associated field compression units that are located on Federal land or Indian land, for the purpose of transporting natural gas associated with crude oil production on any land to a processing plant or a common carrier pipeline for delivery to markets.

''(c) REPORT.—Not later than 180 days after the date of enactment of the Natural Gas Gathering Enhancement Act, and every 180 days thereafter, the Secretary of the Interior, in consultation with other appropriate Federal agencies, States, and Indian tribes, shall submit to Congress a report that describes—

''(1) the progress made in expediting permits for gas gathering lines and associated field compression units that are located on Federal land or Indian land, for the purpose of transporting natural gas associated with crude oil production on any land to a processing plant or a common carrier pipeline for delivery to markets; and

''(2) any issues impeding that progress.''.

(c) TECHNICAL AMENDMENTS.—

(1) Section 1(b) of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 594) is amended by adding at the end of subtitle B of title III the following:

''Sec. 319. Natural gas gathering lines located on Federal land and Indian land.''.

(2) Section 1(b) of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 594) is amended by adding at the end of title XXVIII the following:

''Sec. 1841. Natural gas gathering system assessments.''.

**SEC. 205. DEADLINES FOR PERMITTING NATURAL GAS GATHERING LINES UNDER THE MINERAL LEASING ACT.**

Section 28 of the Mineral Leasing Act (30 U.S.C. 185) is amended by adding at the end the following:

''(z) NATURAL GAS GATHERING LINES.—The Secretary of the Interior or other appropriate agency head shall issue a sundry notice or right-of-way for a gas gathering line and associated field compression unit (as defined in section 319(a) of the Energy Policy Act of 2005) that is located on Federal lands—

''(1) for a gas gathering line and associated field compression unit described in section 319(b) of the Energy Policy Act of 2005, not later than 30 days after the date on which the applicable agency head receives the request for issuance; and

''(2) for all other gas gathering lines and associated field compression units, not later than 60 days after the date on which the applicable agency head receives the request for issuance.''.

**SEC. 206. DEADLINES FOR PERMITTING NATURAL GAS GATHERING LINES UNDER THE FEDERAL LAND POLICY AND MANAGEMENT ACT OF 1976.**

Section 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764) is amended by adding at the end the following:

''(k) NATURAL GAS GATHERING LINES.—The Secretary concerned shall issue a sundry notice or right-of-way for a gas gathering line and associated field compression unit (as defined in section 319(a) of the Energy Policy Act of 2005) that is located on public lands—

''(1) for a gas gathering line and associated field compression unit described in section 319(b) of the Energy Policy Act of 2005, not later than 30 days after the date on which the applicable agency head receives the request for issuance; and

''(2) for all other gas gathering lines and associated field compression units, not later than 60 days after the date on which the applicable agency head receives the request for issuance.''.

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**SA 3604.** Mr. BARRASSO (for himself, Mr. INHOFE, and Mr. ENZI) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. NATURAL GAS EXPORTS.**

(a) IN GENERAL.—Section 3(c) of the Natural Gas Act (15 U.S.C. 717b(c)) is amended—

(1) by striking ''(c) For purposes'' and inserting the following:

''(c) EXPEDITED APPLICATION AND APPROVAL PROCESS.—

''(1) DEFINITION OF WORLD TRADE ORGANIZATION MEMBER COUNTRY.—In this subsection, the term 'World Trade Organization member country' has the meaning given the term 'WTO member country' in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

''(2) EXPEDITED APPLICATION AND APPROVAL PROCESS.—For purposes''; and

(2) in paragraph (2) (as so designated), by striking ''nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas'' and inserting ''World Trade Organization member country''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to applications for the authorization to export natural gas under section 3 of the Natural Gas Act (15 U.S.C. 717b) that are pending on, or filed on or after, the date of enactment of this Act.

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**SA 3605.** Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ___. FIDUCIARY EXCLUSION.**

Section 3(21)(A) of the Employee Retirement Income and Security Act of 1974 (29 U.S.C. 1002(21)(A)) is amended by inserting ''and except to the extent a person is providing an appraisal or fairness opinion with respect to qualifying employer securities (as defined in section 407(d)(5)) included in an employee stock ownership plan (as defined in section 407(d)(6)),'' after ''subparagraph (B),''.

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**SA 3606.** Mr. CRUZ submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**DIVISION __—AMERICAN ENERGY RENAISSANCE**

**SEC. 2001. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This division may be cited as the ''American Energy Renaissance Act of 2014''.

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

Sec. 2001. Short title; table of contents.

TITLE I—EXPANDING AMERICAN ENERGY EXPORTS

Sec. 2101. Finding.
Sec. 2102. Natural gas exports.
Sec. 2103. Crude oil exports.
Sec. 2104. Coal exports.

TITLE II—IMPROVING NORTH AMERICAN ENERGY INFRASTRUCTURE

Subtitle A—North American Energy Infrastructure

Sec. 2201. Finding.
Sec. 2202. Definitions.
Sec. 2203. Authorization of certain energy infrastructure projects at the national boundary of the United States.
Sec. 2204. Transmission of electric energy to Canada and Mexico.
Sec. 2205. Effective date; rulemaking deadlines.

Subtitle B—Keystone XL Permit Approval

Sec. 2211. Findings.
Sec. 2212. Keystone XL permit approval.

TITLE III—OUTER CONTINENTAL SHELF LEASING

Sec. 3001. Finding.
Sec. 3002. Extension of leasing program.
Sec. 3003. Lease sales.
Sec. 3004. Applications for permits to drill.
Sec. 3005. Lease sales for certain areas.

TITLE IV—UTILIZING AMERICA'S ONSHORE RESOURCES

Sec. 4001. Findings.
Sec. 4002. State option for energy development.

Subtitle A—Energy Development by States

Sec. 4011. Definitions.
Sec. 4012. State programs.
Sec. 4013. Leasing, permitting, and regulatory programs.
Sec. 4014. Judicial review.
Sec. 4015. Administrative Procedure Act.

Subtitle B—Onshore Oil and Gas Permit Streamlining

PART I—OIL AND GAS LEASING CERTAINTY

Sec. 4021. Minimum acreage requirement for onshore lease sales.
Sec. 4022. Leasing certainty.
Sec. 4023. Leasing consistency.
Sec. 4024. Reduce redundant policies.
Sec. 4025. Streamlined congressional notification.

PART II—APPLICATION FOR PERMITS TO DRILL PROCESS REFORM

Sec. 4031. Permit to drill application timeline.
Sec. 4032. Administrative protest documentation reform.
Sec. 4033. Improved Federal energy permit coordination.
Sec. 4034. Administration.

PART III—OIL SHALE

Sec. 4041. Effectiveness of oil shale regulations, amendments to resource management plans, and record of decision.
Sec. 4042. Oil shale leasing.

PART IV—NATIONAL PETROLEUM RESERVE IN ALASKA ACCESS

Sec. 4051. Sense of Congress and reaffirming national policy for the National Petroleum Reserve in Alaska.
Sec. 4052. National Petroleum Reserve in Alaska: lease sales.
Sec. 4053. National Petroleum Reserve in Alaska: planning and permitting pipeline and road construction.
Sec. 4054. Issuance of a new integrated activity plan and environmental impact statement.
Sec. 4055. Departmental accountability for development.
Sec. 4056. Deadlines under new proposed integrated activity plan.
Sec. 4057. Updated resource assessment.

PART V—MISCELLANEOUS PROVISIONS

Sec. 4061. Sanctions.
Sec. 4062. Internet-based onshore oil and gas lease sales.

PART VI—JUDICIAL REVIEW

Sec. 4071. Definitions.
Sec. 4072. Exclusive venue for certain civil actions relating to covered energy projects.
Sec. 4073. Timely filing.
Sec. 4074. Expedition in hearing and determining the action.
Sec. 4075. Limitation on injunction and prospective relief.
Sec. 4076. Limitation on attorneys' fees and court costs.
Sec. 4077. Legal standing.

TITLE V—ADDITIONAL ONSHORE RESOURCES

Subtitle A—Leasing Program for Land Within Coastal Plain

Sec. 5001. Finding.
Sec. 5002. Definitions.
Sec. 5003. Leasing program for land on the Coastal Plain.
Sec. 5004. Lease sales.
Sec. 5005. Grant of leases by the Secretary.
Sec. 5006. Lease terms and conditions.
Sec. 5007. Coastal Plain environmental protection.
Sec. 5008. Expedited judicial review.
Sec. 5009. Treatment of revenues.
Sec. 5010. Rights-of-way across the Coastal Plain.
Sec. 5011. Conveyance.

Subtitle B—Native American Energy

Sec. 5021. Findings.
Sec. 5022. Appraisals.
Sec. 5023. Standardization.
Sec. 5024. Environmental reviews of major Federal actions on Indian land.
Sec. 5025. Judicial review.
Sec. 5026. Tribal resource management plans.
Sec. 5027. Leases of restricted lands for the Navajo Nation.
Sec. 5028. Nonapplicability of certain rules.

Subtitle C—Additional Regulatory Provisions

PART I—STATE AUTHORITY OVER HYDRAULIC FRACTURING

Sec. 5031. Finding.
Sec. 5032. State authority.

PART II—MISCELLANEOUS PROVISIONS

Sec. 5041. Environmental legal fees.
Sec. 5042. Master leasing plans.

TITLE VI—IMPROVING AMERICA'S DOMESTIC REFINING CAPACITY

Subtitle A—Refinery Permitting Reform

Sec. 6001. Finding.
Sec. 6002. Definitions.
Sec. 6003. Streamlining of refinery permitting process.

Subtitle B—Repeal of Renewable Fuel Standard

Sec. 6011. Findings.
Sec. 6012. Phase out of renewable fuel standard.

TITLE VII—STOPPING EPA OVERREACH

Sec. 7001. Findings.
Sec. 7002. Clarification of Federal regulatory authority to exclude greenhouse gases from regulation under the Clean Air Act.
Sec. 7003. Jobs analysis for all EPA regulations.

TITLE VIII—DEBT FREEDOM FUND

Sec. 8001. Findings.
Sec. 8002. Debt freedom fund.

## TITLE I—EXPANDING AMERICAN ENERGY EXPORTS

**SEC. 2101. FINDING.**

Congress finds that opening up energy exports will contribute to economic development, private sector job growth, and continued growth in American energy production.

**SEC. 2102. NATURAL GAS EXPORTS.**

(a) FINDING.—Congress finds that expanding natural gas exports will lead to increased investment and development of domestic supplies of natural gas that will contribute to job growth and economic development.

(b) NATURAL GAS EXPORTS.—Section 3(c) of the Natural Gas Act (15 U.S.C. 717b(c)) is amended—

(1) by inserting ''or any other nation not excluded by this section'' after ''trade in natural gas'';

(2) by striking ''(c) For purposes'' and inserting the following:

''(c) EXPEDITED APPLICATION AND APPROVAL PROCESS.—

''(1) IN GENERAL.—For purposes''; and

(3) by adding at the end the following:

''(2) EXCLUSIONS.—

''(A) IN GENERAL.—Any nation subject to sanctions or trade restrictions imposed by the United States is excluded from expedited approval under paragraph (1).

''(B) DESIGNATION BY PRESIDENT OR CONGRESS.—The President or Congress may designate nations that may be excluded from expedited approval under paragraph (1) for reasons of national security.

''(3) ORDER NOT REQUIRED.—No order is required under subsection (a) to authorize the export or import of any natural gas to or from Canada or Mexico.''.

**SEC. 2103. CRUDE OIL EXPORTS.**

(a) FINDINGS.—Congress finds that—

(1) the restrictions on crude oil exports from the 1970s are no longer necessary due to the technological advances that have increased the domestic supply of crude oil; and

(2) repealing restrictions on crude oil exports will contribute to job growth and economic development.

(b) REPEAL OF PRESIDENTIAL AUTHORITY TO RESTRICT OIL EXPORTS.—

(1) IN GENERAL.—Section 103 of the Energy Policy and Conservation Act (42 U.S.C. 6212) is repealed.

(2) CONFORMING AMENDMENTS.—

(A) Section 12 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719j) is amended—

(i) by striking ''and section 103 of the Energy Policy and Conservation Act''; and

(ii) by striking ''such Acts'' and inserting ''that Act''.

(B) The Energy Policy and Conservation Act is amended—

(i) in section 251 (42 U.S.C. 6271)—

(I) by striking subsection (d); and

(II) by redesignating subsection (e) as subsection (d); and

(ii) in section 523(a)(1) (42 U.S.C. 6393(a)(1)), by striking ''(other than section 103 thereof)''.

(c) REPEAL OF LIMITATIONS ON EXPORTS OF OIL.—

(1) IN GENERAL.—Section 28 of the Mineral Leasing Act (30 U.S.C. 185) is amended—

(A) by striking subsection (u); and

(B) by redesignating subsections (v) through (y) as subsection (u) through (x), respectively.

(2) CONFORMING AMENDMENTS.—

(A) Section 1107(c) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3167(c)) is amended by striking ''(u) through (y)'' and inserting ''(u) through (x)''.

(B) Section 23 of the Deep Water Port Act of 1974 (33 U.S.C. 1522) is repealed.

(C) Section 203(c) of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652(c)) is amended in the first sentence by striking ''(w)(2), and (x))'' and inserting ''(v)(2), and (w))''.

(D) Section 509(c) of the Public Utility Regulatory Policies Act of 1978 (43 U.S.C. 2009(c)) is amended by striking ''subsection (w)(2)'' and inserting ''subsection (v)(2)''.

(d) REPEAL OF LIMITATIONS ON EXPORT OF OCS OIL OR GAS.—Section 28 of the Outer Continental Shelf Lands Act (43 U.S.C. 1354) is repealed.

(e) TERMINATION OF LIMITATION ON EXPORTATION OF CRUDE OIL.—Section 7(d) of the Export Administration Act of 1979 (50 U.S.C. App. 2406(d)) (as in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)) shall have no force or effect.

(f) CLARIFICATION OF CRUDE OIL REGULATION.—

(1) IN GENERAL.—Section 754.2 of title 15, Code of Federal Regulations (relating to crude oil) shall have no force or effect.

(2) CRUDE OIL LICENSE REQUIREMENTS.—The Bureau of Industry and Security of the Department of Commerce shall grant licenses to export to a country crude oil (as the term is defined in subsection (a) of the regulation referred to in paragraph (1)) (as in effect on the date that is 1 day before the date of enactment of this Act) unless—

(A) the country is subject to sanctions or trade restrictions imposed by the United States; or

(B) the President or Congress has designated the country as subject to exclusion for reasons of national security.

**SEC. 2104. COAL EXPORTS.**

(a) FINDINGS.—Congress finds that—

(1) increased international demand for coal is an opportunity to support jobs and promote economic growth in the United States; and

(2) exports of coal should not be unreasonably restricted or delayed.

(b) NEPA REVIEW FOR COAL EXPORTS.—In completing an environmental impact statement or similar analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for an approval or permit for coal export terminals, or transportation of coal to coal export terminals, the Secretary of the Army, acting through the Chief of Engineers—

(1) may only take into account domestic environmental impacts; and

(2) may not take into account any impacts resulting from the final use overseas of the exported coal.

## TITLE II—IMPROVING NORTH AMERICAN ENERGY INFRASTRUCTURE

### Subtitle A—North American Energy Infrastructure

**SEC. 2201. FINDING.**

Congress finds that the United States should establish a more efficient, transparent, and modern process for the construction, connection, operation, and maintenance of oil and natural gas pipelines and electric transmission facilities for the import and export of oil, natural gas, and electricity to and from Canada and Mexico, in pursuit of a more secure and efficient North American energy market.

**SEC. 2202. DEFINITIONS.**

In this title:

(1) ELECTRIC RELIABILITY ORGANIZATION.—The term ''Electric Reliability Organization'' has the meaning given the term in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).

(2) INDEPENDENT SYSTEM OPERATOR.—The term ''Independent System Operator'' has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

(3) NATURAL GAS.—The term ''natural gas'' has the meaning given the term in section 2 of the Natural Gas Act (15 U.S.C. 717a).

(4) OIL.—The term ''oil'' means petroleum or a petroleum product.

(5) REGIONAL ENTITY.—The term ''regional entity'' has the meaning given the term in section 215(a) of the Federal Power Act (16 U.S.C. 824o(a)).

(6) REGIONAL TRANSMISSION ORGANIZATION.—The term ''Regional Transmission Organization'' has the meaning given the term in section 3 of the Federal Power Act (16 U.S.C. 796).

**SEC. 2203. AUTHORIZATION OF CERTAIN ENERGY INFRASTRUCTURE PROJECTS AT THE NATIONAL BOUNDARY OF THE UNITED STATES.**

(a) AUTHORIZATION.—Except as provided in subsections (d) and (e), no person may construct, connect, operate, or maintain an oil or natural gas pipeline or electric transmission facility at the national boundary of the United States for the import or export of oil, natural gas, or electricity to or from Canada or Mexico without obtaining approval of the construction, connection, operation, or maintenance under this section.

(b) APPROVAL.—

(1) REQUIREMENT.—Not later than 120 days after receiving a request for approval of construction, connection, operation, or maintenance under this section, the relevant official identified under paragraph (2), in consultation with appropriate Federal agencies, shall approve the request unless the relevant official finds that the construction, connection, operation, or maintenance harms the national security interests of the United States.

(2) RELEVANT OFFICIAL.—The relevant official referred to in paragraph (1) is—

(A) the Secretary of Commerce with respect to oil pipelines;

(B) the Federal Energy Regulatory Commission with respect to natural gas pipelines; and

(C) the Secretary of Energy with respect to electric transmission facilities.

(3) APPROVAL NOT MAJOR FEDERAL ACTION.—An approval of construction, connection, operation, or maintenance under paragraph (1) shall not be considered a major Federal action under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(4) ADDITIONAL REQUIREMENT FOR ELECTRIC TRANSMISSION FACILITIES.—In the case of a request for approval of the construction, connection, operation, or maintenance of an electric transmission facility, the Secretary of Energy shall require, as a condition of approval of the request under paragraph (1), that the electric transmission facility be constructed, connected, operated, or maintained consistent with all applicable policies and standards of—

(A) the Electric Reliability Organization and the applicable regional entity; and

(B) any Regional Transmission Organization or Independent System Operator with operational or functional control over the electric transmission facility.

(c) NO OTHER APPROVAL REQUIRED.—No Presidential permit (or similar permit) required under Executive Order 13337 (3 U.S.C. 301 note; 69 Fed. Reg. 25299 (April 30, 2004)), Executive Order 11423 (3 U.S.C. 301 note; 33 Fed. Reg. 11741 (August 16, 1968)), section 301 of title 3, United States Code, Executive Order 12038 (43 Fed. Reg. 3674 (January 26, 1978)), Executive Order 10485 (18 Fed. Reg. 5397 (September 9, 1953)), or any other Executive order shall be necessary for construction, connection, operation, or maintenance to which this section applies.

(d) EXCLUSIONS.—This section shall not apply to—

(1) any construction, connection, operation, or maintenance of an oil or natural gas pipeline or electric transmission facility at the national boundary of the United States for the import or export of oil, natural gas, or electricity to or from Canada or Mexico if—

(A) the pipeline or facility is operating at the national boundary for that import or export as of the date of enactment of this Act;

(B) a permit described in subsection (c) for the construction, connection, operation, or maintenance has been issued;

(C) approval of the construction, connection, operation, or maintenance has previously been obtained under this section; or

(D) an application for a permit described in subsection (c) for the construction, connection, operation, or maintenance is pending on the date of enactment of this Act, until the earlier of—

(i) the date on which the application is denied; and

(ii) July 1, 2015; or

(2) the construction, connection, operation, or maintenance of the Keystone XL pipeline.

(e) MODIFICATIONS TO EXISTING PROJECTS.—No approval under this section, or permit described in subsection (c), shall be required for modifications to construction, connection, operation, or maintenance described in subparagraphs (A), (B), or (C) of subsection (d)(1), including reversal of flow direction, change in ownership, volume expansion, downstream or upstream interconnection, or adjustments to maintain flow (such as a reduction or increase in the number of pump or compressor stations).

(f) EFFECT OF OTHER LAWS.—Nothing in this section affects the application of any other Federal law to a project for which approval of construction, connection, operation, or maintenance is sought under this section.

**SEC. 2204. TRANSMISSION OF ELECTRIC ENERGY TO CANADA AND MEXICO.**

(a) REPEAL OF REQUIREMENT TO SECURE ORDER.—Section 202 of the Federal Power Act (16 U.S.C. 824a) is amended by striking subsection (e).

(b) CONFORMING AMENDMENTS.—

(1) STATE REGULATIONS.—Section 202 of the Federal Power Act (16 U.S.C. 824a) is amended—

(A) by redesignating subsections (f) and (g) as subsection (e) and (f), respectively; and

(B) in subsection (e) (as so redesignated), by striking ''insofar as such State regulation does not conflict with the exercise of the Commission's powers under or relating to subsection 202(e)''.

(2) SEASONAL DIVERSITY ELECTRICITY EXCHANGE.—Section 602(b) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a–4(b)) is amended by striking ''the Commission has conducted hearings and made the findings required under section 202(e) of the Federal Power Act'' and all that follows through the period at the end and inserting ''the Secretary has conducted hearings and finds that the proposed transmission facilities would not impair the sufficiency of electric supply within the United States or would not impede or tend to impede the coordination in the public interest of facilities subject to the jurisdiction of the Secretary.''.

**SEC. 2205. EFFECTIVE DATE; RULEMAKING DEADLINES.**

(a) EFFECTIVE DATE.—Sections 2203 and 2204, and the amendments made by those sections, shall take effect on July 1, 2015.

(b) RULEMAKING DEADLINES.—Each relevant official described in section 2203(b)(2) shall—

(1) not later than 180 days after the date of enactment of this Act, publish in the Federal Register notice of a proposed rulemaking to carry out the applicable requirements of section 2203; and

(2) not later than 1 year after the date of enactment of this Act, publish in the Federal Register a final rule to carry out the applicable requirements of section 2203.

### Subtitle B—Keystone XL Permit Approval

**SEC. 2211. FINDINGS.**

Congress finds that—

(1) building the Keystone XL pipeline will provide jobs and economic growth to the United States; and

(2) the Keystone XL pipeline should be approved immediately.

**SEC. 2212. KEYSTONE XL PERMIT APPROVAL.**

(a) IN GENERAL.—Notwithstanding Executive Order 13337 (3 U.S.C. 301 note ; 69 Fed. Reg. 25299 (April 30, 2004)), Executive Order 11423 (3 U.S.C. 301 note; 33 Fed. Reg. 11741 (August 16, 1968)), section 301 of title 3, United States Code, and any other Executive order or provision of law, no presidential permit shall be required for the pipeline described in the application filed on May 4, 2012, by TransCanada Corporation to the Department of State for the northern portion of the Keystone XL pipeline from the Canadian border to the border between the States of South Dakota and Nebraska.

(b) ENVIRONMENTAL IMPACT STATEMENT.—The final environmental impact statement issued by the Secretary of State on January 31, 2014, regarding the pipeline referred to in subsection (a), shall be considered to satisfy all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) CRITICAL HABITAT.—No area necessary to construct or maintain the Keystone XL pipeline shall be considered critical habitat under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) or any other provision of law.

(d) PERMITS.—Any Federal permit or authorization issued before the date of enactment of this Act for the pipeline and cross-

border facilities described in subsection (a), and the related facilities in the United States, shall remain in effect.

(e) FEDERAL JUDICIAL REVIEW.—The pipeline and cross-border facilities described in subsection (a), and the related facilities in the United States, that are approved by this section, and any permit, right-of-way, or other action taken to construct or complete the project pursuant to Federal law, shall only be subject to judicial review on direct appeal to the United States Court of Appeals for the District of Columbia Circuit.

## TITLE III—OUTER CONTINENTAL SHELF LEASING

**SEC. 3001. FINDING.**

Congress finds that the United States has enormous potential for offshore energy development and that the people of the United States should have access to the jobs and economic benefits from developing those resources.

**SEC. 3002. EXTENSION OF LEASING PROGRAM.**

(a) IN GENERAL.—Subject to subsection (c), the Draft Proposed Outer Continental Shelf Oil and Gas Leasing Program 2010–2015 issued by the Secretary of the Interior (referred to in this title as the ''Secretary'') under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344) shall be considered to be the final oil and gas leasing program under that section for the period of fiscal years 2014 through 2019.

(b) FINAL ENVIRONMENTAL IMPACT STATEMENT.—The Secretary is considered to have issued a final environmental impact statement for the program applicable to the period described in subsection (a) in accordance with all requirements under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

(c) EXCEPTIONS.—Lease Sales 214, 232, and 239 shall not be included in the final oil and gas leasing program for the period of fiscal years 2014 through 2019.

**SEC. 3003. LEASE SALES.**

(a) IN GENERAL.—Except as otherwise provided in this section, not later than 180 days after the date of enactment of this Act and every 270 days thereafter, the Secretary shall conduct a lease sale in each outer Continental Shelf planning area for which the Secretary determines that there is a commercial interest in purchasing Federal oil and gas leases for production on the outer Continental Shelf.

(b) SUBSEQUENT DETERMINATIONS AND SALES.—If the Secretary determines that there is not a commercial interest in purchasing Federal oil and gas leases for production on the outer Continental Shelf in a planning area under this section, not later than 2 years after the date of the determination and every 2 years thereafter, the Secretary shall—

(1) make an additional determination on whether there is a commercial interest in purchasing Federal oil and gas leases for production on the outer Continental Shelf in the planning area; and

(2) if the Secretary determines that there is a commercial interest under paragraph (1), conduct a lease sale in the planning area.

(c) PROTECTION OF STATE INTEREST.—In developing future leasing programs, the Secretary shall give deference to affected coastal States (as the term is used in the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.)) in determining leasing areas to be included in the leasing program.

(d) PETITIONS.—If a person petitions the Secretary to conduct a lease sale for an outer Continental Shelf planning area in which the person has a commercial interest, the Secretary shall conduct a lease sale for the area in accordance with subsection (a).

**SEC. 3004. APPLICATIONS FOR PERMITS TO DRILL.**

Section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334) is amended by adding at the end the following:

''(k) APPLICATIONS FOR PERMITS TO DRILL.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall approve or disapprove an application for a permit to drill submitted under this Act not later than 20 days after the date on which the application is submitted to the Secretary.

''(2) DISAPPROVAL.—If the Secretary disapproves an application for a permit to drill under paragraph (1), the Secretary shall—

''(A) provide to the applicant a description of the reasons for the disapproval of the application;

''(B) allow the applicant to resubmit an application during the 10-day period beginning on the date of the receipt of the description described in subparagraph (A) by the applicant; and

''(C) approve or disapprove any resubmitted application not later than 10 days after the date on which the application is submitted to the Secretary.''.

**SEC. 3005. LEASE SALES FOR CERTAIN AREAS.**

(a) IN GENERAL.—As soon as practicable but not later than 1 year after the date of enactment of this Act, the Secretary shall conduct Lease Sale 220 for areas offshore of the State of Virginia.

(b) COMPLIANCE WITH OTHER LAWS.—For purposes of the lease sale described in subsection (a), the environmental impact statement prepared under section 3001 shall satisfy the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) ENERGY PROJECTS IN GULF OF MEXICO.—

(1) JURISDICTION.—The United States Court of Appeals for the Fifth Circuit shall have exclusive jurisdiction over challenges to offshore energy projects and permits to drill carried out in the Gulf of Mexico.

(2) FILING DEADLINE.—Any civil action to challenge a project or permit described in paragraph (1) shall be filed not later than 60 days after the date of approval of the project or the issuance of the permit.

## TITLE IV—UTILIZING AMERICA'S ONSHORE RESOURCES

**SEC. 4001. FINDINGS.**

Congress finds that—

(1) current policy has failed to take full advantage of the natural resources on Federal land;

(2) the States should be given the option to lead energy development on all available Federal land in a State; and

(3) the Federal Government should not inhibit energy development on Federal land.

**SEC. 4002. STATE OPTION FOR ENERGY DEVELOPMENT.**

Notwithstanding any other provision of this title, a State may elect to control energy development and production on available Federal land in accordance with the terms and conditions of subtitle A and the amendments made by subtitle A in lieu of being subject to the Federal system established under subtitle B and the amendments made by subtitle B.

### Subtitle A—Energy Development by States

**SEC. 4011. DEFINITIONS.**

In this subtitle:

(1) AVAILABLE FEDERAL LAND.—The term ''available Federal land'' means any Federal land that, as of the date of enactment of this Act—

(A) is located within the boundaries of a State;

(B) is not held by the United States in trust for the benefit of a federally recognized Indian tribe;

(C) is not a unit of the National Park System;

(D) is not a unit of the National Wildlife Refuge System; and

(E) is not a congressionally designated wilderness area.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) STATE.—The term ''State'' means—

(A) a State; and

(B) the District of Columbia.

**SEC. 4012. STATE PROGRAMS.**

(a) IN GENERAL.—A State—

(1) may establish a program covering the leasing and permitting processes, regulatory requirements, and any other provisions by which the State would exercise the rights of the State to develop all forms of energy resources on available Federal land in the State; and

(2) as a condition of certification under section 4013(b) shall submit a declaration to the Departments of the Interior, Agriculture, and Energy that a program under paragraph (1) has been established or amended.

(b) AMENDMENT OF PROGRAMS.—A State may amend a program developed and certified under this subtitle at any time.

(c) CERTIFICATION OF AMENDED PROGRAMS.—Any program amended under subsection (b) shall be certified under section 4013(b).

**SEC. 4013. LEASING, PERMITTING, AND REGULATORY PROGRAMS.**

(a) SATISFACTION OF FEDERAL REQUIREMENTS.—Each program certified under this section shall be considered to satisfy all applicable requirements of Federal law (including regulations), including—

(1) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(2) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(3) the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(b) FEDERAL CERTIFICATION AND TRANSFER OF DEVELOPMENT RIGHTS.—Upon submission of a declaration by a State under section 4012(a)(2)—

(1) the program under section 4012(a)(1) shall be certified; and

(2) the State shall receive all rights from the Federal Government to develop all forms of energy resources covered by the program.

(c) ISSUANCE OF PERMITS AND LEASES.—If a State elects to issue a permit or lease for the development of any form of energy resource on any available Federal land within the borders of the State in accordance with a program certified under subsection (b), the permit or lease shall be considered to meet all applicable requirements of Federal law (including regulations).

**SEC. 4014. JUDICIAL REVIEW.**

Activities carried out in accordance with this subtitle shall not be subject to Federal judicial review.

**SEC. 4015. ADMINISTRATIVE PROCEDURE ACT.**

Activities carried out in accordance with this subtitle shall not be subject to subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the ''Administrative Procedure Act'').

### Subtitle B—Onshore Oil and Gas Permit Streamlining

#### PART I—OIL AND GAS LEASING CERTAINTY

**SEC. 4021. MINIMUM ACREAGE REQUIREMENT FOR ONSHORE LEASE SALES.**

Section 17 of the Mineral Leasing Act (30 U.S.C. 226) is amended—

(1) by striking ''SEC. 17. (a) All lands'' and inserting the following:

**''SEC. 17. LEASE OF OIL AND GAS LAND.**

''(a) AUTHORITY OF SECRETARY.—

''(1) IN GENERAL.—All land''; and

(2) in subsection (a), by adding at the end the following:

''(2) MINIMUM ACREAGE REQUIREMENT FOR ONSHORE LEASE SALES.—

''(A) IN GENERAL.—In conducting lease sales under paragraph (1)—

''(i) there shall be a presumption that nominated land should be leased; and

''(ii) the Secretary of the Interior shall offer for sale all of the nominated acreage not previously made available for lease, unless the Secretary demonstrates by clear and convincing evidence that an individual lease should not be granted.

''(B) ADMINISTRATION.—Acreage offered for lease pursuant to this paragraph—

''(i) shall not be subject to protest; and

''(ii) shall be eligible for categorical exclusions under section 390 of the Energy Policy Act of 2005 (42 U.S.C. 15942), except that the categorical exclusions shall not be subject to the test of extraordinary circumstances or any other similar regulation or policy guidance.

''(C) AVAILABILITY.—In administering this paragraph, the Secretary shall only consider leasing of Federal land that is available for leasing at the time the lease sale occurs.''.

**SEC. 4022. LEASING CERTAINTY.**

Section 17(a) of the Mineral Leasing Act (30 U.S.C. 226(a)) (as amended by section 4061) is amended by adding at the end the following:

''(3) LEASING CERTAINTY.—

''(A) IN GENERAL.—The Secretary of the Interior shall not withdraw any covered energy project (as defined in section 4051 of the American Energy Renaissance Act of 2014 ) issued under this Act without finding a violation of the terms of the lease by the lessee.

''(B) DELAY.—The Secretary shall not infringe on lease rights under leases issued under this Act by indefinitely delaying issuance of project approvals, drilling and seismic permits, and rights-of-way for activities under the lease.

''(C) AVAILABILITY FOR LEASE.—Not later than 18 months after an area is designated as open under the applicable land use plan, the Secretary shall make available nominated areas for lease using the criteria established under section 2.

''(D) LAST PAYMENT.—

''(i) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall issue all leases sold not later than 60 days after the last payment is made.

''(ii) CANCELLATION.—The Secretary shall not cancel or withdraw any lease parcel after a competitive lease sale has occurred and a winning bidder has submitted the last payment for the parcel.

''(E) PROTESTS.—

''(i) IN GENERAL.—Not later than the end of the 60-day period beginning on the date a lease sale is held under this Act, the Secretary shall adjudicate any lease protests filed following a lease sale.

''(ii) UNSETTLED PROTEST.—If, after the 60-day period described in clause (i) any protest is left unsettled—

''(I) the protest shall be considered automatically denied; and

''(II) the appeal rights of the protestor shall begin.

''(F) ADDITIONAL LEASE STIPULATIONS.—No additional lease stipulation may be added after the parcel is sold without consultation and agreement of the lessee, unless the Secretary considers the stipulation as an emergency action to conserve the resources of the United States.''.

**SEC. 4023. LEASING CONSISTENCY.**

A Federal land manager shall follow existing resource management plans and continue to actively lease in areas designated as open when resource management plans are being amended or revised, until such time as a new record of decision is signed.

**SEC. 4024. REDUCE REDUNDANT POLICIES.**

Bureau of Land Management Instruction Memorandum 2010–117 shall have no force or effect.

**SEC. 4025. STREAMLINED CONGRESSIONAL NOTIFICATION.**

Section 31(e) of the Mineral Leasing Act (30 U.S.C. 188(e)) is amended in the first sentence of the matter following paragraph (4) by striking ''at least thirty days in advance of the reinstatement'' and inserting ''in an annual report''.

## PART II—APPLICATION FOR PERMITS TO DRILL PROCESS REFORM

**SEC. 4031. PERMIT TO DRILL APPLICATION TIMELINE.**

Section 17(p) of the Mineral Leasing Act (30 U.S.C. 226(p)) is amended by striking paragraph (2) and inserting the following:

''(2) APPLICATIONS FOR PERMITS TO DRILL REFORM AND PROCESS.—

''(A) IN GENERAL.—Not later than the end of the 30-day period beginning on the date an application for a permit to drill is received by the Secretary, the Secretary shall decide whether to issue the permit.

''(B) EXTENSION.—

''(i) IN GENERAL.—The Secretary may extend the period described in subparagraph (A) for up to 2 periods of 15 days each, if the Secretary has given written notice of the delay to the applicant.

''(ii) NOTICE.—The notice shall—

''(I) be in the form of a letter from the Secretary or a designee of the Secretary; and

''(II) include—

''(aa) the names and titles of the persons processing the application;

''(bb) the specific reasons for the delay; and

''(cc) a specific date a final decision on the application is expected.

''(C) NOTICE OF REASONS FOR DENIAL.—If the application is denied, the Secretary shall provide the applicant—

''(i) a written statement that provides clear and comprehensive reasons why the application was not accepted and detailed information concerning any deficiencies; and

''(ii) an opportunity to remedy any deficiencies.

''(D) APPLICATION DEEMED APPROVED.—

''(i) IN GENERAL.—Except as provided in clause (ii), if the Secretary has not made a decision on the application by the end of the 60-day period beginning on the date the application is received by the Secretary, the application shall be considered approved.

''(ii) EXCEPTIONS.—Clause (i) shall not apply in cases in which existing reviews under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) are incomplete.

''(E) DENIAL OF PERMIT.—If the Secretary decides not to issue a permit to drill under this paragraph, the Secretary shall—

''(i) provide to the applicant a description of the reasons for the denial of the permit;

''(ii) allow the applicant to resubmit an application for a permit to drill during the 10-day period beginning on the date the applicant receives the description of the denial from the Secretary; and

''(iii) issue or deny any resubmitted application not later than 10 days after the date the application is submitted to the Secretary.

''(F) FEE.—

''(i) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall collect a single $6,500 permit processing fee per application from each applicant at the time the final decision is made whether to issue a permit under subparagraph (A).

''(ii) RESUBMITTED APPLICATION.—The fee required under clause (i) shall not apply to any resubmitted application.

''(iii) TREATMENT OF PERMIT PROCESSING FEE.—Subject to appropriation, of all fees collected under this paragraph for each fiscal year, 50 percent shall be—

''(I) transferred to the field office at which the fees are collected; and

''(II) used to process protests, leases, and permits under this Act.''.

**SEC. 4032. ADMINISTRATIVE PROTEST DOCUMENTATION REFORM.**

Section 17(p) of the Mineral Leasing Act (30 U.S.C. 226(p)) (as amended by section 4031) is amended by adding at the end the following:

''(4) PROTEST FEE.—

''(A) IN GENERAL.—The Secretary shall collect a $5,000 documentation fee to accompany each administrative protest for a lease, right-of-way, or application for a permit to drill.

''(B) TREATMENT OF FEES.—Subject to appropriation, of all fees collected under this paragraph for each fiscal year, 50 percent shall—

''(i) remain in the field office at which the fees are collected; and

''(ii) be used to process protests.''.

**SEC. 4033. IMPROVED FEDERAL ENERGY PERMIT COORDINATION.**

(a) DEFINITIONS.—In this section:

(1) ENERGY PROJECT.—The term ''energy project'' includes any oil, natural gas, coal, or other energy project, as defined by the Secretary.

(2) PROJECT.—The term ''Project'' means the Federal Permit Streamlining Project established under subsection (b).

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(b) ESTABLISHMENT.—The Secretary shall establish a Federal Permit Streamlining Project in each Bureau of Land Management field office with responsibility for permitting energy projects on Federal land.

(c) MEMORANDUM OF UNDERSTANDING.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall enter into a memorandum of understanding for purposes of carrying out this section with—

(A) the Secretary of Agriculture;

(B) the Administrator of the Environmental Protection Agency; and

(C) the Chief of Engineers.

(2) STATE PARTICIPATION.—The Secretary may request that the Governor of any State with energy projects on Federal land to be a signatory to the memorandum of understanding.

(d) DESIGNATION OF QUALIFIED STAFF.—

(1) IN GENERAL.—Not later than 30 days after the date of the signing of the memorandum of understanding under subsection (c), each Federal signatory party shall, if appropriate, assign to each Bureau of Land Management field office an employee who has expertise in the regulatory issues relating to the office in which the employee is employed, including, as applicable, particular expertise in—

(A) the consultations and the preparation of biological opinions under section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536);

(B) permits under section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344);

(C) regulatory matters under the Clean Air Act (42 U.S.C. 7401 et seq.);

(D) planning under the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.); and

(E) the preparation of analyses under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) DUTIES.—Each employee assigned under paragraph (1) shall—

(A) not later than 90 days after the date of assignment, report to the Bureau of Land Management Field Managers in the office to which the employee is assigned;

(B) be responsible for all issues relating to the energy projects that arise under the authorities of the home agency of the employee; and

(C) participate as part of the team of personnel working on proposed energy projects, planning, and environmental analyses on Federal land.

(e) ADDITIONAL PERSONNEL.—The Secretary shall assign to each Bureau of Land Management field office described in subsection (b) any additional personnel that are necessary to ensure the effective approval and implementation of energy projects administered by the Bureau of Land Management field office, including inspection and enforcement relating to energy development on Federal land, in accordance with the multiple use mandate of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(f) FUNDING.—Funding for the additional personnel shall come from the Department of the Interior reforms under paragraph (2) of section 17(p) of the Mineral Leasing Act (30 U.S.C. 226(p)) (as amended by section 4031 and section 4032).

(g) SAVINGS PROVISION.—Nothing in this section affects—

(1) the operation of any Federal or State law; or

(2) any delegation of authority made by the head of a Federal agency any employee of which is participating in the Project.

**SEC. 4034. ADMINISTRATION.**

Notwithstanding any other provision of law, the Secretary of the Interior shall not require a finding of extraordinary circumstances in administering section 390 of the Energy Policy Act of 2005 (42 U.S.C. 15942).

## PART III—OIL SHALE

**SEC. 4041. EFFECTIVENESS OF OIL SHALE REGULATIONS, AMENDMENTS TO RESOURCE MANAGEMENT PLANS, AND RECORD OF DECISION.**

(a) REGULATIONS.—

(1) IN GENERAL.—Notwithstanding any other provision of law (including regulations), the final regulations regarding oil shale management published by the Bureau of Land Management on November 18, 2008 (73 Fed. Reg. 69414) shall be considered to satisfy all legal and procedural requirements under any law, including—

(A) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

(B) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) IMPLEMENTATION.—The Secretary of the Interior shall implement the regulations described in paragraph (1) (including the oil shale leasing program authorized by the regulations) without any other administrative action necessary.

(b) AMENDMENTS TO RESOURCE MANAGEMENT PLANS AND RECORD OF DECISION.—

(1) IN GENERAL.—Notwithstanding any other provision of law (including regulations) to the contrary, the Approved Resource Management Plan Amendments/Record of Decision for Oil Shale and Tar Sands Resources to Address Land Use Allocations in Colorado, Utah, and Wyoming and the Final Programmatic Environmental Impact Statement of the Bureau of Land Management, as in effect on November 17, 2008, shall be considered to satisfy all legal and procedural requirements under any law, including—

(A) the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

(B) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) IMPLEMENTATION.—The Secretary of the Interior shall implement the oil shale leasing program authorized by the regulations described in paragraph (1) in those areas covered by the resource management plans covered by the amendments, and covered by the record of decision, described in paragraph (1) without any other administrative action necessary.

**SEC. 4042. OIL SHALE LEASING.**

(a) ADDITIONAL RESEARCH AND DEVELOPMENT LEASE SALES.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall hold a lease sale offering an additional 10 parcels for lease for research, development, and demonstration of oil shale resources, under the terms offered in the solicitation of bids for such leases published on January 15, 2009 (74 Fed. Reg. 2611).

(b) COMMERCIAL LEASE SALES.—

(1) IN GENERAL.—Not later than January 1, 2016, the Secretary of the Interior shall hold not less than 5 separate commercial lease sales in areas considered to have the most potential for oil shale development, as determined by the Secretary, in areas nominated through public comment.

(2) ADMINISTRATION.—Each lease sale shall be—

(A) for an area of not less than 25,000 acres; ;and

(B) in multiple lease blocs.

## PART IV—NATIONAL PETROLEUM RESERVE IN ALASKA ACCESS

**SEC. 4051. SENSE OF CONGRESS AND REAFFIRMING NATIONAL POLICY FOR THE NATIONAL PETROLEUM RESERVE IN ALASKA.**

It is the sense of Congress that—

(1) the National Petroleum Reserve in Alaska remains explicitly designated, both in name and legal status, for purposes of providing oil and natural gas resources to the United States; and

(2) accordingly, the national policy is to actively advance oil and gas development within the Reserve by facilitating the expeditious exploration, production, and transportation of oil and natural gas from and through the Reserve.

**SEC. 4052. NATIONAL PETROLEUM RESERVE IN ALASKA: LEASE SALES.**

Section 107 of the Naval Petroleum Reserves Production Act of 1976 (42 U.S.C. 6506a) is amended by striking subsection (a) and inserting the following

''(a) IN GENERAL.—The Secretary shall conduct an expeditious program of competitive leasing of oil and gas in the Reserve—

''(1) in accordance with this Act; and

''(2) that shall include at least 1 lease sale annually in the areas of the Reserve most likely to produce commercial quantities of oil and natural gas for each of calendar years 2014 through 2023.''.

**SEC. 4053. NATIONAL PETROLEUM RESERVE IN ALASKA: PLANNING AND PERMITTING PIPELINE AND ROAD CONSTRUCTION.**

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior, in consultation with other appropriate Federal agencies, shall facilitate and ensure permits, in a timely and environmentally responsible manner, for all surface development activities, including for the construction of pipelines and roads, necessary—

(1) to develop and bring into production any areas within the National Petroleum Reserve in Alaska that are subject to oil and gas leases; and

(2) to transport oil and gas from and through the National Petroleum Reserve in Alaska in the most direct manner possible to existing transportation or processing infrastructure on the North Slope of Alaska.

(b) TIMELINE.—The Secretary shall ensure that any Federal permitting agency shall issue permits in accordance with the following timeline:

(1) Permits for the construction described in subsection (a) for transportation of oil and natural gas produced under existing Federal oil and gas leases with respect to which the Secretary has issued a permit to drill shall be approved not later than 60 days after the date of enactment of this Act.

(2) Permits for the construction described in subsection (a) for transportation of oil and natural gas produced under Federal oil and gas leases shall be approved not later than 180 days after the date on which a request for a permit to drill is submitted to the Secretary.

(c) PLAN.—To ensure timely future development of the National Petroleum Reserve in Alaska, not later than 270 days after the date of enactment of this Act, the Secretary of the Interior shall submit to Congress a plan for approved rights-of-way for a plan for pipeline, road, and any other surface infrastructure that may be necessary infrastructure that will ensure that all leasable tracts in the Reserve are within 25 miles of an approved road and pipeline right-of-way that can serve future development of the Reserve.

**SEC. 4054. ISSUANCE OF A NEW INTEGRATED ACTIVITY PLAN AND ENVIRONMENTAL IMPACT STATEMENT.**

(a) ISSUANCE OF NEW INTEGRATED ACTIVITY PLAN.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall issue—

(1) a new proposed integrated activity plan from among the nonadopted alternatives in the National Petroleum Reserve Alaska Integrated Activity Plan Record of Decision issued by the Secretary of the Interior and dated February 21, 2013; and

(2) an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) for issuance of oil and gas leases in the National Petroleum Reserve-Alaska to promote efficient and maximum development of oil and natural gas resources of the Reserve.

(b) NULLIFICATION OF EXISTING RECORD OF DECISION, IAP, AND EIS.—Except as provided in subsection (a), the National Petroleum Reserve-Alaska Integrated Activity Plan Record of Decision issued by the Secretary of the Interior and dated February 21, 2013, including the integrated activity plan and environmental impact statement referred to in that record of decision, shall have no force or effect.

**SEC. 4055. DEPARTMENTAL ACCOUNTABILITY FOR DEVELOPMENT.**

The Secretary of the Interior shall promulgate regulations not later than 180 days after the date of enactment of this Act that establish clear requirements to ensure that the Department of the Interior is supporting development of oil and gas leases in the National Petroleum Reserve-Alaska.

**SEC. 4056. DEADLINES UNDER NEW PROPOSED INTEGRATED ACTIVITY PLAN.**

At a minimum, the new proposed integrated activity plan issued under section 4054(a)(1) shall—

(1) require the Department of the Interior to respond within 5 business days to a person who submits an application for a permit for development of oil and natural gas leases in the National Petroleum Reserve-Alaska acknowledging receipt of the application; and

(2) establish a timeline for the processing of each application that—

(A) specifies deadlines for decisions and actions on permit applications; and

(B) provides that the period for issuing a permit after the date on which the application is submitted shall not exceed 60 days without the concurrence of the applicant.

**SEC. 4057. UPDATED RESOURCE ASSESSMENT.**

(a) IN GENERAL.—The Secretary of the Interior shall complete a comprehensive assessment of all technically recoverable fossil fuel resources within the National Petroleum Reserve in Alaska, including all conventional and unconventional oil and natural gas.

(b) COOPERATION AND CONSULTATION.—The assessment required by subsection (a) shall be carried out by the United States Geological Survey in cooperation and consultation with the State of Alaska and the American Association of Petroleum Geologists.

(c) TIMING.—The assessment required by subsection (a) shall be completed not later than 2 years after the date of enactment of this Act.

(d) FUNDING.—In carrying out this section, the United States Geological Survey may cooperatively use resources and funds provided by the State of Alaska.

## PART V—MISCELLANEOUS PROVISIONS

**SEC. 4061. SANCTIONS.**

Nothing in this title authorizes the issuance of a lease under the Mineral Leasing Act (30 U.S.C. 181 et seq.) to any person designated for the imposition of sanctions pursuant to—

(1) the Syria Accountability and Lebanese Sovereignty Restoration Act of 2003 (22 U.S.C. 2151 note; Public Law 108–175);

(2) the Comprehensive Iran Sanctions, Accountability, and Divestiture Act of 2010 (22 U.S.C. 8501 et seq.);

(3) section 1245 of the National Defense Authorization Act for Fiscal Year 2012 (22 U.S.C. 8513a);

(4) the Iran Threat Reduction and Syria Human Rights Act of 2012 (22 U.S.C. 8701 et seq.);

(5) the Iran Freedom and Counter-Proliferation Act of 2012 (22 U.S.C. 8801 et seq.);

(6) the Iran Sanctions Act of 1996 (50 U.S.C. 1701 note; Public Law 104–172);

(7) Executive Order 13224 (50 U.S.C. 1701 note; relating to blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism);

(8) Executive Order 13338 (50 U.S.C. 1701 note; relating to blocking property of certain persons and prohibiting the export of certain goods to Syria);

(9) Executive Order 13622 (50 U.S.C. 1701 note; relating to authorizing additional sanctions with respect to Iran);

(10) Executive Order 13628 (50 U.S.C. 1701 note; relating to authorizing additional sanctions with respect to Iran); or

(11) Executive Order 13645 (50 U.S.C. 1701 note; relating to authorizing additional sanctions with respect to Iran).

**SEC. 4062. INTERNET-BASED ONSHORE OIL AND GAS LEASE SALES.**

(a) AUTHORIZATION.—Section 17(b)(1) of the Mineral Leasing Act (30 U.S.C. 226(b)(1)) is amended—

(1) in subparagraph (A), in the third sentence, by inserting ", except as provided in subparagraph (C)" after "by oral bidding"; and

(2) by adding at the end the following:

"(C) INTERNET-BASED BIDDING.—

"(i) IN GENERAL.—In order to diversify and expand the onshore leasing program of the United States to ensure the best return to the Federal taxpayer, reduce fraud, and secure the leasing process, the Secretary may conduct onshore lease sales through Internet-based bidding methods.

"(ii) CONCLUSION.—Each individual Internet-based lease sale shall conclude not later than 7 days after the date on which the sale begins.".

(b) REPORT.—Not later than 90 days after the date on which the tenth Internet-based lease sale conducted under the amendment made by subsection (a) concludes, the Secretary of the Interior shall analyze the first 10 Internet-based lease sales and report to Congress the findings of the analysis, including—

(1) estimates on increases or decreases in Internet-based lease sales, compared to sales conducted by oral bidding, in—

(A) the number of bidders;

(B) the average amount of bid;

(C) the highest amount bid; and

(D) the lowest bid;

(2) an estimate on the total cost or savings to the Department of the Interior as a result of Internet-based lease sales, compared to sales conducted by oral bidding; and

(3) an evaluation of the demonstrated or expected effectiveness of different structures for lease sales which may provide an opportunity to better—

(A) maximize bidder participation;

(B) ensure the highest return to the Federal taxpayers;

(C) minimize opportunities for fraud or collusion; and

(D) ensure the security and integrity of the leasing process.

## PART VI—JUDICIAL REVIEW

**SEC. 4071. DEFINITIONS.**

In this part:

(1) COVERED CIVIL ACTION.—The term "covered civil action" means a civil action containing a claim under section 702 of title 5, United States Code, regarding agency action (as defined for the purposes of that section) affecting a covered energy project on Federal land.

(2) COVERED ENERGY PROJECT.—

(A) IN GENERAL.—The term "covered energy project" means—

(i) the leasing of Federal land for the exploration, development, production, processing, or transmission of oil, natural gas, wind, or any other source of energy; and

(ii) any action under the lease.

(B) EXCLUSION.—The term "covered energy project" does not include any dispute between the parties to a lease regarding the obligations under the lease, including any alleged breach of the lease.

**SEC. 4072. EXCLUSIVE VENUE FOR CERTAIN CIVIL ACTIONS RELATING TO COVERED ENERGY PROJECTS.**

Venue for any covered civil action shall lie in the United States district court in which the covered energy project or lease exists or is proposed.

**SEC. 4073. TIMELY FILING.**

To ensure timely redress by the courts, a covered civil action shall be filed not later than the end of the 90-day period beginning on the date of the final Federal agency action to which the covered civil action relates.

**SEC. 4074. EXPEDITION IN HEARING AND DETERMINING THE ACTION.**

The court shall endeavor to hear and determine any covered civil action as expeditiously as practicable.

**SEC. 4075. LIMITATION ON INJUNCTION AND PROSPECTIVE RELIEF.**

(a) IN GENERAL.—In a covered civil action, a court shall not grant or approve any prospective relief unless the court finds that the relief—

(1) is narrowly drawn;

(2) extends no further than necessary to correct the violation of a legal requirement; and

(3) is the least intrusive means necessary to correct the violation.

(b) DURATION.—

(1) IN GENERAL.—A court shall limit the duration of preliminary injunctions to halt covered energy projects to not more than 60 days, unless the court finds clear reasons to extend the injunction.

(2) ADMINISTRATION.—In the case of an extension, the extension shall—

(A) only be in 30-day increments; and

(B) require action by the court to renew the injunction.

**SEC. 4076. LIMITATION ON ATTORNEYS' FEES AND COURT COSTS.**

(a) IN GENERAL.—Sections 504 of title 5 and 2412 of title 28, United States Code (commonly known as the "Equal Access to Justice Act"), shall not apply to a covered civil action.

(b) COURT COSTS.—A party to a covered civil action shall not receive payment from the Federal Government for the attorneys' fees, expenses, or other court costs incurred by the party.

**SEC. 4077. LEGAL STANDING.**

A challenger that files an appeal with the Department of the Interior Board of Land Appeals shall meet the same standing requirements as a challenger before a United States district court.

## TITLE V—ADDITIONAL ONSHORE RESOURCES

### Subtitle A—Leasing Program for Land Within Coastal Plain

**SEC. 5001. FINDING.**

Congress finds that development of energy reserves under the Coastal Plain of Alaska, performed in an environmentally responsible manner, will contribute to job growth and economic development.

**SEC. 5002. DEFINITIONS.**

In this subtitle:

(1) COASTAL PLAIN.—The term "Coastal Plain" means the area described in appendix I to part 37 of title 50, Code of Federal Regulations.

(2) PEER REVIEWED.—The term "peer reviewed" means reviewed—

(A) by individuals chosen by the National Academy of Sciences with no contractual relationship with, or those who have no application for a grant or other funding pending with, the Federal agency with leasing jurisdiction; or

(B) if individuals described in subparagraph (A) are not available, by the top individuals in the specified biological fields, as determined by the National Academy of Sciences.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

**SEC. 5003. LEASING PROGRAM FOR LAND ON THE COASTAL PLAIN.**

(a) IN GENERAL.—The Secretary shall—

(1) establish and implement, in accordance with this subtitle and acting through the Director of the Bureau of Land Management in consultation with the Director of the United States Fish and Wildlife Service, a competitive oil and gas leasing program that will result in the exploration, development, and production of the oil and gas resources of the Coastal Plain; and

(2) administer the provisions of this subtitle through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that ensure the oil and gas exploration, development, and production activities on the Coastal Plain do not result in any significant adverse effect on fish and wildlife, the habitat of fish and wildlife, subsistence resources, or the environment, including, in furtherance of this goal, by requiring the application of the best commercially available technology for oil

and gas exploration, development, and production to all exploration, development, and production operations under this subtitle in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased.

(b) REPEAL OF EXISTING RESTRICTION.—

(1) REPEAL.—Section 1003 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3143) is repealed.

(2) CONFORMING AMENDMENT.—The table of contents contained in section 1 of that Act (16 U.S.C. 3101 note) is amended by striking the item relating to section 1003.

(c) COMPLIANCE WITH REQUIREMENTS UNDER CERTAIN OTHER LAWS.—

(1) COMPATIBILITY.—For purposes of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), the oil and gas leasing program and activities authorized by this section on the Coastal Plain are deemed to be compatible with the purposes for which the Arctic National Wildlife Refuge was established, and no further findings or decisions are required to implement this determination.

(2) ADEQUACY OF THE DEPARTMENT OF THE INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.—The document of the Department of the Interior entitled ''Final Legislative Environmental Impact Statement'' and dated April 1987 relating to the Coastal Plain prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the requirements under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) that apply with respect to prelease activities under this subtitle, including actions authorized to be taken by the Secretary to develop and promulgate regulations for the establishment of a leasing program authorized by this subtitle before the conduct of the first lease sale.

(3) COMPLIANCE WITH NEPA FOR OTHER ACTIONS.—

(A) IN GENERAL.—Prior to conducting the first lease sale under this subtitle, the Secretary shall prepare an environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the actions authorized by this subtitle not covered by paragraph (2).

(B) NONLEASING ALTERNATIVES NOT REQUIRED.—Notwithstanding any other provision of law, in preparing the environmental impact statement under subparagraph (A), the Secretary—

(i) shall—

(I) only identify a preferred action for leasing and a single leasing alternative; and

(II) analyze the environmental effects and potential mitigation measures for those 2 alternatives; and

(ii) is not required—

(I) to identify nonleasing alternative courses of action; or

(II) to analyze the environmental effects of nonleasing alternative courses of action.

(C) DEADLINE.—The identification under subparagraph (B)(i)(I) for the first lease sale conducted under this subtitle shall be completed not later than 18 months after the date of enactment of this Act.

(D) PUBLIC COMMENT.—The Secretary shall only consider public comments that—

(i) specifically address the preferred action of the Secretary; and

(ii) are filed not later than 20 days after the date on which the environmental analysis is published.

(E) COMPLIANCE.—Notwithstanding any other provision of law, compliance with this paragraph is deemed to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this subtitle.

(d) RELATIONSHIP TO STATE AND LOCAL AUTHORITY.—Nothing in this subtitle expands or limits State or local regulatory authority.

(e) SPECIAL AREAS.—

(1) IN GENERAL.—The Secretary, after consultation with the State of Alaska, the city of Kaktovik and the North Slope Borough of the State of Alaska, may designate not more than 45,000 acres of the Coastal Plain as a ''Special Area'' if the Secretary determines that the area is of such unique character and interest so as to require special management and regulatory protection.

(2) SADLEROCHIT SPRING AREA.—The Secretary shall designate the Sadlerochit Spring area, consisting of approximately 4,000 acres, as a Special Area.

(3) MANAGEMENT.—Each Special Area shall be managed to protect and preserve the unique and diverse character of the area, including the fish, wildlife, and subsistence resource values of the area.

(4) EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.—

(A) IN GENERAL.—The Secretary may exclude any Special Area from leasing.

(B) NO SURFACE OCCUPANCY.—If the Secretary leases a Special Area, or any part of a Special Area, for oil and gas exploration, development, production, or related activities, there shall be no surface occupancy of the land comprising the Special Area.

(5) DIRECTIONAL DRILLING.—Notwithstanding the other provisions of this subsection, the Secretary may lease all or a portion of a Special Area under terms that permit the use of horizontal drilling technology from sites on leases tracts located outside the Special Area.

(f) LIMITATION ON CLOSED AREAS.—The authority of the Secretary to close land on the Coastal Plain to oil and gas leasing, exploration, development, or production shall be limited to the authority provided under this subtitle.

(g) REGULATIONS.—

(1) IN GENERAL.—Not later than 15 months after the date of enactment of this Act, the Secretary shall promulgate regulations necessary to carry out this subtitle, including regulations relating to protection of fish and wildlife, the habitat of fish and wildlife, subsistence resources, and environment of the Coastal Plain.

(2) REVISION OF REGULATIONS.—The Secretary shall, through a rulemaking conducted in accordance with section 553 of title 5, United States Code, periodically review and, if appropriate, revise the regulations promulgated under paragraph (1) to reflect a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures.

**SEC. 5004. LEASE SALES.**

(a) IN GENERAL.—In accordance with the requirements of this subtitle, the Secretary may lease land under this subtitle to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) PROCEDURES.—The Secretary shall, by regulation and not later than 180 days after the date of enactment of this Act, establish procedures for—

(1) receipt and consideration of sealed nominations for any area of the Coastal Plain for inclusion in, or exclusion from, a lease sale;

(2) the holding of lease sales after the nomination process; and

(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) LEASE SALE BIDS.—Lease sales under this subtitle may be conducted through an Internet leasing program, if the Secretary determines that the Internet leasing program will result in savings to the taxpayer, an increase in the number of bidders participating, and higher returns than oral bidding or a sealed bidding system.

(d) SALE ACREAGES AND SCHEDULE.—The Secretary shall—

(1) offer for lease under this subtitle—

(A) those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received under subsection (b)(1); and

(B)(i) not fewer than 50,000 acres by not later than 22 months after the date of the enactment of this Act; and

(ii) not fewer than an additional 50,000 acres at 6-, 12-, and 18-month intervals following the initial offering under subclause (i);

(2) conduct 4 additional lease sales under the same terms and schedule as the last lease sale under paragraph (1)(B)(ii) not later than 2 years after the date of that sale, if sufficient interest in leasing exists to warrant, in the judgment of the Secretary, the conduct of the sales; and

(3) evaluate the bids in each lease sale under this subsection and issue leases resulting from the sales not later than 90 days after the date on which the sale is completed.

**SEC. 5005. GRANT OF LEASES BY THE SECRETARY.**

(a) IN GENERAL.—The Secretary may grant to the highest responsible qualified bidder in a lease sale conducted under section 5004 any land to be leased on the Coastal Plain upon payment by the bidder of any bonus as may be accepted by the Secretary.

(b) SUBSEQUENT TRANSFERS.—No lease issued under this subtitle may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary after the Secretary consults with, and gives due consideration to the views of, the Attorney General.

**SEC. 5006. LEASE TERMS AND CONDITIONS.**

An oil or gas lease issued under this subtitle shall—

(1) provide for the payment of a royalty of not less than 12.5 percent in amount or value of the production removed or sold under the lease, as determined by the Secretary under the regulations applicable to other Federal oil and gas leases;

(2) provide that the Secretary may close, on a seasonal basis, portions of the Coastal Plain to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife based on a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures;

(3) require that the lessee of land on the Coastal Plain shall be fully responsible and liable for the reclamation of land on the Coastal Plain and any other Federal land that is adversely affected in connection with exploration, development, production, or transportation activities conducted under the lease and on the Coastal Plain by the lessee or by any of the subcontractors or agents of the lessee;

(4) provide that the lessee may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another person without the express written approval of the Secretary;

(5) provide that the standard of reclamation for land required to be reclaimed under

this subtitle shall be, as nearly as practicable, a condition capable of supporting the uses which the land was capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as certified by the Secretary;

(6) contain terms and conditions relating to protection of fish and wildlife, the habitat of fish and wildlife, subsistence resources, and the environment as required under section 5003(a)(2);

(7) provide that the lessee, agents of the lessee, and contractors of the lessee use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native corporations from throughout the State; and

(8) contain such other provisions as the Secretary determines necessary to ensure compliance with this subtitle and the regulations issued pursuant to this subtitle.

**SEC. 5007. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

(a) NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—The Secretary shall, consistent with the requirements of section 5003, administer this subtitle through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

(1) ensure the oil and gas exploration, development, and production activities on the Coastal Plain shall not result in any significant adverse effect on fish and wildlife, the habitat of fish and wildlife, or the environment;

(2) require the application of the best commercially available technology for oil and gas exploration, development, and production on all new exploration, development, and production operations; and

(3) ensure that the maximum amount of surface acreage covered by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 10,000 acres on the Coastal Plain for each 100,000 acres of area leased.

(b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—With respect to any proposed drilling and related activities, the Secretary shall require that—

(1) a site-specific analysis be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, the habitat of fish and wildlife, subsistence resources, and the environment;

(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the extent practicable) any significant adverse effect identified under paragraph (1); and

(3) the development of the plan shall occur after consultation with the agency or agencies having jurisdiction over matters mitigated by the plan.

(c) REGULATIONS TO PROTECT COASTAL PLAIN FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS, AND THE ENVIRONMENT.—Prior to implementing the leasing program authorized by this subtitle, the Secretary shall prepare and promulgate regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other measures designed to ensure that the activities undertaken on the Coastal Plain under this subtitle are conducted in a manner consistent with the purposes and environmental requirements of this subtitle.

(d) COMPLIANCE WITH FEDERAL AND STATE ENVIRONMENTAL LAWS AND OTHER REQUIREMENTS.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this subtitle shall require compliance with all applicable provisions of Federal and State environmental law and compliance with the following:

(1) Standards at least as effective as the safety and environmental mitigation measures set forth in items 1 through 29 at pages 167 through 169 of the document of the Department of the Interior entitled ''Final Legislative Environmental Impact Statement'' and dated April 1987 relating to the Coastal Plain.

(2) Seasonal limitations on exploration, development, and related activities, where necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration based on a preponderance of the best available scientific evidence that has been peer reviewed and obtained by following appropriate, documented scientific procedures, the results of which can be repeated using those same procedures.

(3) That exploration activities, except for surface geological studies—

(A) be limited to the period between approximately November 1 and May 1 each year; and

(B) be supported, if necessary, by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods, except that exploration activities may occur at other times if the Secretary finds that the exploration will have no significant adverse effect on the fish and wildlife, the habitat of fish and wildlife, and the environment of the Coastal Plain.

(4) Design safety and construction standards for all pipelines and any access and service roads, that minimize, to the maximum extent practicable, adverse effects on—

(A) the passage of migratory species such as caribou; and

(B) the flow of surface water by requiring the use of culverts, bridges, and other structural devices.

(5) Prohibitions on general public access and use on all pipeline access and service roads.

(6) Stringent reclamation and rehabilitation requirements, consistent with the standards set forth in this subtitle, requiring the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment upon completion of oil and gas production operations, except that the Secretary may exempt from the requirements of this paragraph those facilities, structures, or equipment that the Secretary determines would assist in the management of the Arctic National Wildlife Refuge and that are donated to the United States for that purpose.

(7) Appropriate prohibitions or restrictions on access by all modes of transportation.

(8) Appropriate prohibitions or restrictions on sand and gravel extraction.

(9) Consolidation of facility siting.

(10) Appropriate prohibitions or restrictions on the use of explosives.

(11) Avoidance, to the extent practicable, of springs, streams, and river systems, the protection of natural surface drainage patterns, wetlands, and riparian habitats, and the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling.

(12) Avoidance or minimization of air traffic-related disturbance to fish and wildlife.

(13) Treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including an annual waste management report, a hazardous materials tracking system, and a prohibition on chlorinated solvents, in accordance with applicable Federal and State environmental law (including regulations).

(14) Fuel storage and oil spill contingency planning.

(15) Research, monitoring, and reporting requirements.

(16) Field crew environmental briefings.

(17) Avoidance of significant adverse effects upon subsistence hunting, fishing, and trapping by subsistence users.

(18) Compliance with applicable air and water quality standards.

(19) Appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited.

(20) Reasonable stipulations for protection of cultural and archeological resources.

(21) All other protective environmental stipulations, restrictions, terms, and conditions determined necessary by the Secretary.

(e) CONSIDERATIONS.—In preparing and promulgating regulations, lease terms, conditions, restrictions, prohibitions, and stipulations under this section, the Secretary shall consider—

(1) the stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement;

(2) the environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 to 37.33 of title 50, Code of Federal Regulations; and

(3) the land use stipulations for exploratory drilling on the KIC–ASRC private land that are set forth in appendix 2 of the August 9, 1983, agreement between Arctic Slope Regional Corporation and the United States.

(f) FACILITY CONSOLIDATION PLANNING.—

(1) IN GENERAL.—The Secretary shall, after providing for public notice and comment, prepare and update periodically a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of Coastal Plain oil and gas resources.

(2) OBJECTIVES.—The plan shall have the following objectives:

(A) Avoiding unnecessary duplication of facilities and activities.

(B) Encouraging consolidation of common facilities and activities.

(C) Locating or confining facilities and activities to areas that will minimize impact on fish and wildlife, the habitat of fish and wildlife, and the environment.

(D) Using existing facilities wherever practicable.

(E) Enhancing compatibility between wildlife values and development activities.

(g) ACCESS TO PUBLIC LAND.—The Secretary shall—

(1) manage public land in the Coastal Plain subject to section 811 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3121); and

(2) ensure that local residents shall have reasonable access to public land in the Coastal Plain for traditional uses.

**SEC. 5008. EXPEDITED JUDICIAL REVIEW.**

(a) FILING OF COMPLAINT.—

(1) DEADLINE.—Subject to paragraph (2), any complaint seeking judicial review of—

(A) any provision of this subtitle shall be filed by not later than 1 year after the date of enactment of this Act; or

(B) any action of the Secretary under this subtitle shall be filed—

(i) except as provided in clause (ii), during the 90-day period beginning on the date on which the action is challenged; or

(ii) in the case of a complaint based solely on grounds arising after the period described

in clause (i), not later than 90 days after the date on which the complainant knew or reasonably should have known of the grounds for the complaint.

(2) VENUE.—Any complaint seeking judicial review of any provision of this subtitle or any action of the Secretary under this subtitle may be filed only in the United States Court of Appeals for the District of Columbia.

(3) LIMITATION ON SCOPE OF CERTAIN REVIEW.—

(A) IN GENERAL.—Judicial review of a decision by the Secretary to conduct a lease sale under this subtitle, including an environmental analysis, shall be—

(i) limited to whether the Secretary has complied with this subtitle; and

(ii) based on the administrative record of that decision.

(B) PRESUMPTION.—The identification by the Secretary of a preferred course of action to enable leasing to proceed and the analysis by the Secretary of environmental effects under this subtitle is presumed to be correct unless shown otherwise by clear and convincing evidence.

(b) LIMITATION ON OTHER REVIEW.—Actions of the Secretary with respect to which review could have been obtained under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

(c) LIMITATION ON ATTORNEYS' FEES AND COURT COSTS.—

(1) IN GENERAL.—Sections 504 of title 5 and 2412 of title 28, United States Code (commonly known as the ''Equal Access to Justice Act''), shall not apply to any action under this subtitle.

(2) COURT COSTS.—A party to any action under this subtitle shall not receive payment from the Federal Government for the attorneys' fees, expenses, or other court costs incurred by the party.

**SEC. 5009. TREATMENT OF REVENUES.**

Notwithstanding any other provision of law, 90 percent of the amount of bonus, rental, and royalty revenues from Federal oil and gas leasing and operations authorized under this subtitle shall be deposited in the Treasury.

**SEC. 5010. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

(a) IN GENERAL.—The Secretary shall issue rights-of-way and easements across the Coastal Plain for the transportation of oil and gas produced under leases under this subtitle—

(1) except as provided in paragraph (2), under section 28 of the Mineral Leasing Act (30 U.S.C. 185), without regard to title XI of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3161 et seq.); and

(2) under title XI of the Alaska National Interest Lands Conservation Act (30 U.S.C. 3161 et seq.), for access authorized by sections 1110 and 1111 of that Act (16 U.S.C. 3170, 3171).

(b) TERMS AND CONDITIONS.—The Secretary shall include in any right-of-way or easement issued under subsection (a) such terms and conditions as may be necessary to ensure that transportation of oil and gas does not result in a significant adverse effect on the fish and wildlife, the habitat of fish and wildlife, subsistence resources, or the environment of the Coastal Plain, including requirements that facilities be sited or designed so as to avoid unnecessary duplication of roads and pipelines.

(c) REGULATIONS.—The Secretary shall include in regulations promulgated under section 5003(g) provisions granting rights-of-way and easements described in subsection (a).

**SEC. 5011. CONVEYANCE.**

In order to maximize Federal revenues by removing clouds on titles to land and clarifying land ownership patterns on the Coastal Plain, and notwithstanding section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), the Secretary shall convey—

(1) to the Kaktovik Inupiat Corporation, the surface estate of the land described in paragraph 1 of Public Land Order 6959, to the extent necessary to fulfill the entitlement of the Kaktovik Inupiat Corporation under sections 12 and 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611, 1613) in accordance with the terms and conditions of the Agreement between the Department of the Interior, the United States Fish and Wildlife Service, the Bureau of Land Management, and the Kaktovik Inupiat Corporation dated January 22, 1993; and

(2) to the Arctic Slope Regional Corporation the remaining subsurface estate to which the Arctic Slope Regional Corporation is entitled pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

## Subtitle B—Native American Energy

**SEC. 5021. FINDINGS.**

Congress finds that—

(1) the Federal Government has unreasonably interfered with the efforts of Indian tribes to develop energy resources on tribal land; and

(2) Indian tribes should have the opportunity to gain the benefits of the jobs, investment, and economic development to be gained from energy development.

**SEC. 5022. APPRAISALS.**

(a) AMENDMENT.—Title XXVI of the Energy Policy Act of 1992 (25 U.S.C. 3501 et seq.) is amended by adding at the end the following:

**''SEC. 2607. APPRAISAL REFORMS.**

''(a) OPTIONS TO INDIAN TRIBES.—With respect to a transaction involving Indian land or the trust assets of an Indian tribe that requires the approval of the Secretary, any appraisal or other estimates of value relating to fair market value required to be conducted under applicable law, regulation, or policy may be completed by—

''(1) the Secretary;

''(2) the affected Indian tribe; or

''(3) a certified, third-party appraiser pursuant to a contract with the Indian tribe.

''(b) TIME LIMIT ON SECRETARIAL REVIEW AND ACTION.—Not later than 30 days after the date on which the Secretary receives an appraisal conducted by or for an Indian tribe pursuant to paragraphs (2) or (3) of subsection (a), the Secretary shall—

''(1) review the appraisal; and

''(2) provide to the Indian tribe a written notice of approval or disapproval of the appraisal.

''(c) FAILURE OF SECRETARY TO APPROVE OR DISAPPROVE.—If the Secretary has failed to approve or disapprove any appraisal by the date that is 60 days after the date on which the appraisal is received, the appraisal shall be deemed approved.

''(d) OPTION OF INDIAN TRIBES TO WAIVE APPRAISAL.—An Indian tribe may waive the requirements of subsection (a) if the Indian tribe provides to the Secretary a written resolution, statement, or other unambiguous indication of tribal intent to waive the requirements that—

''(1) is duly approved by the governing body of the Indian tribe; and

''(2) includes an express waiver by the Indian tribe of any claims for damages the Indian tribe might have against the United States as a result of the waiver.

''(e) REGULATIONS.—The Secretary shall promulgate regulations to implement this section, including standards the Secretary shall use for approving or disapproving an appraisal under subsection (b).''.

(b) CONFORMING AMENDMENT.—The table of contents of the Energy Policy Act of 1992 (42 U.S.C. 13201 note) is amended by adding at the end of the items relating to title XXVI the following:

''Sec. 2607. Appraisal reforms.''.

**SEC. 5023. STANDARDIZATION.**

As soon as practicable after the date of enactment of this Act, the Secretary of the Interior shall implement procedures to ensure that each agency within the Department of the Interior that is involved in the review, approval, and oversight of oil and gas activities on Indian land shall use a uniform system of reference numbers and tracking systems for oil and gas wells.

**SEC. 5024. ENVIRONMENTAL REVIEWS OF MAJOR FEDERAL ACTIONS ON INDIAN LAND.**

Section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) is amended—

(1) in the matter preceding paragraph (1) by inserting ''(a) IN GENERAL.—'' before ''The Congress authorizes''; and

(2) by adding at the end the following:

''(b) REVIEW OF MAJOR FEDERAL ACTIONS ON INDIAN LAND.—

''(1) DEFINITIONS OF INDIAN LAND AND INDIAN TRIBE.—In this subsection, the terms 'Indian land' and 'Indian tribe' have the meaning given those terms in section 2601 of the Energy Policy Act of 1992 (25 U.S.C. 3501).

''(2) IN GENERAL.—For any major Federal action on Indian land of an Indian tribe requiring the preparation of a statement under subsection (a)(2)(C), the statement shall only be available for review and comment by—

''(A) the members of the Indian tribe; and

''(B) any other individual residing within the affected area.

''(3) REGULATIONS.—The Chairman of the Council on Environmental Quality, in consultation with Indian tribes, shall develop regulations to implement this section, including descriptions of affected areas for specific major Federal actions.''.

**SEC. 5025. JUDICIAL REVIEW.**

(a) DEFINITIONS.—In this section:

(1) AGENCY ACTION.—The term ''agency action'' has the meaning given the term in section 551 of title 5, United States Code.

(2) ENERGY RELATED ACTION.—The term ''energy-related action'' means a civil action that—

(A) is filed on or after the date of enactment of this Act; and

(B) seeks judicial review of a final agency action relating to the issuance of a permit, license, or other form of agency permission allowing—

(i) any person or entity to conduct on Indian Land activities involving the exploration, development, production, or transportation of oil, gas, coal, shale gas, oil shale, geothermal resources, wind or solar resources, underground coal gasification, biomass, or the generation of electricity; or

(ii) any Indian Tribe, or any organization of 2 or more entities, not less than 1 of which is an Indian tribe, to conduct activities involving the exploration, development, production, or transportation of oil, gas, coal, shale gas, oil shale, geothermal resources, wind or solar resources, underground coal gasification, biomass, or the generation of electricity, regardless of where such activities are undertaken.

(3) INDIAN LAND.—

(A) IN GENERAL.—The term ''Indian land'' has the meaning given the term in section 2601 of the Energy Policy Act of 1992 (25 U.S.C. 3501).

(B) INCLUSION.—The term ''Indian land'' includes land owned by a Native Corporation (as that term is defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)) under that Act (43 U.S.C. 1601 et seq.).

(4) ULTIMATELY PREVAIL.—

(A) IN GENERAL.—The term ''ultimately prevail'' means, in a final enforceable judgment that the court rules in the party's favor on at least 1 civil claim that is an underlying rationale for the preliminary injunction, administrative stay, or other relief requested by the party.

(B) EXCLUSION.—The term ''ultimately prevail'' does not include circumstances in which the final agency action is modified or amended by the issuing agency unless the modification or amendment is required pursuant to a final enforceable judgment of the court or a court-ordered consent decree.

(b) TIME FOR FILING COMPLAINT.—

(1) IN GENERAL.—Any energy related action shall be filed not later than the end of the 60-day period beginning on the date of the action or decision by a Federal official that constitutes the covered energy project concerned.

(2) PROHIBITION.—Any energy related action that is not filed within the time period described in paragraph (1) shall be barred.

(c) DISTRICT COURT VENUE AND DEADLINE.—An energy related action—

(1) may only be brought in the United States District Court for the District of Columbia; and

(2) shall be resolved as expeditiously as possible, and in any event not more than 180 days after the energy related action is filed.

(d) APPELLATE REVIEW.—An interlocutory order or final judgment, decree or order of the district court in an energy related action—

(1) may be appealed to the United States Court of Appeals for the District of Columbia Circuit; and

(2) if the court described in paragraph (1) undertakes the review, the court shall resolve the review as expeditiously as possible, and in any event by not later than 180 days after the interlocutory order or final judgment, decree or order of the district court was issued.

(e) LIMITATION ON CERTAIN PAYMENTS.—Notwithstanding section 1304 of title 31, United States Code, no award may be made under section 504 of title 5, United States Code, or under section 2412 of title 28, United States Code, and no amounts may be obligated or expended from the Claims and Judgment Fund of the United States Treasury to pay any fees or other expenses under such sections, to any person or party in an energy related action.

(f) LIMITATION ON ATTORNEYS' FEES AND COURT COSTS.—

(1) IN GENERAL.—Sections 504 of title 5 and 2412 of title 28, United States Code (commonly known as the ''Equal Access to Justice Act''), shall not apply to an energy related action.

(2) COURT COSTS.—A party to a covered civil action shall not receive payment from the Federal Government for the attorneys' fees, expenses, or other court costs incurred by the party.

**SEC. 5026. TRIBAL RESOURCE MANAGEMENT PLANS.**

Unless otherwise explicitly exempted by Federal law enacted after the date of enactment of this Act, any activity conducted or resources harvested or produced pursuant to a tribal resource management plan or an integrated resource management plan approved by the Secretary of the Interior under the National Indian Forest Resources Management Act (25 U.S.C. 3101 et seq.) or the American Indian Agricultural Resource Management Act (25 U.S.C. 3701 et seq.), shall be considered a sustainable management practice for purposes of any Federal standard, benefit, or requirement that requires a demonstration of such sustainability.

**SEC. 5027. LEASES OF RESTRICTED LANDS FOR THE NAVAJO NATION.**

Subsection (e)(1) of the first section of the Act of August 9, 1955 (25 U.S.C. 415) (commonly known as the ''Long-Term Leasing Act''), is amended—

(1) by striking '', except a lease for'' and inserting '', including leases for'';

(2) in subparagraph (A), by striking ''25 years, except'' and all that follows through ''; and'' and inserting ''99 years;'';

(3) in subparagraph (B), by striking the period and inserting ''; and''; and

(4) by adding at the end the following:

''(C) in the case of a lease for the exploration, development, or extraction of mineral resources, including geothermal resources, 25 years, except that the lease may include an option to renew for 1 additional term not to exceed 25 years.''.

**SEC. 5028. NONAPPLICABILITY OF CERTAIN RULES.**

No rule promulgated by the Secretary of the Interior regarding hydraulic fracturing used in the development or production of oil or gas resources shall affect any land held in trust or restricted status for the benefit of Indians except with the express consent of the beneficiary on behalf of which the land is held in trust or restricted status.

## Subtitle C—Additional Regulatory Provisions

## PART I—STATE AUTHORITY OVER HYDRAULIC FRACTURING

**SEC. 5031. FINDING.**

Congress finds that given variations in geology, land use, and population, the States are best placed to regulate the process of hydraulic fracturing occurring on any land within the boundaries of the individual State.

**SEC. 5032. STATE AUTHORITY.**

(a) DEFINITION OF FEDERAL LAND.—In this section, the term ''Federal land'' means—

(1) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702));

(2) National Forest System land;

(3) land under the jurisdiction of the Bureau of Reclamation; and

(4) land under the jurisdiction of the Corps of Engineers.

(b) STATE AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a State shall have the sole authority to promulgate or enforce any regulation, guidance, or permit requirement regarding the treatment of a well by the application of fluids under pressure to which propping agents may be added for the expressly designed purpose of initiating or propagating fractures in a target geologic formation in order to enhance production of oil, natural gas, or geothermal production activities on or under any land within the boundaries of the State.

(2) FEDERAL LAND.—Notwithstanding any other provision of law, the treatment of a well by the application of fluids under pressure to which propping agents may be added for the expressly designed purpose of initiating or propagating fractures in a target geologic formation in order to enhance production of oil, natural gas, or geothermal production activities on Federal land shall be subject to the law of the State in which the land is located.

## PART II—MISCELLANEOUS PROVISIONS

**SEC. 5041. ENVIRONMENTAL LEGAL FEES.**

Section 504 of title 5, United States Code, is amended by adding at the end the following:

''(g) ENVIRONMENTAL LEGAL FEES.—Notwithstanding section 1304 of title 31, no award may be made under this section and no amounts may be obligated or expended from the Claims and Judgment Fund of the Treasury to pay any legal fees of a nongovernmental organization related to an action that (with respect to the United States)—

''(1) prevents, terminates, or reduces access to or the production of—

''(A) energy;

''(B) a mineral resource;

''(C) water by agricultural producers;

''(D) a resource by commercial or recreational fishermen; or

''(E) grazing or timber production on Federal land;

''(2) diminishes the private property value of a property owner; or

''(3) eliminates or prevents 1 or more jobs.''.

**SEC. 5042. MASTER LEASING PLANS.**

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior, acting through the Bureau of Land Management, shall not establish a master leasing plan as part of any guidance issued by the Secretary.

(b) EXISTING MASTER LEASING PLANS.—Instruction Memorandum No. 2010–117 and any other master leasing plan described in subsection (a) issued on or before the date of enactment of this Act shall have no force or effect.

# TITLE VI—IMPROVING AMERICA'S DOMESTIC REFINING CAPACITY

## Subtitle A—Refinery Permitting Reform

**SEC. 6001. FINDING.**

Congress finds that the domestic refining industry is an important source of jobs and economic growth and whose growth should not be limited by an excessively drawn out permitting and approval process.

**SEC. 6002. DEFINITIONS.**

In this subtitle:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) EXPANSION.—The term ''expansion'' means a physical change that results in an increase in the capacity of a refinery.

(3) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(4) PERMIT.—The term ''permit'' means any permit, license, approval, variance, or other form of authorization that a refiner is required to obtain—

(A) under any Federal law; or

(B) from a State or tribal government agency delegated authority by the Federal Government, or authorized under Federal law, to issue permits.

(5) REFINER.—The term ''refiner'' means a person that—

(A) owns or operates a refinery; or

(B) seeks to become an owner or operator of a refinery.

(6) REFINERY.—

(A) IN GENERAL.—The term ''refinery'' means—

(i) a facility at which crude oil is refined into transportation fuel or other petroleum products; and

(ii) a coal liquification or coal-to-liquid facility at which coal is processed into synthetic crude oil or any other fuel.

(B) INCLUSION.—The term ''refinery'' includes an expansion of a refinery.

(7) REFINERY PERMITTING AGREEMENT.—The term ''refinery permitting agreement'' means an agreement entered into between the Administrator and a State or Indian tribe under subsection (c).

(8) STATE.—The term ''State'' means—

(A) a State; and

(B) the District of Columbia.

**SEC. 6003. STREAMLINING OF REFINERY PERMITTING PROCESS.**

(a) IN GENERAL.—At the request of the Governor of a State or the governing body of

an Indian tribe, the Administrator shall enter into a refinery permitting agreement with the State or Indian tribe under which the process for obtaining all permits necessary for the construction and operation of a refinery shall be streamlined using a systematic, interdisciplinary multimedia approach, as provided in this section.

(b) AUTHORITY OF ADMINISTRATOR.—Under a refinery permitting agreement, the Administrator shall have the authority, as applicable and necessary—

(1) to accept from a refiner a consolidated application for all permits that the refiner is required to obtain to construct and operate a refinery;

(2) in consultation and cooperation with each Federal, State, or tribal government agency that is required to make any determination to authorize the issuance of a permit, to establish a schedule under which each agency shall—

(A) concurrently consider, to the maximum extent practicable, each determination to be made; and

(B) complete each step in the permitting process; and

(3) to issue a consolidated permit that combines all permits issued under the schedule established under paragraph (2).

(c) REFINERY PERMITTING AGREEMENTS.—Under a refinery permitting agreement, a State or governing body of an Indian tribe shall agree that—

(1) the Administrator shall have each of the authorities described in subsection (b); and

(2) the State or tribal government agency shall—

(A) in accordance with State law, make such structural and operational changes in the agencies as are necessary to enable the agencies to carry out consolidated, project-wide permit reviews concurrently and in coordination with the Environmental Protection Agency and other Federal agencies; and

(B) comply, to the maximum extent practicable, with the applicable schedule established under subsection (b)(2).

(d) DEADLINES.—

(1) NEW REFINERIES.—In the case of a consolidated permit for the construction of a new refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(A) 365 days after the date of receipt of an administratively complete application for the consolidated permit; or

(B) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 90 days after the expiration of the deadline described in subparagraph (A).

(2) EXPANSION OF EXISTING REFINERIES.—In the case of a consolidated permit for the expansion of an existing refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(A) 120 days after the date of receipt of an administratively complete application for the consolidated permit; or

(B) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 30 days after the expiration of the deadline described in subparagraph (A).

(e) FEDERAL AGENCIES.—Each Federal agency that is required to make any determination to authorize the issuance of a permit shall comply with the applicable schedule established under subsection (b)(2).

(f) JUDICIAL REVIEW.—Any civil action for review of a permit determination under a refinery permitting agreement shall be brought exclusively in the United States district court for the district in which the refinery is located or proposed to be located.

(g) EFFICIENT PERMIT REVIEW.—In order to reduce the duplication of procedures, the Administrator shall use State permitting and monitoring procedures to satisfy substantially equivalent Federal requirements under this subtitle.

(h) SEVERABILITY.—If 1 or more permits that are required for the construction or operation of a refinery are not approved on or before an applicable deadline under subsection (d), the Administrator may issue a consolidated permit that combines all other permits that the refiner is required to obtain, other than any permits that are not approved.

(i) CONSULTATION WITH LOCAL GOVERNMENTS.—The Administrator, States, and tribal governments shall consult, to the maximum extent practicable, with local governments in carrying out this section.

(j) EFFECT OF SECTION.—Nothing in this section affects—

(1) the operation or implementation of any otherwise applicable law regarding permits necessary for the construction and operation of a refinery;

(2) the authority of any unit of local government with respect to the issuance of permits; or

(3) any requirement or ordinance of a local government (such as a zoning regulation).

## Subtitle B—Repeal of Renewable Fuel Standard

**SEC. 6011. FINDINGS.**

Congress finds that the mandates under the renewable fuel standard contained in section 211(o) of the Clean Air Act (42 U.S.C. 7545(o))—

(1) impose significant costs on American citizens and the American economy, without offering any benefit; and

(2) should be repealed.

**SEC. 6012. PHASE OUT OF RENEWABLE FUEL STANDARD.**

(a) IN GENERAL.—Section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)—

(i) by striking clause (ii); and

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively; and

(B) in subparagraph (B), by striking clauses (ii) through (v) and inserting the following:

''(ii) CALENDAR YEARS 2014 THROUGH 2018.—Notwithstanding clause (i), for purposes of subparagraph (A), the applicable volumes of renewable fuel for each of calendar years 2014 through 2018 shall be determined as follows:

''(I) For calendar year 2014, in accordance with the table entitled 'I-2—Proposed 2014 Volume Requirements' of the proposed rule published at pages 71732 through 71784 of volume 78 of the Federal Register (November 29, 2013).

''(II) For calendar year 2015, the applicable volumes established under subclause (I), reduced by 20 percent.

''(III) For calendar year 2016, the applicable volumes established under subclause (I), reduced by 40 percent.

''(IV) For calendar year 2017, the applicable volumes established under subclause (I), reduced by 60 percent.

''(V) For calendar year 2018, the applicable volumes established under subclause (I), reduced by 80 percent.'';

(2) in paragraph (3)—

(A) by striking ''2021'' and inserting ''2017'' each place it appears; and

(B) in subparagraph (B)(i), by inserting '', subject to the condition that the renewable fuel obligation determined for a calendar year is not more than the applicable volumes established under paragraph (2)(B)(ii)'' before the period; and

(3) by adding at the end the following:

''(13) SUNSET.—The program established under this subsection shall terminate on December 31, 2018.''.

(b) REGULATIONS.—Effective beginning on January 1, 2019, the regulations contained in subparts K and M of part 80 of title 40, Code of Federal Regulations (as in effect on that date of enactment), shall have no force or effect.

## TITLE VII—STOPPING EPA OVERREACH

**SEC. 7001. FINDINGS.**

Congress finds that—

(1) the Environmental Protection Agency has exceeded its statutory authority by promulgating regulations that were not contemplated by Congress in the authorizing language of the statutes enacted by Congress;

(2) no Federal agency has the authority to regulate greenhouse gases under current law; and

(3) no attempt to regulate greenhouse gases should be undertaken without further Congressional action.

**SEC. 7002. CLARIFICATION OF FEDERAL REGULATORY AUTHORITY TO EXCLUDE GREENHOUSE GASES FROM REGULATION UNDER THE CLEAN AIR ACT.**

(a) REPEAL OF FEDERAL CLIMATE CHANGE REGULATION.—

(1) GREENHOUSE GAS REGULATION UNDER CLEAN AIR ACT.—Section 302(g) of the Clean Air Act (42 U.S.C. 7602(g)) is amended—

(A) by striking ''(g) The term'' and inserting the following:

''(g) AIR POLLUTANT.—

''(1) IN GENERAL.—The term''; and

(B) by adding at the end the following:

''(2) EXCLUSION.—The term 'air pollutant' does not include carbon dioxide, water vapor, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, or sulfur hexafluoride.''.

(2) NO REGULATION OF CLIMATE CHANGE.—Notwithstanding any other provision of law, nothing in any of the following Acts or any other law authorizes or requires the regulation of climate change or global warming:

(A) The Clean Air Act (42 U.S.C. 7401 et seq.).

(B) The Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

(C) The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(D) The Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(E) The Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(b) EFFECT ON PROPOSED RULES OF THE EPA.—In accordance with this section, the following proposed or contemplated rules (or any similar or successor rules) of the Environmental Protection Agency shall be void and have no force or effect:

(1) The proposed rule entitled ''Standards of Performance for Greenhouse Gas Emissions From New Stationary Sources: Electric Utility Generating Units'' (published at 79 Fed. Reg. 1430 (January 8, 2014)).

(2) The contemplated rules on carbon pollution for existing power plants.

(3) Any other contemplated or proposed rules proposed to be issued pursuant to the purported authority described in subsection (a)(2).

**SEC. 7003. JOBS ANALYSIS FOR ALL EPA REGULATIONS.**

(a) IN GENERAL.—Before proposing or finalizing any regulation, rule, or policy, the Administrator of the Environmental Protection Agency shall provide an analysis of the regulation, rule, or policy and describe the direct and indirect net and gross impact of the regulation, rule, or policy on employment in the United States.

(b) LIMITATION.—No regulation, rule, or policy described in subsection (a) shall take effect if the regulation, rule, or policy has a

negative impact on employment in the United States unless the regulation, rule, or policy is approved by Congress and signed by the President.

**TITLE VIII—DEBT FREEDOM FUND**

**SEC. 8001. FINDINGS.**

Congress finds that—

(1) the national debt being over $17,000,000,000,000 in 2014—

(A) threatens the current and future prosperity of the United States;

(B) undermines the national security interests of the United States; and

(C) imposes a burden on future generations of United States citizens; and

(2) revenue generated from the development of the natural resources in the United States should be used to reduce the national debt.

**SEC. 8002. DEBT FREEDOM FUND.**

Notwithstanding any other provision of law, in accordance with all revenue sharing arrangement with States in effect on the date of enactment of this Act, an amount equal to the additional amount of Federal funds generated by the programs and activities under this division (and the amendments made by this division)—

(1) shall be deposited in a special trust fund account in the Treasury, to be known as the ''Debt Freedom Fund''; and

(2) shall not be withdrawn for any purpose other than to pay down the national debt of the United States, for which purpose payments shall be made expeditiously.

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**SA 3607.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE ____—REINS ACT**

**SECTION __01. SHORT TITLE.**

This title may be cited as the ''Regulations From the Executive in Need of Scrutiny Act of 2014'' or the ''REINS Act''.

**SEC. __02. FINDINGS AND PURPOSE.**

(a) FINDINGS.—Congress finds the following:

(1) Section 1 of article I of the United States Constitution grants all legislative powers to Congress.

(2) Over time, Congress has excessively delegated its constitutional charge while failing to conduct appropriate oversight and retain accountability for the content of the laws it passes.

(3) By requiring a vote in Congress, the REINS Act will result in more carefully drafted and detailed legislation, an improved regulatory process, and a legislative branch that is truly accountable to the people of the United States for the laws imposed upon them.

(b) PURPOSE.—The purpose of this title is to increase accountability for and transparency in the Federal regulatory process.

**SEC. __03. CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**

Chapter 8 of title 5, United States Code, is amended to read as follows:

**''CHAPTER 8—CONGRESSIONAL REVIEW OF AGENCY RULEMAKING**

''Sec.
''801. Congressional review.
''802. Congressional approval procedure for major rules.
''803. Congressional disapproval procedure for nonmajor rules.
''804. Definitions.
''805. Judicial review.
''806. Exemption for monetary policy.
''807. Effective date of certain rules.

**''§ 801. Congressional review**

''(a)(1)(A) Before a rule may take effect, the Federal agency promulgating such rule shall submit to each House of Congress and to the Comptroller General a report containing—

''(i) a copy of the rule;

''(ii) a concise general statement relating to the rule;

''(iii) a classification of the rule as a major or nonmajor rule, including an explanation of the classification specifically addressing each criteria for a major rule contained within sections 804(2)(A), 804(2)(B), and 804(2)(C);

''(iv) a list of any other related regulatory actions intended to implement the same statutory provision or regulatory objective as well as the individual and aggregate economic effects of those actions; and

''(v) the proposed effective date of the rule.

''(B) On the date of the submission of the report under subparagraph (A), the Federal agency promulgating the rule shall submit to the Comptroller General and make available to each House of Congress—

''(i) a complete copy of the cost-benefit analysis of the rule, if any;

''(ii) the actions of the agency pursuant to sections 603, 604, 605, 607, and 609 of title 5, United States Code;

''(iii) the actions of the agency pursuant to sections 1532, 1533, 1534, and 1535 of title 2, United States Code; and

''(iv) any other relevant information or requirements under any other Act and any relevant Executive orders.

''(C) Upon receipt of a report submitted under subparagraph (A), each House shall provide copies of the report to the chairman and ranking member of each standing committee with jurisdiction under the rules of the House of Representatives or the Senate to report a bill to amend the provision of law under which the rule is issued.

''(2)(A) The Comptroller General shall provide a report on each major rule to the committees of jurisdiction by the end of 15 calendar days after the submission or publication date as provided in section 802(b)(2). The report of the Comptroller General shall include an assessment of compliance by the agency with procedural steps required by paragraph (1)(B).

''(B) Federal agencies shall cooperate with the Comptroller General by providing information relevant to the Comptroller General's report under subparagraph (A).

''(3) A major rule relating to a report submitted under paragraph (1) shall take effect upon enactment of a joint resolution of approval described in section 802 or as provided for in the rule following enactment of a joint resolution of approval described in section 802, whichever is later.

''(4) A nonmajor rule shall take effect as provided by section 803 after submission to Congress under paragraph (1).

''(5) If a joint resolution of approval relating to a major rule is not enacted within the period provided in subsection (b)(2), then a joint resolution of approval relating to the same rule may not be considered under this chapter in the same Congress by either the House of Representatives or the Senate.

''(b)(1) A major rule shall not take effect unless the Congress enacts a joint resolution of approval described under section 802.

''(2) If a joint resolution described in subsection (a) is not enacted into law by the end of 70 session days or legislative days, as applicable, beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), then the rule described in that resolution shall be deemed not to be approved and such rule shall not take effect.

''(c)(1) Notwithstanding any other provision of this section (except subject to paragraph (3)), a major rule may take effect for one 90-calendar-day period if the President makes a determination under paragraph (2) and submits written notice of such determination to the Congress.

''(2) Paragraph (1) applies to a determination made by the President by Executive order that the major rule should take effect because such rule is—

''(A) necessary because of an imminent threat to health or safety or other emergency;

''(B) necessary for the enforcement of criminal laws;

''(C) necessary for national security; or

''(D) issued pursuant to any statute implementing an international trade agreement.

''(3) An exercise by the President of the authority under this subsection shall have no effect on the procedures under section 802.

''(d)(1) In addition to the opportunity for review otherwise provided under this chapter, sections 802 and 803 shall apply, in the succeeding session of Congress, to any rule for which a report was submitted in accordance with subsection (a)(1)(A) during the period beginning on the date occurring—

''(A) in the case of the Senate, 60 session days before the date the Congress is scheduled to adjourn a session of Congress through the date on which the same or succeeding Congress first convenes its next session; or

''(B) in the case of the House of Representatives, 60 legislative days before the date the Congress is scheduled to adjourn a session of Congress through the date on which the same or succeeding Congress first convenes its next session.

''(2)(A) In applying sections 802 and 803 for purposes of such additional review, a rule described under paragraph (1) shall be treated as though—

''(i) such rule were published in the Federal Register on—

''(I) in the case of the Senate, the 15th session day after the succeeding session of Congress first convenes; or

''(II) in the case of the House of Representatives, the 15th legislative day after the succeeding session of Congress first convenes; and

''(ii) a report on such rule were submitted to Congress under subsection (a)(1) on such date.

''(B) Nothing in this paragraph shall be construed to affect the requirement under subsection (a)(1) that a report shall be submitted to Congress before a rule can take effect.

''(3) A rule described under paragraph (1) shall take effect as otherwise provided by law (including other subsections of this section).

**''§ 802. Congressional approval procedure for major rules**

''(a)(1) For purposes of this section, the term 'joint resolution' means only a joint resolution addressing a report classifying a rule as major pursuant to section 801(a)(1)(A)(iii) that—

''(A) bears no preamble;

''(B) bears the following title: 'Approving the rule submitted by _____ relating to _____.' (The blank spaces being appropriately filled in);

''(C) includes after its resolving clause only the following: 'That Congress approves the rule submitted by _____ relating to _____.' (The blank spaces being appropriately filled in); and

''(D) is introduced pursuant to paragraph (2).

''(2) After a House of Congress receives a report classifying a rule as major pursuant to section 801(a)(1)(A)(iii), the majority leader of that House (or the designee of the majority leader) shall introduce (by request, if appropriate) a joint resolution described in paragraph (1)—

''(A) in the case of the House of Representatives, within 3 legislative days; and

''(B) in the case of the Senate, within 3 session days.

''(3) A joint resolution described in paragraph (1) shall not be subject to amendment at any stage of proceeding.

''(b) A joint resolution described in subsection (a) shall be referred in each House of Congress to the committees having jurisdiction over the provision of law under which the rule is issued.

''(c) In the Senate, if the committee or committees to which a joint resolution described in subsection (a) has been referred have not reported it at the end of 15 session days after its introduction, such committee or committees shall be automatically discharged from further consideration of the resolution and it shall be placed on the calendar. A vote on final passage of the resolution shall be taken on or before the close of the 15th session day after the resolution is reported by the committee or committees to which it was referred, or after such committee or committees have been discharged from further consideration of the resolution.

''(d)(1) In the Senate, when the committee or committees to which a joint resolution is referred have reported, or when a committee or committees are discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

''(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

''(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

''(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

''(e) In the House of Representatives, if the committee or committees to which a joint resolution described in subsection (a) has been referred has not reported it to the House at the end of 15 legislative days after its introduction, such committee or committees shall be discharged from further consideration of the joint resolution, and it shall be placed on the appropriate calendar. On the second and fourth Thursdays of each month it shall be in order at any time for the Speaker to recognize a Member who favors passage of a joint resolution that has appeared on the calendar for not fewer than 5 legislative days to call up the joint resolution for immediate consideration in the House without intervention of any point of order. When so called up, a joint resolution shall be considered as read and shall be debatable for 1 hour equally divided and controlled by the proponent and an opponent, and the previous question shall be considered as ordered to its passage without intervening motion. It shall not be in order to reconsider the vote on passage. If a vote on final passage of the joint resolution has not been taken by the third Thursday on which the Speaker may recognize a Member under this subsection, such vote shall be taken on that day.

''(f)(1) For purposes of this subsection, the term 'identical joint resolution' means a joint resolution of the first House that proposes to approve the same major rule as a joint resolution of the second House.

''(2) If the second House receives from the first House a joint resolution, the Chair shall determine whether the joint resolution is an identical joint resolution.

''(3) If the second House receives an identical joint resolution—

''(A) the identical joint resolution shall not be referred to a committee; and

''(B) the procedure in the second House shall be the same as if no joint resolution had been received from the first house, except that the vote on final passage shall be on the identical joint resolution.

''(4) This subsection shall not apply to the House of Representatives if the joint resolution received from the Senate is a revenue measure.

''(g) If either House has not taken a vote on final passage of the joint resolution by the last day of the period described in section 801(b)(2), then such vote shall be taken on that day.

''(h) This section and section 803 are enacted by Congress—

''(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such is deemed to be part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution described in subsection (a) and superseding other rules only where explicitly so; and

''(2) with full recognition of the constitutional right of either House to change the rules (so far as they relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

**''§ 803. Congressional disapproval procedure for nonmajor rules**

''(a) For purposes of this section, the term 'joint resolution' means only a joint resolution introduced in the period beginning on the date on which the report referred to in section 801(a)(1)(A) is received by Congress and ending 60 days thereafter (excluding days either House of Congress is adjourned for more than 3 days during a session of Congress), the matter after the resolving clause of which is as follows: 'That Congress disapproves the nonmajor rule submitted by the _____ relating to _____, and such rule shall have no force or effect.' (The blank spaces being appropriately filled in).

''(b)(1) A joint resolution described in subsection (a) shall be referred to the committees in each House of Congress with jurisdiction.

''(2) For purposes of this section, the term 'submission or publication date' means the later of the date on which—

''(A) the Congress receives the report submitted under section 801(a)(1); or

''(B) the nonmajor rule is published in the Federal Register, if so published.

''(c) In the Senate, if the committee to which is referred a joint resolution described in subsection (a) has not reported such joint resolution (or an identical joint resolution) at the end of 15 session days after the date of introduction of the joint resolution, such committee may be discharged from further consideration of such joint resolution upon a petition supported in writing by 30 Members of the Senate, and such joint resolution shall be placed on the calendar.

''(d)(1) In the Senate, when the committee to which a joint resolution is referred has reported, or when a committee is discharged (under subsection (c)) from further consideration of a joint resolution described in subsection (a), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for a motion to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the Senate until disposed of.

''(2) In the Senate, debate on the joint resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order.

''(3) In the Senate, immediately following the conclusion of the debate on a joint resolution described in subsection (a), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate, the vote on final passage of the joint resolution shall occur.

''(4) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a joint resolution described in subsection (a) shall be decided without debate.

''(e) In the Senate the procedure specified in subsection (c) or (d) shall not apply to the consideration of a joint resolution respecting a nonmajor rule—

''(1) after the expiration of the 60 session days beginning with the applicable submission or publication date, or

''(2) if the report under section 801(a)(1)(A) was submitted during the period referred to in section 801(d)(1), after the expiration of the 60 session days beginning on the 15th session day after the succeeding session of Congress first convenes.

''(f) If, before the passage by one House of a joint resolution of that House described in subsection (a), that House receives from the other House a joint resolution described in subsection (a), then the following procedures shall apply:

''(1) The joint resolution of the other House shall not be referred to a committee.

''(2) With respect to a joint resolution described in subsection (a) of the House receiving the joint resolution—

''(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

''(B) the vote on final passage shall be on the joint resolution of the other House.

**''§ 804. Definitions**

''For purposes of this chapter—

''(1) the term 'Federal agency' means any agency as that term is defined in section 551(1);

''(2) the term 'major rule' means any rule, including an interim final rule, that the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget finds has resulted in or is likely to result in—

''(A) an annual effect on the economy of $100,000,000 or more;

''(B) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

''(C) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets;

''(3) the term 'nonmajor rule' means any rule that is not a major rule; and

''(4) the term 'rule' has the meaning given such term in section 551, except that such term does not include—

''(A) any rule of particular applicability, including a rule that approves or prescribes for the future rates, wages, prices, services, or allowances therefore, corporate or financial structures, reorganizations, mergers, or acquisitions thereof, or accounting practices or disclosures bearing on any of the foregoing;

''(B) any rule relating to agency management or personnel; or

''(C) any rule of agency organization, procedure, or practice that does not substantially affect the rights or obligations of nonagency parties.

**''§ 805. Judicial review**

''(a) No determination, finding, action, or omission under this chapter shall be subject to judicial review.

''(b) Notwithstanding subsection (a), a court may determine whether a Federal agency has completed the necessary requirements under this chapter for a rule to take effect.

''(c) The enactment of a joint resolution of approval under section 802 shall not—

''(1) be interpreted to serve as a grant or modification of statutory authority by Congress for the promulgation of a rule;

''(2) extinguish or affect any claim, whether substantive or procedural, against any alleged defect in a rule; and

''(3) form part of the record before the court in any judicial proceeding concerning a rule except for purposes of determining whether or not the rule is in effect.

**''§ 806. Exemption for monetary policy**

''Nothing in this chapter shall apply to rules that concern monetary policy proposed or implemented by the Board of Governors of the Federal Reserve System or the Federal Open Market Committee.

**''§ 807. Effective date of certain rules**

''Notwithstanding section 801—

''(1) any rule that establishes, modifies, opens, closes, or conducts a regulatory program for a commercial, recreational, or subsistence activity related to hunting, fishing, or camping; or

''(2) any rule other than a major rule which an agency for good cause finds (and incorporates the finding and a brief statement of reasons therefore in the rule issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest,

shall take effect at such time as the Federal agency promulgating the rule determines.''.

**SEC. __04. BUDGETARY EFFECTS OF RULES SUBJECT TO SECTION 802 OF TITLE 5, UNITED STATES CODE.**

Section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 907(b)(2)) is amended by adding at the end the following:

''(E) Any rules subject to the congressional approval procedure set forth in section 802 of chapter 8 of title 5, United States Code, affecting budget authority, outlays, or receipts shall be assumed to be effective unless it is not approved in accordance with such section.''.

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**SA 3608.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. AUDIT REFORM AND TRANSPARENCY FOR THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.**

(a) IN GENERAL.—Notwithstanding section 714 of title 31, United States Code, or any other provision of law, an audit of the Board of Governors of the Federal Reserve System and the Federal reserve banks under subsection (b) of such section 714 shall be completed within 12 months of the date of enactment of this Act.

(b) REPORT.—

(1) IN GENERAL.—A report on the audit required under subsection (a) shall be submitted by the Comptroller General to the Congress before the end of the 90-day period beginning on the date on which such audit is completed and made available to the Speaker of the House, the majority and minority leaders of the House of Representatives, the majority and minority leaders of the Senate, the Chairman and Ranking Member of the committee and each subcommittee of jurisdiction in the House of Representatives and the Senate, and any other Member of Congress who requests it.

(2) CONTENTS.—The report under paragraph (1) shall include a detailed description of the findings and conclusion of the Comptroller General with respect to the audit that is the subject of the report, together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

(c) REPEAL OF CERTAIN LIMITATIONS.—Subsection (b) of section 714 of title 31, United States Code, is amended by striking all after ''in writing.''.

(d) TECHNICAL AND CONFORMING AMENDMENT.—Section 714 of title 31, United States Code, is amended by striking subsection (f).

**SEC. _____. AUDIT OF LOAN FILE REVIEWS REQUIRED BY ENFORCEMENT ACTIONS.**

(a) IN GENERAL.—The Comptroller General of the United States shall conduct an audit of the review of loan files of homeowners in foreclosure in 2009 or 2010, required as part of the enforcement actions taken by the Board of Governors of the Federal Reserve System against supervised financial institutions.

(b) CONTENT OF AUDIT.—The audit carried out pursuant to subsection (a) shall consider, at a minimum—

(1) the guidance given by the Board of Governors of the Federal Reserve System to independent consultants retained by the supervised financial institutions regarding the procedures to be followed in conducting the file reviews;

(2) the factors considered by independent consultants when evaluating loan files;

(3) the results obtained by the independent consultants pursuant to those reviews;

(4) the determinations made by the independent consultants regarding the nature and extent of financial injury sustained by each homeowner as well as the level and type of remediation offered to each homeowner; and

(5) the specific measures taken by the independent consultants to verify, confirm, or rebut the assertions and representations made by supervised financial institutions regarding the contents of loan files and the extent of financial injury to homeowners.

(c) REPORT.—Not later than the end of the 6-month period beginning on the date of the enactment of this Act, the Comptroller General shall issue a report to the Congress containing all findings and determinations made in carrying out the audit required under subsection (a).

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**SA 3609.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ___. NATIONAL RIGHT-TO-WORK.**

(a) AMENDMENTS TO THE NATIONAL LABOR RELATIONS ACT.—

(1) RIGHTS OF EMPLOYEES.—Section 7 of the National Labor Relations Act (29 U.S.C. 157) is amended by striking ''except to'' and all that follows through ''authorized in section 8(a)(3)''.

(2) UNFAIR LABOR PRACTICES.—Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended—

(A) in subsection (a)(3), by striking '': Provided, That'' and all that follows through ''retaining membership'';

(B) in subsection (b)—

(i) in paragraph (2), by striking ''or to discriminate'' and all that follows through ''retaining membership''; and

(ii) in paragraph (5), by striking ''covered by an agreement authorized under subsection (a)(3) of this section''; and

(C) in subsection (f), by striking clause (2) and redesignating clauses (3) and (4) as clauses (2) and (3), respectively.

(b) AMENDMENT TO THE RAILWAY LABOR ACT.—Section 2 of the Railway Labor Act (45 U.S.C. 152) is amended by striking paragraph Eleven.

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**SA 3610.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ___. PROTECTING SMALL BUSINESS JOBS.**

Section 558 of title 5, United States Code, is amended by adding at the end the following:

''(d) Before any enforcement action is taken on a sanction on a business for a violation of a rule or pursuant to an adjudication, and subject to subsection (e) and (f), an agency shall—

''(1) not later than 10 business days after the date on which the agency determines that the sanction may be imposed on the business, provide notice to the business that, if the business is a small business, the small business may be subject to a sanction at the end of the grace period described in paragraph (3);

''(2) delay any further action relating to the sanction until the end of the 15-calendar day period beginning on the date on which

the agency provides notice under paragraph (1);

''(3) for a small business—

''(A) delay any further action relating to the sanction until not earlier than the end of the 6-month period beginning on the date on which the agency provides notice under paragraph (1); and

''(B) upon application by the small business demonstrating reasonable efforts made in good faith to remedy the violation or other conduct giving rise to the sanction, extending the period under subparagraph (A) by 3 months;

''(4) after the end of the period described in paragraph (3), redetermine whether, as of the day after the end of the period, the small business would still be subject to the sanction; and

''(5) if the agency determines under paragraph (4) that the small business would not be subject to the sanction, waive the sanction.

''(e) If an agency provides notice described in subsection (d)(1) to a business on or after the date that is 11 business days after the date on which the agency determines that a sanction may be imposed on the business—

''(1) if the agency determines that the same sanction may have been imposed on the business 10 business days before the date of the notice, the agency shall take further action in accordance with subsection (d); and

''(2) if the agency determines that the same sanction could not have been imposed on the business 10 business days before the date of the notice, the agency shall waive the sanction and take no further action relating to imposition of the sanction.

''(f) The period during which further action is delayed under subsection (d)—

''(1) shall apply to a business only 1 time in relation to any single rule;

''(2) until the end of such period, as determined in accordance with subsection (d), shall apply to action by the agency relating to any subsequent violation of the same rule; and

''(3) shall not apply to a violation that puts any person in imminent danger, within the meaning given that term under section 13 of the Occupational Safety and Health Act (29 U.S.C. 662).

''(g) Nothing in subsection (d) shall be construed to prevent a small business from appealing any sanction imposed in accordance with the procedures of the agency, or from seeking review under chapter 7.

''(h) Any sanction imposed by an agency on a small business for any violation of a rule or pursuant to an adjudication, absent proof of written notice of the sanction and the date on which the agency determined that a sanction may be imposed, or in violation of subsection (d)(3), shall have no force or effect.

''(i) Each Federal agency shall submit to the Ombudsman an annual report on the implementation of subsection (d), including a discussion of the deferral of action relating to and waiver of sanctions on small businesses.

''(j) The Ombudsman shall include in the annual report to Congress required under section 30(b)(2)(C) of the Small Business Act (15 U.S.C. 657(b)(2)(C)) the agency reports described by subsection (i) and a summary of the findings.

''(k) For purposes of this section—

''(1) the term 'consumer price index' means the consumer price index for all urban consumers published by the Department of Labor;

''(2) the term 'CPI adjusted gross receipts' means the amount of gross receipts, divided by the consumer price index for calendar year 2012, and multiplied by the consumer price index for the preceding calendar year, rounded to the nearest multiple of $100,000 (or, if midway between multiples of $100,000, to the next higher multiple of $100,000);

''(3) the term 'Ombudsman' has the same meaning given such term in section 30(a) of the Small Business Act (15 U.S.C. 657(a)); and

''(4) term 'small business' means any sole proprietorship, partnership, corporation, limited liability company, or other business entity, that—

''(A) had less than $10,000,000 in gross receipts in the preceding calendar year;

''(B) is considered a small-business concern (as defined under section 3(a) of the Small Business Act (15 U.S.C. 632(a));

''(C) employed fewer than 200 individuals in the preceding calendar year; or

''(D) had CPI adjusted gross receipts of less than $10,000,000 in the preceding calendar year.''.

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**SA 3611.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

## DIVISION—ECONOMIC FREEDOM ZONES

### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the ''Economic Freedom Zones Act of 2014''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—PROHIBITION OF FEDERAL GOVERNMENT BAILOUTS

Sec. 101. Prohibition of Federal Government bailouts.

TITLE II—DESIGNATION OF ECONOMIC FREEDOM ZONES (EFZ)

Sec. 201. Eligibility requirements for Economic Freedom Zone Status.
Sec. 202. Application and duration of designation.

TITLE III—FEDERAL TAX INCENTIVES

Sec. 301. Tax incentives related to Economic Freedom Zones.

TITLE IV—FEDERAL REGULATORY REDUCTIONS

Sec. 401. Suspension of certain laws and regulations.

TITLE V—EDUCATIONAL ENHANCEMENTS

Sec. 501. Educational opportunity tax credit.
Sec. 502. School choice through portability.
Sec. 503. Special economic freedom zone visas.
Sec. 504. Economic Freedom Zone educational savings accounts.

TITLE VI—COMMUNITY ASSISTANCE AND REBUILDING

Sec. 601. Nonapplication of Davis-Bacon.
Sec. 602. Economic Freedom Zone charitable tax credit.

TITLE VII—STATE AND COMMUNITY POLICY RECOMMENDATIONS

Sec. 701. Sense of the Senate concerning policy recommendations.

### SEC. 2. DEFINITIONS.

In this division:

(1) CITY.—The term ''city'' means any unit of general local government that is classified as a municipality by the United States Census Bureau, or is a town or township as determined jointly by the Director of the Office of Management and Budget and the Secretary.

(2) COUNTY.—The term ''county'' means any unit of local general government that is classified as a county by the United States Census Bureau.

(3) ELIGIBLE ENTITY.—The term ''eligible entity'' means a municipality or a zip code.

(4) MUNICIPALITY.—The term ''municipality'' has the meaning given that term in section 101(40) of title 11, United States Code.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

(6) ZIP CODE.—The term ''zip code'' means any area or region associated with or covered by a United States Postal zip code of not less than 5 digits.

## TITLE I—PROHIBITION OF FEDERAL GOVERNMENT BAILOUTS

### SEC. 101. PROHIBITION OF FEDERAL GOVERNMENT BAILOUTS.

(a) DEFINITIONS.—In this section—

(1) the term ''credit rating'' has the meaning given that term in section 3(a)(60) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(60));

(2) the term ''credit rating agency'' has the meaning given that term in section 3(a)(61) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(61));

(3) the term ''Federal assistance'' means the use of any advances from the Federal Reserve credit facility or discount window that is not part of a program or facility with broad-based eligibility under section 13(3)(A) of the Federal Reserve Act (12 U.S.C. 343(3)(A)), Federal Deposit Insurance Corporation insurance, or guarantees for the purpose of—

(A) making a loan to, or purchasing any interest or debt obligation of, a municipality;

(B) purchasing the assets of a municipality;

(C) guaranteeing a loan or debt issuance of a municipality; or

(D) entering into an assistance arrangement, including a grant program, with an eligible entity;

(4) the term ''insolvent'' means, with respect to an eligible entity, a financial condition such that the eligible entity—

(A) has any debt that has been given a credit rating lower than a ''B'' by a nationally recognized statistical rating organization or a credit rating agency;

(B) is not paying its debts as they become due, unless such debts are the subject of a bona fide dispute; or

(C) is unable to pay its debts as they become due; and

(5) the term ''nationally recognized statistical rating organization'' has the meaning given that term in section 3(a)(62) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(62)).

(b) PROHIBITION OF FEDERAL GOVERNMENT BAILOUTS.—

(1) PROHIBITION OF FEDERAL ASSISTANCE.—Notwithstanding any other provision of law, no Federal assistance may be provided to an eligible entity (other than the assistance provided for in this division for an area that is designated as an Economic Free Zone).

(2) PROHIBITION OF FINANCIAL ASSISTANCE TO BANKRUPT OR INSOLVENT ELIGIBLE ENTITIES.—Except as provided in paragraph (1), the Federal Government may not provide financial assistance—

(A) to a municipality that is a debtor under chapter 9 of title 11, United States Code; or

(B) to a municipality that is insolvent.

## TITLE II—DESIGNATION OF ECONOMIC FREEDOM ZONES (EFZ)

### SEC. 201. ELIGIBILITY REQUIREMENTS FOR ECONOMIC FREEDOM ZONE STATUS.

(a) DESIGNATION OF MUNICIPALITIES AS ECONOMIC FREEDOM ZONES.—

(1) IN GENERAL.—An eligible entity that is a municipality may be designated by the

Secretary as an Economic Freedom Zone if the municipality—

(A) meets the requirements under section 109(c) of title 11, United States Code; or

(B) is at risk of insolvency, as determined under paragraph (2).

(2) AT RISK OF INSOLVENCY.—A municipality is at risk of insolvency if—

(A) an independent actuarial firm that has been engaged by the municipality and that does not have a conflict of interest with the municipality, including any previous relationship with the municipality, as determined by the Secretary—

(i) determines that the municipality is insolvent (as defined in section 101(a)(4) of title 11, United States Code); and

(ii) submits its analysis regarding the insolvency of the municipality to the Secretary; and

(B) the Secretary has reviewed and approved the determination of insolvency by the actuarial firm.

(b) DESIGNATION OF COUNTIES, CITIES, AND ZIP CODES AS ECONOMIC FREEDOM ZONES.—

(1) IN GENERAL.—An eligible entity may be designated by the Secretary as an Economic Freedom Zone if the eligible entity—

(A) is a county or city that—

(i) is located in a non-metropolitan statistical area (as defined by the Director of the Office of Management and Budget); and

(ii) meets the requirements under paragraph (2); or

(B) is a zip code that meets the requirements under paragraph (2).

(2) LOW ECONOMIC AND HIGH POVERTY AREA.—

(A) IN GENERAL.—An eligible entity shall be eligible for designation as an Economic Freedom Zone under paragraph (1) if the eligible entity is designated by the Secretary as a low economic or high poverty area under subparagraph (B).

(B) DESIGNATION AS LOW ECONOMIC AND HIGH POVERTY AREA.—The Secretary, after reviewing supporting data as determined appropriate, shall designate an eligible entity as a low economic or high poverty area if—

(i) the State or local government with jurisdiction over the eligible entity certifies that—

(I) the eligible entity is one of pervasive poverty, unemployment, and general distress;

(II) the average rate of unemployment within such eligible entity during the most recent 3-month period for which data is available is at least 1.5 times the national unemployment rate for the period involved;

(III) during the most recent 3-month period, at least 30 percent of the residents of the eligible entity have incomes below the national poverty level; or

(IV) at least 70 percent of the residents of the eligible have incomes below 80 percent of the median income of households within the jurisdiction of the local government (as determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974); and

(ii) the Secretary determines that such a designation is appropriate.

(c) REFUSAL TO GRANT STATUS.—The Secretary may refuse to designate an eligible entity as an Economic Freedom Zone if the Secretary determines that any requirement under this division, including any requirement under subsection (a)(2), has not been satisfied.

**SEC. 202. APPLICATION AND DURATION OF DESIGNATION.**

(a) APPLICATION.—The Secretary shall develop procedures to enable an eligible entity to submit to the Secretary an application for designation as an Economic Freedom Zone under this title.

(b) DURATION.—The designation by the Secretary of an eligible entity as a Economic Freedom Zone shall be for a period of 10 years.

## TITLE III—FEDERAL TAX INCENTIVES

**SEC. 301. TAX INCENTIVES RELATED TO ECONOMIC FREEDOM ZONES.**

(a) IN GENERAL.—Chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subchapter:

**"Subchapter Z—Economic Freedom Zones**

"PART I—TAX INCENTIVES

"PART II—DEFINITIONS

**"PART I—TAX INCENTIVES**

"Sec. 1400V–1. Economic Freedom Zone individual flat tax.

"Sec. 1400V–2. Economic Freedom Zone corporate flat tax.

"Sec. 1400V–3. Zero percent capital gains rate.

"Sec. 1400V–4. Reduced payroll taxes.

"Sec. 1400V–5. Increase in expensing under section 179.

**"SEC. 1400V–1. ECONOMIC FREEDOM ZONE INDIVIDUAL FLAT TAX.**

"(a) IN GENERAL.—In the case of any individual whose principal residence (within the meaning of section 121) is located in an Economic Freedom Zone for the taxable year, in lieu of the tax imposed by section 1, there shall be imposed a tax equal to 5 percent of the taxable income of such taxpayer. For purposes of this title, the tax imposed by the preceding sentence shall be treated as a tax imposed by section 1.

"(b) JOINT RETURNS.—In the case of a joint return under section 6013, subsection (a) shall apply so long as either spouse has a principal residence (within the meaning of section 121) in an Economic Freedom Zone for the taxable year.

"(c) ALTERNATIVE MINIMUM TAX NOT TO APPLY.—The tax imposed by section 55 shall not apply to any taxpayer to whom subsection (a) applies.

**"SEC. 1400V–2. ECONOMIC FREEDOM ZONE CORPORATE FLAT TAX.**

"(a) IN GENERAL.—In the case of any corporation located in an Economic Freedom Zone for the taxable year, in lieu of the tax imposed by section 11, there shall be imposed a tax equal to 5 percent of the taxable income of such corporation. For purposes of this title, the tax imposed by the preceding sentence shall be treated as a tax imposed by section 11.

"(b) LIMITATION.—Subsection (a) shall not apply to any corporation for any taxable year if the adjusted gross income of such corporation for such taxable year exceeds $500,000,000.

"(c) LOCATED.—For purposes of this section, a corporation shall be considered to be located in an Economic Freedom Zone if—

"(1) not less than 10 percent of the total gross income of such corporation is derived from the active conduct of a trade or business within an Economic Freedom Zone, or

"(2) at least 25 percent of the employees of such corporation are residents of an Economic Freedom Zone.

"(d) ALTERNATIVE MINIMUM TAX NOT TO APPLY.—The tax imposed by section 55 shall not apply to any taxpayer to whom subsection (a) applies.

**"SEC. 1400V–3. ZERO PERCENT CAPITAL GAINS RATE.**

"(a) EXCLUSION.—Gross income shall not include qualified capital gain from the sale or exchange of—

"(1) any Economic Freedom Zone asset held for more than 5 years,

"(2) any real property located in an Economic Freedom Zone.

"(b) ECONOMIC FREEDOM ZONE ASSET.—For purposes of this section—

"(1) IN GENERAL.—The term 'Economic Freedom Zone asset' means—

"(A) any Economic Freedom Zone business stock,

"(B) any Economic Freedom Zone partnership interest, and

"(C) any Economic Freedom Zone business property.

"(2) ECONOMIC FREEDOM ZONE BUSINESS STOCK.—

"(A) IN GENERAL.—The term 'Economic Freedom Zone business stock' means any stock in a domestic corporation if—

"(i) such stock is acquired by the taxpayer, before the date on which such corporation no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones, at its original issue (directly or through an underwriter) solely in exchange for cash,

"(ii) as of the time such stock was issued, such corporation was an Economic Freedom Zone business (or, in the case of a new corporation, such corporation was being organized for purposes of being an Economic Freedom Zone business), and

"(iii) during substantially all of the taxpayer's holding period for such stock, such corporation qualified as an Economic Freedom Zone business.

"(B) REDEMPTIONS.—A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this paragraph.

"(3) ECONOMIC FREEDOM ZONE PARTNERSHIP INTEREST.—The term 'Economic Freedom Zone partnership interest' means any capital or profits interest in a domestic partnership if—

"(A) such interest is acquired by the taxpayer, before the date on which such partnership no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones, from the partnership solely in exchange for cash,

"(B) as of the time such interest was acquired, such partnership was an Economic Freedom Zone business (or, in the case of a new partnership, such partnership was being organized for purposes of being an Economic Freedom Zone business), and

"(C) during substantially all of the taxpayer's holding period for such interest, such partnership qualified as an Economic Freedom Zone business.

A rule similar to the rule of paragraph (2)(B) shall apply for purposes of this paragraph.

"(4) ECONOMIC FREEDOM ZONE BUSINESS PROPERTY.—

"(A) IN GENERAL.—The term 'Economic Freedom Zone business property' means tangible property if—

"(i) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after the date on such taxpayer qualifies as an Economic Freedom Zone business and before the date on which such taxpayer no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones,

"(ii) the original use of such property in the Economic Freedom Zone commences with the taxpayer, and

"(iii) during substantially all of the taxpayer's holding period for such property, substantially all of the use of such property was in an Economic Freedom Zone business of the taxpayer.

"(B) SPECIAL RULE FOR BUILDINGS WHICH ARE SUBSTANTIALLY IMPROVED.—

"(i) IN GENERAL.—The requirements of clauses (i) and (ii) of subparagraph (A) shall be treated as met with respect to—

"(I) property which is substantially improved by the taxpayer before the date on which such taxpayer no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones, and

''(II) any land on which such property is located.

''(ii) SUBSTANTIAL IMPROVEMENT.—For purposes of clause (i), property shall be treated as substantially improved by the taxpayer only if, during any 24-month period beginning after the date on which the taxpayer qualifies as an Economic Freedom Zone business additions to basis with respect to such property in the hands of the taxpayer exceed the greater of—

''(I) an amount equal to the adjusted basis of such property at the beginning of such 24-month period in the hands of the taxpayer, or

''(II) $5,000.

''(5) TREATMENT OF ECONOMIC FREEDOM ZONE TERMINATION.—Except as otherwise provided in this subsection, the termination of the designation of the Economic Freedom Zone shall be disregarded for purposes of determining whether any property is an Economic Freedom Zone asset.

''(6) TREATMENT OF SUBSEQUENT PURCHASERS, ETC.—The term 'Economic Freedom Zone asset' includes any property which would be an Economic Freedom Zone asset but for paragraph (2)(A)(i), (3)(A), or (4)(A)(i) or (ii) in the hands of the taxpayer if such property was an Economic Freedom Zone asset in the hands of a prior holder.

''(7) 5-YEAR SAFE HARBOR.—If any property ceases to be an Economic Freedom Zone asset by reason of paragraph (2)(A)(iii), (3)(C), or (4)(A)(iii) after the 5-year period beginning on the date the taxpayer acquired such property, such property shall continue to be treated as meeting the requirements of such paragraph; except that the amount of gain to which subsection (a) applies on any sale or exchange of such property shall not exceed the amount which would be qualified capital gain had such property been sold on the date of such cessation.

''(c) ECONOMIC FREEDOM ZONE BUSINESS.—For purposes of this section, the term 'Economic Freedom Zone business' means any enterprise zone business (as defined in section 1397C), determined—

''(1) after the application of section 1400(e),

''(2) by substituting '80 percent' for '50 percent' in subsections (b)(2) and (c)(1) of section 1397C, and

''(3) by treating only areas that are Economic Freedom Zones as an empowerment zone or enterprise community.

''(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) QUALIFIED CAPITAL GAIN.—Except as otherwise provided in this subsection, the term 'qualified capital gain' means any gain recognized on the sale or exchange of—

''(A) a capital asset, or

''(B) property used in the trade or business (as defined in section 1231(b)).

''(2) CERTAIN GAIN NOT QUALIFIED.—The term 'qualified capital gain' shall not include any gain attributable to periods before the date on which the a business qualifies as an Economic Freedom Zone business or after the date that is 4 years after the date on which such business no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones.

''(3) CERTAIN GAIN NOT QUALIFIED.—The term 'qualified capital gain' shall not include any gain which would be treated as ordinary income under section 1245 or under section 1250 if section 1250 applied to all depreciation rather than the additional depreciation.

''(4) INTANGIBLES NOT INTEGRAL PART OF ECONOMIC FREEDOM ZONE BUSINESS.—In the case of gain described in subsection (a)(1), the term 'qualified capital gain' shall not include any gain which is attributable to an intangible asset which is not an integral part of an Economic Freedom Zone business.

''(5) RELATED PARTY TRANSACTIONS.—The term 'qualified capital gain' shall not include any gain attributable, directly or indirectly, in whole or in part, to a transaction with a related person. For purposes of this paragraph, persons are related to each other if such persons are described in section 267(b) or 707(b)(1).

''(e) SALES AND EXCHANGES OF INTERESTS IN PARTNERSHIPS AND S CORPORATIONS WHICH ARE ECONOMIC FREEDOM ZONE BUSINESSES.—In the case of the sale or exchange of an interest in a partnership, or of stock in an S corporation, which was an Economic Freedom Zone business during substantially all of the period the taxpayer held such interest or stock, the amount of qualified capital gain shall be determined without regard to—

''(1) any gain which is attributable to an intangible asset which is not an integral part of an Economic Freedom Zone business, and

''(2) any gain attributable to periods before the date on which the a business qualifies as an Economic Freedom Zone business or after the date that is 4 years after the date on which such business no longer qualifies as an Economic Freedom Zone business due to the lapse of 1 or more Economic Freedom Zones.

**''SEC. 1400V–4. REDUCED PAYROLL TAXES.**

''(a) IN GENERAL.—

''(1) EMPLOYEES.—The rate of tax under 3101(a) (including for purposes of determining the applicable percentage under sections 3201(a) and 3211(a)(1)) shall be 4.2 percent for any remuneration received during any period in which the individual's principal residence (within the meaning of section 121) is located in an Economic Freedom Zone.

''(2) EMPLOYERS.—

''(A) IN GENERAL.—The rate of tax under section 3111(a) (including for purposes of determining the applicable percentage under sections 3221(a)) shall be 4.2 percent with respect to remuneration paid for qualified services during any period in which the employer is located in an Economic Freedom Zone.

''(B) QUALIFIED SERVICES.—For purposes of this section, the term 'qualified services' means services performed—

''(i) in a trade or business of a qualified employer, or

''(ii) in the case of a qualified employer exempt from tax under section 501(a) of the Internal Revenue Code of 1986, in furtherance of the activities related to the purpose or function constituting the basis of the employer's exemption under section 501 of such Code.

''(C) LOCATION OF EMPLOYER.—For purposes of this paragraph, the location of an employer shall be determined in the same manner as under section 1400V—2(c).

''(3) SELF-EMPLOYED INDIVIDUALS.—The rate of tax under section 1401(a) shall be 8.40 percent any taxable year in which such individual was located (determined under section 1400V—2(c) as if such individual were a corporation) in an Economic Freedom Zone.

''(b) TRANSFERS OF FUNDS.—-

''(1) TRANSFERS TO FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND.—There are hereby appropriated to the Federal Old-Age and Survivors Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) amounts equal to the reduction in revenues to the Treasury by reason of the application of subsection (a). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had such amendments not been enacted.

''(2) TRANSFERS TO SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—There are hereby appropriated to the Social Security Equivalent Benefit Account established under section 15A(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n-1(a)) amounts equal to the reduction in revenues to the Treasury by reason of the application of paragraphs (1) and (2) of subsection (a). Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Account had such amendments not been enacted.

''(3) COORDINATION WITH OTHER FEDERAL LAWS.—For purposes of applying any provision of Federal law other than the provisions of the Internal Revenue Code of 1986, the rate of tax in effect under section 3101(a) shall be determined without regard to the reduction in such rate under this section.

**''SEC. 1400V–5. INCREASE IN EXPENSING UNDER SECTION 179.**

''(a) IN GENERAL.—In the case of an Economic Freedom Zone business, for purposes of section 179—

''(1) the limitation under section 179(b)(1) shall be increased by the lesser of—

''(A) 200 percent of the amount in effect under such section (determined without regard to this section), or

''(B) the cost of section 179 property which is Economic Freedom Zone business property placed in service during the taxable year, and

''(2) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is Economic Freedom Zone business property shall be 50 percent of the cost thereof.

''(b) ECONOMIC FREEDOM ZONE BUSINESS PROPERTY.—For purposes of this section, the term 'Economic Freedom Zone business property' has the meaning given such term under section 1400V—3(b)(4), except that for purposes of subparagraph (A)(ii) thereof, if property is sold and leased back by the taxpayer within 3 months after the date such property was originally placed in service, such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback

''(c) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified zone property which ceases to be used in an empowerment zone by an enterprise zone business.

**''PART II—DEFINITIONS**

''Sec. 1400V–6. Economic Freedom Zone.

**''SEC. 1400V–6. ECONOMIC FREEDOM ZONE.**

''For purposes of this subchapter, the term 'Economic Freedom Zone' means any area which is an Economic Freedom Zone under title II of the Economic Freedom Zone Act.''.

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 of such Code is amended by inserting after the item relating to subchapter Y the following new item:

''SUBCHAPTER Z—ECONOMIC FREEDOM ZONES''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

**TITLE IV—FEDERAL REGULATORY REDUCTIONS**

**SEC. 401. SUSPENSION OF CERTAIN LAWS AND REGULATIONS.**

(a) ENVIRONMENTAL PROTECTION AGENCY.—For each area designated as an Economic Freedom Zone under this Act, the Administrator of the Environmental Protection Agency shall not enforce, with respect to that Economic Freedom Zone, and the Economic Freedom Zone shall be exempt from compliance with—

(1) part D of the Clean Air Act (42 U.S.C. 7501 et seq.) (including any regulations promulgated under that part);

(2) section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342);

(3) sections 139, 168, 169, 326, and 327 of title 23, United States Code;

(4) section 304 of title 49, United States Code; and

(5) sections 1315 through 1320 of Public Law 112–141 (126 Stat. 549).

(b) DEPARTMENT OF THE INTERIOR.—

(1) WILD AND SCENIC RIVERS.—For each area designated as an Economic Freedom Zone under this Act, the Secretary of the Interior shall not enforce, with respect to that Economic Freedom Zone, and the Economic Freedom Zone shall be exempt from compliance with the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.).

(2) NATIONAL HERITAGE AREAS.—For the period beginning on the date of enactment of this Act and ending on the date on which an area is removed from designation as an Economic Freedom Zone, any National Heritage Area located within that Economic Freedom Zone shall not be considered to be a National Heritage Area and any applicable Federal law (including regulations) relating to that National Heritage Area shall not apply.

## TITLE V—EDUCATIONAL ENHANCEMENTS

### SEC. 501. EDUCATIONAL OPPORTUNITY TAX CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 25D the following new section:

### "SEC. 25E. CREDIT FOR QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.

''(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses of an eligible student.

''(b) LIMITATION.—The amount taken into account under subsection (a) with respect to any student for any taxable year shall not exceed $5,000.

''(c) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—The term 'qualified elementary and secondary education expenses' has the meaning given such term under section 530(b)(3).

''(2) ELIGIBLE STUDENT.—The term 'eligible student' means any student who—

''(A) is enrolled in, or attends, any public, private, or religious school (as defined in section 530(b)(3)(B)), and

''(B) whose principal residence (within the meaning of section 123) is located in an Economic Freedom Zone.

''(3) ECONOMIC FREEDOM ZONE.—The term 'Economic Freedom Zone' means any area which is an Economic Freedom Zone under title II of the Economic Freedom Zone Act.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25D the following new item:

''Sec. 25E. Credit for qualified elementary and secondary education expenses.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures made in taxable years beginning after the date of the enactment of this Act.

### SEC. 502. SCHOOL CHOICE THROUGH PORTABILITY.

(a) IN GENERAL.—Subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) is amended by adding at the end the following:

### "SEC. 1128. SCHOOL CHOICE THROUGH PORTABILITY.

''(a) AUTHORIZATION.—

''(1) IN GENERAL.—Notwithstanding sections 1124, 1124A, and 1125 and any other provision of law, and to the extent permitted under State law, a State educational agency may allocate grant funds under this subpart among the local educational agencies in the State based on the formula described in paragraph (2).

''(2) FORMULA.—A State educational agency may allocate grant funds under this subpart for a fiscal year among the local educational agencies in the State in proportion to the number of eligible children enrolled in public schools served by the local educational agency and enrolled in State-accredited private schools within the local educational agency's geographic jurisdiction, for the most recent fiscal year for which satisfactory data are available, compared to the number of such children in all such local educational agencies for that fiscal year.

''(b) ELIGIBLE CHILD.—

''(1) IN GENERAL.—In this section, the term 'eligible child' means a child—

''(A) from a family with an income below the poverty level, on the basis of the most recent satisfactory data published by the Department of Commerce; and

''(B) who resides in an Economic Freedom Zone as designated under title II of the Economic Freedom Zones Act of 2014.

''(2) CRITERIA OF POVERTY.—In determining the families with incomes below the poverty level for the purposes of paragraph (2), a State educational agency shall use the criteria of poverty used by the Census Bureau in compiling the most recent decennial census.

''(3) IDENTIFICATION OF ELIGIBLE CHILDREN.—On an annual basis, on a date to be determined by the State educational agency, each local educational agency that receives grant funding in accordance with subsection (a) shall inform the State educational agency of the number of eligible children enrolled in public schools served by the local educational agency and enrolled in State-accredited private schools within the local educational agency's geographic jurisdiction.

''(c) DISTRIBUTION TO SCHOOLS.—Each local educational agency that receives grant funding under subsection (a) shall distribute such funds to the public schools served by the local educational agency and State-accredited private schools with the local educational agency's geographic jurisdiction—

''(1) based on the number of eligible children enrolled in such schools; and

''(2) in the manner that would, in the absence of such Federal funds, supplement the funds made available from the non-Federal resources for the education of pupils participating in programs under this part, and not to supplant such funds.''.

(b) TABLE OF CONTENTS.—The table of contents in section 2 of the Elementary and Secondary Education Act of 1965 is amended by inserting after the item relating to section 1127 the following:

''Sec. 1128. School choice through portability.''.

### SEC. 503. SPECIAL ECONOMIC FREEDOM ZONE VISAS.

(a) DEFINITIONS.—In this section:

(1) ABANDONED; DILAPIDATED.—The terms ''abandoned'' and ''dilapidated'' shall be defined by the States in accordance with the provisions of this Act.

(2) FULL-TIME EMPLOYMENT.—The term ''full-time employment'' means employment in a position that requires at least 35 hours of service per week at any time, regardless of who fills the position.

(b) PURPOSE.—The purpose of this section is to facilitate increased investment and enhanced human capital in Economic Freedom Zones through the issuance of special regional visas.

(c) AUTHORIZATION.—The Secretary of Homeland Security, in collaboration with the Secretary of Labor, may issue Special Economic Freedom Zone Visas, in a number determined by the Governor of each State, in consultation with local officials in regions designated by the Secretary of Treasury as Economic Freedom Zones, to authorize qualified aliens to enter the United States for the purpose of—

(1) engaging in a new commercial enterprise (including a limited partnership)—

(A) in which such alien has invested, or is actively in the process of investing, capital in an amount not less than the amount specified in subsection (d); and

(B) which will benefit the region designated as an Economic Freedom Zone by creating full-time employment of not fewer than 5 United States citizens, aliens lawfully admitted for permanent residence, or other immigrants lawfully authorized to be employed in the United States (excluding the alien and the alien's immediate family);

(2) engaging in the purchase and renovation of dilapidated or abandoned properties or residences (as determined by State and local officials) in which such alien has invested, or is actively in the process of investing, in the ownership of such properties or residences; or

(3) residing and working in an Economic Freedom Zone.

(d) EFFECTIVE PERIOD.—A visa issued to an alien under this section shall expire on the later of—

(1) the date on which the relevant Economic Freedom Zone loses such designation; or

(2) the date that is 5 years after the date on which such visa was issued to such alien.

(e) CAPITAL AND EDUCATIONAL REQUIREMENTS.—

(1) NEW COMMERCIAL ENTERPRISES.—Except as otherwise provided under this section, the minimum amount of capital required to comply with subsection (c)(1)(A) shall be $50,000.

(2) RENOVATION OF DILAPIDATED OR ABANDONED PROPERTIES.—An alien is not in compliance with subsection (c)(2) unless the alien—

(A) purchases a dilapidated or abandoned property in an Economic Freedom Zone; and

(B) not later than 18 months after such purchase, invests not less than $25,000 to rebuild, rehabilitate, or repurpose the property.

(3) VERIFICATION.—A visa issued under subsection (c) shall not remain in effect for more than 2 years unless the Secretary of Homeland Security has verified that the alien has complied with the requirements described in subsection (c).

(4) EDUCATION AND SKILL REQUIREMENTS.—An alien is not in compliance with subsection (c)(3) unless the alien possesses—

(A) a bachelor's degree (or its equivalent) or an advanced degree;

(B) a degree or specialty certification that—

(i) is required for the job the alien will be performing; and

(ii) is specific to an industry or job that is so complex or unique that it can be performed only by an individual with the specialty certification;

(C)(i) the knowledge required to perform the duties of the job the alien will be performing; and

(ii) the nature of the specific duties is so specialized and complex that such knowledge is usually associated with attainment of a bachelor's or higher degree; or

(D) a skill or talent that would benefit the Economic Freedom Zone.

(f) ADDITIONAL PROVISIONS.—

(1) GEOGRAPHIC LIMITATION.—An alien who has been issued a visa under this section is not permitted to live or work outside of an Economic Freedom Zone.

(2) RESCISSION.—A visa issued under this section shall be rescinded if the visa holder resides or works outside of an Economic Freedom Zone or otherwise fails to comply with the provisions of this section.

(3) OTHER VISAS.—An alien who has been issued a visa under this section may apply for any other visa for which the alien is eligible in order to pursue employment outside of an Economic Freedom Zone.

(g) ADJUSTMENT OF STATUS.—The Secretary of Homeland Security may adjust the status of an alien who has been issued a visa under this section to that of an alien lawfully admitted for permanent residence, without numerical limitation, if the alien—

(1) has fully complied with the requirements set forth in this section for at least 5 years;

(2) submits a completed application to the Secretary; and

(3) is not inadmissible to the United States based on any of the factors set forth in section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)).

**SEC. 504. ECONOMIC FREEDOM ZONE EDUCATIONAL SAVINGS ACCOUNTS.**

(a) IN GENERAL.—Part VIII of subchapter F of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**"SEC. 530A. ECONOMIC FREEDOM ZONE EDUCATIONAL SAVINGS ACCOUNTS.**

''(a) IN GENERAL.—Except as provided in this section, an Economic Freedom Zone educational savings account shall be treated for purposes of this title in the same manner as a Coverdell education savings account.

''(b) DEFINITIONS.—For purposes of this section—

''(1) ECONOMIC FREEDOM ZONE EDUCATIONAL SAVINGS ACCOUNT.—The term 'Economic Freedom Zone educational savings account' means a trust created or organized in the United States exclusively for the purpose of paying the qualified education expenses (as defined in section 530(b)(2)) of an individual who is the designated beneficiary of the trust (and designated as an Economic Freedom Zone educational saving account at the time created or organized) and who is a qualified individual at the time such trust is established, but only if the written governing instrument creating the trust meets the following requirements:

''(A) No contribution will be accepted—

''(i) unless it is in cash,

''(ii) after the date on which such beneficiary attains age 25, or

''(iii) except in the case of rollover contributions, if such contribution would result in aggregate contributions for the taxable year exceeding $10,000.

''(B) No contribution shall be accepted at any time in which the designated beneficiary is not a qualified individual.

''(C) The trust meets the requirements of subparagraphs (B), (C), (D), and (E) of section 530(b)(1).

The age limitations in subparagraphs (A)(ii), subparagraph (E) of section 530(b)(1), and paragraphs (5) and (6) of section 530(d), shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).

''(2) QUALIFIED INDIVIDUAL.—The term 'qualified individual' means any individual whose principal residence (within the meaning of section 121) is located in an Economic Freedom Zone (as defined in section 1400V—6).

''(c) DEDUCTION FOR CONTRIBUTIONS.—

''(1) IN GENERAL.—There shall be allowed as a deduction under part VII of subchapter B of this chapter an amount equal to the aggregate amount of contributions made by the taxpayer to any Economic Freedom Zone educational savings account during the taxable year .

''(2) LIMITATION.—The amount of the deduction allowed under paragraph (1) for any taxpayer for any taxable year shall not exceed $40,000.

''(3) NO DEDUCTION FOR ROLLOVER CONTRIBUTIONS.—No deduction shall be allowed under paragraph (1) for any rollover contribution described in section 530(d)(5).

''(d) OTHER RULES.—

''(1) NO INCOME LIMIT.—In the case of an Economic Freedom Zone educational savings account, subsection (c) of section 530 shall not apply.

''(2) CHANGE IN BENEFICIARIES.—Notwithstanding paragraph (6) of section 530(b), a change in the beneficiary of an Economic Freedom Zone education savings account shall be treated as a distribution unless the new beneficiary is a qualified individual.''.

(b) CLERICAL AMENDMENT.—The table of sections for part VIII of subchapter F of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 530A. Economic Freedom Zone educational savings accounts.''.

## TITLE VI—COMMUNITY ASSISTANCE AND REBUILDING

**SEC. 601. NONAPPLICATION OF DAVIS-BACON.**

The wage rate requirements of subchapter IV of chapter 31 of title 40, United States Code (commonly referred to as the ''Davis-Bacon Act''), shall not apply with respect to any area designated as an Economic Freedom Zone under this Act.

**SEC. 602. ECONOMIC FREEDOM ZONE CHARITABLE TAX CREDIT.**

(a) IN GENERAL.—Section 170 of the Internal Revenue Code of 1986 is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(o) ELECTION TO TREAT CONTRIBUTIONS FOR ECONOMIC FREEDOM ZONE CHARITIES AS A CREDIT.—

''(1) IN GENERAL.—In the case of an individual, at the election of the taxpayer, so much of the deduction allowed under subsection (a) (determined without regard to this subsection) which is attributable to Economic Freedom Zone charitable contributions—

''(A) shall be allowed as a credit against the tax imposed by this chapter for the taxable year, and

''(B) shall not be allowed as a deduction for such taxable year under subsection (a).

Any amount allowable as a credit under this subsection shall be treated as a credit allowed under subpart A of part IV of subchapter A for purposes of this title.

''(2) AMOUNT ATTRIBUTABLE TO ECONOMIC FREEDOM ZONE CHARITABLE CONTRIBUTIONS.—For purposes of paragraph (1)—

''(A) IN GENERAL.—In any case in which the total charitable contributions of a taxpayer for a taxable year exceed the contribution base, the amount of Economic Freedom Zone charitable contributions taken into account under paragraph (1) shall be the amount which bears the same ratio to the total charitable contributions made by the taxpayer during such taxable year as the amount of the deduction allowed under subsection (a) (determined without regard to this subsection and after application of subsection (b)) bears to the total charitable contributions made by the taxpayer for such taxable year.

''(B) CARRYOVERS.—In the case of any contribution carried from a preceding taxable year under subsection (d), such amount shall be treated as attributable to an Economic Freedom Zone charitable contribution in the amount that bears the same ratio to the total amount carried from preceding taxable years under subsection (d) as the amount of Economic Freedom Zone charitable contributions not allowed as a deduction under subsection (a) (other than by reason of this subsection) for the preceding 5 taxable year bears to total amount carried from preceding taxable years under subsection (d).

''(3) ECONOMIC FREEDOM ZONE CHARITABLE CONTRIBUTION.—The term 'Economic Freedom Zone charitable contribution' means any contribution to a corporation, trust, or community chest fund, or foundation described in subsection (c)(2), but only if—

''(A) such entity is created or organized exclusively for—

''(i) religious purposes,

''(ii) educational purposes, or

''(iii) any of the following charitable purposes: providing educational scholarships, providing shelters for homeless individuals, or setting up or maintaining food banks,

''(B) the primary mission of such entity is serving individuals in an Economic Freedom Zone,

''(C) the entity maintains accountability to residents of such Economic Freedom Zone through their representation on any governing board of the entity or any advisory board to the entity, and

''(D) the entity is certified by the Secretary for purposes of this subsection.

Such term shall not include any contribution made to an entity described in the preceding sentence after the date in which the designation of the Economic Freedom Zone serviced by such entity lapses.

''(4) ECONOMIC FREEDOM ZONE.—The term 'Economic Freedom Zone' means any area which is an Economic Freedom Zone under title II of the Economic Freedom Zone Act.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

## TITLE VII—STATE AND COMMUNITY POLICY RECOMMENDATIONS

**SEC. 701. SENSE OF THE SENATE CONCERNING POLICY RECOMMENDATIONS.**

It is the sense of the Senate that State and local governments should review and adopt the following policy recommendations:

(1) PENSION REFORM.—State and local governments should—

(A) implement reforms to address any fiscal shortfall in public pension funding, including utilizing accrual accounting methods, such as those reforms undertaken by the private sector pension funds; and

(B) restructure and renegotiate any public pension fund that is deemed to be insolvent or underfunded, including adopting defined contribution retirement systems.

(2) TAXES.—State and local governments should reduce jurisdictional tax rates below the national average in order to help facilitate capital investment and economic growth, particularly in combination with the provisions of this division.

(3) EDUCATION.—State and local governments should adopt school choice options to provide children and parents more educational choices, particularly in impoverished areas.

(4) COMMUNITIES.—State and local governments should adopt right-to-work laws to allow more competitiveness and more flexibility for businesses to expand.

(5) REGULATIONS.—State and local governments should streamline the regulatory burden on families and businesses, including

streamlining the opportunities for occupational licensing.

(6) ABANDONED STRUCTURES.—State and local governments should consider the following options to reduce or fix areas with abandoned properties or residences:

(A) In the case of foreclosures, tax notifications should be sent to both the lien holder (if different than the homeowner) and the homeowner.

(B) Where State constitutions permit, property tax abatement or credits should be provided for individuals who purchase or invest in abandoned or dilapidated properties.

(C) Non-profit or charity demolition entities should be permitted or encouraged to help remove abandoned properties.

(D) Government or municipality fees and penalties should be limited, and be proportional to the outstanding tax amount and the ability to pay.

(E) The sale of tax liens to third parties should be reviewed, and where available, should prohibit the selling of tax liens below a certain threshold (for example the prohibition of the sale of tax liens to third parties under $1,000).

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**SA 3612.** Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, add the following new title:

**TITLE II—CERTAIN PROVISIONS MADE PERMANENT**

**SEC. 201. PERMANENT EXTENSION AND MODIFICATION OF INCREASED EXPENSING LIMITATIONS AND TREATMENT OF CERTAIN REAL PROPERTY AS SECTION 179 PROPERTY.**

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 is amended by striking ''shall not exceed—'' and all that follows and inserting ''shall not exceed $500,000.''.

(2) REDUCTION IN LIMITATION.—Paragraph (2) of section 179(b) of such Code is amended by striking ''exceeds—'' and all that follows and inserting ''exceeds $2,000,000.''.

(b) COMPUTER SOFTWARE.—Clause (ii) of section 179(d)(1)(A) of the Internal Revenue Code of 1986 is amended by striking '', to which section 167 applies, and which is placed in service in a taxable year beginning after 2002 and before 2014'' and inserting ''and to which section 167 applies''.

(c) ELECTION.—Paragraph (2) of section 179(c) of such Code is amended—

(1) by striking ''may not be revoked'' and all that follows through ''and before 2014'', and

(2) by striking ''IRREVOCABLE'' in the heading thereof.

(d) AIR CONDITIONING AND HEATING UNITS.—The last sentence of section 179(d)(1) of such Code is amended by striking ''and shall not include air conditioning or heating units''.

(e) QUALIFIED REAL PROPERTY.—Subsection (f) of section 179 of such Code is amended—

(1) by striking ''beginning in 2010, 2011, 2012, or 2013'' in paragraph (1), and

(2) by striking paragraphs (3) and (4).

(f) ADJUSTMENT FOR INFLATION.—Subsection (b) of section 179 of such Code is amended by adding at the end the following new paragraph:

''(6) INFLATION ADJUSTMENT.—

''(A) IN GENERAL.—In the case of any taxable year beginning after 2013, the dollar amounts in paragraphs (1) and (2) shall each be increased by an amount equal to—

''(i) such dollar amount, multiplied by

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2012' for 'calendar year 1992' in subparagraph (B) thereof.

''(B) ROUNDING.—

''(i) DOLLAR LIMITATION.—If the amount in paragraph (1) as increased under subparagraph (A) of this paragraph is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(ii) PHASEOUT AMOUNT.—If the amount in paragraph (2) as increased under subparagraph (A) of this paragraph is not a multiple of $10,000, such amount shall be rounded to the nearest multiple of $10,000.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

**SEC. 202. BONUS DEPRECIATION MODIFIED AND MADE PERMANENT.**

(a) MADE PERMANENT; INCLUSION OF QUALIFIED RETAIL IMPROVEMENT PROPERTY.—Section 168(k)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

''(2) QUALIFIED PROPERTY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified property' means property—

''(i)(I) to which this section applies which has a recovery period of 20 years or less,

''(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

''(III) which is water utility property,

''(IV) which is qualified leasehold improvement property, or

''(V) which is qualified retail improvement property, and

''(ii) the original use of which commences with the taxpayer.

''(B) EXCEPTION FOR ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

''(i) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

''(ii) after application of section 280F(b) (relating to listed property with limited business use).

''(C) SPECIAL RULES.—

''(i) SALE-LEASEBACKS.—For purposes of clause (ii) and subparagraph (A)(ii), if property is—

''(I) originally placed in service by a person, and

''(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

''(ii) SYNDICATION.—For purposes of subparagraph (A)(ii), if—

''(I) property is originally placed in service by the lessor of such property,

''(II) such property is sold by such lessor or any subsequent purchaser within 3 months after the date such property was originally placed in service (or, in the case of multiple units of property subject to the same lease, within 3 months after the date the final unit is placed in service, so long as the period between the time the first unit is placed in service and the time the last unit is placed in service does not exceed 12 months), and

''(III) the user of such property after the last sale during such 3-month period remains the same as when such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date of such last sale.

''(D) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

''(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $8,000.

''(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

''(iii) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2014, the $8,000 amount in clause (i) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the automobile price inflation adjustment determined under section 280F(d)(7)(B)(i) for the calendar year in which such taxable year begins by substituting '2013' for '1987' in subclause (II) thereof.

If any increase under the preceding sentence is not a multiple of $100, such increase shall be rounded to the nearest multiple of $100.

''(E) DEDUCTION ALLOWED IN COMPUTING MINIMUM TAX.—For purposes of determining alternative minimum taxable income under section 55, the deduction under section 167 for qualified property shall be determined without regard to any adjustment under section 56.''.

(b) EXPANSION OF ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—Section 168(k)(4) of such Code is amended to read as follows:

''(4) ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

''(A) IN GENERAL.—If a corporation elects to have this paragraph apply for any taxable year—

''(i) paragraphs (1)(A), (2)(D)(i), and (5)(A)(i) shall not apply for such taxable year,

''(ii) the applicable depreciation method used under this section with respect to any qualified property shall be the straight line method, and

''(iii) the limitation imposed by section 53(c) for such taxable year shall be increased by the bonus depreciation amount which is determined for such taxable year under subparagraph (B).

''(B) BONUS DEPRECIATION AMOUNT.—For purposes of this paragraph—

''(i) IN GENERAL.—The bonus depreciation amount for any taxable year is an amount equal to 20 percent of the excess (if any) of—

''(I) the aggregate amount of depreciation which would be allowed under this section for qualified property placed in service by the taxpayer during such taxable year if paragraph (1) applied to all such property, over

''(II) the aggregate amount of depreciation which would be allowed under this section for qualified property placed in service by the taxpayer during such taxable year if paragraph (1) did not apply to any such property.

The aggregate amounts determined under subclauses (I) and (II) shall be determined without regard to any election made under subsection (b)(2)(D), (b)(3)(D), or (g)(7) and without regard to subparagraph (A)(ii).

''(ii) LIMITATION.—The bonus depreciation amount for any taxable year shall not exceed the lesser of—

''(I) 50 percent of the minimum tax credit under section 53(b) for the first taxable year ending after December 31, 2013, or

''(II) the minimum tax credit under section 53(b) for such taxable year determined by taking into account only the adjusted net minimum tax for taxable years ending before January 1, 2014 (determined by treating credits as allowed on a first-in, first-out basis).

''(iii) AGGREGATION RULE.—All corporations which are treated as a single employer under section 52(a) shall be treated—

''(I) as 1 taxpayer for purposes of this paragraph, and

''(II) as having elected the application of this paragraph if any such corporation so elects.

''(C) CREDIT REFUNDABLE.—For purposes of section 6401(b), the aggregate increase in the credits allowable under part IV of subchapter A for any taxable year resulting from the application of this paragraph shall be treated as allowed under subpart C of such part (and not any other subpart).

''(D) OTHER RULES.—

''(i) ELECTION.—Any election under this paragraph may be revoked only with the consent of the Secretary.

''(ii) PARTNERSHIPS WITH ELECTING PARTNERS.—In the case of a corporation which is a partner in a partnership and which makes an election under subparagraph (A) for the taxable year, for purposes of determining such corporation's distributive share of partnership items under section 702 for such taxable year—

''(I) paragraphs (1)(A), (2)(D)(i), and (5)(A)(i) shall not apply, and

''(II) the applicable depreciation method used under this section with respect to any qualified property shall be the straight line method.

''(iii) CERTAIN PARTNERSHIPS.—In the case of a partnership in which more than 50 percent of the capital and profits interests are owned (directly or indirectly) at all times during the taxable year by 1 corporation (or by corporations treated as 1 taxpayer under subparagraph (B)(iii)), each partner shall compute its bonus depreciation amount under clause (i) of subparagraph (B) by taking into account its distributive share of the amounts determined by the partnership under subclauses (I) and (II) of such clause for the taxable year of the partnership ending with or within the taxable year of the partner.''.

(c) SPECIAL RULES FOR TREES AND VINES BEARING FRUITS AND NUTS.—Section 168(k) of such Code is amended—

(1) by striking paragraph (5), and

(2) by inserting after paragraph (4) the following new paragraph:

''(5) SPECIAL RULES FOR TREES AND VINES BEARING FRUITS AND NUTS.—

''(A) IN GENERAL.—In the case of any tree or vine bearing fruits or nuts which is planted, or is grafted to a plant that has already been planted, by the taxpayer in the ordinary course of the taxpayer's farming business (as defined in section 263A(e)(4))—

''(i) a depreciation deduction equal to 50 percent of the adjusted basis of such tree or vine shall be allowed under section 167(a) for the taxable year in which such tree or vine is so planted or grafted, and

''(ii) the adjusted basis of such tree or vine shall be reduced by the amount of such deduction.

''(B) ELECTION OUT.—If a taxpayer makes an election under this subparagraph for any taxable year, this paragraph shall not apply to any tree or vine planted or grafted during such taxable year. An election under this subparagraph may be revoked only with the consent of the Secretary.

''(C) ADDITIONAL DEPRECIATION MAY BE CLAIMED ONLY ONCE.—If this paragraph applies to any tree or vine, such tree or vine shall not be treated as qualified property in the taxable year in which placed in service.

''(D) COORDINATION WITH ELECTION TO ACCELERATE AMT CREDITS.—If a corporation makes an election under paragraph (4) for any taxable year, the amount under paragraph (4)(B)(i)(I) for such taxable year shall be increased by the amount determined under subparagraph (A)(i) for such taxable year.

''(E) DEDUCTION ALLOWED IN COMPUTING MINIMUM TAX.—Rules similar to the rules of paragraph (2)(E) shall apply for purposes of this paragraph.''.

(d) CONFORMING AMENDMENTS.—

(1) Section 168(e)(8) of such Code is amended by striking subparagraph (D).

(2) Section 168(k) of such Code is amended by adding at the end the following new paragraph:

''(6) ELECTION OUT.—If a taxpayer makes an election under this paragraph with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service (or, in the case of paragraph (5), planted or grafted) during such taxable year. An election under this paragraph may be revoked only with the consent of the Secretary.''.

(3) Section 168(l)(5) of such Code is amended by striking ''section 168(k)(2)(G)'' and inserting ''section 168(k)(2)(E)''.

(4) Section 263A(c) of such Code is amended by adding at the end the following new paragraph:

''(7) COORDINATION WITH SECTION 168(k)(5).—This section shall not apply to any amount allowable as a deduction by reason of section 168(k)(5) (relating to special rules for trees and vines bearing fruits and nuts).''.

(5) Section 460(c)(6)(B) of such Code is amended by striking ''which—'' and all that follows and inserting ''which has a recovery period of 7 years or less.''.

(6) Section 168(k) of such Code is amended by striking ''ACQUIRED AFTER DECEMBER 31, 2007, AND BEFORE JANUARY 1, 2014'' in the heading thereof.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to property placed in service after December 31, 2013.

(2) EXPANSION OF ELECTION TO ACCELERATE AMT CREDITS IN LIEU OF BONUS DEPRECIATION.—

(A) IN GENERAL.—The amendment made by subsection (b) (other than so much of such amendment as relates to section 168(k)(4)(D)(iii) of such Code, as added by such amendment) shall apply to taxable years ending after December 31, 2013.

(B) TRANSITIONAL RULE.—In the case of a taxable year beginning before January 1, 2014, and ending after December 31, 2013, the bonus depreciation amount determined under section 168(k)(4) of such Code for such year shall be the sum of—

(i) such amount determined without regard to the amendments made by this section and—

(I) by taking into account only property placed in service before January 1, 2014, and

(II) by multiplying the limitation under section 168(k)(4)(C)(ii) of such Code (determined without regard to the amendments made by this section) by a fraction the numerator of which is the number of days in the taxable year before January 1, 2014, and the denominator of which is the number of days in the taxable year, and

(ii) such amount determined after taking into account the amendments made by this section and—

(I) by taking into account only property placed in service after December 31, 2013, and

(II) by multiplying the limitation under section 168(k)(4)(B)(ii) of such Code (as amended by this section) by a fraction the numerator of which is the number of days in the taxable year after December 31, 2013, and the denominator of which is the number of days in the taxable year.

(3) SPECIAL RULES FOR CERTAIN TREES AND VINES.—The amendment made by subsection (c)(2) shall apply to trees and vines planted or grafted after December 31, 2013.

**SEC. 203. PERMANENT EXTENSION AND MODIFICATION OF RESEARCH CREDIT.**

(a) SIMPLIFIED CREDIT FOR QUALIFIED RESEARCH EXPENSES.—Subsection (a) of section 41 of the Internal Revenue Code of 1986 is amended to read as follows:

''(a) GENERAL RULE.—For purposes of section 38, the research credit determined under this section for the taxable year shall be an amount equal to 20 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.''.

(b) SPECIAL RULES AND TERMINATION OF BASE AMOUNT CALCULATION.—

(1) IN GENERAL.—Subsection (c) of section 41 of such Code is amended to read as follows:

''(c) SPECIAL RULE IN CASE OF NO QUALIFIED RESEARCH EXPENSES IN ANY OF 3 PRECEDING TAXABLE YEARS.—

''(1) TAXPAYERS TO WHICH SUBSECTION APPLIES.—The credit under this section shall be determined under this subsection, and not under subsection (a), if, in any one of the 3 taxable years preceding the taxable year for which the credit is being determined, the taxpayer has no qualified research expenses.

''(2) CREDIT RATE.—The credit determined under this subsection shall be equal to 10 percent of the qualified research expenses for the taxable year.''.

(2) CONSISTENT TREATMENT OF EXPENSES.—Subsection (b) of section 41 of such Code is amended by adding at the end the following new paragraph:

''(5) CONSISTENT TREATMENT OF EXPENSES REQUIRED.—

''(A) IN GENERAL.—Notwithstanding whether the period for filing a claim for credit or refund has expired for any taxable year in the 3-taxable-year period taken into account under subsection (a), the qualified research expenses taken into account for such year shall be determined on a basis consistent with the determination of qualified research expenses for the credit year.

''(B) PREVENTION OF DISTORTIONS.—The Secretary may prescribe regulations to prevent distortions in calculating a taxpayer's qualified research expenses caused by a change in accounting methods used by such taxpayer between the credit year and a year in such 3-taxable-year period.''.

(c) INCLUSION OF QUALIFIED RESEARCH EXPENSES OF AN ACQUIRED PERSON.—

(1) PARTIAL INCLUSION OF PRE-ACQUISITION QUALIFIED RESEARCH EXPENSES.—Subparagraph (A) of section 41(f)(3) of such Code is amended to read as follows:

''(A) ACQUISITIONS.—

''(i) IN GENERAL.—If a person acquires the major portion of a trade or business of another person (hereinafter in this paragraph referred to as the 'predecessor') or the major portion of a separate unit of a trade or business of a predecessor, then the amount of qualified research expenses paid or incurred by the acquiring person during the 3 taxable years preceding the taxable year in which the credit under this section is determined shall be increased by—

''(I) for purposes of applying this section for the taxable year in which such acquisition is made, the amount determined under clause (ii), and

''(II) for purposes of applying this section for any taxable year after the taxable year in which such acquisition is made, so much of the qualified research expenses paid or incurred by the predecessor with respect to the acquired trade or business during the portion of the measurement period that is part of the 3-taxable-year period preceding the taxable

year for which the credit is determined as is attributable to the portion of such trade or business or separate unit acquired by such person.

''(ii) AMOUNT DETERMINED.—The amount determined under this clause is the amount equal to the product of—

''(I) so much of the qualified research expenses paid or incurred by the predecessor with respect to the acquired trade or business during the 3 taxable years before the taxable year in which the acquisition is made as is attributable to the portion of such trade or business or separate unit acquired by the acquiring person, and

''(II) the number of months in the period beginning on the date of the acquisition and ending on the last day of the taxable year in which the acquisition is made,

divided by 12.

''(iii) SPECIAL RULES FOR COORDINATING TAXABLE YEARS.—In the case of an acquiring person and a predecessor whose taxable years do not begin on the same date—

''(I) each reference to a taxable year in clauses (i) and (ii) shall refer to the appropriate taxable year of the acquiring person,

''(II) the qualified research expenses paid or incurred by the predecessor during each taxable year of the predecessor any portion of which is part of the measurement period shall be allocated equally among the months of such taxable year, and

''(III) the amount of such qualified research expenses taken into account under clauses (i) and (ii) with respect to a taxable year of the acquiring person shall be equal to the total of the expenses attributable under subclause (II) to the months occurring during such taxable year.

''(iv) MEASUREMENT PERIOD.—For purposes of this subparagraph, the term 'measurement period' means the taxable year of the acquiring person in which the acquisition is made and the 3 taxable years of the acquiring person preceding such taxable year.''.

(2) EXPENSES OF A PREDECESSOR.—Subparagraph (B) of section 41(f)(3) of such Code is amended to read as follows:

''(B) DISPOSITIONS.—If the predecessor furnished to the acquiring person such information as is necessary for the application of subparagraph (A), then, for purposes of applying this section for any taxable year ending after such disposition, the amount of qualified research expenses paid or incurred by the predecessor during the 3 taxable years preceding such taxable year shall be reduced—

''(i) in the case of the taxable year in which such disposition is made, by an amount equal to the product of—

''(I) the amount of qualified research expenses paid or incurred during such 3 taxable years with respect to the acquired business, and

''(II) the number of days in the period beginning on the date of acquisition (as determined for purposes of subparagraph (A)(ii)(II)) and ending on the last day of the taxable year of the predecessor in which the disposition is made,

divided by the number of days in the taxable year of the predecessor, and

''(ii) in the case of any taxable year ending after the taxable year in which such disposition is made, the amount described in clause (i)(I).''.

(d) AGGREGATION OF EXPENDITURES.—Paragraph (1) of section 41(f) of such Code, as amended by the American Taxpayer Relief Act of 2012, is amended—

(1) by striking ''of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums,'' in subparagraph (A)(ii) and inserting ''qualified research expenses'', and

(2) by striking ''of the qualified research expenses, basic research payments, and amounts paid or incurred to energy research consortiums,'' in subparagraph (B)(ii) and inserting ''qualified research expenses''.

(e) PERMANENT EXTENSION.—

(1) Section 41 of such Code is amended by striking subsection (h).

(2) Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

(f) CONFORMING AMENDMENTS.—

(1) TERMINATION OF BASIC RESEARCH PAYMENT CALCULATION.—Section 41 of such Code is amended—

(A) by striking subsection (e),

(B) by redesignating subsection (g) as subsection (e), and

(C) by relocating subsection (e), as so redesignated, immediately after subsection (d).

(2) SPECIAL RULES.—

(A) Paragraph (4) of section 41(f) of such Code is amended by striking ''and gross receipts''.

(B) Subsection (f) of section 41 of such Code is amended by striking paragraph (6).

(3) CROSS-REFERENCES.—

(A) Paragraph (2) of section 45C(c) of such Code is amended by striking ''base period research expenses'' and inserting ''average qualified research expenses''.

(B) Subparagraph (A) of section 54(l)(3) of such Code is amended by striking ''section 41(g)'' and inserting ''section 41(e)''.

(C) Clause (i) of section 170(e)(4)(B) of such Code is amended to read as follows:

''(i) the contribution is to a qualified organization,''.

(D) Paragraph (4) of section 170(e) of such Code is amended by adding at the end the following new subparagraph:

''(E) QUALIFIED ORGANIZATION.—For purposes of this paragraph, the term 'qualified organization' means—

''(i) any educational organization which—

''(I) is an institution of higher education (within the meaning of section 3304(f)), and

''(II) is described in subsection (b)(1)(A)(ii), or

''(ii) any organization not described in clause (i) which—

''(I) is described in section 501(c)(3) and is exempt from tax under section 501(a),

''(II) is organized and operated primarily to conduct scientific research, and

''(III) is not a private foundation.''.

(E) Section 280C of such Code is amended—

(i) by striking ''or basic research expenses (as defined in section 41(e)(2))'' in subsection (c)(1),

(ii) by striking ''section 41(a)(1)'' in subsection (c)(2)(A) and inserting ''section 41(a)'', and

(iii) by striking ''or basic research expenses'' in subsection (c)(2)(B).

(F) Clause (i) of section 1400N(l)(7)(B) of such Code is amended by striking ''section 41(g)'' and inserting ''section 41(e)''.

(g) TECHNICAL CORRECTIONS.—Section 409 of such Code is amended—

(1) by inserting '', as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (b)(1)(A),

(2) by inserting '', as in effect before the enactment of the Tax Reform Act of 1984'' after ''relating to the employee stock ownership credit'' in subsection (b)(4),

(3) by inserting ''(as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (i)(1)(A),

(4) by inserting ''(as in effect before the enactment of the Tax Reform Act of 1984)'' after ''section 41(c)(1)(B)'' in subsection (m), and

(5) by inserting ''(as so in effect)'' after ''section 48(n)(1)'' in subsection (m).

(h) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to credits determined for taxable years beginning after December 31, 2013.

(2) PERMANENT EXTENSION.—The amendments made by subsection (e) shall apply to amounts paid or incurred after December 31, 2013.

(3) TECHNICAL CORRECTIONS.—The amendments made by subsection (g) shall take effect on the date of the enactment of this Act.

**SEC. 204. PERMANENT FULL EXCLUSION APPLICABLE TO QUALIFIED SMALL BUSINESS STOCK.**

(a) IN GENERAL.—Paragraph (4) of section 1202(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''and before January 1, 2014'', and

(2) by striking ''CERTAIN PERIODS IN 2010, 2011, 2012, AND 2013'' in the heading and inserting ''CERTAIN PERIODS AFTER 2009''.

(b) CONFORMING AMENDMENTS.—

(1) The heading for section 1202 of such Code is amended by striking ''**PARTIAL**''.

(2) The item relating to section 1202 in the table of sections of such Code for part I of subchapter P of chapter 1 is amended by striking ''Partial exclusion'' and inserting ''Exclusion''.

(3) Section 1223(13) of such Code is amended by striking ''1202(a)(2),''.

(c) EFFECTIVE DATE.—The amendments made by this section apply to stock acquired after December 31, 2013.

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**SA 3613.** Mr. WARNER (for himself and Mr. BLUNT) submitted an amendment intended to be proposed by him to the bill H.R. 5021, to provide an extension of Federal-aid highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

**TITLE III—INFRASTRUCTURE FINANCING AUTHORITY**

**SEC. 301. SHORT TITLE.**

(a) SHORT TITLE.—This title may be cited as the ''Building and Renewing Infrastructure for Development and Growth in Employment Act'' or the ''BRIDGE Act''.

**SEC. 302. FINDINGS AND PURPOSE.**

(a) FINDINGS.—Congress finds that—

(1) infrastructure has always been a vital element of the economic strength of the United States and a key indicator of the international leadership of the United States;

(2) the Erie Canal, the Hoover Dam, the railroads, and the interstate highway system are all testaments to the ingenuity of the United States and have helped propel and maintain the United States as the largest economy in the world;

(3) according to the 2013-2014 World Economic Forum's Global Competitiveness Report, the United States—

(A) ranked fifth in the world on the Global Competitiveness Index; and

(B) ranked 19th in the world in the ''Quality of overall infrastructure'' category;

(4) according to the World Bank's 2012 Logistic Performance Index, the capacity of countries to efficiently move goods and connect manufacturers and consumers with international markets is improving around the world, and the United States now ranks ninth in the world in logistics-related infrastructure behind countries from both Europe and Asia;

(5) according to a January 2009 report from the University of Massachusetts/Alliance for American Manufacturing entitled ''Employment, Productivity and Growth'', infrastructure investment is a ''highly effective engine of job creation'' such that $1,000,000,000 in new investment in infrastructure results in 18,000 total long-term jobs;

(6) according to the American Society of Civil Engineers, the current condition of the infrastructure in the United States earns a grade point average of D+, and an estimated $1,600,000,000,000 of additional investment is needed over the next 7 years to bring the infrastructure of the United States up to adequate condition;

(7) according to the National Surface Transportation Policy and Revenue Study Commission, $225,000,000,000 is needed annually from all sources for the next 50 years to upgrade the United States surface transportation system to a state of good repair and create a more advanced system;

(8) the current infrastructure financing mechanisms of the United States, both on the Federal and State level, will fail to meet current and foreseeable demands and will create large funding gaps;

(9) published reports state that there may not be enough demand for municipal bonds to maintain the same level of borrowing at the same rates, resulting in significantly decreased infrastructure investment at the State and local level;

(10) current funding mechanisms are not readily scalable and do not—

(A) serve large in-State or cross-jurisdictional infrastructure projects, projects of regional or national significance, or projects that cross sector silos;

(B) sufficiently catalyze private sector investment; or

(C) ensure the optimal return on public resources;

(11) although grant programs of the Federal Government must continue to play a central role in financing the infrastructure needs of the United States, current and foreseeable demands on existing Federal, State, and local funding for infrastructure expansion clearly exceed the resources to support those programs by margins wide enough to prompt serious concerns about the ability of the United States to sustain long-term economic development, productivity, and international competitiveness;

(12) the capital markets, including pension funds, private equity funds, mutual funds, sovereign wealth funds, and other investors, have a growing interest in infrastructure investment and represent hundreds of billions of dollars of potential investment; and

(13) the establishment of a federally owned, independent, professionally managed institution that could provide credit support to qualified infrastructure projects of regional and national significance, making transparent merit-based investment decisions based on the commercial viability of infrastructure projects, would catalyze the participation of significant private investment capital.

(b) PURPOSE.—The purpose of this title is to facilitate investment in, and the long-term financing of, economically viable eligible infrastructure projects of regional or national significance that are in the public interest in a manner that complements existing Federal, State, local, and private funding sources for these projects and introduces a merit-based system for financing those projects, in order to mobilize significant private sector investment, create long-term jobs, and ensure United States competitiveness through a self-sustaining institution that limits the need for ongoing Federal funding.

**SEC. 303. DEFINITIONS.**

In this title:

(1) BLIND TRUST.—The term ''blind trust'' means a trust in which the beneficiary has no knowledge of the specific holdings and no rights over how those holdings are managed by the fiduciary of the trust prior to the dissolution of the trust.

(2) BOARD OF DIRECTORS.—The term ''Board of Directors'' means the Board of Directors of IFA.

(3) CHAIRPERSON.—The term ''Chairperson'' means the Chairperson of the Board of Directors of IFA.

(4) CHIEF EXECUTIVE OFFICER.—The term ''chief executive officer'' means the chief executive officer of IFA, appointed under section 313.

(5) COST.—The term ''cost'' has the meaning given the term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

(6) DIRECT LOAN.—The term ''direct loan'' has the meaning given the term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

(7) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(A) an individual;

(B) a corporation;

(C) a partnership, including a public-private partnership;

(D) a joint venture;

(E) a trust;

(F) a State or any other governmental entity, including a political subdivision or any other instrumentality of a State; or

(G) a revolving fund.

(8) ELIGIBLE INFRASTRUCTURE PROJECT.—

(A) IN GENERAL.—The term ''eligible infrastructure project'' means the construction, consolidation, alteration, or repair of the following sectors:

(i) Intercity passenger or freight rail lines.

(ii) Intercity passenger rail facilities or equipment.

(iii) Intercity freight rail facilities or equipment.

(iv) Intercity passenger bus facilities or equipment.

(v) Public transportation facilities or equipment.

(vi) Highway facilities, including bridges and tunnels.

(vii) Airports.

(viii) Air traffic control systems.

(ix) Port or marine terminal facilities, including approaches to marine terminal facilities or inland port facilities.

(x) Port or marine equipment, including fixed equipment to serve approaches to marine terminals or inland ports.

(xi) Transmission or distribution pipelines.

(xii) Inland waterways.

(xiii) Intermodal facilities or equipment related to 2 or more of the sectors described in clauses (i) through (xii).

(xiv) Water treatment and solid waste disposal facilities, including drinking water facilities.

(xv) Storm water management systems.

(xvi) Dams and levees.

(xvii) Facilities or equipment for energy transmission, distribution or storage.

(B) AUTHORITY OF THE BOARD OF DIRECTORS TO MODIFY SECTORS.—The Board of Directors may make modifications, at the discretion of the Board, to any of the sectors described in subparagraph (A) by a vote of not fewer than 5 of the voting members of the Board of Directors.

(9) IFA.—The term ''IFA'' means the Infrastructure Financing Authority established under subtitle A.

(10) INVESTMENT-GRADE RATING.—The term ''investment-grade rating'' means a rating of BBB minus, Baa3, or higher assigned to an eligible infrastructure project by a ratings agency.

(11) LOAN GUARANTEE.—The term ''loan guarantee'' has the meaning given the term in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a).

(12) PUBLIC-PRIVATE PARTNERSHIP.—The term ''public-private partnership'' means any eligible entity—

(A)(i) that is undertaking the development of all or part of an eligible infrastructure project that will have a measurable public benefit, pursuant to requirements established in 1 or more contracts between the entity and a State or an instrumentality of a State; or

(ii) the activities of which, with respect to such an eligible infrastructure project, are subject to regulation by a State or any instrumentality of a State;

(B) that owns, leases, or operates or will own, lease, or operate, the project in whole or in part; and

(C) the participants in which include not fewer than 1 nongovernmental entity with significant investment and some control over the project or entity sponsoring the project vehicle.

(13) RATING AGENCY.—The term ''rating agency'' means a credit rating agency registered with the Securities and Exchange Commission as a nationally recognized statistical rating organization (as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))).

(14) RURAL INFRASTRUCTURE PROJECT.—The term ''rural infrastructure project''—

(A) has the same meaning given the term in section 601(15) of title 23, United States Code; and

(B) includes any eligible infrastructure project located in an area described in such section 601(15).

(15) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury or the designee of the Secretary of the Treasury.

(16) SENIOR MANAGEMENT.—The term ''senior management'' means the chief financial officer, chief risk officer, chief compliance officer, general counsel, chief lending officer, and chief operations officer of IFA, and such other officers as the Board of Directors may, by majority vote, add to senior management.

(17) SPECIAL INSPECTOR GENERAL.—The term ''Special Inspector General'' means the Special Inspector General for IFA.

(18) STATE.—The term ''State'' means—

(A) each of the several States of the United States; and

(B) the District of Columbia.

**Subtitle A—Infrastructure Financing Authority**

**SEC. 311. ESTABLISHMENT AND GENERAL AUTHORITY OF IFA.**

(a) ESTABLISHMENT OF IFA.—The Infrastructure Financing Authority is established as a wholly owned Government corporation.

(b) GENERAL AUTHORITY OF IFA.—IFA shall—

(1) provide direct loans and loan guarantees to facilitate eligible infrastructure projects that are economically viable, in the public interest, and of regional or national significance; and

(2) carry out any other activities and duties authorized under this title.

(c) INCORPORATION.—

(1) IN GENERAL.—The Board of Directors first appointed shall be deemed the incorporator of IFA, and the incorporation shall be held to have been effected from the date of the first meeting of the Board of Directors.

(2) CORPORATE OFFICE.—IFA shall—

(A) maintain an office in Washington, DC; and

(B) for purposes of venue in civil actions, be considered to be a resident of Washington, DC.

(d) RESPONSIBILITY OF THE SECRETARY.—The Secretary shall take such action as may

be necessary to assist in implementing IFA and in carrying out the purpose of this title.

(e) RULE OF CONSTRUCTION.—Chapter 91 of title 31, United States Code, does not apply to IFA, unless otherwise specifically provided in this title.

**SEC. 312. VOTING MEMBERS OF THE BOARD OF DIRECTORS.**

(a) VOTING MEMBERSHIP OF THE BOARD OF DIRECTORS.—

(1) IN GENERAL.—IFA shall have a Board of Directors consisting of 7 voting members appointed by the President, by and with the advice and consent of the Senate, not more than 4 of whom shall be from the same political party.

(2) CHAIRPERSON.—One of the voting members of the Board of Directors shall be designated by the President, by and with the advice and consent of the Senate, to serve as Chairperson of the Board of Directors.

(3) CONGRESSIONAL RECOMMENDATIONS.—Not later than 30 days after the date of the enactment of this Act, the majority leader of the Senate, the minority leader of the Senate, the Speaker of the House of Representatives, and the minority leader of the House of Representatives shall each submit a recommendation to the President for appointment of a member of the Board of Directors, after consultation with the appropriate committees of Congress.

(4) SPECIAL CONSIDERATION OF RURAL INTERESTS AND GEOGRAPHIC DIVERSITY.—In making an appointment under this subsection, the President shall give consideration to the geographic areas of the United States in which the members of the Board of Directors live and work, particularly to ensure that the infrastructure priorities and concerns of each region of the country, including rural areas and small communities, are represented on the Board of Directors.

(b) VOTING RIGHTS.—Each voting member of the Board of Directors shall have an equal vote in all decisions of the Board of Directors.

(c) QUALIFICATIONS OF VOTING MEMBERS.—Each voting member of the Board of Directors shall—

(1) be a citizen of the United States; and

(2) have significant demonstrated expertise in—

(A) the management and administration of a financial institution relevant to the operation of IFA; or

(B) the financing, development, or operation of infrastructure projects, including in the evaluation and selection of eligible infrastructure projects based on the purposes, goals, and objectives of this title.

(d) TERMS.—

(1) IN GENERAL.—Except as otherwise provided in this title, each voting member of the Board of Directors shall be appointed for a term of 5 years.

(2) INITIAL STAGGERED TERMS.—Of the voting members first appointed to the Board of Directors—

(A) the initial Chairperson and 3 of the other voting member shall each be appointed for a term of 5 years; and

(B) the remaining 3 voting members shall each be appointed for a term of 2 years.

(3) DATE OF INITIAL NOMINATIONS.—The initial nominations for the appointment of all voting members of the Board of Directors shall be made not later than 60 days after the date of the enactment of this Act.

(4) BEGINNING OF TERM.—The term of each of the initial voting members appointed under this section shall commence immediately upon the date of appointment, except that, for purposes of calculating the term limits specified in this subsection, the initial terms shall each be construed as beginning on January 22 of the year following the date of the initial appointment.

(5) VACANCIES.—

(A) IN GENERAL.—A vacancy in the position of a voting member of the Board of Directors shall be filled by the President, by and with the advice and consent of the Senate.

(B) TERM.—A member appointed to fill a vacancy on the Board of Directors occurring before the expiration of the term for which the predecessor was appointed shall be appointed only for the remainder of that term.

(e) MEETINGS.—

(1) OPEN TO THE PUBLIC; NOTICE.—Except as provided in paragraph (3), all meetings of the Board of Directors shall be—

(A) open to the public; and

(B) preceded by reasonable public notice.

(2) FREQUENCY.—The Board of Directors shall meet—

(A) not later than 60 days after the date on which all members of the Board of Directors are first appointed;

(B) at least quarterly after the date described in subparagraph (A); and

(C) at the call of the Chairperson or 3 voting members of the Board of Directors.

(3) EXCEPTION FOR CLOSED MEETINGS.—

(A) IN GENERAL.—The voting members of the Board of Directors may, by majority vote, close a meeting to the public if, during the meeting to be closed, there is likely to be disclosed proprietary or sensitive information regarding an eligible infrastructure project under consideration for assistance under this title.

(B) AVAILABILITY OF MINUTES.—The Board of Directors shall prepare minutes of any meeting that is closed to the public, which minutes shall be made available as soon as practicable, but not later than 1 year after the date of the closed meeting, with any necessary redactions to protect any proprietary or sensitive information.

(4) QUORUM.—For purposes of meetings of the Board of Directors, 5 voting members of the Board of Directors shall constitute a quorum.

(f) COMPENSATION OF MEMBERS.—Each voting member of the Board of Directors shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level III of the Executive Schedule under section 5314 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Board of Directors.

(g) CONFLICTS OF INTEREST.—A voting member of the Board of Directors may not participate in any review or decision affecting an eligible infrastructure project under consideration for assistance under this title, if the member has or is affiliated with an entity who has a financial interest in that project.

**SEC. 313. CHIEF EXECUTIVE OFFICER OF IFA.**

(a) IN GENERAL.—The chief executive officer shall—

(1) be a nonvoting member of the Board of Directors;

(2) be responsible for all activities of IFA; and

(3) support the Board of Directors in accordance with this title and as the Board of Directors determines to be necessary.

(b) APPOINTMENT AND TENURE OF THE CHIEF EXECUTIVE OFFICER.—

(1) IN GENERAL.—The President shall appoint the chief executive officer, by and with the advice and consent of the Senate.

(2) TERM.—The chief executive officer shall be appointed for a term of 6 years.

(3) VACANCIES.—

(A) IN GENERAL.—Any vacancy in the office of the chief executive officer shall be filled by the President, by and with the advice and consent of the Senate.

(B) TERM.—The person appointed to fill a vacancy in the chief executive officer position that occurs before the expiration of the term for which the predecessor was appointed shall be appointed only for the remainder of that term.

(c) QUALIFICATIONS.—The chief executive officer—

(1) shall have significant expertise in management and administration of a financial institution, or significant expertise in the financing and development of infrastructure projects; and

(2) may not—

(A) hold any other public office;

(B) have any financial interest in an eligible infrastructure project then being considered by the Board of Directors, unless that interest is placed in a blind trust; or

(C) have any financial interest in an investment institution or its affiliates or any other entity seeking or likely to seek financial assistance for any eligible infrastructure project from IFA, unless any such interest is placed in a blind trust for the tenure of the service of the chief executive officer plus 2 additional years.

(d) RESPONSIBILITIES.—The chief executive officer shall have such executive functions, powers, and duties as may be prescribed under this title, the bylaws of IFA, or the Board of Directors, including—

(1) responsibility for the development and implementation of the strategy of IFA, including—

(A) the development and submission to the Board of Directors of the annual business plans and budget;

(B) the development and submission to the Board of Directors of a long-term strategic plan; and

(C) the development, revision, and submission to the Board of Directors of internal policies; and

(2) responsibility for the management and oversight of the daily activities, decisions, operations, and personnel of IFA.

(e) COMPENSATION.—

(1) IN GENERAL.—Any compensation assessment or recommendation by the chief executive officer under this section shall be without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code.

(2) CONSIDERATIONS.—The compensation assessment or recommendation required under this subsection shall take into account merit principles, where applicable, as well as the education, experience, level of responsibility, geographic differences, and retention and recruitment needs in determining compensation of personnel.

**SEC. 314. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.**

The Board of Directors shall—

(1) as soon as practicable after the date on which all members are appointed, approve or disapprove senior management appointed by the chief executive officer;

(2) not later than 180 days after the date on which all members are appointed—

(A) develop and approve the bylaws of IFA, including bylaws for the regulation of the affairs and conduct of the business of IFA, consistent with the purpose, goals, objectives, and policies set forth in this title;

(B) establish subcommittees, including an audit committee that is composed solely of members of the Board of Directors, other than the chief executive officer;

(C) develop and approve, in consultation with senior management, a conflict-of-interest policy for the Board of Directors and for senior management;

(D) approve or disapprove internal policies that the chief executive officer shall submit to the Board of Directors, including—

(i) policies regarding the loan application and approval process, including application procedures and project approval processes;

(ii) operational guidelines; and

(E) approve or disapprove a 1-year business plan and budget for IFA;

(3) ensure that IFA is at all times operated in a manner that is consistent with this title, by—

(A) monitoring and assessing the effectiveness of IFA in achieving its strategic goals;

(B) reviewing and approving internal policies, annual business plans, annual budgets, and long-term strategies submitted by the chief executive officer;

(C) reviewing and approving annual reports submitted by the chief executive officer;

(D) engaging 1 or more external auditors, as set forth in this title; and

(E) reviewing and approving all changes to the organization of senior management;

(4) appoint and fix, by a vote of not less than 5 of the 7 voting members of the Board of Directors, and without regard to the provisions of chapter 51 or subchapter III of chapter 53 of title 5, United States Code, the compensation and adjustments to compensation of all IFA personnel, provided that in appointing and fixing any compensation or adjustments to compensation under this paragraph, the Board shall—

(A) consult with, and seek to maintain comparability with, other comparable Federal personnel, as the Board of Directors may determine to be appropriate;

(B) consult with the Office of Personnel Management; and

(C) carry out those duties consistent with merit principles, where applicable, as well as the education, experience, level of responsibility, geographic differences, comparability to private sector positions, and retention and recruitment needs in determining compensation of personnel;

(5) serve as the primary liaison for IFA in interactions with Congress, the Secretary of Transportation and other Executive Branch officials, and State and local governments, and to represent the interests of IFA in those interactions and others;

(6) approve by a vote of not less than 5 of the 7 voting members of the Board of Directors any changes to the bylaws or internal policies of IFA;

(7) have the authority and responsibility—

(A) to oversee entering into and carrying out such contracts, leases, cooperative agreements, or other transactions as are necessary to carry out this title;

(B) to approve of the acquisition, lease, pledge, exchange, and disposal of real and personal property by IFA and otherwise approve the exercise by IFA of all of the usual incidents of ownership of property, to the extent that the exercise of those powers is appropriate to and consistent with the purposes of IFA;

(C) to determine the character of, and the necessity for, the obligations and expenditures of IFA, and the manner in which the obligations and expenditures will be incurred, allowed, and paid, subject to this title and other Federal law specifically applicable to wholly owned Federal corporations;

(D) to execute, in accordance with applicable bylaws and regulations, appropriate instruments;

(E) to approve other forms of credit enhancement that IFA may provide to eligible projects, as long as the forms of credit enhancements are consistent with the purposes of this title and the terms set forth in subtitle B;

(F) to exercise all other lawful powers which are necessary or appropriate to carry out, and are consistent with, the purposes of IFA;

(G) to sue or be sued in the corporate capacity of IFA in any court of competent jurisdiction;

(H) to indemnify the members of the Board of Directors and officers of IFA for any liabilities arising out of the actions of the members and officers in that capacity, in accordance with, and subject to the limitations contained in this title;

(I) to review all financial assistance packages to all eligible infrastructure projects, as submitted by the chief executive officer and to approve, postpone, or deny the same by majority vote;

(J) to review all restructuring proposals submitted by the chief executive officer, including assignation, pledging, or disposal of the interest of IFA in a project, including payment or income from any interest owned or held by IFA, and to approve, postpone, or deny the same by majority vote;

(K) to enter into binding commitments, as specified in approved financial assistance packages;

(L) to determine whether—

(i) to obtain a lien on the assets of an eligible entity that receives assistance under this title; and

(ii) to subordinate a lien under clause (i) to any other lien securing project obligations; and

(M) to ensure a measurable public benefit in the selection of eligible infrastructure projects and to provide for reasonable public input in the selection of such projects;

(8) delegate to the chief executive officer those duties that the Board of Directors determines to be appropriate, to better carry out the powers and purposes of the Board of Directors under this section; and

(9) to approve a maximum aggregate amount of principal exposure of IFA at any given time.

**SEC. 315. SENIOR MANAGEMENT.**

(a) IN GENERAL.—Senior management shall support the chief executive officer in the discharge of the responsibilities of the chief executive officer.

(b) APPOINTMENT OF SENIOR MANAGEMENT.—The chief executive officer shall appoint such senior managers as are necessary to carry out the purposes of IFA, as approved by a majority vote of the voting members of the Board of Directors, including a chief compliance officer, general counsel, chief operating officer, chief lending officer, and other positions as determined to be appropriate by the chief executive officer and Board of Directors.

(c) TERM.—Each member of senior management shall serve at the pleasure of the chief executive officer and the Board of Directors.

(d) REMOVAL OF SENIOR MANAGEMENT.—Any member of senior management may be removed—

(1) by a majority of the voting members of the Board of Directors at the request of the chief executive officer; or

(2) by a vote of not fewer than 5 voting members of the Board of Directors.

(e) SENIOR MANAGEMENT.—

(1) IN GENERAL.—Each member of senior management shall report directly to the chief executive officer, other than the chief risk officer, who shall report directly to the Board of Directors.

(2) CHIEF RISK OFFICER.—The chief risk officer shall be responsible for all functions of IFA relating to—

(A) the creation of financial, credit, and operational risk management guidelines and policies;

(B) the establishment of guidelines to ensure diversification of lending activities by region, infrastructure project type, and project size;

(C) the creation of conforming standards for infrastructure finance agreements;

(D) the monitoring of the financial, credit, and operational exposure of IFA; and

(E) risk management and mitigation actions, including by reporting those actions, or recommendations of actions to be taken, directly to the Board of Directors.

(f) CONFLICTS OF INTEREST.—No individual appointed to senior management may—

(1) hold any other public office;

(2) have any financial interest in an eligible infrastructure project then being considered by the Board of Directors, unless that interest is placed in a blind trust; or

(3) have any financial interest in an investment institution or its affiliates, IFA or its affiliates, or other entity then seeking or likely to seek financial assistance for any eligible infrastructure project from IFA, unless any such interest is placed in a blind trust during the term of service of that individual in a senior management position, and for a period of 2 years thereafter.

**SEC. 316. OFFICE OF TECHNICAL AND RURAL ASSISTANCE.**

(a) IN GENERAL.—The chief executive officer shall create and manage within IFA an office, to be known as the ''Office of Technical and Rural Assistance''.

(b) DUTIES.—The Office of Technical and Rural Assistance shall—

(1) in consultation with the Secretary, the Secretary of Transportation, and the heads of other relevant Federal agencies, as determined by the chief executive officer, provide technical assistance to State and local governments and parties in public-private partnerships in the development and financing of eligible infrastructure projects, including rural infrastructure projects;

(2) assist the entities described in paragraph (1) with coordinating loan and loan guarantee programs available through Federal agencies, including the Department of Transportation and other Federal agencies as appropriate; and

(3) work with the entities described in paragraph (1) to identify and develop a pipeline of projects suitable for financing through innovative project financing and performance based project delivery, including those projects with the potential for financing through IFA.

**SEC. 317. SPECIAL INSPECTOR GENERAL FOR IFA.**

(a) IN GENERAL.—

(1) INITIAL PERIOD.—For the 5-year period beginning on the date of the enactment of this Act, the Inspector General of the Department of Treasury shall serve as the Special Inspector General for IFA in addition to the existing duties of the Inspector General of the Department of Treasury.

(2) OFFICE OF THE SPECIAL INSPECTOR GENERAL.—Effective beginning on the day that is 5 years after the date of the enactment of this Act, there is established the Office of the Special Inspector General for IFA.

(b) APPOINTMENT OF INSPECTOR GENERAL; REMOVAL.—

(1) HEAD OF OFFICE.—The head of the Office of the Special Inspector General for IFA shall be the Special Inspector General for IFA, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) BASIS OF APPOINTMENT.—The appointment of the Special Inspector General shall be made on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

(3) TIMING OF NOMINATION.—The nomination of an individual as Special Inspector General shall be made as soon as practicable after the date of the enactment of this Act.

(4) REMOVAL.—The Special Inspector General shall be removable from office in accordance with the provisions of section 3(b) of the Inspector General Act of 1978 (5 U.S.C. App.).

(5) RULE OF CONSTRUCTION.—For purposes of section 7324 of title 5, United States Code, the Special Inspector General shall not be considered an employee who determines policies to be pursued by the United States in the nationwide administration of Federal law.

(6) RATE OF PAY.—The annual rate of basic pay of the Special Inspector General shall be the annual rate of basic pay for an Inspector General under section 3(e) of the Inspector General Act of 1978 (5 U.S.C. App.).

(c) DUTIES.—The Special Inspector General shall—

(1) conduct, supervise, and coordinate audits and investigations of the business activities of IFA;

(2) establish, maintain, and oversee such systems, procedures, and controls as the Special Inspector General considers appropriate to discharge the duty under paragraph (1); and

(3) carry out any other duties and responsibilities of inspectors general under the Inspector General Act of 1978 (5 U.S.C. App.).

(d) POWERS AND AUTHORITIES.—

(1) IN GENERAL.—In carrying out the duties specified in subsection (c), the Special Inspector General shall have the authorities set forth in section 6 of the Inspector General Act of 1978 (5 U.S.C. App.).

(2) ADDITIONAL AUTHORITY.—The Special Inspector General shall carry out the duties specified in subsection (c)(1) in accordance with section 4(b)(1) of the Inspector General Act of 1978 (5 U.S.C. App.).

(e) PERSONNEL, FACILITIES, AND OTHER RESOURCES.—

(1) ADDITIONAL OFFICERS.—

(A) IN GENERAL.—The Special Inspector General may select, appoint, and employ such officers and employees as may be necessary for carrying out the duties of the Special Inspector General, subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(B) EMPLOYMENT AND COMPENSATION.—The Special Inspector General may exercise the authorities under subsections (b) through (i) of section 3161 of title 5, United States Code (without regard to subsection (a) of that section).

(2) RETENTION OF SERVICES.—The Special Inspector General may obtain services as authorized under section 3109 of title 5, United States Code, at daily rates not to exceed the equivalent rate prescribed for grade GS–15 of the General Schedule by section 5332 of such title.

(3) ABILITY TO CONTRACT FOR AUDITS, STUDIES, AND OTHER SERVICES.—The Special Inspector General may enter into contracts and other arrangements for audits, studies, analyses, and other services with public agencies and with private persons, and make such payments as may be necessary to carry out the duties of the Special Inspector General.

(4) REQUEST FOR INFORMATION.—

(A) IN GENERAL.—Upon request of the Special Inspector General for information or assistance from any department, agency, or other entity of the Federal Government, the head of that entity shall, insofar as is practicable and not in contravention of any existing law, furnish the information or assistance to the Special Inspector General or an authorized designee.

(B) REFUSAL TO COMPLY.—If information or assistance requested by the Special Inspector General is, in the judgment of the Special Inspector General, unreasonably refused or not provided, the Special Inspector General shall report the circumstances to the Secretary, without delay.

(f) REPORTS.—

(1) ANNUAL REPORT.—Not later than 1 year after the date on which the Special Inspector General is confirmed, and every calendar year thereafter, the Special Inspector General shall submit a report to the President and to appropriate committees of Congress that summarizes the activities of the Special Inspector General during the 1-year period ending on the date of that report.

(2) PUBLIC DISCLOSURES.—Nothing in this subsection may be construed to authorize the public disclosure of information that is—

(A) specifically prohibited from disclosure by any other provision of law;

(B) specifically required by Executive order to be protected from disclosure in the interest of national defense or national security or in the conduct of foreign affairs; or

(C) a part of an ongoing criminal investigation.

**SEC. 318. OTHER PERSONNEL.**

(a) APPOINTMENT, REMOVAL, AND DEFINITION OF DUTIES.—Except as otherwise provided in the IFA bylaws, the chief executive officer, in consultation with the Board of Directors, shall appoint, remove, and define the duties of such qualified personnel as are necessary to carry out the powers, duties, and purpose of IFA, other than senior management, who shall be appointed in accordance with section 315.

(b) COORDINATION IN IDENTIFYING QUALIFICATIONS AND EXPERTISE.—In appointing qualified personnel under subsection (a), the chief executive officer shall coordinate with, and seek assistance from, the Secretary of Transportation in identifying the appropriate qualifications and expertise in infrastructure project finance.

**SEC. 319. COMPLIANCE.**

The provision of assistance by IFA under this title does not supersede any provision of State law or regulation otherwise applicable to an eligible infrastructure project.

**Subtitle B—Terms and Limitations on Direct Loans and Loan Guarantees**

**SEC. 321. ELIGIBILITY CRITERIA FOR ASSISTANCE FROM IFA AND TERMS AND LIMITATIONS OF LOANS.**

(a) PUBLIC BENEFIT REQUIRED.—

(1) IN GENERAL.—Any project the use or purpose of which is private and for which no public benefit is created, as determined by the Board of Directors, shall not be eligible for financial assistance from IFA under this title.

(2) CRITERIA.—Financial assistance under this title shall only be made available if the applicant for assistance has demonstrated to the satisfaction of the Board of Directors that—

(A) the eligible infrastructure project for which assistance is being sought—

(i) is not for the refinancing of an existing infrastructure project; and

(ii) meets—

(I) any pertinent requirements set forth in this title;

(II) any criteria established by the Board of Directors or chief executive officer in accordance with this title; and

(III) the definition of an eligible infrastructure project; and

(B) for projects involving public-private partnerships, the project has received contributed capital or commitments for contributed capital equal to not less than 10 percent of the total cost of the eligible infrastructure project for which assistance is being sought, if such contributed capital includes—

(i) equity;

(ii) deeply subordinate loans or other credit and debt instruments, which shall be junior to any IFA assistance provided for the project;

(iii) appropriated funds or grants from governmental sources other than the Federal Government; or

(iv) irrevocable private contributions of funds, grants, property (including rights-of way), and other assets that directly reduce or offset project costs.

(b) CONSIDERATIONS.—The criteria established by the Board of Directors under this title shall provide adequate consideration of—

(1) the economic, financial, technical, environmental, and public benefits and costs of each eligible infrastructure project under consideration for financial assistance under this title, prioritizing eligible infrastructure projects that—

(A) demonstrate a clear and measurable public benefit;

(B) offer value for money to taxpayers;

(C) contribute to regional or national economic growth;

(D) lead to long-term job creation; and

(E) mitigate environmental concerns;

(2) the means by which development of the eligible infrastructure project under consideration is being financed, including—

(A) the terms, conditions, and structure of the proposed financing;

(B) the creditworthiness and standing of the project sponsors, providers of equity, and cofinanciers;

(C) the financial assumptions and projections on which the eligible infrastructure project is based; and

(D) whether there is sufficient State or municipal political support for the successful completion of the eligible infrastructure project;

(3) the likelihood that the provision of assistance by IFA will cause the development to proceed more promptly and with lower costs for financing than would be the case without IFA assistance;

(4) the extent to which the provision of assistance by IFA maximizes the level of private investment in the eligible infrastructure project or supports a public-private partnership, while providing a significant public benefit;

(5) the extent to which the provision of assistance by IFA can mobilize the participation of other financing partners in the eligible infrastructure project;

(6) the technical and operational viability of the eligible infrastructure project;

(7) the proportion of financial assistance from IFA;

(8) the geographical location of the project, prioritizing geographical diversity of projects funded by IFA;

(9) the size of the project and the impact of the project on the resources of IFA; and

(10) the infrastructure sector of the project, prioritizing projects from more than 1 sector funded by IFA.

(c) APPLICATION.—

(1) IN GENERAL.—Any eligible entity seeking assistance from IFA under this title for an eligible infrastructure project shall submit an application to IFA at such time, in such manner, and containing such information as the Board of Directors or the chief executive officer may require.

(2) REVIEW OF APPLICATIONS.—

(A) IN GENERAL.—IFA shall review applications for assistance under this title on an ongoing basis.

(B) PREPARATION.—The chief executive officer, in cooperation with the senior management, shall prepare eligible infrastructure projects for review and approval by the Board of Directors.

(3) DEDICATED REVENUE SOURCES.—The Federal credit instrument shall be repayable, in whole or in part, from tolls, user fees, or other dedicated revenue sources derived from

users or beneficiaries that also secure the eligible infrastructure project obligations.

(d) ELIGIBLE INFRASTRUCTURE PROJECT COSTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), to be eligible for assistance under this title, an eligible infrastructure project shall have project costs that are reasonably anticipated to equal or exceed $50,000,000.

(2) RURAL INFRASTRUCTURE PROJECTS.—To be eligible for assistance under this title a rural infrastructure project shall have project costs that are reasonably anticipated to equal or exceed $10,000,000.

(e) LOAN ELIGIBILITY AND MAXIMUM AMOUNTS.—

(1) IN GENERAL.—The amount of a direct loan or loan guarantee under this title shall not exceed the lesser of—

(A) 49 percent of the reasonably anticipated eligible infrastructure project costs; and

(B) the amount of the senior project obligations, if the direct loan or loan guarantee does not receive an investment grade rating.

(2) MAXIMUM ANNUAL LOAN AND LOAN GUARANTEE VOLUME.—The aggregate amount of direct loans and loan guarantees made by IFA shall not exceed—

(A) during the first 2 fiscal years of the operations of IFA, $10,000,000,000 per year;

(B) during fiscal years 3 through 9 of the operations of IFA, $20,000,000,000 per year; and

(C) during any fiscal year thereafter, $50,000,000,000.

**SEC. 322. LOAN TERMS AND REPAYMENT.**

(a) IN GENERAL.—A direct loan or loan guarantee under this title with respect to an eligible infrastructure project shall be on such terms, subject to such conditions, and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the chief executive officer determines appropriate.

(b) TERMS.—A direct loan or loan guarantee under this title—

(1) shall—

(A) be payable, in whole or in part, from tolls, user fees, or other dedicated revenue sources derived from users or beneficiaries; and

(B) include a rate covenant, coverage requirement, or similar security feature supporting the project obligations; and

(2) may be secured by a lien—

(A) on the assets of the obligor, including revenues described in paragraph (1); and

(B) which may be subordinated to any other lien securing project obligations.

(c) BASE INTEREST RATE.—The base interest rate on a direct loan under this title shall be not less than the yield on Treasury obligations of a similar maturity to the maturity of the direct loan on the date of execution of the loan agreement.

(d) RISK ASSESSMENT.—Before entering into an agreement for assistance under this title, the chief executive officer, in consultation with the Director of the Office of Management and Budget and each rating agency providing a preliminary rating opinion letter under this section, shall determine an appropriate Federal credit subsidy amount for each direct loan and loan guarantee, taking into account that preliminary rating opinion letter and any comparable market rates available for such a loan or loan guarantee.

(e) CREDIT FEE.—

(1) IN GENERAL.—With respect to each agreement for assistance under this title, the chief executive officer shall charge a credit fee to the recipient of that assistance to pay for, over time, all or a portion of the Federal credit subsidy determined under subsection (d), with the remainder paid by the account established for IFA.

(2) DIRECT LOANS.—In the case of a direct loan, the credit fee described in paragraph (1) shall be in addition to the base interest rate established under subsection (c).

(f) MATURITY DATE.—The final maturity date of a direct loan or loan guaranteed by IFA under this title shall be not later than 35 years after the date of substantial completion of the eligible infrastructure project, as determined by the chief executive officer.

(g) PRELIMINARY RATING OPINION LETTER.—

(1) IN GENERAL.—The chief executive officer shall require each applicant for assistance under this title to provide a preliminary rating opinion letter from at least 1 rating agency, indicating that the senior obligations of the eligible infrastructure project, which may be the Federal credit instrument, have the potential to achieve an investment-grade rating.

(2) RURAL INFRASTRUCTURE PROJECTS.—With respect to a rural infrastructure project, a rating agency opinion letter described in paragraph (1) shall not be required, except that the loan or loan guarantee shall receive an internal rating score, using methods similar to the rating agencies generated by IFA, measuring the proposed direct loan or loan guarantee against comparable direct loans or loan guarantees of similar credit quality in a similar sector.

(h) INVESTMENT-GRADE RATING REQUIREMENT.—

(1) LOANS AND LOAN GUARANTEES.—The execution of a direct loan or loan guarantee under this title shall be contingent on the senior obligations of the eligible infrastructure project receiving an investment-grade rating.

(2) RATING OF IFA OVERALL PORTFOLIO.—The average rating of the overall portfolio of IFA shall be not less than investment grade after 5 years of operation.

(i) TERMS AND REPAYMENT OF DIRECT LOANS.—

(1) SCHEDULE.—The chief executive officer shall establish a repayment schedule for each direct loan under this title, based on the projected cash flow from eligible infrastructure project revenues and other repayment sources.

(2) COMMENCEMENT.—Scheduled loan repayments of principal or interest on a direct loan under this title shall commence not later than 5 years after the date of substantial completion of the eligible infrastructure project, as determined by the chief executive officer.

(3) DEFERRED PAYMENTS OF DIRECT LOANS.—

(A) AUTHORIZATION.—If, at any time after the date of substantial completion of an eligible infrastructure project assisted under this title, the eligible infrastructure project is unable to generate sufficient revenues to pay the scheduled loan repayments of principal and interest on the direct loan under this title, the chief executive officer may allow the obligor to add unpaid principal and interest to the outstanding balance of the direct loan, if the result would benefit the taxpayer.

(B) INTEREST.—Any payment deferred under subparagraph (A) shall—

(i) continue to accrue interest, in accordance with the terms of the obligation, until fully repaid; and

(ii) be scheduled to be amortized over the remaining term of the loan.

(C) CRITERIA.—

(i) IN GENERAL.—Any payment deferral under subparagraph (A) shall be contingent on the eligible infrastructure project meeting criteria established by the Board of Directors.

(ii) REPAYMENT STANDARDS.—The criteria established under clause (i) shall include standards for reasonable assurance of repayment.

(4) PREPAYMENT OF DIRECT LOANS.—

(A) USE OF EXCESS REVENUES.—Any excess revenues that remain after satisfying scheduled debt service requirements on the eligible infrastructure project obligations and direct loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations under this title may be applied annually to prepay the direct loan, without penalty.

(B) USE OF PROCEEDS OF REFINANCING.—A direct loan under this title may be prepaid at any time, without penalty, from the proceeds of refinancing from non-Federal funding sources.

(j) LOAN GUARANTEES.—The terms of a loan guaranteed by IFA under this title shall be consistent with the terms set forth in this section for a direct loan, except that the rate on the guaranteed loan and any payment, prepayment, or refinancing features shall be negotiated between the obligor and the lender (as defined in section 601(a) of title 23, United States Code) with the consent of the chief executive officer.

(k) COMPLIANCE WITH FCRA.—

(1) IN GENERAL.—Except as provided in paragraph (2), direct loans and loan guarantees authorized under this title shall be subject to the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) EXCEPTION.—Section 504(b) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c(b)) shall not apply to a loan or loan guarantee under this title.

(l) POLICY OF CONGRESS.—It is the policy of Congress that IFA shall only make a direct loan or loan guarantee under this title if IFA determines that IFA is reasonably expected to recover the full amount of the direct loan or loan guarantee.

**SEC. 323. COMPLIANCE AND ENFORCEMENT.**

(a) CREDIT AGREEMENT.—Notwithstanding any other provision of law, each eligible entity that receives assistance under this title shall enter into a credit agreement that requires such entity to comply with all applicable policies and procedures of IFA, in addition to all other provisions of the loan agreement.

(b) APPLICABILITY OF FEDERAL LAWS.—Each eligible entity that receives assistance under this title shall provide written assurance, in such form and manner and containing such terms as are to be prescribed by IFA, that the eligible infrastructure project will be performed in compliance with the requirements of all Federal laws that would otherwise apply to similar projects to which the United States is a party, or financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant, or annual contribution.

(c) IFA AUTHORITY ON NONCOMPLIANCE.—In any case in which an eligible entity that receives assistance under this title is materially out of compliance with the loan agreement, or any applicable policy or procedure of IFA, the Board of Directors may take action—

(1) to cancel unused loan amounts; or

(2) to accelerate the repayment terms of any outstanding obligation.

**SEC. 324. AUDITS; REPORTS TO THE PRESIDENT AND CONGRESS.**

(a) ACCOUNTING.—The books of account of IFA shall be—

(1) maintained in accordance with generally accepted accounting principles; and

(2) subject to an annual audit by independent public accountants of nationally recognized standing appointed by the Board of Directors.

(b) REPORTS.—

(1) BOARD OF DIRECTORS.—Not later than 90 days after the last day of each fiscal year, the Board of Directors shall submit to the President and Congress a complete and detailed report with respect to the preceding fiscal year, setting forth—

(A) a summary of the operations of IFA for that fiscal year;

(B) a schedule of the obligations of IFA and capital securities outstanding at the end of that fiscal year, with a statement of the amounts issued and redeemed or paid during that fiscal year;

(C) the status of eligible infrastructure projects receiving funding or other assistance under this title during that fiscal year, including—

(i) all nonperforming loans; and

(ii) disclosure of all entities with a development, ownership, or operational interest in those eligible infrastructure projects;

(D) a description of the successes and challenges encountered in lending to rural communities, including the role of the Office of Technical and Rural Assistance established under this title; and

(E) an assessment of the risks of the portfolio of IFA, which shall be prepared by an independent source.

(2) GAO EVALUATION.—Not later than 5 years after the date of the enactment of this Act, the Comptroller General of the United States shall conduct an evaluation of, and submit a report to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives on the activities of IFA for the fiscal years covered by the report that includes—

(A) an assessment of the impact and benefits of each funded eligible infrastructure project, including a review of how effectively each eligible infrastructure project accomplished the goals prioritized by the eligible infrastructure project criteria of IFA; and

(B) an evaluation of the effectiveness of, and challenges facing, loan programs at the Department of Transportation and Department of Energy, and an analysis of the advisability of consolidating those programs within IFA.

(3) GAO STUDY AND REPORT.—Not later than 10 years after the date of enactment of this Act, the Comptroller General of the United States shall conduct a study and submit a report to the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives on the status of actions taken to make IFA a self-sustaining entity, including providing recommendations for such legislative or administrative actions as the Comptroller General considers necessary for IFA to achieve self-sustaining status or to promote a greater likelihood of achieving such status.

(c) BOOKS AND RECORDS.—

(1) IN GENERAL.—IFA shall maintain adequate books and records to support the financial transactions of IFA, with a description of financial transactions and eligible infrastructure projects receiving funding, and the amount of funding for each project maintained on a publically accessible database.

(2) AUDITS BY THE SECRETARY AND GAO.—The books and records of IFA shall at all times be open to inspection by the Secretary, the Special Inspector General, and the Comptroller General of the United States.

**SEC. 325. EFFECT ON OTHER LAWS.**

Nothing in this title affects or alters the responsibility of an eligible entity that receives assistance under this title to comply with applicable Federal and State laws (including regulations) relating to an eligible infrastructure project.

**Subtitle C—Funding of IFA**

**SEC. 331. FEES.**

The chief executive officer shall establish fees with respect to loans and loan guarantees under this title that—

(1) are sufficient to cover all the administrative costs to the Federal Government for the operations of IFA;

(2) may be in the form of an application or transaction fee, or interest rate adjustment; and

(3) may be based on the risk premium associated with the loan or loan guarantee, taking into consideration—

(A) the price of Treasury obligations of a similar maturity;

(B) prevailing market conditions;

(C) the ability of the eligible infrastructure project to support the loan or loan guarantee; and

(D) the total amount of the loan or loan guarantee.

**SEC. 332. SELF-SUFFICIENCY OF IFA.**

The chief executive officer shall, to the extent practicable, take actions consistent with this title to make IFA a self-sustaining entity, with administrative costs and Federal credit subsidy costs fully funded by fees and risk premiums on loans and loan guarantees.

**SEC. 333. FUNDING.**

(a) IN GENERAL.—There is authorized to be appropriated to IFA to make direct loans and loan guarantees under this title $10,000,000,000—

(1) which shall remain available until expended;

(2) of which not more than $25,000,000 may be used for the administrative costs of IFA for each of the fiscal years 2014 and 2015; and

(3) of which not more than $50,000,000 may be used for the administrative costs of IFA for fiscal year 2016.

(b) INTEREST.—The amounts made available to IFA under this title shall be placed in interest-bearing accounts.

(c) RURAL INFRASTRUCTURE PROJECTS.—Of the amounts made available to IFA under this title, not less than 5 percent shall be used to offset subsidy costs associated with rural infrastructure projects.

**SEC. 334. CONTRACT AUTHORITY.**

Notwithstanding any other provision of law, approval by the Board of Directors of a Federal credit instrument that uses funds made available under this title shall impose upon the United States a contractual obligation to fund the Federal credit investment.

**SEC. 335. LIMITATION ON AUTHORITY.**

IFA shall not have the authority to issue debt in its own name.

**Subtitle D—Budgetary Effects**

**SEC. 341. BUDGETARY EFFECTS.**

The budgetary effects of this title, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this title, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

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**SA 3614.** Mr. SCOTT submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

**TITLE II—SOUTHERN ENERGY ACCESS JOBS**

**SEC. 201. SHORT TITLE.**

This title may be cited as the ''Southern Energy Access Jobs Act'' or the ''SEA Jobs Act''.

**SEC. 202. DEFINITIONS.**

In this title:

(1) DIRECTOR.—The term ''Director'' means the Director of the Bureau of Ocean Energy Management.

(2) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002).

(3) QUALIFIED REVENUES.—The term ''qualified revenues'' means all bonus bids, rentals and royalties (and other sums) due and payable to the United States from all leases entered into after the date of enactment of this Act that covers an area in the South Atlantic planning area.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(5) SOUTH ATLANTIC PLANNING AREA.—The term ''South Atlantic planning area'' means the area of the outer Continental Shelf (as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331)) that is located between the northern lateral seaward administrative boundary of the Commonwealth of Virginia and the southernmost lateral seaward administrative boundary of the State of Georgia.

(6) STATE.—The term ''State'' means any of the following States:

(A) Georgia.

(B) North Carolina.

(C) South Carolina.

(D) Virginia.

(7) WORKFORCE INVESTMENT BOARD.—The term ''workforce investment board'' means a State or local workforce investment board established under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.).

**SEC. 203. ENHANCING STATE RIGHTS.**

(a) IN GENERAL.—The Secretary shall promulgate regulations that establish management of the surface occupancy of each portion of the South Atlantic planning area for the applicable coastline of a State for any lease sale authorized under this title to the effect that—

(1) the applicable State shall have sole authority to restrict or allow surface facilities above the waterline for the purpose of production of oil or gas resources in any area that is within 12 nautical miles seaward from the coastline of the State;

(2) unless permanent surface occupancy is authorized by a State, only sub-surface production facilities may be installed in areas that are located between the point that is 12 nautical miles from seaward from the coastline of the State and the point that is 20 nautical miles seaward from the coastline of the State;

(3) new offshore production facilities are encouraged and the impacts on coastal vistas are minimized, to the maximum extent practical; and

(4) onshore facilities that facilitate the development and production of the oil and gas resources of the South Atlantic planning area within 12 nautical miles seaward of the coastline of a State are allowed.

(b) TEMPORARY ACTIVITIES NOT AFFECTED.—Nothing in the regulations described in subsection (a) shall restrict, or give the States authority to restrict, temporary surface activities related to operations associated with outer Continental Shelf oil and gas leases.

**SEC. 204. REINSTATEMENT OF VIRGINIA LEASE SALE 220.**

Not later than 2 years after the date of enactment of this Act, the Secretary shall conduct Lease Sale 220 (as described in the notice of intent to prepare an environmental impact statement dated November 13, 2008 (73 Fed. Reg. 67201)).

**SEC. 205. SOUTH CAROLINA LEASE SALE.**

(a) IN GENERAL.—Notwithstanding the exclusion of the South Atlantic planning area in the outer Continental Shelf leasing program for fiscal years 2012–2017 prepared under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344), the Secretary shall conduct a lease sale not later than 2 years after the date of enactment of this Act in areas off the coast of the State of South Carolina—

(1) determined by the Secretary to have the most geologically promising hydrocarbon resources; and

(2) that constitute not less than 25 percent of the leasable area located within the offshore administrative boundaries of the State of South Carolina depicted in the notice entitled ''Federal Outer Continental Shelf (OCS) Administrative Boundaries Extending from the Submerged Lands Act Boundary seaward to the Limit of the United States Outer Continental Shelf'', published January 3, 2006 (71 Fed. Reg. 127).

(b) ENVIRONMENTAL IMPACT STATEMENT.—The Secretary shall complete a multisale environmental impact statement for the lease sales conducted under subsection (a) and section 204.

**SEC. 206. SOUTH ATLANTIC PLANNING AREA LEASE SALES.**

(a) IN GENERAL.—The Secretary shall conduct 3 lease sales in the South Atlantic planning area before June 30, 2017, in areas—

(1) to be determined by the Secretary based on—

(A) analysis by the Bureau of Ocean Energy Management; and

(B) industry nomination; and

(2) determined by the Secretary to contain the most hydrocarbon resource potential.

(b) 2017–2022 LEASING PROGRAM.—The Secretary shall—

(1) include the South Atlantic planning area in the outer Continental Shelf leasing program for fiscal years 2017–2022 prepared under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344); and

(2) conduct 1 lease sale in the South Atlantic planning area during each year of the program, for a total of 5 lease sales.

**SEC. 207. BALANCING OF MILITARY AND ENERGY PRODUCTION GOALS.**

(a) IN GENERAL.—In recognition that the outer Continental Shelf oil and gas leasing program and the domestic energy resources produced under the program are integral to national security, the Secretary and the Secretary of Defense shall work jointly in implementing lease sales under this title—

(1) to preserve the ability of the Armed Forces of the United States to maintain an optimum state of readiness through their continued use of the outer Continental Shelf; and

(2) to allow effective exploration, development, and production of the oil, gas, and renewable energy resources of the United States.

(b) PROHIBITION ON CONFLICTS WITH MILITARY OPERATIONS.—No person may engage in any exploration, development, or production of oil or natural gas on the outer Continental Shelf under a lease issued under this title that would conflict with any military operation, as determined in accordance with—

(1) the agreement entitled ''Memorandum of Agreement between the Department of Defense and the Department of the Interior on Mutual Concerns on the Outer Continental Shelf'' signed July 20, 1983; and

(2) any revision or replacement for the agreement described in paragraph (1) that is agreed to by the Secretary of Defense and the Secretary after that date but before the date of issuance of the lease under which the exploration, development, or production is conducted.

**SEC. 208. REVENUE SHARING AND DEFICIT REDUCTION.**

Notwithstanding section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338), each fiscal year the Secretary shall deposit—

(1) 37.5 percent of the qualified revenues in a special account in the Treasury, from which the Secretary shall allocate amounts in accordance with section 209;

(2) 2.5 percent of the qualified revenues in the fund established by section 210(b)(1), from which the Secretary shall allocate amounts in accordance with that section;

(3) 10 percent of the qualified revenues dedicated towards deficit reduction; and

(4) 50 percent of the qualified revenues in the general fund of the Treasury.

**SEC. 209. ALLOCATION TO STATES.**

(a) IN GENERAL.—Of the qualified revenues deposited in the account under section 208(1), 37.5 percent shall be distributed to each State—

(1) using the formula established under subsection (b); and

(2) in amounts that are inversely proportional to the respective distances between the point on the coastline of each State that is closest to the geographic center of the applicable leased tract and the geographic center of the leased tract.

(b) FORMULA.—The formula used to make the calculation under subsection (a) shall be—

(1) established by the Secretary by regulation; and

(2) modeled after the final rule entitled ''Allocation and Disbursement of Royalties, Rentals, and Bonuses—Oil and Gas, Offshore'', dated December 23, 2008 (73 Fed. Reg. 78622).

(c) MINIMUM ALLOCATION.—Each State shall be entitled to an amount equal to not less than 10 percent of the qualified revenues allocated under subsection (a).

(d) USE OF FUNDS.—A State receiving amounts under this section may use the amounts in accordance with State law.

**SEC. 210. VETERANS JOBS GRANT PROGRAM AUTHORIZED.**

(a) ESTABLISHMENT OF FUND.—

(1) IN GENERAL.—There is established in the Treasury of the United States a fund, to be known as the ''Oil and Gas Production Veterans Workforce Training Fund'' (referred to in this section as the ''Fund''), consisting of such amounts as are transferred to the Fund under section 208(2).

(2) ADMINISTRATION.—The Fund shall be administered by the Secretary to fund the grants authorized by subsection (b).

(b) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Secretary, acting through the Director, shall award grants on a competitive basis to eligible institutions of higher education and workforce investment boards to establish and fund oil and gas exploration, development, and production workforce training programs.

(2) ELIGIBILITY.—To be eligible to receive a grant under this section, an institution of higher education or workforce investment board shall—

(A) establish or expand and administer an oil and gas exploration, development, and production workforce training program; and

(B) in granting admission to applicants to the program, give priority to veterans of the Armed Forces of the United States.

(3) APPLICATION.—Each eligible entity desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(4) LIMITATION ON ADMINISTRATIVE EXPENSES.—Not more than 0.5 percent of the amounts made available to carry out this section may be used to pay for the administrative expenses of the programs described in paragraph (1).

**SEC. 211. ENHANCING GEOLOGICAL AND GEOPHYSICAL EDUCATION FOR AMERICA'S ENERGY FUTURE.**

(a) IN GENERAL.—The Secretary, acting through the Director, shall partner with institutions of higher education selected under subsection (c) to facilitate the practical study of geological and geophysical sciences of areas on the Atlantic Outer Continental Shelf and elsewhere on the Continental Shelf of the United States.

(b) FOCUS.—Activities conducted by institutions of higher education under this section shall focus all geological and geophysical scientific research on obtaining a better understanding of hydrocarbon potential in the South Atlantic Planning Area while fostering the study of the geological and geophysical sciences at institutions of higher education in the United States.

(c) SELECTION OF INSTITUTIONS.—

(1) NOMINATION.—Not later than 180 days after the date of enactment of this Act, the Governor of each State may nominate for participation in a partnership—

(A) 1 institution of higher education located in the State; and

(B) 1 institution of higher education that is a historically Black college or university, as defined in section 631(a) of the Higher Education Act of 1965 (20 U.S.C. 1132(a)) located in the State.

(2) PREFERENCE.—In making nominations under paragraph (1), each Governor shall give preference to those institutions of higher education that demonstrate a vigorous rate of admissions of veterans of the Armed Forces of the United States and meet the criteria described in paragraph (3).

(3) SELECTION.—The Director shall select as a partner any institution of higher education nominated under paragraph (1) that the Director determines demonstrates excellence in 1 or more of the following criteria:

(A) Geophysical sciences curriculum.

(B) Engineering curriculum.

(C) Information technology or other technical studies related to seismic research, including data processing.

(d) RESEARCH AUTHORITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), an institution of higher education selected under subsection (c)(3) may conduct research under this section upon the expiration of the 30-day period beginning on the date the institution of higher education submits notice of the research to the South Atlantic Regional Director of the Bureau of Ocean Energy Management.

(2) PERMIT REQUIRED.—An institution of higher education may not under this section conduct research that uses solid or liquid explosives except as authorized by a permit issued by the Director.

(e) DATA.—

(1) IN GENERAL.—Geological and geophysical activities conducted under this section—

(A) shall be considered scientific research and data produced by the activities;

(B) shall not be used or shared for commercial purposes;

(C) shall not be produced for proprietary use or sale; and

(D) shall be made available by the Director to the public.

(2) SUBMISSION OF DATA TO BOEM.—Not later than 60 days after completion of initial analysis of data collected under this section by an institution of higher education selected under subsection (c)(3), the institution of higher education shall share with the Bureau of Ocean Energy Management any data collected that is requested by the Bureau of Ocean Energy Management.

(3) FEES.—The Director may not charge any fee for the provision of data produced in research under this section, other than a data reprocessing fee to pay the cost of duplicating the data.

(f) REPORT.—Not less frequently than once every 180 days, the Director shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report on the data derived from partnerships under this section.

**SEC. 212. ATLANTIC REGIONAL OFFICE.**

Not later than the last day of the outer Continental Shelf leasing program for fiscal years 2012–2017 prepared under section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344), the Director shall establish an Atlantic regional office in an area that is—

(1) included in the outer Continental Shelf leasing program for fiscal years 2017–2022 prepared under section 18 of that Act; and

(2) determined by the Director to have the most potential resource development.

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**SA 3615.** Mr. RUBIO submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE ____—NATIONAL REGULATORY BUDGET ACT**

**SEC. __01. SHORT TITLE.**

This title may be cited as the ''National Regulatory Budget Act of 2014''.

**SEC. __02. ESTABLISHMENT OF THE OFFICE OF REGULATORY ANALYSIS.**

(a) IN GENERAL.—Part I of title 5, United States Code, is amended by inserting after chapter 6 the following:

**''CHAPTER 6A—NATIONAL REGULATORY BUDGET AND OFFICE OF REGULATORY ANALYSIS**

''Sec.
''613. Definitions.
''614. Office of Regulatory Analysis; establishment; powers.
''615. Functions of Office of Regulatory Analysis; Executive branch agency compliance.
''616. Public disclosure of estimate methodology and data; privacy.
''617. National Regulatory Budget; timeline.
''618. Executive branch agency cooperation mandatory; information sharing.
''619. Enforcement.
''620. Regulatory Analysis Advisory Board.

**''§ 613. Definitions**

''In this chapter—

''(1) the term 'aggregate costs', with respect to a covered Federal rule, means the sum of—

''(A) the direct costs of the covered Federal rule; and

''(B) the regulatory costs of the covered Federal rule;

''(2) the term 'covered Federal rule' means—

''(A) a rule (as defined in section 551);

''(B) an information collection requirement given a control number by the Office of Management and Budget; or

''(C) guidance or a directive that—

''(i) is not described in subparagraph (A) or (B);

''(ii)(I) is mandatory in its application to regulated entities; or

''(II) represents a statement of agency position that regulated entities would reasonably construe as reflecting the enforcement or litigation position of the agency; and

''(iii) imposes not less than $25,000,000 in annual costs on regulated entities;

''(3) the term 'direct costs' means—

''(A) expenditures made by an Executive branch agency that relate to the promulgation, administration, or enforcement of a covered Federal rule; or

''(B) costs incurred by an Executive branch agency, a Government corporation, the United States Postal Service, or any other instrumentality of the Federal Government because of a covered Federal rule;

''(4) the term 'Director' means the Director of the Office of Regulatory Analysis established under section 614(b);

''(5) the term 'Executive branch agency' means—

''(A) an Executive department (as defined in section 101); and

''(B) an independent establishment (as defined in section 104);

''(6) the term 'regulated entity' means—

''(A) a for-profit private sector entity (including an individual who is in business as a sole proprietor);

''(B) a not-for-profit private sector entity; or

''(C) a State or local government; and

''(7) the term 'regulatory costs' means all costs incurred by a regulated entity because of covered Federal rules.

**''§ 614. Office of Regulatory Analysis; establishment; powers**

''(a) ESTABLISHMENT.—There is established in the executive branch an independent establishment to be known as the 'Office of Regulatory Analysis'.

''(b) DIRECTOR.—

''(1) ESTABLISHMENT OF POSITION.—There shall be at the head of the Office of Regulatory Analysis a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.

''(2) TERM.—

''(A) IN GENERAL.—The term of office of the Director shall—

''(i) be 4 years; and

''(ii) expire on the last day of February following each Presidential election.

''(B) APPOINTMENTS PRIOR TO EXPIRATION OF TERM.—Subject to subparagraph (C), an individual appointed as Director to fill a vacancy prior to the expiration of a term shall serve only for the unexpired portion of the term.

''(C) SERVICE UNTIL APPOINTMENT OF SUCCESSOR.—An individual serving as Director at the expiration of a term may continue to serve until a successor is appointed.

''(3) POWERS.—

''(A) APPOINTMENT OF DEPUTY DIRECTORS, OFFICERS, AND EMPLOYEES.—

''(i) IN GENERAL.—The Director may appoint Deputy Directors, officers, and employees, including attorneys, in accordance with chapter 51 and subchapter III of chapter 53.

''(ii) TERM OF DEPUTY DIRECTORS.—A Deputy Director shall serve until the expiration of the term of office of the Director who appointed the Deputy Director (and until a successor to that Director is appointed), unless sooner removed by the Director.

''(B) CONTRACTING.—

''(i) IN GENERAL.—The Director may contract for financial and administrative services (including those related to budget and accounting, financial reporting, personnel, and procurement) with the General Services Administration, or such other Federal agency as the Director determines appropriate, for which payment shall be made in advance, or by reimbursement, from funds of the Office of Regulatory Analysis in such amounts as may be agreed upon by the Director and the head of the Federal agency providing the services.

''(ii) SUBJECT TO APPROPRIATIONS.—Contract authority under clause (i) shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Office of Regulatory Analysis for each fiscal year such sums as may be necessary to enable the Office of Regulatory Analysis to carry out its duties and functions.

**''§ 615. Functions of Office of Regulatory Analysis; Executive branch agency compliance**

''(a) ANNUAL REPORT REQUIRED.—

''(1) IN GENERAL.—Not later than January 30 of each year, the Director shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Small Business and Entrepreneurship of the Senate, the Committee on Oversight and Government Reform of the House of Representatives, and the Committee on Small Business of the House of Representatives a Report on National Regulatory Costs (referred to in this section as the 'Report') that includes the information specified under paragraph (2).

''(2) CONTENTS.—Each Report shall include—

''(A) an estimate, for the fiscal year during which the Report is submitted and for the preceding fiscal year, of—

''(i) the regulatory costs imposed by each Executive branch agency on regulated entities;

''(ii) the aggregate costs imposed by each Executive branch agency;

''(iii) the aggregate costs imposed by all Executive branch agencies combined;

''(iv) the direct costs incurred by the Federal Government because of covered Federal rules issued by each Executive branch agency;

''(v) the sum of the costs described in clauses (iii) and (iv);

''(vi) the regulatory costs imposed by each Executive branch agency on small businesses, small organizations, and small governmental jurisdictions (as those terms are defined in section 601); and

''(vii) the sum of the costs described in clause (vi);

''(B) an analysis of any major changes in estimation methodology used by the Office of Regulatory Analysis since the previous annual report;

''(C) an analysis of any major estimate changes caused by improved or inadequate data since the previous annual report;

''(D) recommendations, both general and specific, regarding—

''(i) how regulations may be streamlined, simplified, and modernized;

''(ii) regulations that should be repealed; and

''(iii) how the Federal Government may reduce the costs of regulations without diminishing the effectiveness of regulations; and

''(E) any other information that the Director determines may be of assistance to Congress in determining the National Regulatory Budget required under section 617.

''(b) REGULATORY ANALYSIS OF NEW RULES.—

''(1) REQUIREMENT.—The Director shall publish in the Federal Register and on the website of the Office of Regulatory Analysis a regulatory analysis of each proposed covered Federal rule issued by an Executive

branch agency, and each proposed withdrawal or modification of a covered Federal rule by an Executive branch agency, that—

''(A) imposes costs on a regulated entity; or

''(B) reduces costs imposed on a regulated entity.

''(2) CONTENTS.—Each regulatory analysis published under paragraph (1) shall include—

''(A) an estimate of the change in regulatory cost of each proposed covered Federal rule (or proposed withdrawal or modification of a covered Federal rule); and

''(B) any other information or recommendation that the Director may choose to provide.

''(3) TIMING OF REGULATORY ANALYSIS.—

''(A) INITIAL REGULATORY ANALYSIS.—Not later than 60 days after the date on which the Director receives a copy of a proposed covered Federal rule from the head of an Executive branch agency under paragraph (4), the Director shall publish an initial regulatory analysis.

''(B) REVISED REGULATORY ANALYSIS.—The Director may publish a revised regulatory analysis at any time.

''(4) NOTICE TO DIRECTOR OF PROPOSED COVERED FEDERAL RULE.—The head of an Executive branch agency shall provide a copy of each proposed covered Federal rule to the Director in a manner prescribed by the Director.

''(c) EFFECTIVE DATES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a covered Federal rule may not take effect earlier than 75 days after the date on which the head of the Executive branch agency proposing the covered Federal rule submits a copy of the proposed covered Federal rule to the Director in the manner prescribed by the Director under subsection (b)(4).

''(2) EXCEPTION.—If the head of the Executive branch agency proposing a covered Federal rule determines that the public health or safety or national security requires that the covered Federal rule be promulgated earlier than the date specified under paragraph (1), the head of the Executive branch agency may promulgate the covered Federal rule without regard to paragraph (1).

**''§ 616. Public disclosure of estimate methodology and data; privacy**

''(a) PRIVACY.—The Director shall comply with all relevant privacy laws, including—

''(1) the Confidential Information Protection and Statistical Efficiency Act of 2002 (44 U.S.C. 3501 note);

''(2) section 9 of title 13; and

''(3) section 6103 of the Internal Revenue Code of 1986.

''(b) DISCLOSURE.—

''(1) IN GENERAL.—To the maximum extent permitted by law, the Director shall disclose, by publication in the Federal Register and on the website of the Office of Regulatory Analysis, the methodology and data used to generate the estimates in the Report on National Regulatory Costs required under section 615.

''(2) GOAL OF DISCLOSURE.—In disclosing the methodology and data under paragraph (1), the Director shall seek to provide sufficient information so that outside researchers may replicate the results contained in the Report on National Regulatory Costs.

**''§ 617. National Regulatory Budget; timeline**

''(a) DEFINITION.—In this section—

''(1) the term 'annual overall regulatory cost cap' means the maximum amount of regulatory costs that all Executive branch agencies combined may impose in a fiscal year;

''(2) the term 'annual agency regulatory cost cap' means the maximum amount of regulatory costs that an Executive branch agency may impose in a fiscal year; and

''(3) the term 'National Regulatory Budget' means an Act of Congress that establishes, for a fiscal year—

''(A) the annual overall regulatory cost cap; and

''(B) an annual agency regulatory cost cap for each Executive branch agency.

''(b) COMMITTEE DEADLINES.—

''(1) REFERRAL.—Not later than March 31 of each year—

''(A) the Committee on Small Business and Entrepreneurship of the Senate shall refer to the Committee on Homeland Security and Governmental Affairs of the Senate a bill that sets forth a National Regulatory Budget for the fiscal year beginning on October 1 of that year; and

''(B) the Committee on Small Business of the House of Representatives shall refer to the Committee on Oversight and Government Reform of the House of Representatives a bill that sets forth a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

''(2) REPORTING.—Not later than May 31 of each year—

''(A) the Committee on Homeland Security and Governmental Affairs of the Senate shall report a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year; and

''(B) the Committee on Oversight and Government Reform of the House of Representatives shall report a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

''(c) PASSAGE.—Not later than July 31 of each year, the House of Representatives and the Senate shall each pass a bill establishing a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

''(d) PRESENTMENT.—Not later than September 15 of each year, Congress shall pass and present to the President a National Regulatory Budget for the fiscal year beginning on October 1 of that year.

''(e) DEFAULT BUDGET.—

''(1) IN GENERAL.—If a National Regulatory Budget is not enacted with respect to a fiscal year, the most recently enacted National Regulatory Budget shall apply to that fiscal year.

''(2) DEFAULT INITIAL BUDGET.—

''(A) CALCULATION.—If a National Regulatory Budget is not enacted with respect to a fiscal year, and no National Regulatory Budget has previously been enacted—

''(i) the annual agency regulatory cost cap for an Executive branch agency for the fiscal year shall be equal to the amount of regulatory costs imposed by that Executive branch agency on regulated entities during the preceding fiscal year, as estimated by the Director in the annual report submitted to Congress under section 615(a); and

''(ii) the annual overall regulatory cost cap for the fiscal year shall be equal to the sum of the amounts described in clause (i).

''(B) EFFECT.—For purposes of section 619, an annual agency regulatory cost cap described in subparagraph (A) that applies to a fiscal year shall have the same effect as if the annual agency regulatory cost cap were part of a National Regulatory Budget applicable to that fiscal year.

''(f) INITIAL BUDGET.—The first National Regulatory Budget shall be with respect to fiscal year 2016.

**''§ 618. Executive branch agency cooperation mandatory; information sharing**

''(a) EXECUTIVE BRANCH AGENCY COOPERATION MANDATORY.—Not later than 45 days after the date on which the Director requests any information from an Executive branch agency, the Executive branch agency shall provide the Director with the information.

''(b) MEMORANDA OF UNDERSTANDING REGARDING CONFIDENTIALITY.—

''(1) IN GENERAL.—An Executive branch agency may require the Director to enter into a memorandum of understanding regarding the confidentiality of information provided by the Executive branch agency to the Director under subsection (a) as a condition precedent to providing any requested information.

''(2) DEGREE OF CONFIDENTIALITY OR DATA PROTECTION.—An Executive branch agency may not require a greater degree of confidentiality or data protection from the Director in a memorandum of understanding entered into under paragraph (1) than the Executive branch agency itself must adhere to.

''(3) SCOPE.—A memorandum of understanding entered into by the Director and an Executive branch agency under paragraph (1) shall—

''(A) be general in scope; and

''(B) govern all pending and future requests made to the Executive branch agency by the Director.

''(c) SANCTIONS FOR NON-COOPERATION.—

''(1) IN GENERAL.—The appropriations of an Executive branch agency for a fiscal year shall be reduced by one-half of 1 percent if, during that fiscal year, the Director finds that—

''(A) the Executive branch agency has failed to timely provide information that the Director requested under subsection (a);

''(B) the Director has provided notice of the failure described in subparagraph (A) to the Executive branch agency;

''(C) the Executive branch agency has failed to cure the failure described in subparagraph (A) within 30 days of being notified under subparagraph (B); and

''(D) the information that the Director requested under subsection (a)—

''(i) is in the possession of the Executive branch agency; or

''(ii) may reasonably be developed by the Executive branch agency.

''(2) SEQUESTRATION.—The Office of Management and Budget, in consultation with the Office of Federal Financial Management and Financial Management Service, shall enforce a reduction in appropriations under paragraph (1) by sequestering the appropriate amount of funds and returning the funds to the Treasury.

''(3) APPEALS.—

''(A) IN GENERAL.—The Director of the Office of Management and Budget may reduce the amount of, or except as provided in subparagraph (B), waive, a sanction imposed under paragraph (1) if the Director of the Office of Management and Budget finds that—

''(i) the sanction is unwarranted;

''(ii) the sanction is disproportionate to the gravity of the failure;

''(iii) the failure has been cured; or

''(iv) providing the requested information would adversely affect national security.

''(B) NO WAIVER FOR HISTORICALLY NON-COMPLIANT AGENCIES.—The Director of the Office of Management and Budget may not waive a sanction imposed on an Executive branch agency under paragraph (1) if the Executive branch agency has a history of non-compliance with requests for information by the Director of the Office of Regulatory Analysis under subsection (a).

''(d) NATIONAL SECURITY.—The Director may not require an Executive branch agency to provide information under subsection (a) that would adversely affect national security.

**''§ 619. Enforcement**

''(a) EXCEEDING ANNUAL AGENCY REGULATORY COST CAP.—An Executive branch

agency that exceeds the annual agency regulatory cost cap imposed by the National Regulatory Budget for a fiscal year may not promulgate a new covered Federal rule that increases regulatory costs until the Executive branch agency no longer exceeds the annual agency regulatory cost cap imposed by the applicable National Regulatory Budget.

''(b) DETERMINATION OF DIRECTOR.—

''(1) IN GENERAL.—An Executive branch agency may not promulgate a covered Federal rule unless the Director determines, in conducting the regulatory analysis of the covered Federal rule under section 615(b)(3)(A) that, after the Executive branch agency promulgates the covered Federal rule, the Executive branch agency will not exceed the annual agency regulatory cost cap for that Executive branch agency.

''(2) TIMING.—The Director shall make a determination under paragraph (1) with respect to a proposed covered Federal rule not later than 60 days after the Director receives a copy of the proposed covered Federal rule under section 615(b)(4).

''(c) EFFECT OF VIOLATION OF THIS SECTION.—

''(1) NO FORCE OR EFFECT.—A covered Federal rule that is promulgated in violation of this section shall have no force or effect.

''(2) JUDICIAL ENFORCEMENT.—Any party may bring an action in a district court of the United States to declare that a covered Federal rule has no force or effect because the covered Federal rule was promulgated in violation of this section.

**''§ 620. Regulatory Analysis Advisory Board**

''(a) ESTABLISHMENT OF BOARD.—In accordance with the Federal Advisory Committee Act (5 U.S.C. App.), the Director shall—

''(1) establish a Regulatory Analysis Advisory Board; and

''(2) appoint not fewer than 9 and not more than 15 individuals as members of the Regulatory Analysis Advisory Board.

''(b) QUALIFICATIONS.—The Director shall appoint individuals with technical and practical expertise in economics, law, accounting, science, management, and other areas that will aid the Director in preparing the annual Report on National Regulatory Costs required under section 615.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TABLE OF CHAPTERS.—The table of chapters for part I of title 5, United States Code, is amended by inserting after the item relating to chapter 6 the following:

''6A. National Regulatory Budget and Office of Regulatory Analysis 613''.

(2) INTERNAL REVENUE CODE OF 1986.—Section 6103(j) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(7) OFFICE OF REGULATORY ANALYSIS.—Upon written request by the Director of the Office of Regulatory Analysis established under section 614 of title 5, United States Code, the Secretary shall furnish to officers and employees of the Office of Regulatory Analysis return information for the purpose of, but only to the extent necessary for, an analysis of regulatory costs.''.

**SEC. __03. REPORT ON DUPLICATIVE PERSONNEL; REPORT ON REGULATORY ANALYSIS.**

(a) REPORT ON DUPLICATIVE PERSONNEL.—Not later than December 31, 2014, the Director shall submit to Congress a report determining positions in the Federal Government that are—

(1) duplicative of the work performed by the Office of Regulatory Analysis established under section 614 of title 5, United States Code; or

(2) otherwise rendered cost ineffective by the work of the Office of Regulatory Analysis.

(b) REPORT ON REGULATORY ANALYSIS.—

(1) REPORT REQUIRED.—Not later than June 30, 2015, the Director shall provide to Congress a report analyzing the practice with respect to, and the effectiveness of—

(A) chapter 6 of title 5, United States Code (commonly known as the ''Regulatory Flexibility Act'');

(B) the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note);

(C) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'');

(D) each Executive order that mandates economic analysis of Federal regulations; and

(E) Office of Management and Budget circulars, directives, and memoranda that mandate the economic analysis of Federal regulation.

(2) RECOMMENDATIONS.—The report under paragraph (1) shall include recommendations about how Federal regulatory analysis may be improved.

**SEC. __04. ADMINISTRATIVE PROCEDURE.**

(a) DEFINITION OF ''RULE''.—Section 551(4) of title 5, United States Code, is amended by inserting after ''requirements of an agency'' the following: '', whether or not the agency statement amends the Code of Federal Regulations and including, without limitation, a statement described by the agency as a regulation, rule, directive, or guidance,''.

(b) NOTICE OF PROPOSED RULEMAKING.—Section 553(b) of title 5, United States Code, is amended, following the flush text, in subparagraph (A) by striking ''interpretative rules, general statements of policy, or''.

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**SA 3616.** Mr. COONS (for himself and Mr. MORAN) submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

**SEC. ___. EXTENSION OF PUBLICLY TRADED PARTNERSHIP OWNERSHIP STRUCTURE TO ENERGY POWER GENERATION PROJECTS, TRANSPORTATION FUELS, AND RELATED ENERGY ACTIVITIES.**

(a) IN GENERAL.—Subparagraph (E) of section 7704(d)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''income and gains derived from the exploration'' and inserting ''income and gains derived from the following:

''(i) MINERALS, NATURAL RESOURCES, ETC.—The exploration'',

(2) by inserting ''or'' before ''industrial source'',

(3) by inserting a period after ''carbon dioxide'', and

(4) by striking '', or the transportation or storage'' and all that follows and inserting the following:

''(ii) RENEWABLE ENERGY.—The generation of electric power exclusively utilizing any resource described in section 45(c)(1) or energy property described in section 48 (determined without regard to any termination date), or in the case of a facility described in paragraph (3) or (7) of section 45(d) (determined without regard to any placed in service date or date by which construction of the facility is required to begin), the accepting or processing of such resource.

''(iii) ELECTRICITY STORAGE DEVICES.—The receipt and sale of electric power that has been stored in a device directly connected to the grid.

''(iv) COMBINED HEAT AND POWER.—The generation, storage, or distribution of thermal energy exclusively utilizing property described in section 48(c)(3) (determined without regard to subparagraphs (B) and (D) thereof and without regard to any placed in service date).

''(v) RENEWABLE THERMAL ENERGY.—The generation, storage, or distribution of thermal energy exclusively using any resource described in section 45(c)(1) or energy property described in clause (i) or (iii) of section 48(a)(3)(A).

''(vi) WASTE HEAT TO POWER.—The use of recoverable waste energy, as defined in section 371(5) of the Energy Policy and Conservation Act (42 U.S.C. 6341(5)) (as in effect on the date of the enactment of the Bring Jobs Home Act).

''(vii) RENEWABLE FUEL INFRASTRUCTURE.—The storage or transportation of any fuel described in subsection (b), (c), (d), or (e) of section 6426.

''(viii) RENEWABLE FUELS.—The production, storage, or transportation of any renewable fuel described in section 211(o)(1)(J) of the Clean Air Act (42 U.S.C. 7545(o)(1)(J)) (as in effect on the date of the enactment of the Bring Jobs Home Act) or section 40A(d)(1).

''(ix) RENEWABLE CHEMICALS.—The production, storage, or transportation of any renewable chemical (as defined in paragraph (6)).

''(x) ENERGY EFFICIENT BUILDINGS.—The audit and installation through contract or other agreement of any energy efficient building property described in section 179D(c)(1).

''(xi) GASIFICATION WITH SEQUESTRATION.—The production of any product from a project that meets the requirements of subparagraphs (A) and (B) of section 48B(c)(1) and that separates and sequesters in secure geological storage (as determined under section 45Q(d)(2)) at least 75 percent of such project's total qualified carbon dioxide (as defined in section 45Q(b)).

''(xii) CARBON CAPTURE AND SEQUESTRATION.—The generation or storage of electric power produced from any facility which is a qualified facility described in section 45Q(c) and which disposes of any captured qualified carbon dioxide (as defined in section 45Q(b)) in secure geological storage (as determined under section 45Q(d)(2)).''.

(b) RENEWABLE CHEMICAL.—Section 7704(d) of such Code is amended by adding at the end the following new paragraph:

''(6) RENEWABLE CHEMICAL.—The term 'renewable chemical' means a monomer, polymer, plastic, formulated product, or chemical substance produced from renewable biomass (as defined in section 9001(12) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101(12)), as in effect on the date of the enactment of the Bring Jobs Home Act).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, in taxable years ending after such date.

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**SA 3617.** Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE II—ELIMINATING IMPROPER AND ABUSIVE IRS AUDITS**

**SEC. 201. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This title may be cited as the ''Eliminating Improper and Abusive IRS Audits Act of 2014''.

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

TITLE II—ELIMINATING IMPROPER AND ABUSIVE IRS AUDITS

Sec. 201. Short title; table of contents.
Sec. 202. Civil damages allowed for reckless or intentional disregard of internal revenue laws.
Sec. 203. Modifications relating to certain offenses by officers and employees in connection with revenue laws.
Sec. 204. Modifications relating to civil damages for unauthorized inspection or disclosure of returns and return information.
Sec. 205. Extension of time for contesting IRS levy.
Sec. 206. Increase in monetary penalties for certain unauthorized disclosures of information.
Sec. 207. Ban on raising new issues on appeal.
Sec. 208. Limitation on enforcement of liens against principal residences.
Sec. 209. Additional provisions relating to mandatory termination for misconduct.
Sec. 210. Extension of declaratory judgment procedures to social welfare organizations.
Sec. 211. Review by the Treasury Inspector General for Tax Administration.

**SEC. 202. CIVIL DAMAGES ALLOWED FOR RECKLESS OR INTENTIONAL DISREGARD OF INTERNAL REVENUE LAWS.**

(a) INCREASE IN AMOUNT OF DAMAGES.—Section 7433(b) of the Internal Revenue Code of 1986 is amended by striking ''$1,000,000 ($100,000, in the case of negligence)'' and inserting ''$3,000,000 ($300,000, in the case of negligence)''.

(b) EXTENSION OF TIME TO BRING ACTION.—Section 7433(d)(3) of the Internal Revenue Code of 1986 is amended by striking ''2 years'' and inserting ''5 years''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions of employees of the Internal Revenue Service after the date of the enactment of this Act.

**SEC. 203. MODIFICATIONS RELATING TO CERTAIN OFFENSES BY OFFICERS AND EMPLOYEES IN CONNECTION WITH REVENUE LAWS.**

(a) INCREASE IN PENALTY.—Section 7214 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''$10,000'' in subsection (a) and inserting ''$25,000'', and

(2) by striking ''$5,000'' in subsection (b) and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SEC. 204. MODIFICATIONS RELATING TO CIVIL DAMAGES FOR UNAUTHORIZED INSPECTION OR DISCLOSURE OF RETURNS AND RETURN INFORMATION.**

(a) INCREASE IN AMOUNT OF DAMAGES.—Subparagraph (A) of section 7431(c)(1) of the Internal Revenue Code of 1986 is amended by striking ''$1,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to inspections and disclosure occurring on and after the date of the enactment of this Act.

**SEC. 205. EXTENSION OF TIME FOR CONTESTING IRS LEVY.**

(a) EXTENSION OF TIME FOR RETURN OF PROPERTY SUBJECT TO LEVY.—Subsection (b) of section 6343 of the Internal Revenue Code of 1986 is amended by striking ''9 months'' and inserting ''3 years''.

(b) PERIOD OF LIMITATION ON SUITS.—Subsection (c) of section 6532 of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (1) by striking ''9 months'' and inserting ''3 years'', and

(2) in paragraph (2) by striking ''9-month'' and inserting ''3-year''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) levies made after the date of the enactment of this Act, and

(2) levies made on or before such date if the 9-month period has not expired under section 6343(b) of the Internal Revenue Code of 1986 (without regard to this section) as of such date.

**SEC. 206. INCREASE IN MONETARY PENALTIES FOR CERTAIN UNAUTHORIZED DISCLOSURES OF INFORMATION.**

(a) IN GENERAL.—Paragraphs (1), (2), (3), and (4) of section 7213(a) of the Internal Revenue Code of 1986 are each amended by striking ''$5,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

**SEC. 207. BAN ON RAISING NEW ISSUES ON APPEAL.**

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**''SEC. 7529. PROHIBITION ON INTERNAL REVENUE SERVICE RAISING NEW ISSUES IN AN INTERNAL APPEAL.**

''(a) IN GENERAL.—In reviewing an appeal of any determination initially made by the Internal Revenue Service, the Internal Revenue Service Office of Appeals may not consider or decide any issue that is not within the scope of the initial determination.

''(b) CERTAIN ISSUES DEEMED OUTSIDE OF SCOPE OF DETERMINATION.—For purposes of subsection (a), the following matters shall be considered to be not within the scope of a determination:

''(1) Any issue that was not raised in a notice of deficiency or an examiner's report which is the subject of the appeal.

''(2) Any deficiency in tax which was not included in the initial determination.

''(3) Any theory or justification for a tax deficiency which was not considered in the initial determination.

''(c) NO INFERENCE WITH RESPECT TO ISSUES RAISED BY TAXPAYERS.—Nothing in this section shall be construed to provide any limitation in addition to any limitations in effect on the date of the enactment of this section on the right of a taxpayer to raise an issue, theory, or justification on an appeal from a determination initially made by the Internal Revenue Service that was not within the scope of the initial determination.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 of such Code is amended by adding at the end the following new item:

''Sec. 7529. Prohibition on Internal Revenue Service raising new issues in an internal appeal.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to matters filed or pending with the Internal Revenue Service Office of Appeals on or after the date of the enactment of this Act.

**SEC. 208. LIMITATION ON ENFORCEMENT OF LIENS AGAINST PRINCIPAL RESIDENCES.**

(a) IN GENERAL.—Section 7403(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''In any case'' and inserting the following:

''(1) IN GENERAL.—In any case'', and

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

''(2) LIMITATION WITH RESPECT TO PRINCIPAL RESIDENCE.—

''(A) IN GENERAL.—Paragraph (1) shall not apply to any property used as the principal residence of the taxpayer (within the meaning of section 121) unless the Secretary of the Treasury makes a written determination that—

''(i) all other property of the taxpayer, if sold, is insufficient to pay the tax or discharge the liability, and

''(ii) such action will not create an economic hardship for the taxpayer.

''(B) DELEGATION.—For purposes of this paragraph, the Secretary of the Treasury may not delegate any responsibilities under subparagraph (A) to any person other than—

''(i) the Commissioner of Internal Revenue, or

''(ii) a district director or assistant district director of the Internal Revenue Service.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to actions filed after the date of the enactment of this Act.

**SEC. 209. ADDITIONAL PROVISIONS RELATING TO MANDATORY TERMINATION FOR MISCONDUCT.**

(a) TERMINATION OF UNEMPLOYMENT FOR INAPPROPRIATE REVIEW OF TAX-EXEMPT STATUS.—Section 1203(b) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by striking ''and'' at the end of paragraph (9), by striking the period at the end of paragraph (10) and inserting ''; and'', and by adding at the end the following new paragraph:

''(11) in the case of any review of an application for tax-exempt status by an organization described in section 501(c) of the Internal Revenue Code of 1986, developing or using any methodology that applies disproportionate scrutiny to any applicant based on the ideology expressed in the name or purpose of the organization.''.

(b) MANDATORY UNPAID ADMINISTRATIVE LEAVE FOR MISCONDUCT.—Paragraph (1) of Section 1203(c) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by adding at the end the following new sentence: ''Notwithstanding the preceding sentence, if the Commissioner of Internal Revenue takes a personnel action other than termination for an act or omission described in subsection (b), the Commissioner shall place the employee on unpaid administrative leave for a period of not less than 30 days.''.

(c) LIMITATION ON ALTERNATIVE PUNISHMENT.—Paragraph (1) of section 1203(c) of the Internal Revenue Service Restructuring and Reform Act of 1998 (26 U.S.C. 7804 note) is amended by striking ''The Commissioner'' and inserting ''Except in the case of an act or omission described in subsection (b)(3)(A), the Commissioner''.

**SEC. 210. EXTENSION OF DECLARATORY JUDGMENT PROCEDURES TO SOCIAL WELFARE ORGANIZATIONS.**

(a) IN GENERAL.—Section 7428(a)(1) of the Internal Revenue Code of 1986 is amended by striking ''or'' at the end of subparagraph (C) and by adding at the end the following new subparagraph:

''(E) with respect to the initial classification or continuing classification of an organization described in section 501(c)(4) which is exempt from tax under section 501(a), or''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to pleading filed after the date of the enactment of this Act.

**SEC. 211. REVIEW BY THE TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION.**

(a) REVIEW.—Subsection (k)(1) of section 8D of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in subparagraph (C), by striking ''and'' at the end;

(2) by redesignating subparagraph (D) as subparagraph (E);

(3) by inserting after subparagraph (C) the following new subparagraph:

''(D) shall—

''(i) review any criteria employed by the Internal Revenue Service to select tax returns (including applications for recognition of tax-exempt status) for examination or audit, assessment or collection of deficiencies, criminal investigation or referral, refunds for amounts paid, or any heightened scrutiny or review in order to determine whether the criteria discriminates against taxpayers on the basis of race, religion, or political ideology; and

''(ii) consult with the Internal Revenue Service on recommended amendments to such criteria in order to eliminate any discrimination identified pursuant to the review described in clause (i); and''; and

(4) in subparagraph (E), as so redesignated, by striking ''and (C)'' and inserting ''(C), and (D)''.

(b) SEMIANNUAL REPORT.—Subsection (g) of such section is amended by adding at the end the following new paragraph:

''(3) Any semiannual report made by the Treasury Inspector General for Tax Administration that is required pursuant to section 5(a) shall include—

''(A) a statement affirming that the Treasury Inspector General for Tax Administration has reviewed the criteria described in subsection (k)(1)(D) and consulted with the Internal Revenue Service regarding such criteria; and

''(B) a description and explanation of any such criteria that was identified as discriminatory by the Treasury Inspector General for Tax Administration.''.

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**SA 3618.** Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

## TITLE II—SMALL BUSINESS TAXPAYER BILL OF RIGHTS

### SEC. 201. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the ''Small Business Taxpayer Bill of Rights Act of 2014''.

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

TITLE II—SMALL BUSINESS TAXPAYER BILL OF RIGHTS

Sec. 201. Short title; table of contents.
Sec. 202. Modification of standards for awarding of costs and certain fees.
Sec. 203. Civil damages allowed for reckless or intentional disregard of internal revenue laws.
Sec. 204. Modifications relating to certain offenses by officers and employees in connection with revenue laws.
Sec. 205. Modifications relating to civil damages for unauthorized inspection or disclosure of returns and return information.
Sec. 206. Interest abatement reviews.
Sec. 207. Ban on ex parte discussions.
Sec. 208. Alternative dispute resolution procedures.
Sec. 209. Extension of time for contesting IRS levy.
Sec. 210. Waiver of installment agreement fee.
Sec. 211. Suspension of running of period for filing petition of spousal relief and collection cases.
Sec. 212. Venue for appeal of spousal relief and collection cases.
Sec. 213. Increase in monetary penalties for certain unauthorized disclosures of information.
Sec. 214. De novo tax court review of claims for equitable innocent spouse relief.
Sec. 215. Ban on raising new issues on appeal.

### SEC. 202. MODIFICATION OF STANDARDS FOR AWARDING OF COSTS AND CERTAIN FEES.

(a) SMALL BUSINESSES ELIGIBLE WITHOUT REGARD TO NET WORTH.—Subparagraph (D) of section 7430(c)(4) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting ''and'', and by adding at the end the following new clause:

''(iii) in the case of an eligible small business, the net worth limitation in clause (ii) of such section shall not apply.''.

(b) ELIGIBLE SMALL BUSINESS.—Paragraph (4) of section 7430(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(F) ELIGIBLE SMALL BUSINESS.—For purposes of subparagraph (D)(iii), the term 'eligible small business' means, with respect to any proceeding commenced in a taxable year—

''(i) a corporation the stock of which is not publicly traded,

''(ii) a partnership, or

''(iii) a sole proprietorship,

if the average annual gross receipts of such corporation, partnership, or sole proprietorship for the 3-taxable-year period preceding such taxable year does not exceed $50,000,000. For purposes of applying the test under the preceding sentence, rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to proceedings commenced after the date of the enactment of this Act.

### SEC. 203. CIVIL DAMAGES ALLOWED FOR RECKLESS OR INTENTIONAL DISREGARD OF INTERNAL REVENUE LAWS.

(a) INCREASE IN AMOUNT OF DAMAGES.—Section 7433(b) of the Internal Revenue Code of 1986 is amended by striking ''$1,000,000 ($100,000, in the case of negligence)'' and inserting ''$3,000,000 ($300,000, in the case of negligence)''.

(b) EXTENSION OF TIME TO BRING ACTION.—Section 7433(d)(3) of the Internal Revenue Code of 1986 is amended by striking ''2 years'' and inserting ''5 years''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions of employees of the Internal Revenue Service after the date of the enactment of this Act.

### SEC. 204. MODIFICATIONS RELATING TO CERTAIN OFFENSES BY OFFICERS AND EMPLOYEES IN CONNECTION WITH REVENUE LAWS.

(a) INCREASE IN PENALTY.—Section 7214 of the Internal Revenue Code of 1986 is amended—

(1) by striking ''$10,000'' in subsection (a) and inserting ''$25,000'', and

(2) by striking ''$5,000'' in subsection (b) and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

### SEC. 205. MODIFICATIONS RELATING TO CIVIL DAMAGES FOR UNAUTHORIZED INSPECTION OR DISCLOSURE OF RETURNS AND RETURN INFORMATION.

(a) INCREASE IN AMOUNT OF DAMAGES.—Subparagraph (A) of section 7431(c)(1) of the Internal Revenue Code of 1986 is amended by striking ''$1,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to inspections and disclosure occurring on and after the date of the enactment of this Act.

### SEC. 206. INTEREST ABATEMENT REVIEWS.

(a) FILING PERIOD FOR INTEREST ABATEMENT CASES.—

(1) IN GENERAL.—Subsection (h) of section 6404 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''REVIEW OF DENIAL'' in the heading and inserting ''JUDICIAL REVIEW'', and

(B) by striking ''''if such action is brought'''' and all that follows in paragraph (1) and inserting ''if such action is brought—

''(A) at any time after the earlier of—

''(i) the date of the mailing of the Secretary's final determination not to abate such interest, or

''(ii) the date which is 180 days after the date of the filing with the Secretary (in such form as the Secretary may prescribe) of a claim for abatement under this section, and

''(B) not later than the date which is 180 days after the date described in subparagraph (A)(i).''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to claims for abatement of interest filed with the Secretary after the date of the enactment of this Act.

(b) SMALL TAX CASE ELECTION FOR INTEREST ABATEMENT CASES.—

(1) IN GENERAL.—Subsection (f) of section 7463 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''and'' at the end of paragraph (1),

(B) by striking the period at the end of paragraph (2) and inserting '', and'', and

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

''(3) a petition to the Tax court under section 6404(h) in which the amount of interest abatement sought does not exceed $50,000.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to—

(A) cases pending as of the day after the date of the enactment of this Act, and

(B) cases commenced after such date of enactment.

### SEC. 207. BAN ON EX PARTE DISCUSSIONS.

(a) IN GENERAL.—Notwithstanding section 1001(a)(4) of the Internal Revenue Service Restructuring and Reform Act of 1998, the Internal Revenue Service shall prohibit any ex parte communications between officers in the Internal Revenue Service Office of Appeals and other Internal Revenue Service employees with respect to any matter pending before such officers.

(b) TERMINATION OF EMPLOYMENT FOR MISCONDUCT.—Subject to subsection (c), the Commissioner of Internal Revenue shall terminate the employment of any employee of the Internal Revenue Service if there is a final administrative or judicial determination that such employee committed any act or omission prohibited under subsection (a) in the performance of the employee's official duties. Such termination shall be a removal for cause on charges of misconduct.

(c) DETERMINATION OF COMMISSIONER.—

(1) IN GENERAL.—The Commissioner of Internal Revenue may take a personnel action other than termination for an act prohibited under subsection (a).

(2) DISCRETION.—The exercise of authority under paragraph (1) shall be at the sole discretion of the Commissioner of Internal Revenue and may not be delegated to any other officer. The Commissioner of Internal Revenue, in his sole discretion, may establish a procedure which will be used to determine whether an individual should be referred to the Commissioner of Internal Revenue for a determination by the Commissioner under paragraph (1).

(3) NO APPEAL.—Any determination of the Commissioner of Internal Revenue under this subsection may not be appealed in any administrative or judicial proceeding.

(d) TIGTA REPORTING OF TERMINATION OR MITIGATION.—Section 7803(d)(1)(E) of the Internal Revenue Code of 1986 is amended by inserting ''or section 7 of the Small Business Taxpayer Bill of Rights Act of 2014'' after ''1998''.

**SEC. 208. ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.**

(a) IN GENERAL.—Section 7123 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(c) AVAILABILITY OF DISPUTE RESOLUTIONS.—

''(1) IN GENERAL.—The procedures prescribed under subsection (b)(1) and the pilot program established under subsection (b)(2) shall provide that a taxpayer may request mediation or arbitration in any case unless the Secretary has specifically excluded the type of issue involved in such case or the class of cases to which such case belongs as not appropriate for resolution under such subsection. The Secretary shall make any determination that excludes a type of issue or a class of cases public within 5 working days and provide an explanation for each determination.

''(2) INDEPENDENT MEDIATORS.—

''(A) IN GENERAL.—The procedures prescribed under subsection (b)(1) shall provide the taxpayer an opportunity to elect to have the mediation conducted by an independent, neutral individual not employed by the Office of Appeals.

''(B) COST AND SELECTION.—

''(i) IN GENERAL.—Any taxpayer making an election under subparagraph (A) shall be required—

''(I) to share the costs of such independent mediator equally with the Office of Appeals, and

''(II) to limit the selection of the mediator to a roster of recognized national or local neutral mediators.

''(ii) EXCEPTION.—Clause (i)(I) shall not apply to any taxpayer who is an individual or who was a small business in the preceding calendar year if such taxpayer had an adjusted gross income that did not exceed 250 percent of the poverty level, as determined in accordance with criteria established by the Director of the Office of Management and Budget, in the taxable year preceding the request.

''(iii) SMALL BUSINESS.—For purposes of clause (ii), the term 'small business' has the meaning given such term under section 41(b)(3)(D)(iii).

''(3) AVAILABILITY OF PROCESS.—The procedures prescribed under subsection (b)(1) and the pilot program established under subsection (b)(2) shall provide the opportunity to elect mediation or arbitration at the time when the case is first filed with the Office of Appeals and at any time before deliberations in the appeal commence.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

**SEC. 209. EXTENSION OF TIME FOR CONTESTING IRS LEVY.**

(a) EXTENSION OF TIME FOR RETURN OF PROPERTY SUBJECT TO LEVY.—Subsection (b) of section 6343 of the Internal Revenue Code of 1986 is amended by striking ''9 months'' and inserting ''3 years''.

(b) PERIOD OF LIMITATION ON SUITS.—Subsection (c) of section 6532 of the Internal Revenue Code of 1986 is amended—

(1) in paragraph (1) by striking ''9 months'' and inserting ''3 years'', and

(2) in paragraph (2) by striking ''9-month'' and inserting ''3-year''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to—

(1) levies made after the date of the enactment of this Act, and

(2) levies made on or before such date if the 9-month period has not expired under section 6343(b) of the Internal Revenue Code of 1986 (without regard to this section) as of such date.

**SEC. 210. WAIVER OF INSTALLMENT AGREEMENT FEE.**

(a) IN GENERAL.—Section 6159 of the Internal Revenue Code of 1986 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) WAIVER OF INSTALLMENT AGREEMENT FEE.—The Secretary shall waive the fees imposed on installment agreements under this section for any taxpayer with an adjusted gross income that does not exceed 250 percent of the poverty level, as determined in accordance with criteria established by the Director of the Office of Management and Budget, and who has agreed to make payments under the installment agreement by electronic payment through a debit instrument.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

**SEC. 211. SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION OF SPOUSAL RELIEF AND COLLECTION CASES.**

(a) PETITIONS FOR SPOUSAL RELIEF.—

(1) IN GENERAL.—Subsection (e) of section 6015 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(6) SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION IN TITLE 11 CASES.—In the case of a person who is prohibited by reason of a case under title 11, United States Code, from filing a petition under paragraph (1)(A) with respect to a final determination of relief under this section, the running of the period prescribed by such paragraph for filing such a petition with respect to such final determination shall be suspended for the period during which the person is so prohibited from filing such a petition, and for 60 days thereafter.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to petitions filed under section 6015(e) of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

(b) COLLECTION PROCEEDINGS.—

(1) IN GENERAL.—Subsection (d) of section 6330 of the Internal Revenue Code of 1986 is amended—

(A) by striking ''appeal such determination to the Tax Court'' in paragraph (1) and inserting ''petition the Tax Court for review of such determination'',

(B) by striking ''JUDICIAL REVIEW OF DETERMINATION'' in the heading of paragraph (1) and inserting ''PETITION FOR REVIEW BY TAX COURT'',

(C) by redesignating paragraph (2) as paragraph (3), and

(D) by inserting after paragraph (1) the following new paragraph:

''(2) SUSPENSION OF RUNNING OF PERIOD FOR FILING PETITION IN TITLE 11 CASES.—In the case of a person who is prohibited by reason of a case under title 11, United States Code, from filing a petition under paragraph (1) with respect to a determination under this section, the running of the period prescribed by such subsection for filing such a petition with respect to such determination shall be suspended for the period during which the person is so prohibited from filing such a petition, and for 30 days thereafter.''.

(2) CONFORMING AMENDMENT.—Subsection (c) of section 6320 of such Code is amended by striking ''(2)(B)'' and inserting ''(3)(B)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to petitions filed under section 6330 of the Internal Revenue Code of 1986 after the date of the enactment of this Act.

**SEC. 212. VENUE FOR APPEAL OF SPOUSAL RELIEF AND COLLECTION CASES.**

(a) IN GENERAL.—Paragraph (1) of section 7482(b) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''or'' at the end of subparagraph (E),

(2) by striking the period at the end of subparagraph (F) and inserting a comma, and

(3) by inserting after subparagraph (F) the following new subparagraphs:

''(G) in the case of a petition under section 6015(e), the legal residence of the petitioner, or

''(H) in the case of a petition under section 6320 or 6330—

''(i) the legal residence of the petitioner if the petitioner is an individual, and

''(ii) the principal place of business or principal office or agency if the petitioner is an entity other than an individual.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to petitions filed after the date of enactment of this Act.

**SEC. 213. INCREASE IN MONETARY PENALTIES FOR CERTAIN UNAUTHORIZED DISCLOSURES OF INFORMATION.**

(a) IN GENERAL.—Paragraphs (1), (2), (3), and (4) of section 7213(a) of the Internal Revenue Code of 1986 are each amended by striking ''$5,000'' and inserting ''$10,000''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to disclosures made after the date of the enactment of this Act.

**SEC. 214. DE NOVO TAX COURT REVIEW OF CLAIMS FOR EQUITABLE INNOCENT SPOUSE RELIEF.**

(a) IN GENERAL.—Subparagraph (A) of section 6015(e)(1) of the Internal Revenue Code of 1986 is amended by adding at the end the following new flush sentence:

''Any review of a determination by the Secretary with respect to a claim for equitable relief under subsection (f) shall be reviewed de novo by the Tax Court.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to petitions filed or pending before the Tax Court on and after the date of the enactment of this Act.

**SEC. 215. BAN ON RAISING NEW ISSUES ON APPEAL.**

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**''SEC. 7529. PROHIBITION ON INTERNAL REVENUE SERVICE RAISING NEW ISSUES IN AN INTERNAL APPEAL.**

''(a) IN GENERAL.—In reviewing an appeal of any determination initially made by the Internal Revenue Service, the Internal Revenue Service Office of Appeals may not consider or decide any issue that is not within the scope of the initial determination.

''(b) CERTAIN ISSUES DEEMED OUTSIDE OF SCOPE OF DETERMINATION.—For purposes of subsection (a), the following matters shall be considered to be not within the scope of a determination:

''(1) Any issue that was not raised in a notice of deficiency or an examiner's report which is the subject of the appeal.

''(2) Any deficiency in tax which was not included in the initial determination.

''(3) Any theory or justification for a tax deficiency which was not considered in the initial determination.

''(c) NO INFERENCE WITH RESPECT TO ISSUES RAISED BY TAXPAYERS.—Nothing in this section shall be construed to provide any limitation in addition to any limitations in effect on the date of the enactment of this section on the right of a taxpayer to raise an issue, theory, or justification on an appeal from a determination initially made by the Internal Revenue Service that was not within the scope of the initial determination.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 of such Code is amended by adding at the end the following new item:

''Sec. 7529. Prohibition on Internal Revenue Service raising new issues in an internal appeal.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to matters filed or pending with the Internal Revenue Service Office of Appeals on or after the date of the enactment of this Act.

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**SA 3619.** Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. REPEAL OF UNEARNED INCOME MEDICARE CONTRIBUTION.**

(a) IN GENERAL.—Chapter 2A of the Internal Revenue Code of 1986 is repealed.

(b) CONFORMING AMENDMENT.—The table of chapters for subtitle A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to chapter 2A.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2013.

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**SA 3620.** Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ____. POINT OF ORDER ON LEGISLATION THAT RAISES INCOME TAX RATES ON SMALL BUSINESSES.**

(a) POINT OF ORDER.—

(1) IN GENERAL.—In the Senate, it shall not be in order to consider any bill, joint resolution, amendment, motion, or conference report that includes any provision which increases Federal income tax rates.

(2) DEFINITION.—In this section, the term ''Federal income tax rates'' means any rate of tax under—

(A) subsection (a), (b), (c), (d), or (e) of section 1 of the Internal Revenue Code of 1986,

(B) section 11(b) of such Code, or

(C) section 55(b) of such Code.

(b) SUPERMAJORITY WAIVER AND APPEALS.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, dully chosen and sworn.

(2) APPEALS.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

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**SA 3621.** Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. TAX EFFECT TRANSPARENCY.**

(a) IN GENERAL.—Chapter 2 of title 1, United States Code, is amended by inserting after section 102 the following:

**''§ 102a. Tax effect transparency**

''(a) IN GENERAL.—Each Act of Congress, bill, resolution, conference report thereon, or amendment there to, that modifies Federal tax law shall contain a statement describing the general effect of the modification on Federal tax law.

''(b) FAILURE TO COMPLY.—

''(1) IN GENERAL.—A failure to comply with subsection (a) shall give rise to a point of order in either House of Congress, which may be raised by any Senator during consideration in the Senate or any Member of the House of Representatives during consideration in the House of Representatives.

''(2) NONEXCLUSIVITY.—The availability of a point of order under this section shall not affect the availability of any other point of order.

''(c) DISPOSITION OF POINT OF ORDER IN THE SENATE.—

''(1) IN GENERAL.—Any Senator may raise a point of order that any matter is not in order under subsection (a).

''(2) WAIVER.—

''(A) IN GENERAL.—Any Senator may move to waive a point of order raised under paragraph (1) by an affirmative vote of three-fifths of the Senators duly chosen and sworn.

''(B) PROCEDURES.—For a motion to waive a point of order under subparagraph (A) as to a matter—

''(i) a motion to table the point of order shall not be in order;

''(ii) all motions to waive one or more points of order under this section as to the matter shall be debatable for a total of not more than 1 hour, equally divided between the Senator raising the point of order and the Senator moving to waive the point of order or their designees; and

''(iii) a motion to waive the point of order shall not be amendable.

''(d) DISPOSITION OF POINT OF ORDER IN THE HOUSE OF REPRESENTATIVES.—

''(1) IN GENERAL.—If a Member of the House of Representatives makes a point of order under this section, the Chair shall put the question of consideration with respect to the proposition of whether any statement made under subsection (a) was adequate or, in the absence of such a statement, whether a statement is required under subsection (a).

''(2) CONSIDERATION.—For a point of order under this section made in the House of Representatives—

''(A) the question of consideration shall be debatable for 10 minutes, equally divided and controlled by the Member making the point of order and by an opponent, but shall otherwise be decided without intervening motion except one that the House of Representatives adjourn or that the Committee of the Whole rise, as the case may be;

''(B) in selecting the opponent, the Speaker of the House of Representatives should first recognize an opponent from the opposing party; and

''(C) the disposition of the question of consideration with respect to a measure shall be considered also to determine the question of consideration under this section with respect to an amendment made in order as original text.

''(e) RULEMAKING AUTHORITY.—The provisions of this section are enacted by the Congress—

''(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

''(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 2 of title 1, United States Code, is amended by inserting after the item relating to section 102 the following new item:

''102a. Tax effect transparency.''.

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**SA 3622.** Mr. ISAKSON submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. ___. REPEAL.**

Section 18A of the Fair Labor Standards Act (29 U.S.C. 218a), as added by section 1511 of the Patient Protection and Affordable Care Act, is repealed.

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**SA 3623.** Mr. CASEY (for Mr. KIRK) proposed an amendment to the resolution S. Res. 489, supporting the goals and ideals of ''Growth Awareness Week''; as follows:

In the ninth whereas clause of the preamble, strike ''providing resources'' and insert ''support''.

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**SA 3624.** Mr. PAUL submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. _____. FEDERALISM IN MEDICAL MARIJUANA.**

(a) STATE MEDICAL MARIJUANA LAWS.—Notwithstanding section 708 of the Controlled Substances Act (21 U.S.C. 903) or any other provision of law (including regulations), a State may enact and implement a law that authorizes the use, distribution, possession, or cultivation of marijuana for medical use.

(b) PROHIBITION ON CERTAIN PROSECUTIONS.—No prosecution may be commenced or maintained against any physician or patient for a violation of any Federal law (including regulations) that prohibits the conduct described in subsection (a) if the State in which the violation occurred has in effect a law described in subsection (a) before, on, or after the date on which the violation occurred, including—

(1) Alabama;
(2) Alaska;
(3) Arizona;
(4) California;
(5) Colorado;
(6) Connecticut;
(7) Delaware;
(8) the District of Columbia;
(9) Florida;
(10) Hawaii;
(11) Illinois;
(12) Iowa;
(13) Kentucky;
(14) Maine;
(15) Maryland;
(16) Massachusetts;
(17) Michigan;
(18) Minnesota;
(19) Mississippi;
(20) Missouri;
(21) Montana;
(22) Nevada;
(23) New Hampshire;
(24) New Jersey;
(25) New Mexico;
(26) Oregon;
(27) Rhode Island;

(28) South Carolina;
(29) Tennessee;
(30) Utah;
(31) Vermont;
(32) Washington; and
(33) Wisconsin.

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**SA 3625.** Mr. BOOZMAN submitted an amendment intended to be proposed by him to the bill S. 2569, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

**TITLE I—ACCOUNTABILITY THROUGH ELECTRONIC VERIFICATION**

**SEC. 11. SHORT TITLE.**

This title may be cited as the ''Accountability Through Electronic Verification Act''.

**SEC. 12. PERMANENT REAUTHORIZATION.**

Section 401(b) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note) is amended by striking ''Unless the Congress otherwise provides, the Secretary of Homeland Security shall terminate a pilot program on September 30, 2015.''.

**SEC. 13. MANDATORY USE OF E-VERIFY.**

(a) FEDERAL GOVERNMENT.—Section 402(e)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) by amending subparagraph (A) to read as follows:

''(A) EXECUTIVE DEPARTMENTS AND AGENCIES.—Each department and agency of the Federal Government shall participate in E-Verify by complying with the terms and conditions set forth in this section.''; and

(2) in subparagraph (B), by striking '', that conducts hiring in a State'' and all that follows and inserting ''shall participate in E-Verify by complying with the terms and conditions set forth in this section.''.

(b) FEDERAL CONTRACTORS; CRITICAL EMPLOYERS.—Section 402(e) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (1) the following:

''(2) UNITED STATES CONTRACTORS.—Any person, employer, or other entity that enters into a contract with the Federal Government shall participate in E-Verify by complying with the terms and conditions set forth in this section.

''(3) DESIGNATION OF CRITICAL EMPLOYERS.—Not later than 7 days after the date of the enactment of this paragraph, the Secretary of Homeland Security shall—

''(A) conduct an assessment of employers that are critical to the homeland security or national security needs of the United States;

''(B) designate and publish a list of employers and classes of employers that are deemed to be critical pursuant to the assessment conducted under subparagraph (A); and

''(C) require that critical employers designated pursuant to subparagraph (B) participate in E-Verify by complying with the terms and conditions set forth in this section not later than 30 days after the Secretary makes such designation.''.

(c) ALL EMPLOYERS.—Section 402 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

''(f) MANDATORY PARTICIPATION IN E-VERIFY.—

''(1) IN GENERAL.—Subject to paragraphs (2) and (3), all employers in the United States shall participate in E-Verify, with respect to all employees recruited, referred, or hired by such employer on or after the date that is 1 year after the date of the enactment of this subsection.

''(2) USE OF CONTRACT LABOR.—Any employer who uses a contract, subcontract, or exchange to obtain the labor of an individual in the United States shall certify in such contract, subcontract, or exchange that the employer uses E-Verify. If such certification is not included in a contract, subcontract, or exchange, the employer shall be deemed to have violated paragraph (1).

''(3) INTERIM MANDATORY PARTICIPATION.—

''(A) IN GENERAL.—Before the date set forth in paragraph (1), the Secretary of Homeland Security shall require any employer or class of employers to participate in E-Verify, with respect to all employees recruited, referred, or hired by such employer if the Secretary has reasonable cause to believe that the employer is or has been engaged in a material violation of section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a).

''(B) NOTIFICATION.—Not later than 14 days before an employer or class of employers is required to begin participating in E-Verify pursuant to subparagraph (A), the Secretary shall provide such employer or class of employers with—

''(i) written notification of such requirement; and

''(ii) appropriate training materials to facilitate compliance with such requirement.''.

**SEC. 14. CONSEQUENCES OF FAILURE TO PARTICIPATE.**

(a) IN GENERAL.—Section 402(e)(5) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note), as redesignated by section 13(b)(1), is amended to read as follows:

''(5) CONSEQUENCES OF FAILURE TO PARTICIPATE.—If a person or other entity that is required to participate in E-Verify fails to comply with the requirements under this title with respect to an individual—

''(A) such failure shall be treated as a violation of section 274A(a)(1)(B) with respect to such individual; and

''(B) a rebuttable presumption is created that the person or entity has violated section 274A(a)(1)(A).''.

(b) PENALTIES.—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended—

(1) in subsection (e)—

(A) in paragraph (4)—

(i) in subparagraph (A), in the matter preceding clause (i), by inserting '', subject to paragraph (10),'' after ''in an amount'';

(ii) in subparagraph (A)(i), by striking ''not less than $250 and not more than $2,000'' and inserting ''not less than $2,500 and not more than $5,000'';

(iii) in subparagraph (A)(ii), by striking ''not less than $2,000 and not more than $5,000'' and inserting ''not less than $5,000 and not more than $10,000'';

(iv) in subparagraph (A)(iii), by striking ''not less than $3,000 and not more than $10,000'' and inserting ''not less than $10,000 and not more than $25,000''; and

(v) by amending subparagraph (B) to read as follows:

''(B) may require the person or entity to take such other remedial action as is appropriate.'';

(B) in paragraph (5)—

(i) by inserting '', subject to paragraphs (10) through (12),'' after ''in an amount'';

(ii) by striking ''$100'' and inserting ''$1,000'';

(iii) by striking ''$1,000'' and inserting ''$25,000'';

(iv) by striking ''the size of the business of the employer being charged, the good faith of the employer'' and inserting ''the good faith of the employer being charged''; and

(v) by adding at the end the following: ''Failure by a person or entity to utilize the employment eligibility verification system as required by law, or providing information to the system that the person or entity knows or reasonably believes to be false, shall be treated as a violation of subsection (a)(1)(A).''; and

(C) by adding at the end the following:

''(10) EXEMPTION FROM PENALTY.—In the case of imposition of a civil penalty under paragraph (4)(A) with respect to a violation of subsection (a)(1)(A) or (a)(2) for hiring or continuation of employment or recruitment or referral by person or entity and in the case of imposition of a civil penalty under paragraph (5) for a violation of subsection (a)(1)(B) for hiring or recruitment or referral by a person or entity, the penalty otherwise imposed may be waived or reduced if the violator establishes that the violator acted in good faith.

''(11) AUTHORITY TO DEBAR EMPLOYERS FOR CERTAIN VIOLATIONS.—

''(A) IN GENERAL.—If a person or entity is determined by the Secretary of Homeland Security to be a repeat violator of paragraph (1)(A) or (2) of subsection (a), or is convicted of a crime under this section, such person or entity may be considered for debarment from the receipt of Federal contracts, grants, or cooperative agreements in accordance with the debarment standards and pursuant to the debarment procedures set forth in the Federal Acquisition Regulation.

''(B) DOES NOT HAVE CONTRACT, GRANT, AGREEMENT.—If the Secretary of Homeland Security or the Attorney General wishes to have a person or entity considered for debarment in accordance with this paragraph, and such an person or entity does not hold a Federal contract, grant or cooperative agreement, the Secretary or Attorney General shall refer the matter to the Administrator of General Services to determine whether to list the person or entity on the List of Parties Excluded from Federal Procurement, and if so, for what duration and under what scope.

''(C) HAS CONTRACT, GRANT, AGREEMENT.—If the Secretary of Homeland Security or the Attorney General wishes to have a person or entity considered for debarment in accordance with this paragraph, and such person or entity holds a Federal contract, grant or cooperative agreement, the Secretary or Attorney General shall advise all agencies or departments holding a contract, grant, or cooperative agreement with the person or entity of the Government's interest in having the person or entity considered for debarment, and after soliciting and considering the views of all such agencies and departments, the Secretary or Attorney General may waive the operation of this paragraph or refer the matter to any appropriate lead agency to determine whether to list the person or entity on the List of Parties Excluded from Federal Procurement, and if so, for what duration and under what scope.

''(D) REVIEW.—Any decision to debar a person or entity under in accordance with this paragraph shall be reviewable pursuant to part 9.4 of the Federal Acquisition Regulation.''; and

(2) in subsection (f)—

(A) by amending paragraph (1) to read as follows:

''(1) CRIMINAL PENALTY.—Any person or entity which engages in a pattern or practice of violations of subsection (a)(1) or (2) shall be fined not more than $15,000 for each unauthorized alien with respect to which such a violation occurs, imprisoned for not less

than 1 year and not more than 10 years, or both, notwithstanding the provisions of any other Federal law relating to fine levels.''; and

(B) in paragraph (2), by striking ''Attorney General'' each place it appears and inserting ''Secretary of Homeland Security''.

**SEC. 15. PREEMPTION; LIABILITY.**

Section 402 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note), as amended by this Act, is further amended by adding at the end the following:

''(h) LIMITATION ON STATE AUTHORITY.—

''(1) PREEMPTION.—A State or local government may not prohibit a person or other entity from verifying the employment authorization of new hires or current employees through E-Verify.

''(2) LIABILITY.—A person or other entity that participates in E-Verify may not be held liable under any Federal, State, or local law for any employment-related action taken with respect to the wrongful termination of an individual in good faith reliance on information provided through E-Verify.''.

**SEC. 16. EXPANDED USE OF E-VERIFY.**

Section 403(a)(3)(A) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

''(A) IN GENERAL.—

''(i) BEFORE HIRING.—The person or other entity may verify the employment eligibility of an individual through E-Verify before the individual is hired, recruited, or referred if the individual consents to such verification. If an employer receives a tentative nonconfirmation for an individual, the employer shall comply with procedures prescribed by the Secretary, including—

''(I) providing the individual employees with private, written notification of the finding and written referral instructions;

''(II) allowing the individual to contest the finding; and

''(III) not taking adverse action against the individual if the individual chooses to contest the finding.

''(ii) AFTER EMPLOYMENT OFFER.—The person or other entity shall verify the employment eligibility of an individual through E-Verify not later than 3 days after the date of the hiring, recruitment, or referral, as the case may be.

''(iii) EXISTING EMPLOYEES.—Not later than 3 years after the date of the enactment of the Accountability Through Electronic Verification Act, the Secretary shall require all employers to use E-Verify to verify the identity and employment eligibility of any individual who has not been previously verified by the employer through E-Verify.''.

**SEC. 17. REVERIFICATION.**

Section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following:

''(5) REVERIFICATION.—Each person or other entity participating in E-Verify shall use the E-Verify confirmation system to reverify the work authorization of any individual not later than 3 days after the date on which such individual's employment authorization is scheduled to expire (as indicated by the Secretary or the documents provided to the employer pursuant to section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b))), in accordance with the procedures set forth in this subsection and section 402.''.

**SEC. 18. HOLDING EMPLOYERS ACCOUNTABLE.**

(a) CONSEQUENCES OF NONCONFIRMATION.—Section 403(a)(4)(C) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

''(C) CONSEQUENCES OF NONCONFIRMATION.—

''(i) TERMINATION AND NOTIFICATION.—If the person or other entity receives a final nonconfirmation regarding an individual, the employer shall immediately—

''(I) terminate the employment, recruitment, or referral of the individual; and

''(II) submit to the Secretary any information relating to the individual that the Secretary determines would assist the Secretary in enforcing or administering United States immigration laws.

''(ii) CONSEQUENCE OF CONTINUED EMPLOYMENT.—If the person or other entity continues to employ, recruit, or refer the individual after receiving final nonconfirmation, a rebuttable presumption is created that the employer has violated section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a).''.

(b) INTERAGENCY NONCONFIRMATION REPORT.—Section 405 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following:

''(c) INTERAGENCY NONCONFIRMATION REPORT.—

''(1) IN GENERAL.—The Director of U.S. Citizenship and Immigration Services shall submit a weekly report to the Assistant Secretary of Immigration and Customs Enforcement that includes, for each individual who receives final nonconfirmation through E-Verify—

''(A) the name of such individual;

''(B) his or her Social Security number or alien file number;

''(C) the name and contact information for his or her current employer; and

''(D) any other critical information that the Assistant Secretary determines to be appropriate.

''(2) USE OF WEEKLY REPORT.—The Secretary of Homeland Security shall use information provided under paragraph (1) to enforce compliance of the United States immigration laws.''.

**SEC. 19. INFORMATION SHARING.**

The Commissioner of Social Security, the Secretary of Homeland Security, and the Secretary of the Treasury shall jointly establish a program to share information among such agencies that may or could lead to the identification of unauthorized aliens (as defined under section 274A(h)(3) of the Immigration and Nationality Act), including any no-match letter and any information in the earnings suspense file.

**SEC. 20. FORM I–9 PROCESS.**

Not later than 9 months after date of the enactment of this Act, the Secretary of Homeland Security shall submit a report to Congress that contains recommendations for—

(1) modifying and simplifying the process by which employers are required to complete and retain a Form I–9 for each employee pursuant to section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a); and

(2) eliminating the process described in paragraph (1).

**SEC. 21. ALGORITHM.**

Section 404(d) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended to read as follows:

''(d) DESIGN AND OPERATION OF SYSTEM.—E-Verify shall be designed and operated—

''(1) to maximize its reliability and ease of use by employers;

''(2) to insulate and protect the privacy and security of the underlying information;

''(3) to maintain appropriate administrative, technical, and physical safeguards to prevent unauthorized disclosure of personal information;

''(4) to respond accurately to all inquiries made by employers on whether individuals are authorized to be employed;

''(5) to register any times when E-Verify is unable to receive inquiries;

''(6) to allow for auditing use of the system to detect fraud and identify theft;

''(7) to preserve the security of the information in all of the system by—

''(A) developing and using algorithms to detect potential identity theft, such as multiple uses of the same identifying information or documents;

''(B) developing and using algorithms to detect misuse of the system by employers and employees;

''(C) developing capabilities to detect anomalies in the use of the system that may indicate potential fraud or misuse of the system; and

''(D) auditing documents and information submitted by potential employees to employers, including authority to conduct interviews with employers and employees;

''(8) to confirm identity and work authorization through verification of records maintained by the Secretary, other Federal departments, States, the Commonwealth of the Northern Mariana Islands, or an outlying possession of the United States, as determined necessary by the Secretary, including—

''(A) records maintained by the Social Security Administration;

''(B) birth and death records maintained by vital statistics agencies of any State or other jurisdiction in the United States;

''(C) passport and visa records (including photographs) maintained by the Department of State; and

''(D) State driver's license or identity card information (including photographs) maintained by State department of motor vehicles;

''(9) to electronically confirm the issuance of the employment authorization or identity document; and

''(10) to display the digital photograph that the issuer placed on the document so that the employer can compare the photograph displayed to the photograph on the document presented by the employee or, in exceptional cases, if a photograph is not available from the issuer, to provide for a temporary alternative procedure, specified by the Secretary, for confirming the authenticity of the document.''.

**SEC. 22. IDENTITY THEFT.**

Section 1028 of title 18, United States Code, is amended—

(1) in subsection (a)(7), by striking ''of another person'' and inserting ''that is not his or her own''; and

(2) in subsection (b)(3)—

(A) in subparagraph (B), by striking ''or'' at the end;

(B) in subparagraph (C), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(D) to facilitate or assist in harboring or hiring unauthorized workers in violation of section 274, 274A, or 274C of the Immigration and Nationality Act (8 U.S.C. 1324, 1324a, and 1324c).''.

**SEC. 23. SMALL BUSINESS DEMONSTRATION PROGRAM.**

Section 403 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended—

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

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

''(d) SMALL BUSINESS DEMONSTRATION PROGRAM.—Not later than 9 months after the date of the enactment of the Accountability Through Electronic Verification Act, the Director of U.S. Citizenship and Immigration Services shall establish a demonstration program that assists small businesses in rural

areas or areas without internet capabilities to verify the employment eligibility of newly hired employees solely through the use of publicly accessible internet terminals.''.

## NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Ms. LANDRIEU. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before Subcommittee on Public Lands, Forests, and Mining. The hearing will be held on Wednesday, July 30, 2014, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on the following bills:

S. 1049 and H.R. 2166, to direct the Secretary of the Interior and Secretary of Agriculture to expedite access to certain Federal lands under the administrative jurisdiction of each Secretary for good Samaritan search-and-recovery missions, and for other purposes;

S. 1437, to provide for the release of the reversionary interest held by the United States in certain land conveyed in 1954 by the United States, acting through the Director of the Bureau of Land Management, to the State of Oregon for the establishment of the Hermiston Agricultural Research and Extension Center of Oregon State University in Hermiston, Oregon;

S. 1554, to direct the heads of Federal public land management agencies to prepare reports on the availability of public access and egress to Federal public land for hunting, fishing, and other recreational purposes, to amend the Land and Water Conservation Fund Act of 1965 to provide funding for recreational public access to Federal land, and for other purposes;

S. 1605, for the relief of Michael G. Faber;

S. 1640, to facilitate planning, permitting, administration, implementation, and monitoring of pinyon-juniper dominated landscape restoration projects within Lincoln County, Nevada, and for other purposes;

S. 1888 and H.R. 1241, to facilitate a land exchange involving certain National Forest System land in the Inyo National Forest, and for other purposes;

S. 2123, to authorize the exchange of certain Federal land and non-Federal land in the State of Minnesota;

S. 2616, to require the Secretary of the Interior to convey certain Federal land to Idaho County in the State of Idaho, and for other purposes;

H.R. 1684, to convey certain property to the State of Wyoming to consolidate the historic Ranch A, and for other purposes; and,

H.R. 3008, to provide for the conveyance of a small parcel of National Forest System land in Los Padres National Forest in California, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, 304 Dirksen Senate Office Building, Washington, DC 20510–6150, or by email to John Assini@energv.senate.gov.

For further information, please contact Meghan Conklin (202)-224–8046 or John Assini (202)-224–9313.

## AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on July 23, 2014, at 9:30 a.m. in room SR–328A of the Russell Senate Office Building, to conduct a hearing entitled ''Meeting the Challenges of Feeding America's School Children.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 23, 2014, at 2:45 p.m. in room SR–253 of the Russell Senate Office Building to conduct a hearing entitled, ''The Cruise Passenger Protection Act (S. 1340): Improving Consumer Protections for Cruise Passengers.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on July 23, 2014, at 9:30 a.m., in room SD–406 of the Dirksen Senate Office Building to conduct a hearing entitled, ''Oversight Hearing: EPA's Proposed Carbon Pollution Standards for Existing Power Plants.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet during the session of the Senate on July 23, 2014, at 10 a.m. in room SD–430 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on July 23, 2014, in room SD–628 of the Dirksen Senate Office Building, at 3:30 p.m., to conduct a hearing entitled ''Indian Gaming: The Next 25 Years.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on July 23, 2014, at 10 a.m. in room SR–301 of the Russell Senate Office Building to conduct a hearing entitled ''The DISCLOSE Act (S. 2516) and the Need for Expanded Public Disclosure of Funds Raised and Spent to Influence Federal Elections.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 23, 2014, at 2:30 p.m. in room SR–253 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Small Business and Entrepreneurship be authorized to meet during the session of the Senate on July 23, 2014, at 2:30 p.m., in room 216 of the Hart Senate Office Building to conduct a hearing entitled, ''Empowering Women Entrepreneurs: Understanding Successes, Addressing Persistent Challenges, and Identifying New Opportunities.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on July 23, 2014, at 11 a.m., in room S–219 of the Capitol.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on July 23, 2014, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FINANCIAL AND CONTRACTING OVERSIGHT

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Subcommittee on Financial and Contracting Oversight of the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on July 23, 2014, at 2:30 p.m., to conduct a hearing entitled, ''A More Efficient and Effective Government: The National Technical Information Service.''

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NATIONAL PARKS

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Subcommittee on National Parks be authorized to meet during the session of the Senate on July 23, 2014, at 2:30 p.m., in room SD–366 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TAXATION AND IRS OVERSIGHT

Mrs. SHAHEEN. Mr. President, I ask unanimous consent that the Subcommittee on Taxation and IRS Oversight of the Committee on Finance be authorized to meet during the session of the Senate on July 23, 2014, at 10 a.m., in room SD–215 of the Dirksen Senate Office Building, to conduct a hearing entitled, ''Saving for an Uncertain Future: How the ABLE Act can Help People with Disabilities and their Families.''

The PRESIDING OFFICER. Without objection, it is so ordered.

## PRIVILEGES OF THE FLOOR

Mr. MERKLEY. Mr. President, I ask unanimous consent that Rachel Kane, my intern, have privileges of the floor for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

## UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. CASEY. Mr. President, I ask unanimous consent that notwithstanding rule XXII, following the vote on the motion to invoke cloture on Executive Calendar No. 929, Harris, on Thursday, July 24, 2014, the Senate remain in executive session and consider Calendar No. 777, Disbrow; that there be 2 minutes for debate equally divided between the two leaders or their designees prior to the vote; that upon the use or yielding back of time, the Senate proceed to vote without intervening action or debate on the nomination; that if the nomination is confirmed, the motion to reconsider be considered made and laid upon the table, with no intervening action or debate; that no further motions be in order to the nomination; that any statements related to the nomination be printed in the RECORD, and that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASEY. For the information of all Senators, we expect this nomination to be confirmed by voice vote.

## EXECUTIVE SESSION

## EXECUTIVE CALENDAR

Mr. CASEY. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Nos. 934 through 951 and all nominations placed on the Secretary's desk in the Air Force, Army, and Navy; that the nominations be confirmed en bloc; that the motions to reconsider be considered made and laid upon the table with no intervening action or debate; that no further motions be in order to any of the nominations; that the President be immediately notified of the Senate's action and the Senate then resume legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be lieutenant general*

Maj. Gen. Partrick J. Donahue, II

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

*To be brigadier general*

Col. Lee E. Payne

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

*To be brigadier general*

Col. Ricky N. Rupp

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

*To be brigadier general*

Col. Walter J. Lindsley

IN THE ARMY

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., sections 12203 and 12211:

*To be major general*

Brig. Gen. John L. Gronski

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

*To be major general*

Brig. Gen. Mark A. Brown

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

*To be major general*

Brig. Gen. Roger W. Teague

IN THE MARINE CORPS

The following named officer for appointment as Commandant of the Marine Corps, and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10 U.S.C., sections 5043 and 601:

*To be general*

Joseph F. Dunford, Jr.

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be general*

Lt. Gen. Joseph L. Votel

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be general*

Gen. John F. Campbell

IN THE NAVY

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be admiral*

Adm. William E. Gortney

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be lieutenant general*

Maj. Gen. James K. McLaughlin

IN THE ARMY

The following named officer for appointment as the Vice Chief of Staff of the Army and appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 3034:

*To be general*

Gen. Daniel B. Allyn

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be general*

Lt. Gen. Mark A. Milley

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be lieutenant general*

Maj. Gen. Sean B. MacFarland

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be general*

Lt. Gen. Lori J. Robinson

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be general*

Gen. Herbert J. Carlisle

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

*To be lieutenant general*

Lt. Gen. Frederick B. Hodges

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE AIR FORCE

PN1668 AIR FORCE nominations (364) beginning JOHN T. AALBORG, JR., and ending MICHAEL A. ZROSTLIK, which nominations were received by the Senate and appeared in the Congressional Record of May 7, 2014.

PN1670 AIR FORCE nominations (62) beginning ROY G. ALLEN, III, and ending JOHN M. WILLIAMSON, which nominations were received by the Senate and appeared in the Congressional Record of May 7, 2014.

PN1860 AIR FORCE nomination of Mark D. Levin, which was received by the Senate and appeared in the Congressional Record of July 14, 2014.

PN1861 AIR FORCE nominations (2) beginning CRAIG H. RHYNE, and ending DAVID

E. VIZURRAGA, which nominations were received by the Senate and appeared in the Congressional Record of July 14, 2014.

PN1862 AIR FORCE nominations (3) beginning STEVEN E. KOEHL, and ending CHRISTOPHER YOUNG, which nominations were received by the Senate and appeared in the Congressional Record of July 14, 2014.

IN THE ARMY

PN1817 ARMY nominations (5) beginning CURTIS L. ABENDROTH, and ending MICHAEL J. WISE, which nominations were received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1818 ARMY nomination of Brian C. Copeland, which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1819 ARMY nominations (3) beginning PAUL E. LINZEY, and ending GARY L. TAYLOR, which nominations were received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1820 ARMY nominations (7) beginning JOEL R. BURKE, and ending MICHAEL J. WRIGHT, which nominations were received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1821 ARMY nomination of Norman A. Hetzler, which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1822 ARMY nominations (2) beginning STEVEN F. FINDER, and ending DANIEL H. ALDANA, which nominations were received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1823 ARMY nomination of Jason S. Hetzel, which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1824 ARMY nomination of Felipe O. Blanding, Sr., which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1825 ARMY nomination of Douglas T. Mo, which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1863 ARMY nomination of Ruben J. Vazquez, which was received by the Senate and appeared in the Congressional Record of July 14, 2014.

IN THE NAVY

PN1826 NAVY nomination of Jody M. Powers, which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1827 NAVY nomination of James R. Powers, Jr., which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1828 NAVY nomination of Christopher D. Snyder, which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1829 NAVY nomination of Richard Jimenez, Jr., which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1830 NAVY nominations (3) beginning JAIME A. QUEJADA, and ending STEPHEN S. DONOHOE, which nominations were received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1831 NAVY nomination of Timika B. Lindsay, which was received by the Senate and appeared in the Congressional Record of June 26, 2014,

PN1832 NAVY nomination of Christopher A. Middleton, which was received by the Senate and appeared in the Congressional Record of June 26, 2014.

PN1864 NAVY nominations (3) beginning JOSEPH S. GONDUSKY, and ending HASAN A. HOBBS, which nominations were received by the Senate and appeared in the Congressional Record of July 14, 2014.

PN1865 NAVY nomination of Richard A. Portillo, which was received by the Senate and appeared in the Congressional Record of July 14, 2014.

PN1866 NAVY nomination of Henry S. Thrift, III, which was received by the Senate and appeared in the Congressional Record of July 14, 2014.

PN1867 NAVY nomination of Leah M. Tunnell, which was received by the Senate and appeared in the Congressional Record of July 14, 2014.

PN1868 NAVY nomination of Travelyan M. Walker, which was received by the Senate and appeared in the Congressional Record of July 14, 2014.

## LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now resume legislative session.

## APPOINTMENT OF SMITHSONIAN REGENT

Mr. CASEY. Mr. President, I ask unanimous consent that the Rules Committee be discharged from further consideration of S.J. Res. 40, and the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the joint resolution by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 40) providing for the appointment of Michael Lynton as a citizen regent of the Board of Regents of the Smithsonian Institution.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. CASEY. I ask unanimous consent that the joint resolution be read a third time and passed, and the motion to reconsider be considered made and laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 40) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. RES. 40

*Resolved the Senate Representatives of the United States of America Congress Assembled*, That, in accordance with section 5581 of the Revised Statutes (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the resignation of France A. Córdova of Indiana on March 13, 2014, is filled by the appointment of Michael Lynton of California. The appointment is for a term of 6 years, beginning on the date of enactment of this joint resolution.

## REGARDING ENHANCED RELATIONS WITH THE REPUBLIC OF MOLDOVA

Mr. CASEY. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 470, S. Res. 500.

The PRESIDING OFFICER (Mr. HEINRICH). The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 500) expressing the sense of the Senate with respect to enhanced relations with the Republic of Moldova and support for the Republic of Moldova's territorial integrity.

There being no objection, the Senate proceeded to consider the resolution.

Mr. CASEY. I know of no further debate on the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 500) was agreed to.

Mr. CASEY. I further ask unanimous consent that the preamble be agreed to and the motions to reconsider be considered made and laid upon the table with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The preamble was agreed to.

(The resolution, with its preamble, is printed in the RECORD of Thursday, July 10, 2014, under ''Submitted Resolutions.'')

## GROWTH AWARENESS WEEK

Mr. CASEY. I ask unanimous consent that the Judiciary Committee be discharged from further consideration and the Senate now proceed to S. Res. 489.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 489) supporting the goals and ideals of ''Growth Awareness Week.''

Mr. CASEY. Mr. President, I ask unanimous consent that the resolution be agreed to, the Kirk amendment to the preamble be agreed to, the preamble, as amended, be agreed to, and the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 489) was agreed to.

The amendment (No. 3623) was agreed to, as follows:

In the ninth whereas clause of the preamble, strike ''providing resources'' and insert ''support''.

The preamble, as amended, was agreed to.

The resolution with its preamble, as amended, reads as follows:

S. RES. 489

Whereas, according to the Pictures of Standard Syndromes and Undiagnosed Malformations database (commonly known as the ''POSSUM'' database), more than 600 serious diseases and health conditions cause growth failure;

Whereas health conditions that cause growth failure may affect the overall health of a child;

Whereas short stature may be a symptom of a serious underlying health condition;

Whereas children with growth failure are often undiagnosed;

Whereas, according to the MAGIC Foundation for children's growth, 48 percent of children in the United States who were evaluated for the 2 most common causes of growth

failure were undiagnosed with growth failure;

Whereas the longer a child with growth failure goes undiagnosed, the greater the potential for damage and higher costs of care;

Whereas early detection and a diagnosis of growth failure are crucial to ensure a healthy future for a child with growth failure;

Whereas raising public awareness of, and educating the public about, growth failure is a vital public service;

Whereas support for identification of growth failure will allow for early detection; and

Whereas the MAGIC Foundation for children's growth has designated the third week of September as ''Growth Awareness Week'': Now, therefore, be it

*Resolved*, That the Senate—

(1) designates the third week of September 2014 as ''Growth Awareness Week''; and

(2) supports the goals and ideals of ''Growth Awareness Week''.

## COMMEMORATING THE 20TH ANNIVERSARY OF THE WRIGHT MUSEUM OF WWII HISTORY

Mr. CASEY. I ask unanimous consent that the Judiciary Committee be discharged from further consideration and the Senate now proceed to S. Res. 501.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 501) commemorating the 20th anniversary of the Wright Museum of WWII History in Wolfeboro, New Hampshire.

There being no objection, the Senate proceeded to consider the resolution.

Mr. CASEY. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 501) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is printed in the RECORD of Monday, July 14, 2014, under ''Submitted Resolutions.'')

## RESOLUTIONS SUBMITTED TODAY

Mr. CASEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration, en bloc, of the following resolutions, which were submitted earlier today: S. Res. 514, S. Res. 515, and S. Res. 516.

There being no objection, the Senate proceeded to consider the resolutions en bloc.

S. RES. 516

Mr. REID. Mr. President, this resolution concerns a request for testimony and documents in a criminal misdemeanor action pending in South Central Judicial District Court in Bismarck, ND. In this action, the defendant is charged with menacing and simple assault of a staffer in Senator HEIDI HEITKAMP's Bismarck, ND, office. A trial is scheduled for August 26, 2014.

The prosecution has requested the production of testimony from both the staffer at issue and another Heitkamp staffer who witnessed the event. The prosecution also seeks production of a video recording from a security camera in the Senator's office that captured the event. Senator HEITKAMP would like to cooperate by providing such relevant evidence. The resolution would authorize those two staffers, and any other current or former employee of the Senator's office from whom relevant evidence may be necessary, to testify and produce documents in this action, with representation by the Senate legal counsel.

Mr. CASEY. Mr. President, I ask unanimous consent that the resolutions be agreed to, the preambles be agreed to, and the motions to reconsider be laid upon the table en bloc, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions were agreed to.

The preambles were agreed to.

(The resolutions, with their preambles, are printed in today's RECORD under ''Submitted Resolutions.'')

## MEASURE READ THE FIRST TIME—S. 2648

Mr. CASEY. Mr. President, I understand that S. 2648, introduced earlier today by Senator MIKULSKI, is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill by title for the first time.

The legislative clerk read as follows:

A bill (S. 2648) making emergency supplemental appropriations for the fiscal year ending September 30, 2014, and for other purposes.

Mr. CASEY. Mr. President, I now ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection having been heard, the bill will receive its second reading on the next legislative day.

Mr. CASEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BLUMENTHAL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REFUGEE CRISIS

Mr. BLUMENTHAL. Mr. President, while presiding for a couple of hours just now I listened to some very powerful and eloquent debate organized by the Presiding Officer—I thank him for doing so—regarding the migrant unaccompanied children who are coming across our border. Those remarks moved and inspired me. They were followed afterward by an effort by Senators SHAHEEN and others to bring to the floor a measure on energy efficiency.

The connection between the two may not seem immediately apparent. But, in fact, I was struck by the irony of an effort by some of our colleagues to eliminate and repeal, in effect, a measure called the Trafficking Victims Protection Reauthorization Act of 2008. It is actually named the Wilberforce Trafficking Victims Protection Reauthorization Act of 2008, very symbolically and significantly named after a leader who sought to abolish the slave trade.

Our colleagues who seek to repeal, in effect, that measure are calling its provisions a ''loophole'' because it provides for screening of migrant children, such as those who are reaching our border, who are not from the immediate bordering countries. They are from other Central American countries. They are seeking to apply to them the same procedures or lack of procedures, lack of screening, lack of individual consideration that apply to migrant children from Canada and Mexico on the theory that those provisions are a ''loophole'' in our law. In fact, those screening procedures are the very intent and substance of our law. They are meant to provide individual, careful, fair consideration of each child.

On a day when consideration of the energy efficiency bill named for Senators SHAHEEN and PORTMAN was blocked from consideration, colleagues are considering a measure and advocating a measure that is completely unnecessary. The Shaheen-Portman energy efficiency bill is vitally necessary. The repeal of the Trafficking Victims Protection and Reauthorization Act of 2008 is entirely unnecessary, in fact unhelpful and downright harmful.

The question of what to do about the flow of migrant children to our border is one of profound importance for our Chamber and our country to face in the coming days and weeks.

I recently visited the border in a trip organized, thankfully, by Senator HIRONO and joined by Senator MURKOWSKI. We met Senator CORNYN while we were there. We went to various of the facilities to see for ourselves and speak with the children who were coming to our borders, the professionals who were seeking to care for them, the Border Patrol agents endeavoring to enforce the law, all of whom are involved in this situation on the ground.

That experience has formed—I hesitate to say transformed, but it has certainly changed my view of this problem, because we speak in this body about these unaccompanied minors, as they are called, as though they are an interchangeable mass. They are massive in numbers, but each is an individual. Each has a story to tell. Each is different.

They have in common, most of them, stories of horror and terror, vicious persecution, cruelty and brutality, rape, murder, and forced prostitution in the countries they are seeking to escape. This brutality is spawned by gang

warfare, the result of conflict among gangs trading in drugs; cartels and organized crime that have put children in the middle of their murderous activities.

As others during that eloquent colloquy organized by the Presiding Officer observed, much of that drug trade has moved from Colombia to Central America. It is fueled by demand, the same demand that fuels the Colombian gang warfare, from the United States. The demand comes from this country, the demand for those illicit drugs.

Those children, caught in the horrific violence plaguing their home, have fled to this country seeking safety and security. Many of them are also seeking their parents, because the majority have one or more parent in this country already. The vast majority have a close relative, if not a parent, an aunt or uncle. So their journey seeks to reunify them with their families, as well as to escape the grisly, grinding horror of their existence in those homelands they have left. Those journeys are plagued by the harshest, most inhumane of conditions: deserts, swamps and, most dangerously, the traffickers.

The smugglers who exploit them put them in stash houses, take them hostage, hold them for ransom, threaten their lives, and often rape and murder them, preventing them from reaching this country. These faces are of the children I saw, with fear in their eyes, fear of all adults, because most of the adults in their lives have been a threat, not a protector; fear in their eyes about the Border Patrol agents who are there when they arrive at the loading dock at the McAllen border facility. It is a loading dock where produce or goods might be dumped or left to be shipped elsewhere. They arrive at the loading dock and sit on a bench, fear in their eyes, apprehension in their voices.

They are then interviewed by the Border Patrol, who are wearing uniforms, looking like the authoritarian figures they are. In the lives of these children, the police are not a source of comfort, they are a source of danger because in their country the police are corrupt and a threat, not a protector.

They are not apprehended by the Border Patrol; they surrender to them. Border security is not the issue. Again, as some of my colleagues remarked earlier, these children are coming in to give themselves up in the hope of being taken into custody, fed, housed, and given some basic security and safety.

Their numbers are down—anywhere from 30 to 50 percent down in July as compared to June, so we were told by the Border Patrol agent. Whether that is a temporary phenomenon or a trend remains to be seen, but the numbers are down.

After this holding detention center, where they are kept in cement-floor cellblocks, segregated by age and gender, so densely packed that they can barely sit let alone lie down, and provided with foil blankets, they are sent to more permanent facilities, such as the Lackland Air Force Base in San Antonio, where we also visited.

That facility has a dormitory, a health clinic, a school. Classes are conducted in tents, and the treatment is far more humane. They are given classes in English. They are eager—intensely eager—to learn English, and they are taught in classrooms in these tents where there is a blackboard and an American flag outside an artificial turf soccer field, where they are intensely eager to play soccer.

They stay there about 7 days to 3 weeks until they are moved to a home because many of them have relatives. Most of them have some family members in this country or another facility. They move from one temporary facility to a better one and then to a home.

In the second facility, they are in the custody of the HHS or the Office of Refugee Settlement, not the Border Patrol. It is a better facility, no question, but still rudimentary.

One of the most powerful moments of this trip was to watch these students—I would say about 20 of them in a class—show how they were learning English, show the words they have learned and tell us where they were from—Guatemala, Honduras, El Salvador—and then to rise to show us Senators how they could recite the Pledge of Allegiance. We joined with them in reciting that pledge. I wish my colleagues—I wish every American could have been there at that moment. There was something basic, fundamental about us as Americans in that moment, about what we offer—hope, opportunity, freedom, and protection—to people who come here with that aspiration, that those children epitomized at that moment. Whether you agree or disagree on what should be done, whether you feel we ought to do something differently with these children, that moment evoked a fundamental value in our society.

Another moment did as well—when a busload arrived. As we were about to leave, the staff of that facility lined up on both sides of the children coming off the bus into the facility, clapping for them. The staff was clapping and cheering for these children arriving at the facility, after leaving the border crossing where they were under the custody of the Border Patrol agents. They were clapping and cheering for children who recently arrived in this country, and the children were beaming.

The staff and the professionals who care for these children are truly to be thanked. They are dedicated professionals—the Border Patrol agents who do their very best to make these kids feel at home under very adverse conditions; the HHS counselors and teachers who seek to interview them, give them some basic hope and comfort; all of the professionals in the Office of Refugee Resettlement who seek against the odds to provide them with a future.

The mayor of McAllen, who runs a small town on the border—which is where that border crossing is, where the McAllen facility is housed—I think many of us expected him to complain to us about the burden of this flood of children coming into his town, the expenditure of resources necessary to support the infrastructure, the burden on him and his fellow townspeople. To the contrary, the mayor of McAllen, Jim Darling, said to us that they welcome these children. They regard the border as part of their home. They have an interchange in culture and family.

He said to us, in effect—I don't remember whether they were his exact words—about welcoming these children: This is what we do. We are Americans. This is what we do. We are Americans—not asking for reimbursement for the expenses for his town, although it is a significant part of his budget. Comparable to the Federal Government, it would be in the billions. His budget is much smaller, so the proportion, obviously, is much less, but it is a major fiscal burden on McAllen.

Mayor Jim Darling impressed us and inspired us with his willingness to welcome these children—at least to care for them while the law is enforced. That is the point I want to emphasize to my colleagues tonight.

What is needed is not a repeal of the Trafficking Victims Protection Reauthorization Act of 2008. What is needed is not to send these children back without screening or consideration. What is needed is not a wholesale closing of due process. It is enforcement of that law, resources to enforce that law, resources to provide the immigration judges and the advocates who are so desperately needed for these children. After all, they look at any authoritarian figure with fear, even the teachers, many of them, as well as the border agents who seek to elicit from them those stories about why they fled their home. They fear retaliation from anyone who might learn they are talking about the reasons they left. They need spokespeople for this process, and they need the individual consideration, child by child by child. That is what the law requires. That law should be enforced, not repealed.

Enforcement also means border security. It means better facilities while they are under care of the Department of HHS as well as the Border Patrol. It means that we support State officials if they provide State facilities. Those decisions about where, when, and how many should be made by State officials, but the Federal Government can support them.

That is why I thank Senator MIKULSKI for her leadership on the supplemental, as well as the Presiding Officer for his leadership in organizing the colloquy earlier today because raising awareness, as well as resources, is what is necessary to make sure we reunite these children with their families when, in fact, their request for asylum is justified child by child, justified by

the facts and the evidence, upheld by due process, by justice and by fairness—not demonizing, as may be done by calling out the National Guard or denouncing children who are doing nothing more—6-, 7-, 8-, 9-, 10-year-olds—than seeking safety and security.

Their courage, as well as their resilience, finally, was inspiring as well. Having crossed so many miles, against so many obstacles, in the face of so many threats, their smiles as they recited the Pledge of Allegiance to the United States of America is the picture I will have in advocating a bipartisan solution, long-term immigration reform, and a fair and just resolution to their fight as they seek freedom and security in our great Nation, the greatest country in the history of the world.

## ORDERS FOR THURSDAY, JULY 24, 2014

Mr. BLUMENTHAL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Thursday, July 24, 2014; that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, and the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate resume consideration of the motion to proceed to Calendar No. 453, S. 2569, postcloture; and that at 1:45 p.m., all postcloture debate time be considered expired and the Senate proceed to vote on adoption of the motion to proceed.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. BLUMENTHAL. Mr. President, at 1:45 p.m. there will be a voice vote on the motion to proceed to the Bring Jobs Home Act. There will then be an immediate rollcall vote on the motion to invoke cloture on the nomination of Pamela Harris to be a circuit judge for the Fourth Circuit.

## ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. BLUMENTHAL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 7:26 p.m., adjourned until Thursday, July 24, 2014, at 9:30 a.m.

## NOMINATIONS

Executive nominations received by the Senate:

### NUCLEAR REGULATORY COMMISSION

JEFFERY MARTIN BARAN, OF VIRGINIA, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING JUNE 30, 2015, VICE WILLIAM D. MAGWOOD, IV, RESIGNING.

STEPHEN G. BURNS, OF MARYLAND, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM OF FIVE YEARS EXPIRING JUNE 30, 2019, VICE GEORGE APOSTOLAKIS, TERM EXPIRED.

## CONFIRMATIONS

Executive nominations confirmed by the Senate July 23, 2014:

### DEPARTMENT OF ENERGY

MADELYN R. CREEDON, OF INDIANA, TO BE PRINCIPAL DEPUTY ADMINISTRATOR, NATIONAL NUCLEAR SECURITY ADMINISTRATION.

### DEPARTMENT OF STATE

ANDREW H. SCHAPIRO, OF ILLINOIS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CZECH REPUBLIC.

### FEDERAL LABOR RELATIONS AUTHORITY

JULIA AKINS CLARK, OF MARYLAND, TO BE GENERAL COUNSEL OF THE FEDERAL LABOR RELATIONS AUTHORITY FOR A TERM OF FIVE YEARS.

### IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be lieutenant general*

MAJ. GEN. PARTRICK J. DONAHUE II

### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

*To be brigadier general*

COL. LEE E. PAYNE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

*To be brigadier general*

COL. RICKY N. RUPP

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

*To be brigadier general*

COL. WALTER J. LINDSLEY

### IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

*To be major general*

BRIG. GEN. JOHN L. GRONSKI

### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

*To be major general*

BRIG. GEN. MARK A. BROWN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

*To be major general*

BRIG. GEN. ROGER W. TEAGUE

### IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS COMMANDANT OF THE MARINE CORPS, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10 U.S.C., SECTIONS 5043 AND 601:

*To be general*

JOSEPH F. DUNFORD, JR.

### IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be general*

LT. GEN. JOSEPH L. VOTEL

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be general*

GEN. JOHN F. CAMPBELL

### IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be admiral*

ADM. WILLIAM E. GORTNEY

### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be lieutenant general*

MAJ. GEN. JAMES K. MCLAUGHLIN

### IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE VICE CHIEF OF STAFF OF THE ARMY AND APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 3034:

*To be general*

GEN. DANIEL B. ALLYN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be general*

LT. GEN. MARK A. MILLEY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be lieutenant general*

MAJ. GEN. SEAN B. MACFARLAND

### IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be general*

LT. GEN. LORI J. ROBINSON

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be general*

GEN. HERBERT J. CARLISLE

### IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

*To be lieutenant general*

LT. GEN. FREDERICK B. HODGES

### IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING WITH JOHN T. AALBORG, JR. AND ENDING WITH MICHAEL A. ZROSTLIK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 7, 2014.

AIR FORCE NOMINATIONS BEGINNING WITH ROY G. ALLEN III AND ENDING WITH JOHN M. WILLIAMSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 7, 2014.

AIR FORCE NOMINATION OF MARK D. LEVIN, TO BE LIEUTENANT COLONEL.

AIR FORCE NOMINATIONS BEGINNING WITH CRAIG H. RHYNE AND ENDING WITH DAVID E. VIZURRAGA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 14, 2014.

AIR FORCE NOMINATIONS BEGINNING WITH STEVEN E. KOEHL AND ENDING WITH CHRISTOPHER YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 14, 2014.

### IN THE ARMY

ARMY NOMINATIONS BEGINNING WITH CURTIS L. ABENDROTH AND ENDING WITH MICHAEL J. WISE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 2014.

ARMY NOMINATION OF BRIAN C. COPELAND, TO BE COLONEL.

ARMY NOMINATIONS BEGINNING WITH PAUL E. LINZEY AND ENDING WITH GARY L. TAYLOR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 2014.

ARMY NOMINATIONS BEGINNING WITH JOEL R. BURKE AND ENDING WITH MICHAEL J. WRIGHT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 2014.

ARMY NOMINATION OF NORMAN A. HETZLER, TO BE COLONEL.

ARMY NOMINATIONS BEGINNING WITH STEVEN F. FINDER AND ENDING WITH DANIEL H. ALDANA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 2014.

ARMY NOMINATION OF JASON S. HETZEL, TO BE MAJOR.

ARMY NOMINATION OF FELIPE O. BLANDING, SR., TO BE MAJOR.

ARMY NOMINATION OF DOUGLAS T. MO, TO BE MAJOR.

ARMY NOMINATION OF RUBEN J. VAZQUEZ, TO BE MAJOR.

IN THE NAVY

NAVY NOMINATION OF JODY M. POWERS, TO BE COMMANDER.

NAVY NOMINATION OF JAMES R. POWERS, JR., TO BE LIEUTENANT COMMANDER.

NAVY NOMINATION OF CHRISTOPHER D. SNYDER, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATION OF RICHARD JIMENEZ, JR., TO BE LIEUTENANT COMMANDER.

NAVY NOMINATIONS BEGINNING WITH JAIME A. QUEJADA AND ENDING WITH STEPHEN S. DONOHOE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 2014.

NAVY NOMINATION OF TIMIKA B. LINDSAY, TO BE CAPTAIN.

NAVY NOMINATION OF CHRISTOPHER A. MIDDLETON, TO BE CAPTAIN.

NAVY NOMINATIONS BEGINNING WITH JOSEPH S. GONDUSKY AND ENDING WITH HASAN A. HOBBS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 14, 2014.

NAVY NOMINATION OF RICHARD A. PORTILLO, TO BE COMMANDER.

NAVY NOMINATION OF HENRY S. THRIFT III, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATION OF LEAH M. TUNNELL, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATION OF TRAVELYAN M. WALKER, TO BE LIEUTENANT COMMANDER.