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Senate

The Senate met at 10 a.m. and was called to order by the Honorable JON TESTER, a Senator from the State of Montana.

PRAYER

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

Let us pray.

Almighty God, our gracious King, You are the one clear power of love in the midst of lesser powers. Thank You for giving us the confidence to know that You hear and answer prayer.

Use the Members of this body as ambassadors of reconciliation. Help them to create laws that will bring wholeness to a fragmented Nation and world so that You might be glorified. Teach them, Lord, how to discover Your love in each other and to see Your beautiful image in all of creation. Lord, settle them down into a contemplative stillness so that they will find joy in righteousness, justice, and charity. May they speak wise words from a reservoir of wisdom that will transform discord into symphonies of peace.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JON TESTER 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. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 13, 2007.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JON TESTER, a Senator from the State of Montana, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. TESTER thereupon assumed the chair as Acting President pro tempore.

MEASURES PLACED ON THE CALENDAR—H.R. 3495 AND H.R. 3685

Mr. REID. Mr. President, I understand there are two bills at the desk due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bills by title for the second time.

The legislative clerk read as follows:

A bill (H.R. 3495) to establish a National Commission on Children and Disasters, and for other purposes.

A bill (H.R. 3685) to prohibit employment discrimination on the basis of sexual orientation.

Mr. REID. I object to any further proceedings at this time, Mr. President.

The ACTING PRESIDENT pro tempore. Objection is heard. The bills will be placed on the calendar.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, we will proceed to executive session to consider the nomination of Robert Dow to be U.S. District Judge. That will take place immediately. The confirmation of that nomination is slated to occur at 10:10 this morning.

Following this vote, the Senate will go into a period of morning business until 12:30. That time is equally divided between the two parties, with the first portion under the control of the minority, with Senator DORGAN controlling 30 minutes of the majority's time.

At 12:30, we will recess for our regular party conferences and reconvene at 2:15. The Senate will then resume consideration of the farm bill.

There are a number of things I am going to speak to the Republican leader about in a few minutes, and then I will have another statement later in the day to talk about what we can expect in the next few days. This is the last week prior to the Thanksgiving holiday. This will be a busy week. We hope it doesn't spill into next week.

Tomorrow, Secretary Rice and Secretary Gates will brief Members on the current situation in the Middle East. That briefing will begin at 2 p.m. in S–407.

RECOGNITION OF THE MINORITY LEADER

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

WISDOM OF BENJAMIN FRANKLIN

Mr. MCCONNELL. Mr. President, right outside this Chamber stands a statue of Ben Franklin. According to the Office of the Senate Curator, sculptor Hiram Powers received a contract from President James Buchanan himself to sculpt Franklin back in 1859. The statue arrived in the Capitol in 1862 and has been in that spot ever since.

Franklin wrote many famous aphorisms that live on to this day, and I wanted to talk about one of my favorites.

Two hundred eighteen years ago today, Franklin wrote to a friend words that will long outlive most

things we say. This is what Franklin had to say:

Nothing can be said to be certain, except death and taxes.

Proving the aphorism, Franklin died less than a year later.

While we know the certainty of death and taxes, we can do something to ease the burden for the 23 million Americans who will be in for a rather unpleasant surprise on April 15 if Congress doesn't act now to stop the middle-class tax hike, which goes by the rather innocuous name of AMT—a law that was originally intended in 1969 to impose taxes on a handful of high-income individuals who used loopholes in the code to avoid paying any regular income tax.

Congress has known about the need to fix this problem all year long, but the majority hasn't brought a bill to the floor. Now they say it will be December before a bill is brought to the floor.

Now, the consequences of mismanaging this stealth tax are very real. This tax will grab $65 billion out of the pockets of middle-class taxpayers, an average of $2,000 per family. Millions will be hit for the very first time.

The IRS sent a letter warning the majority that unless they act before December, the tax returns of 50 million people and $75 billion in tax refunds will be delayed.

Last week, Democrats in the House of Representatives passed a bill that purports to delay the burden of the AMT for 1 year by socking a massive $80 billion tax increase to the American people. That is the last thing they need right now, and it would be a disastrous jolt to the economy.

Maybe a massive tax hike wrapped in an AMT fix sounds like a very good idea to some people, but I have a message to anyone who thinks that: Such a proposal is dead on arrival in the Senate.

The AMT was never meant to be collected from the millions of Americans whom it will hit this year if we don't act. I say this Congress ought to cut taxes by cutting taxes—cut taxes by cutting taxes—not by raising taxes.

I yield the floor.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I am going to speak for a short time and then Senator DURBIN wants to speak for a brief time. It is an Illinois judge we are voting on.

So I ask unanimous consent that the vote be put off until after Senator DURBIN speaks.

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

FISCAL POLICY

Mr. REID. Mr. President, at this point, I will respond to my friend from Kentucky, the distinguished Republican leader.

We have something new in town that has been going on now for almost 11 months, and that is we are paying for things. That is the reason the Clinton economic machine worked as well as it did. When we had a new program, we paid for it. When taxes were decreased, we paid for that.

We are going to go ahead and do the AMT fix, but we are going to do it by paying for it. We cannot continually run this country in the red. I repeat what I have said on a number of other occasions. When President Bush took office 7 years ago, we had a $7 trillion surplus over 10 years. He has driven us into near bankruptcy as a result of his fiscal irresponsibility.

We are responsible. We are going to fix AMT before the end of the year, but we will do it the right way; we are going to pay for it.

RESERVATION OF LEADER TIME

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

EXECUTIVE SESSION

NOMINATION OF ROBERT M. DOW, JR., TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to executive session to consider the following nomination, which the clerk will report.

The legislative clerk read the nomination of Robert M. Dow, Jr., to be United States District Judge for the Northern District of Illinois.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10:10 a.m. shall be equally divided between the leaders and their designees.

The Senator from Illinois.

Mr. DURBIN. Mr. President, I wish to thank Senator REID and Senator LEAHY, Chairman of the Senate Judiciary Committee, for bringing Robert Dow up for a vote this morning in the Senate. I enthusiastically support his nomination. If confirmed, he will fill a Federal District Court vacancy in Chicago that has been pending for over a year.

Robert Dow is an outstanding lawyer and an outstanding person. We have a process in Illinois that has worked almost flawlessly for the last 11 years, where we have bipartisan cooperation in screening judicial candidates. We have had the cooperation of the White House and leaders on both sides of the aisle, and we have not run into a problem. Robert Dow is the latest example.

Mr. Dow was recommended for this position by former Speaker of the House DENNIS HASTERT, the Republican leader in our delegation, with the understanding he faced a veto from myself or Senator OBAMA if we objected. Having met the man, having reviewed his background, there is no objection. He is an extraordinarily gifted and talented person.

He is a partner at one of Chicago's largest and most prestigious law firms—Mayer Brown—and he has been named as one of the 21 leading lawyers in the United States in the field of telecom, broadcast, and satellite.

There are many things you can say about Robert Dow, but I think there is one that stands out, as I reflect on what he had to say to us. Robert Dow has received an accolade that is noteworthy. In 2004, he received the annual Pro Bono Service Award from his law firm, which has over 1,500 attorneys, for his personal commitment to unpaid legal work to help those less fortunate.

That means a lot to me. It says he understands that being an attorney is not just a job, it is a profession, and a profession carries with it social responsibilities. His willingness to help the disadvantaged went a long way in convincing me he will bring to the court the kind of temperament and values which are so important.

The nomination of Robert Dow is a tribute to the successful bipartisan approach and the fact both parties look forward to his tenure on the Federal bench and the contributions he will make. Speaker HASTERT, Senator OBAMA, and I stand today excited about the prospect that Mr. Dow will soon fulfill this vacancy, which has been there for too long.

I ask my colleagues to join me in supporting Mr. Dow to be a district court judge in the Northern District of Illinois.

I yield the floor.

Mr. LEAHY. Mr. President, the Senate continues, as we have all year, to make progress filling judicial vacancies when we have the cooperation of the White House. The nomination before us today for a lifetime appointment to the Federal bench is Robert Michael Dow, Jr., for the Northern District of Illinois. He has the support of both home-State Senators. I thank Senators DURBIN and OBAMA for their work in connection with this nomination.

After we consider the confirmation of this nominee today, the Senate will have confirmed 35 nominations for lifetime appointments to the Federal bench this session alone. That matches the total number of judges confirmed for 2004. It exceeds the total number of judicial nominations that a Republican-led Senate confirmed in all of 1999, 2005 or 2006 with a Republican majority; all of 1989; all of 2001; all of 1983, when a Republican-led Senate was considering President Reagan's nominees; all of 1993, when a Democratic-led Senate was considering President Clinton's nominees; and, of course, the entire 1996 session during which a Republican-led Senate did not confirm a single one of President Clinton's circuit nominees.

Already this year, we have confirmed five circuit judges to the Federal

bench, including the nominations of Judge Jennifer Walker Elrod and Judge Leslie Southwick who became the fourth and fifth circuit court nominees we confirmed so far this year. That matches the total number of circuit court judges confirmed in all of 1989 and all of 2004, when a Republican-led Senate was considering this President's nominees. It matches the number of President Clinton's circuit court nominations confirmed by this time in 1999 with a Republican-led Senate and is five more than the Republican-led Senate confirmed in the entire 1996 session. That was the session in which not a single circuit court nominee was confirmed. It is more than were confirmed in the entire 1983 and 1993 sessions.

When this nomination is confirmed today, the Senate will have confirmed 135 total Federal judicial nominees in my tenure as Judiciary Chairman. During the Bush Presidency, more circuit judges, more district judges—more total judges—were confirmed in the first 24 months that I served as Judiciary chairman than during the 2-year tenures of either of the two Republican chairmen working with Republican Senate majorities.

The Administrative Office of the U.S. Courts will list 47 judicial vacancies and 14 circuit court vacancies after today's confirmations. At the end of the 109th Congress, the total vacancies when Republicans controlled the Senate were 51 judicial vacancies and 15 circuit court vacancies. Despite the additional 5 vacancies that arose before the start of the 110th Congress, the current vacancy totals under my chairmanship of the Judiciary Committee are below where they were under a Republican led-Judiciary Committee.

The President has sent us only 21 nominations for these remaining vacancies. Twenty-six of these vacancies—more than half—have no nominee. Of the 17 vacancies deemed by the Administrative Office to be judicial emergencies, the President has yet to send us nominees for nine, more than half of them. Of the 14 circuit court vacancies, six—nearly half—are without a nominee. If the President would decide to work with the Senators from Michigan, Rhode Island, Maryland, California, New Jersey, and Virginia, we could be in position to make even more progress.

Of the 26 vacancies without any nominee, the President has violated the timeline he set for himself at least 18 times—18 have been vacant without so much as a nominee for more than 180 days. The number of violations may in fact be much higher since the President said he would nominate within 180 days of receiving notice that there would be a vacancy or intended retirement rather than from the vacancy itself. We conservatively estimate that he also violated his own rule 7 times in connection with the nominations he has made. That would mean that with respect to the 47 vacancies, the President is out of compliance with his own rule more than half of the time.

Today we consider the nomination of Robert Michael Dow, Jr. He is a partner at the law firm of Mayer, Brown, Rowe & Maw, LLP, where he has worked almost his entire career. He received his B.A. from Yale University where he graduated summa cum laude and his J.D. from Harvard Law School where he graduated cum laude. A Rhodes Scholar, Mr. Dow earned a master and doctorate degrees from Oxford University. Mr. Dow also served as a law clerk to Judge Joel M. Flaum on the United States Court of Appeals for the Seventh Circuit.

I congratulate the nominee and his family on his confirmation today.

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

● Mr. OBAMA. Mr. President, I rise to express my support for the confirmation of Robert M. Dow, Jr. to the U.S. District Court for the Northern District of Illinois.

I am very pleased that this nomination has continued the bipartisan approach to filling judgeships in the Federal district courts—an approach that has served Illinois well.

Mr. Dow has an impressive record of professional achievement and an admirable commitment to public service. He has demonstrated fairness, decency, integrity, and a strong personal character that I expect will benefit the people of Illinois and all those with cases before the Northern District.

Most recently, Mr. Dow was a partner at the Chicago law firm of Mayer Brown. He earned his B.A. from Yale University where he graduated Phi Beta Kappa in 1987, and his J.D. from Harvard Law School, where he graduated cum laude in 1993. Mr. Dow was also a Rhodes Scholar who received degrees in international relations from Oxford University.

Mr. Dow has also distinguished himself in his professional career, where he has received a number of honors and accolades. Mr. Dow has been named a ''leading lawyer'' 5 years in a row by Chambers USA Guide to America's Leading Business Lawyers. He has been listed the past 2 years as an Illinois Super Lawyer in appellate law, and by the Best Lawyers in America in communications law. Mr. Dow also received an award for excellence in undergraduate teaching when he served as a teaching fellow at Harvard University.

Importantly, Mr. Dow has also been an engaged member of the Chicago community. In 2003, he served as a fellow for Leadership Greater Chicago, which stresses the development of community awareness and partnerships among leaders in the city. He is also an active member in a number of legal and academic associations as well as in his church.

Finally, Mr. Dow has a track record of personal commitment to pro bono service. Early in his career, he provided aid and advice to nonprofit organizations and a local court. Over the years, Mr. Dow has volunteered hundreds of hours to pro bono service, and continues to do so. He recently earned his firm's annual pro bono award. This kind of public service is essential to our legal system. When legal professionals provide voluntary expert legal counsel to those who cannot afford it, it shores up the integrity of our Nation's justice system.

It is good news for Illinois that Robert Dow will be joining the district court. I thank him in advance for his service and congratulate him on his confirmation today.●

Mr. DURBIN. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There appears to be a sufficient second.

The question is, Will the Senate advise and consent to the nomination of Robert M. Dow, Jr., to be a U.S. district court judge for the Northern District of Illinois.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from Missouri (Mrs. MCCASKILL), the Senator from Illinois (Mr. OBAMA), and the Senator from Vermont (Mr. SANDERS) are necessarily absent.

Mr. LOTT. The following Senators are necessarily absent: the Senator from North Carolina (Mr. BURR), the Senator from Oklahoma (Mr. COBURN), the Senator from Idaho (Mr. CRAPO), the Senator from Nevada (Mr. ENSIGN), the Senator from Oklahoma (Mr. INHOFE), the Senator from Florida (Mr. MARTINEZ), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS).

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 86, nays 0, as follows:

[Rollcall Vote No. 408 Ex.]

YEAS—86

Akaka	Dole	Lincoln
Alexander	Domenici	Lott
Allard	Dorgan	Lugar
Barrasso	Durbin	McConnell
Baucus	Enzi	Menendez
Bayh	Feingold	Mikulski
Bennett	Feinstein	Murkowski
Bingaman	Graham	Murray
Bond	Grassley	Nelson (FL)
Boxer	Gregg	Nelson (NE)
Brown	Hagel	Pryor
Brownback	Harkin	Reed
Bunning	Hatch	Reid
Byrd	Hutchison	Rockefeller
Cantwell	Inouye	Salazar
Cardin	Isakson	Schumer
Carper	Johnson	Sessions
Casey	Kennedy	Shelby
Chambliss	Kerry	Smith
Cochran	Klobuchar	Snowe
Coleman	Kohl	Specter
Collins	Kyl	Stabenow
Conrad	Landrieu	Stevens
Corker	Lautenberg	Sununu
Cornyn	Leahy	Tester
Craig	Levin	Thune
DeMint	Lieberman	

Vitter	Warner	Whitehouse
Voinovich	Webb	Wyden

NOT VOTING—14

Biden	Dodd	McCaskill
Burr	Ensign	Obama
Clinton	Inhofe	Roberts
Coburn	Martinez	Sanders
Crapo	McCain	

The nomination was confirmed.

The ACTING PRESIDENT pro tempore. Under the previous order, the motion to reconsider is laid on the table. The President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The ACTING PRESIDENT pro tempore. The Senate will return to legislative session.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business until the hour of 12:30 with Senators permitted to speak therein for up to 10 minutes each and the time equally divided between the leaders or their designees, with the Republicans in control of the first half of the time and the majority in control of the second half.

The Senator from Texas.

VETERANS FUNDING

Mrs. HUTCHISON. Mr. President, I rise to discuss an issue that is important for our country. That is the appropriations bill for Veterans and Military Construction.

The Senate and House Appropriations Committees worked together in a bipartisan way to craft a bill that fully funds the Veterans' Administration and Military Construction for the quality of life of our troops. However, we became bogged down last week because the Senate and House leadership decided they would put forward a combination of bills that have no relationship to each other. The Labor-Health and Human Services bill and the Veterans' Administration-Military Construction bill. Under normal circumstances, that might be fine. We have had omnibus appropriations bills before. But there was one problem. That is, the President had already said he would sign the Veterans bill, but he would veto the Labor-Health and Human Services bill. So the combination of these bills was destined to assure a veto.

The Veterans and the Military Construction legislation should go forward on an expedited basis. I call on this Congress to do that. There is no reason—there is no substantive reason, no commonsense reason—we should delay a bill that has been agreed to by Republicans and Democrats and could easily pass the House and Senate and be sent to the President before the end of this week.

Yesterday we had celebrations all over the country for veterans, saying how much we appreciate their sacrifices and what they have given to our country. Today we come back to work, and we still don't have a Veterans' Administration funding appropriations passed for this year. It is not that the veterans' needs are not going to be funded, because we are in a continuing resolution that assures the basic things will be done. But what isn't going to be done is the new priorities we put in this legislation on a bipartisan basis. We have added more funding for research into protheses, artificial arms and legs, because those are the kinds of injuries our troops are coming home with. They are becoming veterans because, of course, they can no longer serve in Active Duty.

I will digress for one moment and say that when I visit Walter Reed or the Center for the Intrepid in San Antonio where young men and women who have come home injured from Iraq and Afghanistan are being rehabilitated, they complain because they are being put out of Active-Duty military. That is the kind of spirit these young men and women have. They will be maimed. They will have lost arms or legs; they will be burned. Yet they will say: Senator, I want to go back. I want to be with my comrades.

Of course, we are going to take care of those young men and women who have sacrificed so much through our Veterans' Administration. We have new priorities in these bills that will put more into research and rehabilitation for these brave men and women. We also have a new burn unit initiative to do more research on our burn victims. Many of our troops come back with mental health problems. We are establishing more research and centers of excellence for post-traumatic stress syndrome in the bill that has been agreed to.

All I am asking this morning is, why not pass this bill right now? We have a formality of calling a new conference committee on the separate bill. That could be done today. We have agreement. There is no reason not to fund these new priorities. I call on the Senate and House leadership to make it happen. There is no excuse. We have new priorities. We have bipartisan agreement.

My message to the leadership is: Let's trust our committee members. Let's trust the leadership on the committees. Democrats and Republicans came together. We increased the President's budget. We increased his request. He said: OK, because he knew how important it was that we fully fund the health care needs of our veterans.

Let me tell you another priority in this bill. We have heard story after story of people leaving the Active Duty, usually because of injuries, going into the veterans system. But what happens? There is a long delay, sometimes months, before the veterans' benefits kick in. These are injured warriors. In our bill, we have funding so those applications can be processed more quickly. We are trying to streamline leaving the Active-Duty military and going into the veterans system. That is in the bill that is languishing this week in Congress.

I call on our leadership to do the right thing. Let's put politics aside. We can take up the Labor-Health and Human Services bill in due course. But today we have a bill with bipartisan agreement that requires a mere formality of calling the conference committee, having the House pass it, the Senate pass it, and sending it to the President. We can celebrate a joint bipartisan victory with Congress and the President coming together. That is what the American people expect. That is what they are looking for in Washington. When we see the approval ratings of Congress and the President so low, why don't we try a new approach? Why don't we do something everyone can celebrate? That is, fund our veterans and military quality-of-life issues this week. It can be done. I call on the congressional leadership to do it. The President has said he will sign it.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Colorado.

Mr. ALLARD. Mr. President, first of all, I associate myself with the comments made by the Senator from Texas. She is right. I serve on the Appropriations Committee with her and have worked on veterans issues with her. I very much am joining her in this effort to try to get this veterans bill passed because it is extremely important.

FINDING SOLUTIONS

Mr. ALLARD. Mr. President, now, this year, the Senate has voted on Iraq over 20 times. We have voted on Iraq in the middle of the night. We have voted on Iraq on a Saturday. We have voted on cloture, points of order, motions to waive, and other permutations of the majority's desire to appease moveon.org and other radical constituencies regarding the war in Iraq.

Although Iraq is important, we have ignored other important business. Just last week, we just sent our first appropriations bills to the President, 38 days into the new fiscal year. We just voted on the Attorney General nominee, 45 days after it was sent to the Senate. We have yet to address next year's veterans health care funding needs, 2 days after Veterans Day.

The uncomfortable fact for those who would have us consider nothing not urged by the radical left is we stayed the course in Iraq, followed the plan for the surge as developed by the Pentagon, and we are now seeing the results there—but none here. Every day the situation improves some in Iraq. Every day there are more new stories showing that the country is moving somewhat out of its depths.

Allow me to read some of the news reports.

USA Today, November 13:

The number of roadside bombs found in Iraq declined dramatically in August and September.

Here is the New York Times, November 8:

American forces have routed Al Qaeda in Mesopotamia, the Iraqi militant network, from every neighborhood of Baghdad, a top American general said today, allowing American troops involved in the ''surge'' to depart as planned.

Here is a quote from the Washington Post of November 8:

The drop in violence caused by the U.S. troop increase In Iraq has prompted refugees to begin returning to their homes, American and Iraqi officials said Wednesday.

This is from the Associated Press, November 8:

Dramatic progress seen in Baghdad neighborhood.

And back to USA Today, from November 7:

With security improving In Iraq, commanders are now considering how to reduce the U.S. presence without losing hard-fought security gains.

So we are seeing progress in our task in Iraq. But the business we set aside here in the Senate on other important issues is left alone.

Every day our gas prices rise because we have not made meaningful efforts to improve our Nation's energy independence. Every day we grow closer to the looming entitlement spending crisis. Every day we draw closer to the expiration of the tax cuts that did so much to buoy our economy in the face of 9/11 and the Internet bubble crash of earlier this decade and even now help us ride through the oil and housing shocks to our economy. Every day we see greater lawlessness on our borders and confront a greater illegal immigration problem because we have not passed significant border security funding.

The Senate is sometimes referred to as the world's greatest deliberative body. But that compliment is not supposed to summarize the sole responsibility of this institution. We are not just here to deliberate and ruminate and ponder; we are also supposed to act. Meaningless vote after vote on ultimately pointless proposals is good politics, perhaps, but not good government. It is not suitable for the Senate to spend weeks and weeks ignoring the people's business so that we can score political points and mouth the key shibboleths on the war on terror or by appeasing special interest groups.

SCHIP expired on September 30. It is imperative that Congress reauthorize the current program to ensure children of lower income families still receive health coverage. Yet we make due with a short-term reauthorization so that political points can be scored at the expense of sound policy and practical government.

The farm bill expired on September 30, and we are here trying to squeeze in the work required to reauthorize it in the weeks before Thanksgiving, when we still have all but two appropriations bills to pass.

It is obviously too late to fix things this session. I know we will be here to the point where we are shopping for holiday presents at the Senate Gift Shop rather than back home. But I hope the American people are taking notice of what little we have accomplished this year and demand better next year. We must stop mining the Nation's problems for partisan sound bites and try to find solutions.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

Mr. BARRASSO. Thank you, Mr. President.

(The remarks of Mr. BARRASSO pertaining to the introduction of S. 2334 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

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

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

The bill clerk proceeded to call the roll.

Mr. VITTER. 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. VITTER. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

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

Mr. VITTER. Thank you very much, Mr. President.

LAW OF THE SEA TREATY

Mr. VITTER. Mr. President, I wish to address the Senate and, indeed, our fellow citizens around America today about a very important matter before the Senate, the Law of the Sea Treaty. We have been studying this treaty in great detail in the Foreign Relations Committee, and it is a matter that could eventually come before the entire Senate.

I started this process, looked at the treaty, began to read it with a completely open mind. But as I got into the details of it—the significant details that would govern our laws, our activity—if we were to become a full participant in the treaty, many concerns began to mount in my mind. So I wish to come before the full Senate and before the American people to outline some of those concerns in great detail.

To begin with, let me say there are many good, productive, positive provisions of the Law of the Sea Treaty. I strongly support the same provisions the U.S. Navy supports and that personnel and admirals from the Navy have testified in favor of. That is really not the issue. The issue is the treaty as a whole and all of the provisions taken together and whether we should pass the treaty as a whole because we have no choice but to consider the whole, not simply one provision or the other.

This treaty has been around for many years—in fact, decades. It was negotiated decades ago. President Reagan, during his administration—very correctly, I think—rejected the treaty as it stood then. Because of that bold rejection, negotiators went back to the bargaining table and changed some significant aspects of the treaty. Now, those were improvements, but they don't in any way affect the main concerns I have about the Law of the Sea Treaty, and that is the fundamental baseline threat that the United States would be ceding our autonomy, our control over our own future to other international organizations that often don't have our best interests in mind.

So that is my fundamental concern. The renegotiation doesn't change that in any way. The testimony of the Navy doesn't even touch on that because it is about other provisions of the treaty. But my main concern with the Law of the Sea Treaty is the United States cedes autonomy to binding international tribunals—gives up American prerogatives, U.S. power, to binding international tribunals which, in the current international context, I do not think would often have our best interests in mind.

So why do I say that? Well, it is very important to look at the specific provisions of the treaty. We have been debating and discussing this in the Foreign Relations Committee. We have had numerous so-called expert witnesses. I am constantly shocked about how many participants in this discussion, quite frankly, including many expert witnesses, clearly haven't read all of the significant and important provisions of the treaty.

One of the most important provisions of the treaty has to do with these arbitral tribunals, these courts, if you will, that would have binding authority over all treaty participants, including the United States if the United States were to become a full treaty participant. So in other words, when disputes arise under the treaty, how do you resolve the dispute? You go to court. That court, if you will, that special tribunal, has binding authority over the parties to the dispute.

There are different sorts of these tribunals. One sort is called a special arbitral tribunal. Under that, under Annex VIII, the United States, again, cedes binding authority to these special tribunals in disputes about fisheries, the marine environment, marine scientific research, and navigation.

What is wrong with that? Well, I think what is wrong with it—or at least the threat it poses to the United States becomes clear when you look at the nature of this tribunal. It is a five-person body and simple majority rules. Now, who appoints the people? Well, both parties to a dispute pick two panelists. So if we were brought into court, if you will, by another country, that other country opposing our views, opposing our interests, would pick two panelists, and we would pick two panelists. What about the fifth panelist?

That is obviously important because it could well be the tie-breaking vote.

Under the treaty, the parties are supposed to try to agree on that fifth panelist. But if the parties can't agree—and, of course, that is a distinct possibility—the party taking us into court, the other country, could then flatout refuse to agree with any of our suggestions and choices no matter how reasonable.

Then what happens? Well, then the U.N. Secretary General picks the fifth panelist. He picks the tie-breaking vote.

I will be very honest with my colleagues; I don't feel comfortable with that. In the current international context, when we have been opposed so often at the U.N., when countries gang up on us, quite frankly, so often in forums such as the U.N., I don't feel comfortable with the Secretary General of the U.N. picking the tie breaker and essentially determining our fate.

There are other types of tribunals under the Law of the Sea Treaty. The next type is simply called a general arbitral tribunal. It is under Annex VII of the treaty. Again, the fundamental issue and the fundamental problem in my mind is, under that annex, under the provisions of the treaty, if the United States were to become a full partner in the treaty, the United States would cede, again, binding authority to these other sorts of tribunals regarding all other disputes.

So, in other words, the first type of arbitral tribunal would cover the four issue areas that I mentioned a few minutes ago. This general tribunal would cover all other disputes.

Now, how is this tribunal made up? Very similar, in fact, to the others. Again, a five-person body, simple majority rules. Both parties to the dispute, in this case, pick one panelist. So if we were hauled into international court, if you will, by another country, that other country would pick one panelist, and we would pick one panelist. Again, similar to the other tribunal. Then both parties together would try to agree on the other three panelists. Obviously, those three would compose a majority of the five. But if the parties can't agree—and, once again, if our opposing country, the country that has hauled us into court, doesn't want to agree to any of our ideas, any of our suggestions no matter how reasonable, it can just stand firm and not agree. In that case, those three members of the tribunal—a majority of the tribunal—would be chosen by the Law of the Sea lead bureaucrat, the head of the Law of the Sea under the treaty, an international bureaucrat similar in background and attitudes in many instances to the Secretary General of the U.N. Again, it is the same fundamental problem in my mind in that we are ceding our autonomy, we are ceding binding decisions that can be very significant in terms of our fate, our interests, our values, to this international court dominated by, controlled by, potentially, international bureaucrats.

Why is this a threat? What sort of disputes could arise that could go to these binding courts, or binding tribunals, panels? Well, one area that is clearly covered by the treaty is pollution. One would think that could be reasonable and necessary and natural with regard to pollution in the open ocean—this is a Law of the Sea Treaty, after all—but it also applies to pollution from land-based sources, and that comes as a great surprise to most people when they find that out. But that is why it is useful to read the treaty because when you read the treaty you actually find out some of these things.

Article 213 of the treaty is entitled—very frankly, very simply, very directly—''Enforcement With Respect to Pollution From Land-Based Sources.''

That article says:

States shall enforce their laws and regulations in accordance with Article 207—

That is fair enough. We pass our laws; we should enforce them—

and shall adopt laws and regulations and take other measures necessary to implement applicable international rules and standards, to prevent, reduce, and control pollution of the marine environment from land-based sources.

Well, wait a minute. I thought Congress and other political bodies in the United States determine our domestic laws, including about pollution from land-based sources. This is a distinct departure from that. This is a mandate in an international treaty saying: We shall adopt other laws to enforce international notions, international standards about pollution.

Another applicable article is Article 207, and under 207(1) it, again, says:

States shall adopt laws and regulations to prevent, reduce and control pollution of the marine environment from land-based sources, taking into account internationally agreed upon rules, standards and recommended practices and procedures.

Once again, my reaction when I read that is, wait a minute. I thought Congress was in charge of environmental policy in the United States. I thought State legislatures, where appropriate, were in charge of that policy—bodies elected by the people. Isn't that what democracy is about? Well, this is a distinct departure. This is internationalizing many of those issues with mandates in the Law of the Sea Treaty that go beyond what we may think is the best law in these areas, and that we conform to certain international decisions.

Again, the title of the article couldn't be clearer: ''Enforcement With Respect to Pollution From Land-Based Sources.'' Again, this is just one example of an issue area where the United States could well be ceding autonomy, ceding authority to other folks outside our borders who don't necessarily have our values, our notions, our best interests in mind.

What sort of situation could arise from this? Well, I think the situation that would undoubtedly arise is an outbreak of international lawyering and litigation—trying to move decisions that are presently before elected political bodies in the United States to the international arena. Many folks who have studied this phenomenon call it ''lawfare.'' Again, not ''warfare'' but using international law to oppose us and battle our interests and move those decisions from the domestic political environment to an international tribunal, an international stage that very often doesn't have our best interests in mind. Again, U.S. autonomy gives way to international litigation.

This isn't a wild conjecture on my part. This isn't something I am imagining or seeing in the future. This is something that many international lawyers and activists are actively licking their lips over and looking forward to. In fact, there was a Law Review article published several months ago that was very straightforward about this phenomenon that would occur if we become a party to the treaty. The author of this Law Review article said very clearly:

Climate change litigation—

One example of environmental issues, environmental litigation—

in national and international fora is emerging as an alternative means by which to hold States and private actors accountable for climate change damages. The United Nations convention on the Law of the Sea is a promising instrument through which such action might be taken, given its broad definition of pollution to the marine environment and the dispute resolution mechanisms contained within its provisions.

That is exactly what I am talking about. That policy, that issue now is subject to our determination, and Congress is subject to the activity of other elected bodies in the United States, but under the Law of the Sea Treaty, it would be moved to an international forum, to international litigation, to lawfare, in many cases, against the values and interests of the United States.

We have great disagreement and debate in this body about significant issues such as climate change. That is legitimate in a democracy; we should have those debates, and we should hash out those differences, and we should make the best determinations and policies we can on behalf of the American people. But that is something very different from pushing those issues and those decisions outside of the United States to international courts, to international tribunals over which we essentially have no control.

There are other issue areas that could be the subject of this sort of international litigation, other countries hauling us into court to oppose our values and interests.

Another topic where this could happen—and this gives me grave concern—has to do with military activities. I actively asked many of the expert witnesses in our hearings before the Senate Foreign Relations Committee about it. What would prevent another country from hauling us into international court—that court, that tribunal having binding authority over

us, if we become a part of the treaty—to try to stop, prevent, hamstring us with regard to military activity?

The response was immediate: There is a clear exception in the Law of the Sea Treaty that excepts military activities. That is true. Article 298 excludes ''military activities'' from the Law of the Sea Treaty's binding dispute resolution.

The experts didn't have a good answer to my next question. It was logical. The next question is: OK, who determines what is a military activity and what is not a military activity? If there is an exclusion regarding military activities, then this term is pretty darn important. Who defines this term? Who applies this term on a case-by-case basis?

When I asked that to the experts before the committee, there was a fair amount of silence. And then, after some consultation with the lawyers behind the experts, the answer came: Well, we believe we define what is a military activity—we, the United States.

The next logical question: Where does the treaty say that? Where is that spelled out in the treaty? It is not. The treaty is completely silent on the issue. So the treaty excludes military activities, but it doesn't say what is military activity and what is not a military activity. The treaty doesn't determine who determines what is and is not a military activity.

Here in the United States, when two parties go to court, there is often a dispute in the beginning of the lawsuit about whether that particular court has jurisdiction. Guess who decides whether that court has jurisdiction. That court decides if it has jurisdiction. If the same thing were to occur in the Law of the Sea Treaty, who decides that? The international court, the tribunal, would decide, and it would decide that crucial threshold issue against our opinion, against our interests; and there we are again before a binding international tribunal, which could have grave effects on what we consider our military activities.

Another final area of concern I will highlight that could come up as a subject of this sort of international litigation is intelligence activities. Post-9/11, perhaps nothing is more important to our security, to the defense of our values and our way of life, than our necessary intelligence activities.

That gave rise to an obvious question I asked the experts before the committee: Would intelligence activities be covered by the Law of the Sea Treaty? And could these international tribunals, with binding authority on us, have that binding authority over our intelligence activities?

Once again, I would have thought this was a simple and obvious question, but it caused a long period of silence from the witnesses who were there to testify in favor of the treaty. Finally, after long periods of silence and much consultation with the lawyers behind them, the answer was: Well, we believe our intelligence activities fall under the military exemption. So we believe intelligence activities would not go to court, would not go to this international court with binding authority, because we believe it falls under the military exemption.

Again, an obvious followup question: Great. Where in the treaty does it say that? Long silence. Long pause. Consultation with the lawyers behind the experts. Well, the treaty doesn't say that. Does the treaty say anything about intelligence? The treaty doesn't mention intelligence—whether it is covered under the military exemption.

I have to tell you, that again gave me great pause and concern, because I immediately thought of this place—the Senate, the House, Capitol Hill—where intelligence is considered an entirely separate subject matter from military. When we are up here debating matters and sending matters to committees, there is an Intelligence Committee that handles intelligence. There is a completely separate Armed Services Committee that handles military matters. Intelligence isn't subsumed under military. Intelligence issues don't go to the Armed Services Committee. It is a completely separate category. So why should it necessarily be different in the Law of the Sea Treaty? I think an argument could be made—a very logical, forceful argument—that intelligence activities aren't excluded under the treaty.

Intelligence activities are different from military activities, just as they are considered different up here on Capitol Hill. Guess what. Intelligence activities could make the subject of this international law against us—before countries calling us into international court, before the international tribunals that would have binding authority on us—very disconcerting, particularly in a post-9/11 world, where our intelligence activities are so absolutely crucial to our national defense and our activities necessary to preserve our values and way of life.

Again, there are many significant issues that arise under the Law of the Sea Treaty debate. Hopefully, we will have a full opportunity to discuss these issues I brought up today, and more. But these issues I have discussed today are the heart of my concern with the treaty, and the heart of that concern is simply that the United States would be ceding our autonomy, our control over our own future and destiny to international bureaucrats, to international courts, who very often would not have our best interests in mind and would not share our perspectives or our values.

That is something very serious to consider when you are talking about environmental policy, which has always been the subject of debate in elected bodies within the United States; when you are talking about military activities, which are so important, particularly in a post-9/11 world; and when you are talking about intelligence activities, similarly crucial to our security, and defense of our way of life in a post-9/11 world.

I hope the Senate takes a very long, very hard look at this treaty. I hope every individual Senator will do something quite unusual, which is read the treaty, open the book, look at the details, think for yourself. Once I began that process several months ago, the concerns over this treaty—particularly with regard to U.S. autonomy—began to mount and multiply in my own mind. Every Senator has an obligation to pick up the treaty itself, read it personally, and think through these concerns, because the results, if things proceed as I have outlined, could be disastrous.

With that, I yield back my time and suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Democrats control the time until the hour of 12:30.

Mr. KENNEDY. Mr. President, I yield myself such time as I might use.

PRESIDENTIAL VETO

Mr. President, last week, Congress took bold action on behalf of American families by sending an appropriations bill to the President that has important new investments in the everyday needs and hopes and dreams of the American people. It is a bill that funds our investments in education, health care, and in American jobs. These are not optional investments. They are not just nice little programs that can be funded 1 year and cast aside the next. These investments are about hope and opportunity for our children. They are about the dignity of middle-class and working families all across America. They are about our national strength. Unfortunately, it appears once again that the everyday concerns of the American people have fallen on deaf ears in the White House. This morning, the President vetoed this pro-family, pro-child, pro-worker legislation.

In fact, the White House says this bill is irresponsible and reckless. I ask: What is irresponsible and reckless about making sure our children receive the best education in the world? What is irresponsible and reckless about finding a cure for cancer so families no longer see that disease claim their mothers and fathers, brothers and sisters before their time? What is irresponsible and reckless about giving our workers the training and the skills they need to get good jobs and support

their families? If anything is irresponsible and reckless, it is the President's choices.

The President insists on continuing to spend billions of dollars on a failed policy in Iraq, but he refuses to deliver the relief America's families need. This morning, the President signed a Defense appropriations bill that includes a 10-percent increase in funding compared to last year, but he vetoed a bill that includes an increase of half that amount that would fund cancer research, investment in our schools, job training, and protection for our workers.

Let's take a closer look at what the President has vetoed.

The bill provides long overdue funding for education. Year after year, the White House and the Republican leadership in Congress have failed to make the needed new investments for better teachers and stronger schools. In fact, under Republican control, commitment to the education of our children has continued to go down.

This chart shows in 2002, the year No Child Left Behind was passed, there was funding at $7.7 billion. We wanted reform and resources. We got it that time once it was passed. This chart shows the gradual diminution of support for funding under Republican Congresses and a Republican Senate. Now we see the beginning of the Democratic resolution and now the Democratic conference report and an increase. The President's request, $1.5 billion less; the Democratic conference report, $3.2 billion. And we the find the legislation vetoed.

This bill finally reverses that course of reductions over recent years under this administration. So it delivers the largest increase in title I funding since we passed No Child Left Behind. Again, we had the increase at the time of passage of the act and then a decline in resources, and now we see in 2008 there is an increase in the title I program for the neediest children in America. That was vetoed this morning.

This bill delivers the largest increase in funding for education. That is funding that goes to the children who have fallen the furthest behind and need the most help. It pays for teachers, improved curriculum, tutors, and a whole array of actions that can help students do well in school.

It provides $4.5 billion in additional funding in education compared to the President's budget. How can the President of the United States say he will leave no child behind when he has vetoed the very bill that will enable us to do that?

We are working in Congress to renew the No Child Left Behind reforms and to make them work better, but we cannot do it with a ''tin cup'' education budget. This President seems to think we can improve our schools on the cheap. The President says $4.5 billion more to students is too much. Yet he is proposing 35 times that much for the war in Iraq. He wants us to say yes to $158 billion for Iraq, while he says no to $4.5 billion for American school children.

In Iraq, anything goes. The sky's the limit. Billions and billions and billions of dollars for Iraq. But here in America, right at home, a modest investment in our school children gets a veto.

This bill includes $1 billion for high-quality programs that help children after school; afterschool programs which are so important for children. Afterschool programs assist children with their homework, give them extra tutorial work, and give support when their parents are at work.

These funds will help 1.4 million needy children who need a place to go after the school day ends. These are programs that help hard-working parents, improve student lives, and keep communities safe by decreasing drug use and violence.

We can help these school children after school for the cost of 2½ days in Iraq. But the President says no.

The bill includes $3 billion to improve the quality of our teachers. Those funds will be used to hire 30,000 more teachers to reduce class sizes. How many days of hearings have we had that demonstrate smaller class sizes and well-trained teachers are absolutely essential? How many times do we have to learn that lesson? We understand that lesson. We have tried to, with bipartisan support, get these funds into this legislation to improve the support for our teachers.

These funds, as I mentioned, hire 30,000 more teachers. They will be used for mentoring 100,000 beginning teachers and professional development for an additional 200,000 teachers who will go into underserved communities across this country. We can do all of that for the cost of a single week in Iraq. But the President says no.

This bill includes $500 million to help our struggling schools turn around. Improving our schools means supporting them. We can provide support for our neediest schools for about the cost of a day in Iraq. We can take those schools that are falling further behind for a range of reasons—they may need restructuring, they may need additional assistance or targeted assistance, but whatever they need, they need to have this kind of assistance. But the President says no.

The bill includes $7 billion to provide high-quality early education through Head Start. This week, the Congress will pass a Head Start bill that will strengthen the program to make Head Start even better. Those funds will be used to ensure that nearly 1 million children are ready to learn when they enter kindergarten. These funds build a basic foundation for learning that will help these low-income and minority children for the rest of their lives. We can fund this program for the cost of a little more than 2 weeks in Iraq.

We are going to have a conference report, virtually a unanimous conference report where we have worked out the differences, that we will pass in the Senate at the end of this week. The House is taking it up on Thursday. We will pass it the end of this week or the early part of next week. It includes so many of the recommendations of early education. We need high-quality individuals working in Head Start and working on the curriculum. We need to coordinate the various services for our children in the early years, to smooth out the transition process from early education programs to kindergarten.

We are beginning to get that seamless web of services that we all understand are critical. We are providing assistance in education and supports for children at the earliest ages. This continues on to kindergarten through 12th grade so children are ready for college and work. That is what we are desirous of, a continuum. Read that magnificent book of Jack Shonkoff, who is now at Harvard, formerly with the Heller School at Brandeis, ''From Neurons to Neighborhoods.'' It brings together the three great studies that were done by the Institute of Medicine about the developing of a child's brain, the synapsis, the cognitive and social abilities to deal with their social conditions, the development of knowledge, a sense of inquiry and curiosity that develops and settles in a child's brain.

One cannot read that book and not understand that some of the best investments we make in education is in early education. We have taken so many of the lessons of that extraordinary document and have worked them through, Democrats and Republicans alike, in our conference. We will make real progress, but we need to invest the resources to do that. But when we came to do it and even as we work in Congress to improve the vital program, for the equivalent of 2 weeks in Iraq, the President said no.

This same misguided rationale applies to other investments in the bill as well. The President's veto means squandered opportunities for progress on the major health challenges the American people face. I recently spoke to a gathering of leading cancer researchers who are making extraordinary progress against this deadly disease. They have helped cancer become, in many cases, a treatable illness instead of a death sentence. Every day, they are fighting to help Americans with cancer live longer and longer and healthier lives.

We have seen for the first time, in recent years, where the total number of cancer cases are going down. In the previous 20 years, we saw some modification of those numbers going up. When evaluated against the change in the age of our population and other indicators, it showed we were making some progress that was encouraging. But the most important and significant has been in recent years, where we see the total number of cases are going down.

You cannot tell me that is not the result of the extraordinary investment

that was made in the Congress in recent years in doubling the NIH budget, with all of the progress we have made in mapping the human genome, sequencing the genes, various extraordinary breakthroughs that have come about. There are so many well-qualified, peer-reviewed projects that are on the desk at the NIH that will not be funded. These could offer hope for families in this country who have been touched by the devastation of cancer.

We provided in this legislation nearly $5 billion to fund more than 6,800 research grants to help win this fight. The President's veto tells Americans battling cancer that their fight for life is not a priority for the Nation. He tells patients they must wait a little longer, dream a little less, and hope a little more faintly for the breakthroughs that this research can bring.

On and on down the line, the President vetoed urgently needed research in heart disease, diabetes, asthma, infectious disease, mental health, and many other areas. The President would rather squander billions in Iraq than invest in the research that could bring progress against these diseases and relief for millions of our fellow citizens.

But the damage does not stop with the impact of this veto on the cures of the future. Patients today will feel the bite of the President's veto.

Community Health Centers make quality health care possible for millions of Americans who cannot afford health insurance. A veto of the $2 billion for community health centers included in this bill means that 15 million low-income people will be denied their opportunity for health care. This, at a time when we are seeing the total number of uninsured increasing. The only reason it has not increased more is because of the CHIP program. If we didn't have the CHIP program, the 47 million with no coverage would have been increased a good deal more. But if we look at the total number of Americans who are without health insurance over the course of the years, it is 75 million Americans out of a population of 300 million who sometime during the course of the year who lack adequate coverage, including 45 million who have no health care coverage at all. Those numbers are going up.

Where do individuals go? They go to their neighborhood health centers. We have had remarkable bipartisan support in the expansion of these programs, but when we tried to put in the resources, some $2 billion for these centers included in this bill, it was vetoed. The Centers for Disease Control are on call to protect us 24 hours a day, 7 days a week. When there is an outbreak or disaster, CDC is there.

In my own community, in Massachusetts, over the weekend our water supply was closed down because E. coli had penetrated the water system. And here, with all of the various health challenges we have going on there is obviously a role for the FDA, but there is also a role for the Centers for Disease Control, which is extremely well led at the present time. They provide such importance when we are considering the pandemic dangers for this country, let alone the pandemic dangers as a result of terrorism with biologics and chemicals. It will be the Centers for Disease Control that we are going to call on; our first responders. But, no, the President's veto means our Nation's health readiness will be weakened and our progress against disease will be halted.

Training of new doctors and nurses, assistance to hospitals in rural and underserved communities, improving health information technology, immunizations programs, and on and on. The President has the same response to each of them: veto, veto, veto.

The President's veto will also be devastating to America's workers. With globalization and layoffs and corporations cutting benefits, Americans are worried about their jobs. The least we can do is make sure they are safe on the job and treated with dignity.

This bill provides the funds needed to enforce the labor laws that keep our workers safe and give them a level playing field. This bill has a very modest increase for OSHA, the Occupational Health and Safety Administration. Since the implementation of this law, the number of deaths has been cut by more than half in America. This is from $490 million to $501 million. This is the very minor increase in MSHA, the Mine Safety Health Administration, from $313 million to $340 million. Have we forgotten what happened in the Sago mines in West Virginia or out in Utah, where scores of individuals lost their lives? And here we have the agency that is challenged with new legislation that reflected a bipartisan effort here in this body, Republicans and Democrats coming together making the recommendations, and making these recommendations as well, in order that we would have safety in the workforce. Yet that is vetoed.

Just last week, three workers were killed in an explosion in a powerplant in Salem, Massachusetts. Terrible incidents like this are all too common. Every year, more than 5,700 workers are killed, with more than 4,000 injured or made ill on the job. Workers everywhere—at powerplants, coal mines, hospitals, and construction sites—rely on our Federal agencies to protect them and make sure they can return home to their families each night.

But the President's veto takes bad employers off the hook and puts American workers at risk. We won't have the needed funds this bill provides to inspect workplaces and enforce our safety laws. Millions of workers' safety and very lives will be at risk.

The veto of this bill is also devastating to veterans. We just observed Veterans Day. Each year, nearly 320,000 brave servicemembers return to civilian life, many coming from Iraq and Afghanistan. Sadly, our hearing in the Labor Committee last week showed they faced daunting challenges.

Tens of thousands of Reserve and National Guard members have lost their benefits, and even their jobs because they served their country. That is why this bill provides $228 million to help our veterans find jobs, receive training—and protect their right to return to their former jobs. This is guaranteed in the law but not adequately fulfilled at this present time. The President's veto takes away this modest welcome mat and slams the door in our veterans' faces.

All Americans are certainly familiar with what happened at Walter Reed, but there are so many other aspects that we are continuing to support. Senator MURKOWSKI, Senator MURRAY, and many of our colleagues on the appropriate committees are making extraordinary efforts to help address these issues for our service men and women. But we must all recognize that one out of four of the homeless today is a veteran. One out of four of the homeless is a veteran. And if veterans return to the United States without a job, with lost backpay, or lost health insurance, there is a rapid spiral right down into destitution and poverty and homelessness and, in some instances, suicide and other horrific behavior.

What about other American workers who want to upgrade their skills to compete and win in the global economy? This bill says we should not cast workers and their dreams aside. It rejects the President's cut and includes $2.9 billion for job training. But the President's veto, again, leaves these hard-working Americans out in the cold.

In my State of Massachusetts, there are 92,640 jobs that needed workers at the end of last year, and there are 178,000 people who didn't have jobs and were on the unemployment lists. It should be pretty understandable that if we can get those people trained and place them into productive employment, they are going to be productive, useful, and valuable workers in our communities. Their hopes and dreams for their families will be enhanced. And, through taxes, they will increase additional tax revenues for the future. That kind of investment is necessary. But what happens, Mr. President? We see those programs have been effectively vetoed.

This appropriations bill is about the strength and the well-being of American families. By vetoing the bill, the President is turning his back on the priorities of America's families—their hopes, their dreams, and their opportunities. But we will not give up on providing the solutions that are so desperately needed. We will continue to work with our colleagues in the Senate and the House and chart a new course and fight for the real needs of all Americans.

This battle is not over. It has only just begun.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, am I allotted a certain amount of time in morning business?

The PRESIDING OFFICER. The Senator is to be recognized for up to 30 minutes.

TORTURE

Mr. DORGAN. Mr. President, I shall not take all that time, but I wanted to talk about a couple of things this morning. Before I do that, I want to express my appreciation for the comments of my colleague from Massachusetts, Senator KENNEDY, about what our priorities seem to be and what they should be with respect to fiscal policy and appropriations bills as well as the larger priorities of our country.

Let me now talk briefly about the vote that occurred last week on the confirmation of Attorney General Mukasey. I wish to talk about it because I think a very important issue that needs to be discussed—and we have not really discussed it much on the floor of the Senate—is the issue of torture.

I don't think the issue of torture, for this country, is negotiable. And, I don't think it is a very difficult question.

But, before I talk about the issue of torture specifically, let me just describe what I think represents the great strength of this country, and the great strength of this country does not include a willingness or an allowance to torture anybody anywhere.

We were engaged in a long, difficult Cold War for decades. That struggle against the Soviet Union and totalitarianism lasted a long time. But it wasn't, in the end, bombs and bullets that won that war; it was American values that won that war. It was the idea of our country, and the idea of our country is rooted in the Constitution. People are free. They believe what they want. They are able to say what they want. The Government has to respect the rights of everyone.

That is the embroidery and the framework of our Government and our Constitution. America is an idea, with a written Constitution and a Bill of Rights, that protects people, and stands for liberty, human rights, and human dignity.

In fact, those values of this country were so strong that even during the Cold War those values shined a light of hope into the darkest cells in the Soviet Union, in the gulag prisons, in the outermost reaches of Siberia. We know that because people who were in those dark cells came out from behind the Iron Curtain and told us of the ray of hope they saw from this country.

Millions of political prisoners were held, often in solitary confinement in the Soviet Union, simply for thinking and speaking freely. Many were there for years, swept off the streets in the Soviet Union, never to be heard from again.

Often, they weren't charged. When they were, they were convicted after show trials because they had no rights. But some survived, and they talked about how important the idea and the values were that embodied this country called the United States. America gave them hope. The idea of America reached to the farthest and darkest places on this planet. It always has, and it has offered hope.

Now, it is true that this country is not perfect. We all understand that. But it is also true that what we stand for is very important in terms of the message we send around the world. It is important for our self-respect, and it is important for what we believe America to be.

It is troubling to me that polls that are done around the world show that so many in the world now are very concerned about our country, with views that are very negative about the United States, and these views are held by historic foes but also historic friends. That is something which should concern all of us. We have to hold ourselves to a higher standard. We always have, and we should hold ourselves to a higher standard.

The issue of torture was an issue that arose because of the questions asked a candidate, a nominee, for Attorney General. There are some who believe under certain circumstances, apparently, torture is all right or appropriate or sanctioned. I am not one of them, and I would think most Americans would not believe that.

George Washington led the Continental Army in the War for Independence. After a large number of his troops were captured, he and his troops saw Hessian mercenaries, fighting for the British, slaughter unarmed prisoners from the Continental Army. They saw that, and yet George Washington refused to treat Hessian prisoners the same way. He insisted we were different and we would treat people the way we should be treated.

That is America's birthright. It has always been the case. And that is why the discussion about torture is so very important. It is why the discussions about treatment of detainees, about enemy combatants, about habeas corpus, and about the power of the executive branch in this country are important as well.

The Attorney General's post is very important. I met with the nominee and I liked him. I talked to him about his commendable experience in Government as a Federal Judge. But his inability to answer the basic questions about waterboarding and torture were very troubling to me. I don't understand that inability, and I don't think, from my standpoint, that issue is negotiable. Torture is not what America is about.

Some say or some imply that being against torture is somehow being soft on terrorists. That is as despicable as it is wrong. Being against torture is being for an America that is better than its enemies. Being against torture is being for an America that continues to be a beacon of hope around the world for doing the right thing, and it is being for an America that stands for the rule of law and human dignity and human rights.

So I wanted to make the point, after the debate we had last week, that this is not an irrelevant issue. It is an issue that defines our country. It is an issue about who we are, the value system of this great country of ours.

FISCAL POLICY

Mr. DORGAN. Mr. President, let me describe a couple of things that represent front-page news these days. Regrettably, I believe, these things threaten the potential future prosperity of our country and require an urgent response on the part of the President and the Congress.

The economy and fiscal policy of this administration—and the lack of regulatory interest on the part of this administration—has led us to an abyss that is very troublesome. We see the dollar dropping in value to other currencies. We see a dramatic trade deficit of $2 billion a day, that we are buying from other countries more than we are selling to other countries. We see a fiscal policy budget deficit that the President says is coming down. The only way he can say the deficit is significantly coming down is that he is taking all of the surplus Social Security revenues that are supposed to go into the Social Security trust fund and using every dollar of that surplus as an offset against other revenue and other spending in order to show a much lower deficit. We are far off track in trade policy and fiscal policy, and now we have in front of us a proposal for $196 billion in emergency spending—none of it paid for. That will bring us very close to three-quarters of a trillion dollars that the President has requested on an emergency basis—none of it paid for. That is not conservatism. We have a responsibility to begin paying for these costs. We send soldiers to war and the President says to the American people: You go shopping and do your part for the American economy.

That should not happen. What should happen is when we send soldiers to go to war and ask them to wear the uniform of their country and go in harm's way, we should, as a responsible Congress and President, pay for the costs as we go.

I don't understand it. The President is down there at the White House saying $22 billion additional for the kinds of things that invest in our country—he says I am opposed to that. He said I will veto 10 of your bills, if necessary. He said, I am opposed to that $22 billion of your bills, half of which is invested in health care. Then he says, by the way, I want $196 billion on the other side, none of it paid for, for my priorities, and he says: But that is for the troops.

I am sorry, it is not just for the troops. A substantial portion of that is for the contractors. There is dramatic

evidence of the greatest waste, fraud, and abuse in the history of this country going to contractors who are profiteering, regrettably, during a war. For a long while I have believed—we have had votes in the Senate and all on the other side of the aisle have voted against it—that we should have a Truman-type committee, such as the one Harry Truman led many decades ago, that began to investigate the waste, fraud, and abuse in contracting that is existing, that is fleecing the American taxpayer, undermining the American troops, going on under the nose of this administration, and nobody seems to care.

With respect to a fiscal policy that is out of control, let me describe the second portion of that, and that is an administration that doesn't want regulators to regulate. I understand some do not like regulation, but this administration has gone way beyond the pale in saying to regulators, look the other way.

Here is what is happening. This morning you read the newspaper and see that subprime loans are beginning to have a big impact on all Americans because it is beginning to have an impact on the economy. What does all this mean, subprime lending?

Let me describe it to you. Again, the regulators were asleep, didn't do anything, didn't care very much. Here is what has been going on. We have had mortgage companies that used to be kind of the slow, little companies that would lend you money for your home, down on the street corner someplace, not much going on, somebody who was a thoughtful person with a pencil above their ear, they were wearing a white shirt and suspenders. You would sit down and say, I need a home loan. They would be glad to help you and they would sit down and work out a home loan for you. That was the way home loans worked.

All of a sudden, home loans have changed. All of a sudden it is a go-go industry. This is what they started doing. It is unbelievable. This is an advertisement from the biggest home lending company in this country: Homeowners, do you want to refinance and get cash? Countrywide has a great reason to do it now. A no cost finance. It has no points, no applications fee, no credit reporting and no third party fees. No title, no escrow, or appraisal fees. Absolutely no closing costs. So you wind up with a lot more cash.

Here is another company that had a different thing to say, Zoom Credit:

Credit approval is just seconds away. Get on the fast track at Zoom Credit. At the speed of light, Zoom Credit will pre-approve you for a car loan, a home loan or a credit card. Even if your credit's in the tank. Zoom Credit's like money in the bank. Zoom Credit specializes in credit repair and debt consolidation, too. Bankruptcy, slow credit, no credit—who cares?

This is an ad from a mortgage company.

Millenia Mortgage had to say in their advertisement:

Twelve months No Mortgage Payment. That's right. We will give you the money to make your first 12 payments if you call in the next 7 days. We pay it for you.

Let me describe what all this means and what they were doing. I will do it with respect to the largest mortgage lending company. Angelo Mozilo created Countrywide Finance, the biggest mortgage company in our country. They are the ones, along with others, who helped create the riskier loans and in many cases targeted those loans to those who could not repay.

Do you have less than perfect credit? Late mortgage payments? Denied by other lenders? Call us.

That was one of Countrywide's advertisements. Let me say again:

Do you have less than perfect credit? Do you have late mortgage payments? Have you been denied by other lenders? Call us—

Countrywide says.

So they began to attract borrowers through advertising, and then they had brokers on the phone soliciting, calling somebody up, saying: Let's talk about a new mortgage. We can get some cash for you and reduce your interest rates. So they created ''affordability loans,'' a new category; then adjustable rate mortgages; then interest-rate-only loans; then reduced documentation or no-documentation loans. When I heard that one, I thought, What does that mean? It means just what it says: If you want to get a loan, a home mortgage, and you don't want to document your income, they say that is fine, we will give you a no-doc loan. You will pay a little higher interest rate, but we will certainly give you a mortgage if you don't have documentation.

One of the new mortgages they began to offer is interest-only loans so the borrower is required to pay interest charges only. They deferred any principal payment to much later; and then they came up with a pay option adjustable rate mortgage, which allowed the borrower to pay only a portion of the interest, none of the principal, just a portion of the interest, and defer all of it to the end of the loan. This means you might end up paying much more for the house than the house is worth.

All these fancy things—what they were saying to potential borrowers was, if you have bad credit, come to us because we have an instrument for you.

This is about greed, by the way, because the brokers and the banks made extraordinary amount of money. So what they did was they created a circumstance where they would loan to people something called subprime loans. There is evidence they put people into subprime loans, even though they could have qualified for prime loans. Why? Because subprime loans paid more. Then they rolled these subprime loans, in many cases for people who couldn't repay, and they would set the interest rate ridiculously low—pay 2 percent interest rate, for example, and then it will reset in 24 months, 36 months, and when it resets, it will reset way up here, but in the meantime here is your monthly payment.

They were quoting monthly payments without the escrow, so they were recording ridiculously low payments. In some cases, they were quoting interest only loans, some cases with only partial interest, in other cases at ridiculously low rates that were going to reset at a high rate, and then they would attach prepayment penalties to them so they could lock people in. And then what they did is they rolled this up like sausage.

There was a story about how there used to be sawdust in with meat when they rolled sausage up so you didn't know what you were eating. It was good filler, apparently. They rolled these up as securities with the subprime loans, the prime loans, rolled them up as a security, sliced them up to be sold.

Guess what. The big investors out there liked this stuff. It paid pretty high rates at this point because you were able to have prepayment penalties and a whole series of things. They are buying these things without having the foggiest idea what is in them. The rating agencies are rating them as OK. So you have the folks investing in the securities that represent these subprimes. Then all of a sudden it is discovered people are not able to pay. They can't make their house payments. The interest rate gets reset. It is way up. They don't have a ghost of a chance of making the house payment, and then they stand around scratching their head wondering what happened. I will tell you what happened, a carnival of greed on the part of the mortgage brokers, bank security firms—all of them, a total carnival of greed. Now they are all walking around scratching their head, trying to figure out what do we do next.

Well, Merrill Lynch, for example, lost $8.4 billion, I guess it was, 2 weeks ago, so they fired their CEO. I believe he got $161 million in securities and retirement benefits—as he went out the door.

Last week it was CitiGroup that fired their CEO. There was a pretty substantial benefit.

That is going on all over the country. By the way, the head of the company that is the largest company, Mr. Mozilo, in the midst of all this, head of the largest company that is engaged in all this, Countrywide, earned $142 million last year. He was celebrated as the executive—Fortune Magazine's prestigious Company of the Year. The Horatio Alger award. He made $142 million last year and the New York Times reports that he was selling $138 million of his stock in the company as he was talking about how well the company was doing.

This subprime scandal is all about greed. It is not new. It happened in the savings and loan industry. It has happened in other areas. It is now happening with respect to this mortgage industry scandal. The administration, of course, doesn't want anybody looking over anybody's shoulder, so there

has been no regulation. You have hedge funds buying into these things. They are unregulated, by and large. There is no regulation, no oversight, Katy-barthe-door, do what you want to do, the private sector will be fine.

It is not fine. This is having a significant and serious impact on this country's economy. I am going to come back to this in a moment, but let me describe the other issue that is happening.

We wake up this morning and oil is $90 to $100 a barrel. You ask why is that the case? Why is oil $90 to $100 a barrel? Once again, it is lack of oversight. Here we have a futures market on which oil is bought and sold. This futures market has now become an unbelievable orgy of speculation.

I was reading yesterday from an article, an analyst from the Oppenheimer Company in New York, was talking about the price of oil. He says:

I'm absolutely convinced that oil prices shouldn't be a dime above $55 a barrel. Oil speculators include the largest financial institutions of the world. I call it the world's largest gambling hall. It is open 24–7. Unfortunately there are segments of the market that are unregulated. This is like a highway with no cops, no speed limit, and everybody is going 120 miles an hour.

What is happening with oil? It is interesting, if you take a look at this unbelievable speculation that is going on in the futures market. You have industrial banks in this country, investment banks. They are actually buying tanks to store oil. This takes the oil off the market. They are doing this because they believe that the price of oil will be higher in the future. So they take oil off the market now, store it, and sell it later for a profit. This creates an upward pressure on price. You now have hedge funds hip deep in the futures markets. They didn't used to be. It used to be that the futures market for oil had a relationship to the supply and demand with respect to oil. There were other tensions in various parts of the world that might affect it some, but not like we have seen recently. As is the case in most areas, this has gotten way out of hand. There is no way that current supply-and-demand relationships with oil justify $100 a barrel. It is a futures market that is propelled by unbelievable speculation in search of profits by a whole range of interests, especially now including hedge funds and investment banks and others.

The question is, who are the victims of all of this? The victims are people, the people who drive up to the gas pump. The victims on the subprime market are the people who cannot repay a mortgage; and somebody says maybe they should have known better. Maybe so, but when a broker is going to make a $30,000 commission by writing a $1 million mortgage and selling over the phone 2 percent interest rates, I am telling you there are a whole lot of folks who get sucked into that.

The point here is we face a situation in several areas where there is a total, complete lack of common sense. There is this little book written by Robert Fulghum a long while ago that would, in my judgment, provide some benefit to some people. The title of the book is, ''All I Really Need To Know I Learned In Kindergarten.'' The lessons are not unusual. The lessons are: Play fair, don't hit, don't take what is not yours, wash your hands, flush—you know, the things I learned in kindergarten; the things that are important.

We could write a primer on ''All The Things I Really Need To Know I Learned In Kindergarten.'' We could write that primer and instantly people would say you can't have an oil futures market that is rampant in speculation with hedge funds and others now pushing up the price of oil having little to do with supply and demand. You can't have a mortgage industry in which the mortgage companies decide they are going to provide loans to people who cannot afford to repay the loan and make very big profits and lock them in with a prepayment penalty. They are all fat and happy and making a massive amount of money. You can't have that without a significant consequence to our economy.

What do I suggest? It is simple. Let's sober up a little bit on fiscal policy in this administration and this Congress. Maybe we can say to the President: You want $196 billion. OK. You tell us how you want to pay for it. Send us the recommendation, and we will certainly take a look at that. We want to do everything that needs to be done to support our troops. But a substantial portion is not going to support our troops. It is going to support big contractors that have been bilking the taxpayer for a long time. We are going to take a hard look at that and investigate it and get to the bottom of it.

We need to get back on track in trade and fiscal policy. Ignoring it might feel good, but it is not the right thing for the future.

With respect to the issue of subprime lending and futures markets, if that doesn't persuade Members of this body there needs to be some thoughtful, sensible regulation, then I don't know what will. I chaired the hearings on Enron. It was to my subcommittee that Ken Lay came on behalf of Enron, raised his hand, and took the fifth amendment. Mr. Lay is dead. Many of the folks who worked with him at Enron are in prison. But I understand what happened in that scandal. The American public, again, was a victim. They got fleeced. In Enron's case, they were manipulating markets to drive up the cost of electricity on the west coast and bilk people out of billions of dollars. What did it mean? It meant we had to put in place some regulations to prevent that from happening again. What does this mean, the subprime scandal that exists, and its impact on the economy? It means we have to put in place some regulations to prevent this sort of thing from happening. People have profited in a very unholy way at the expense of a lot of victims across the country.

What does it mean when people go up to the gas pump this afternoon and pay a substantial amount for a tank of gasoline at a time when the price of oil is running toward $100 a barrel and the futures market is driving that price up, having very little to do with supply and demand but more to do with an orgy of speculation? It means we ought to care about that. It means there ought to be some regulatory oversight.

This administration has a lot to answer for, as does the Congress. I am pleased to be a part of the majority, and we are working hard to try to respond to and deal with these issues. But these issues are not going to go away. The prosperity of this country's future is at stake. We need to get it right.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

VETERANS DAY 2007

Mr. AKAKA. Mr. President, over the past weekend, our Nation observed Veterans Day, a day to commemorate the connection between the American people and America's veterans. This connection is something that the American people are always aware of at the bottom of their hearts, though it may not always be in the front of our minds as we go about our daily lives.

We Americans often define ourselves by the freedoms we enjoy. America's veterans are men and women who sacrificed some of their own freedoms to serve and defend our Nation. The connection between these two groups—the defended and the defenders—may not always be visible, but it cannot be denied. Veterans Day gave us the opportunity to recall that connection, to honor those who wore the uniform of our country.

As chairman of the Committee on Veterans' Affairs, it has been my privilege to work alongside other leaders in answering a simple question: How do we best honor veterans? Having so recently celebrated Veterans Day, I am pleased to report on the committee's work in the areas of legislation and oversight to try to answer that question.

The Committee on Veterans' Affairs has worked diligently to fulfill its oversight and legislative responsibilities, demonstrated in part by our hearing and meeting schedule. We have held 40 hearings and meetings, including 7 field hearings, since our organizational meeting in January. The committee has heard from 220 witnesses, and reported 4 nominees to the Senate, each of whom was later confirmed.

At our committee's very first meeting, I discussed my agenda to work with other members to bring the Department of Defense and the Department of Veterans Affairs together to provide a seamless transition for veterans from DOD to VA. We focused on seamless transition and set an agenda to pursue the issue in the coming year.

These actions were taken long before the horrible news reports about conditions at Walter Reed shocked the country into action. Our foresight positioned the committee, in collaboration with the Senate Armed Services Committee, to craft legislation that attacked the flaws within the DOD and VA systems. I am pleased that our legislative responses were incorporated into the National Defense Authorization Act. I look forward to seeing them become law.

Two weeks after the organizational meeting, the committee held its first hearing, which was on VA and DOD cooperation and collaboration. We heard testimony from officials from VA and DOD, as well as the personal stories of veterans who slipped through the cracks during their transition from military service to veterans status. This would be the first of a number of hearings the committee would hold on VA and DOD cooperation and collaboration. Later hearings on this issue focused on specific areas such as health care, education, information technology, and benefits.

In February, I contacted DOD on behalf of VA's Polytrauma Center health care providers so as to ensure that VA providers had easy and appropriate access to DOD's Joint Patient Tracking Application. This medical information sharing application is important to data sharing between VA and DOD. I was pleased when DOD responded shortly thereafter, providing assurance that they would resume their important data sharing practices.

The decision to focus on cooperation and collaboration between DOD and VA was made well before news broke on the deplorable conditions at Walter Reed. As these news stories moved questions about veterans care into the forefront of America's attention, our committee put our focus on the total system of care, involving DOD and VA.

Shortly after the press revelations of problems at Walter Reed Army Medical Center, I visited Walter Reed, along with my good friend and colleague, Senator CARL LEVIN, chairman of the Senate Armed Services Committee. On the way back to the Capitol from that visit, we agreed to hold an unprecedented joint hearing of the Armed Services and Veterans' Affairs Committee on the issue of DOD–VA cooperation and collaboration. On April 12, we held that hearing, further pursuing answers both about what was happening at Walter Reed and how we could fix it and about the overall state of the relationship between the two Departments.

From that hearing and subsequent work on the problems at Walter Reed and elsewhere in both the DOD and VA systems, and how those problems affected wounded servicemembers, it was clear that a commonsense approach was needed.

One specific focus of that effort was on how to reform the DOD disability system so as to promote greater uniformity among the services and between the services and VA. On April 30, I introduced S. 1252, a bill that would mandate a number of changes to the DOD disability evaluation system, including uniform use of the Veterans Affairs rating schedule across the military services, inclusion of all conditions which render a member unfit when making a disability rating, uniform training of Medical Evaluation Board/Physical Evaluation Board personnel, and accountability by DOD to ensure compliance with disability rating regulations and policies.

Just as veterans and servicemembers benefit when VA and DOD work together, the Committee on Veterans' Affairs and the Senate Committee on Armed Services saw an opportunity to collaborate on legislative solutions. All of the provisions of S. 1252 were included as part of S. 1606, the joint SVAC and SASC proposed Dignified Treatment of Wounded Warriors Act of 2007, which was later included in the 2008 National Defense Authorization Act.

While demands on VA have dramatically increased over recent years, VA funding has not. To allow the hard working men and women of VA to do their jobs without having to worry about whether there will be sufficient funding, we have sought a substantial increase to VA funding. I am pleased that the funding level in VA's fiscal year 2008 appropriations bill amounts to the largest funding increase in the history of the Department.

The appropriations bill also includes significant increases that will enable the Veterans Benefits Administration to pay for up to 3,100 new full-time employees. I hope the VBA will use these funds to attack the current backlog of veterans' claims aggressively. I will continue to work with my colleagues to enact this historic and long overdue increase in funding for veterans.

In working on the legislative front, the committee has taken a collaborative approach with other Members of the Senate and the House of Representatives. Our focus has been on getting good law enacted, whatever the vehicle. I am pleased to report on the committee's progress on many pieces of legislation, some of which have already been enacted into law.

As we continue to pursue adequate funds to pay for the true cost of war, we must also recognize that the nature of the battles our troops are fighting has changed as well. VA health care must be better prepared to address traumatic brain injury, the signature wound of the current war. To improve VA's diagnosis, treatment, and rehabilitation for traumatic brain injuries, I introduced S. 1233, the proposed Traumatic Brain Injury and Health Programs Improvements Act of 2007. This bill, amended to include a number of other health care provisions, was reported by the committee. In addition, many of the provisions of S. 1233 were later incorporated into the Wounded Warriors Act and the National Defense Authorization Act.

S. 1233 would increase access to VA health care for combat veterans, extending the period of eligibility during which recently released or discharged combat veterans have unfettered access to VA care from 2 to 5 years. This provision will help ensure that these newest combat veterans have more time to identify and deal with invisible wounds, such as traumatic brain injury and PTSD. Another key provision of the bill relating to the treatment of invisible wounds is a requirement that VA provide a servicemember with a mental health evaluation within 30 days of making such a request.

S. 1233 also would enhance care for older veterans already in the VA system. It would repeal the 2003 VA regulation which barred Priority 8 veterans, so-called ''higher-income'' veterans, from enrolling in the VA health care system, essentially re-opening the system to these veterans. Many issues have been raised this year with regard to access to VA care for veterans residing in more rural areas, and S. 1233 includes an entire section aimed at looking at ways to increase access for rural veterans.

I am also very proud of the provisions in S. 1233 that seek to expand and enhance services for homeless veterans. We all recognize the sad reality that veterans suffer disproportionately from homelessness. S. 1233 would not only increase the resources available to community-based entities that provide reintegration services to those who are already homeless, it would also provide supportive services to low-income veterans to help prevent homelessness.

This bill also contains a significant increase in the travel reimbursement benefit paid to certain veterans who are forced to commute long distances to access care at VA facilities. The current mileage reimbursement rate is only 11 cents per mile, and this rate has not been increased since 1978. The committee bill would increase the rate to 28 cents per mile—a substantial increase and one that will hopefully help ease the financial burden for those who have to travel sometimes hundreds of miles to get to a VA hospital or clinic.

Two other health care bills that I introduced this year are currently moving through the committee process—S. 2160, the proposed Veterans Pain Care Act of 2007, and S. 2162, the proposed Mental Health Improvements Act of 2007. The committee is scheduled to mark up both of these bills, along with two others, tomorrow. I hope to see each of them passed by the end of this year.

For too many veterans, returning home from battle will not bring an end to conflict. They will return home, but the things they have done and seen in combat will follow them. Invisible wounds such as PTSD are complicated and can manifest themselves in many different ways. Studies have estimated that as many as 1 out of every 5 Iraq

war veterans are likely to suffer from readjustment issues. It is clear that action is necessary on the part of Congress to ensure that VA is equipped to deal with these issues.

In April, the committee held a hearing dedicated to veterans' mental health concerns and VA's response. We heard very compelling testimony from witnesses who suffered the consequences of invisible wounds in their families and their own lives. Randall Omvig spoke of his son's suicide upon returning from Iraq. Tony Bailey spoke of his son's struggle with substance abuse, and of his ultimate death from it. Patrick Campbell shared his own experience with PTSD and the experiences of his fellow servicemembers. Their touching and often painful stories put human faces on an issue that is to often reduced to numbers.

The proposed Mental Health Improvements Act is a direct outgrowth of that hearing and the testimony given by those who have suffered with mental health issues and by their family members. The bill addresses the immediate needs of veterans by ensuring high quality mental health services at VA facilities and in their communities. The measure also seeks to address the plight of veterans who suffer both from PTSD and substance abuse.

S. 2160, the proposed Veterans Pain Care Act of 2007, would enhance VA's pain management program. It is estimated that nearly 30 percent of Americans—some 86 million people—suffer from chronic or acute pain every year. A recent study conducted by VA researchers in Connecticut found that nearly 50 percent of veteran patients that are seen at VA facilities reported that they experience pain regularly.

While pain increases in severity with age, it is also a growing problem among younger veterans who have been injured in the wars in Iraq and Afghanistan. Many of these veterans are coming home with severe injuries—often traumatic brain injuries—that require intensive rehabilitation. In some cases, younger veterans will have to live with the long-term effects of their injuries, of which pain is a large and debilitating part.

Pain management is an area of health care that by many accounts is not yet to up to par, in both the private and public sectors. S. 2160 would standardize VA's pain management program on a national, systemwide level, by requiring VA to establish a pain care initiative at every VA health care facility. Every hospital and clinic would be required to employ a professionally recognized pain assessment tool or process, and ensure that every patient who is determined to be in chronic or acute pain is treated appropriately. The bill also calls for comprehensive research on pain management to improve care for chronic pain.

During this session, I introduced S. 1163, the proposed Blinded Veterans Paired Organ Act of 2007, a bill that would offer enhanced benefits to veterans who suffer from service-connected impairment of vision. The bill was amended in committee and the language that was favorably reported to the full Senate was inserted into H.R. 797, the House companion, and passed on November 2. The Senate-passed H.R. 797 would broaden the benefit eligibility requirements for two distinct groups of veterans with impaired vision due to service—those with service-connected blindness in one eye who subsequently suffer loss of vision in the other eye later in life and those who receive special monthly compensation for multiple disabilities, including vision impairment.

The amended bill also includes a series of provisions that would enhance memorial and burial benefits for veterans and private cemeteries, including permanently authorizing VA to provide government headstones or markers for the privately marked graves of veterans interred at private cemeteries; instructing VA to design a medallion or other device to signify a decedent's veteran status, to be placed on a privately purchased headstone or marker, as an alternative to a Government-Furnished headstone or marker; extending the time limit for States to be reimbursed for the unclaimed remains of veterans; and authorizing $5 million for operational and maintenance expenses at State cemeteries. The provisions in the bill are fully paid for through legislative repeal of a Court of Veterans Appeals decision which inappropriately extended a needs-based benefit to a population that Congress did not intend to receive it.

Because inflation erodes the value of the dollar, Congress is responsible for adjusting compensation for service-connected disabilities. This year I sponsored S. 423, the proposed Veterans' Compensation Cost-of-Living Adjustment Act of 2007. The veterans' COLA legislation ensures that the purchasing power of veterans' benefits, including compensation for veterans and assistance for their survivors, is maintained. This annual COLA is done in recognition of the Nation's gratitude towards veterans young and old for their service and sacrifices.

As the sponsor of the Senate version of this bill, I was pleased to support the passage of the House companion, H.R. 1284. I applaud Congress and the President for their work in making it law as of Monday, November 5, 2007. I hope veterans, including the 17,000 recipients of compensation who are served by VA's Honolulu Regional Office, benefit from this demonstration of our appreciation.

Oversight investigations carried out by committee staff uncovered concerns in the veterans' benefits system as well. To improve the benefits system, the committee reported S. 1315, the proposed Veterans' Benefits Enhancement Act of 2007. This bill would improve veterans' life insurance, adaptable housing, education benefits, and provide the committee with more oversight data. It would also address a 60-year wrong that is still being done to Filipino veterans who served under the U.S. Armed Forces during World War II.

In the years since the end of the Second World War, Filipino veterans and their advocates, especially my distinguished colleague, Senator INOUYE, have worked tirelessly to secure these veterans the status they were promised when they agreed to fight under U.S. command in defense of their homeland and to protect U.S. interests in the region.

This bill would also more than double the maximum amount of Veterans Mortgage Life Insurance that a service-connected disabled veteran may purchase from $90,000 to $200,000. The VMLI program was established in 1971 and is available to those service-connected disabled veterans who have received specially adapted housing grants from VA. In the event of the veteran's death, the veteran's family is protected because VA will pay the balance of the mortgage owed up to the maximum amount of insurance purchased.

The measure would also establish a new program of insurance for service-connected disabled veterans that would provide up to a maximum of $50,000 in level premium term life insurance coverage. This new program would be available to service-connected disabled veterans who are less than 65 years of age at the time of application. Under the new program, eligible service-connected veterans would be able to purchase, in increments of $10,000, up to a maximum amount of $50,000 in insurance.

S. 1315 would also increase the amount of supplemental life insurance available to totally disabled veterans by 50 percent, from $20,000 to $30,000. This provision stems from S. 643, the proposed Disabled Veterans Insurance Act of 2007, which I introduced in February of this year. Many totally disabled veterans find it difficult to obtain commercial life insurance. This legislation will give totally disabled veterans better life insurance, a small measure of support for veterans who sacrificed so much.

In addition, this bill would expand eligibility for retroactive benefits from traumatic injury protection coverage under Servicemembers' Group Life Insurance. This insurance program went into effect on December 1, 2005. All insured servicemembers under SGLI from that point forward were covered under traumatic injury protection regardless of where their injuries occur. However, individuals sustaining traumatic injuries between October 7, 2001, and November 30, 2005, which were not incurred as a direct result of Operations Enduring or Iraqi Freedom, are not eligible for a retroactive payment under the traumatic injury protection program. S. 1315 would expand eligibility to these individuals.

The reported bill would allow for home improvements for totally disabled servicemembers prior to release from active duty. This provision is very important because many servicemembers return home to finish their rehabilitation and recuperation prior to discharge from the military. Their homes need to be adapted so that they can live comfortably and independently.

S. 1315 also contains a number of provisions derived from S. 1215 which I introduced on April 25 that would make four small but necessary changes in existing laws relating to education and employment. First, it would restore the funding cap on the amount of funding available for State Approving Agencies to the fiscal year 2007 level of $19 million. Without this restoration, these entities that assist VA in approving programs of education would be facing a reduction of more than 30 percent beginning in fiscal year 2008. It is particularly important for SAAs to have adequate resources as more veterans return to civilian life and begin to use their educational benefits.

Second, it would update the special unemployment study required to be submitted by the Secretary of Labor to the Congress by requiring that it cover veterans of Post 9/11 Global Operations. It would also require the report to be submitted on an annual, rather than a biennial, basis. By updating this report, we will have more data available to us on more recent groups of veterans those who served and are serving in the Gulf War and Post 9/11 Global Operations. This should better help us assess the needs of current veterans entering the work force and develop appropriate responses.

Third, the bill would extend for 2 years a temporary increase in the monthly educational assistance allowance for apprenticeship or other on-the-job training. Eliminating the temporary increase would mean a monthly benefit rate cut on veterans enrolled in this type of training and remove marketable incentive to encourage individuals to accept trainee positions they might not otherwise consider.

Finally, the bill would provide for a waiver of the residency requirement for State veterans' employment and training directors. By giving the Secretary of Labor the ability to waive the 2-year residency requirement, this provision would help ensure that the best qualified individuals from any state may be considered for SDVET vacancies.

Both S. 1233 and S. 1315 were reported to the Senate in late August and have been pending floor action ever since. It is most unfortunate that we have been unable to reach agreement to proceed to their consideration, due in part to an abrupt and unexpected change in the minority committee leadership. Late last week, just days before Veterans Day, the other side of the aisle affirmatively blocked consideration of this important legislation that has the support of a majority of the members of the Veterans' Affairs Committee. Let me be clear—I do not expect all Members to support or agree with these bills, only to allow for their consideration by the full Senate. If members have amendments to offer, bring them forward. We can then craft an agreement under which the Senate might do its work and debate these bills.

One final legislative item that I wish to mention—recently, I worked with my colleague Senator WEBB on a matter of symbolic and real importance to servicemen and women as well as to veterans. Concerned that the Department of the Army was in a rush to replace the Tomb of the Unknown at Arlington National Cemetery, I introduced an amendment to the National Defense Authorization Act requiring the Army to prepare a comprehensive report for Congress before any further action could be taken. I am hopeful that this provision will be in the final agreement on the NDAA and look forward to the report, and its recommendations on how to best steward this national treasure.

As chairman of the Senate Veterans' Affairs Committee, I am mindful of the employment issues facing veterans, members of the Guard and Reserves, and their families as they seek to move from the military to the civilian workforce. Making this transition is never easy, and for younger veterans it can be particularly difficult. For members of the National Guard and Reserves, returning to a job they previously held may be challenging for a variety of reasons. For family members, the uncertainty of multiple and extended deployments poses different obstacles. Finally, the obstacles facing those who are disabled during their service can sometimes seem overwhelming. The needs of these individuals deserve our utmost attention and resources.

The committee has held two oversight hearings on employment issues this session. The more recent of the two hearings focused specifically on the Uniformed Services Employment and Re-employment Rights Act of 1994, or USERRA. As our troops are returning home from battle, many of them seek to return to the jobs that they held prior to their military service, particularly those serving in Guard and Reserve units. I must admit to being particularly upset at the volume of USERRA claims related to Federal service. It is simply wrong that individuals who were sent to war by their government should, upon their return, be put in the position of having to do battle with that same government in order to regain their jobs and benefits.

It is well known that veterans make good employees. Despite the challenges many face, veterans across the country are working and excelling in the labor force. They know how to work and they bring with them a wealth of expertise and experience. I believe the employment data supports my belief since rates of unemployment for veterans generally are lower than their nonveteran counterpart. However, the rate of unemployment for younger veterans and those recently separated from active duty tends to be higher than their nonveteran peers. I pledge to continue to pursue these issues aggressively in the months ahead.

The issues regarding veterans' educational benefits are especially important to me. Having attended college at the University of Hawaii under the original World War II GI bill, I know the value of this important benefit first hand.

The complexity and the importance of the issues surrounding the various education assistance programs administered by VA have been heard at two hearings this session. I plan to build off of the findings from both hearings for the committee's future work in this area. Educational assistance benefit has an important role in terms of a readjustment benefit for returning veterans and servicemembers. Properly tailored, these same benefits form an important keystone in recruiting and retaining high caliber young men and women in the Armed Forces. The balance between these twin goals is very complex and needs careful examination.

I am concerned that the current structure of benefits has some flaws. It is disturbing to me that servicemembers who are in the line of fire and who place their own safety in jeopardy in service to our country have to pay for their educational benefits. It is also disturbing that members of the Guard and Reserve who complete multiple deployments in combat situations run the risk of having no educational benefits available to them.

I do not expect to see a quick or easy answer for veterans' education benefits reform. I believe we will need to build a foundation for cooperation, compromise and consensus building. That will take some time. But I believe this process has begun, and that by working together, we will be able to develop something that is really meaningful to veterans, their families, and their futures.

As I noted earlier, the committee held seven field hearings over the year. The first, chaired by Senator BROWN, was held on May 29, 2007, in New Philadelphia, OH, and focused on the issues facing veterans in the rural areas of Appalachia. Two months later, the committee held its second field hearing, chaired by Senator TESTOR, again focusing on the needs of rural veterans. This hearing was held on July 21, 2007, in Great Falls, MT. These hearings, along with the insights of our committee members, enabled the committee to develop and mark up legislation to address certain issues facing rural veterans.

On August 17, 2007, Senator MURRAY chaired a field hearing in Tacoma, WA. The hearing focused on the mental health care services available to veterans and servicemembers in the State of Washington.

In August, I chaired a series of field hearings in my home State of Hawaii, on the islands of Maui, Oahu, and the Big Island. These hearings brought high-ranking VA officials from Washington, DC, to examine the state of VA services for Hawaii's veterans and returning servicemembers.

On August 28, 2007, the committee held a field hearing in Augusta, GA, on cooperation and collaboration between VA and DOD, chaired by Senator ISAKSON. The specific focus of the hearing was on VA and DOD care for wounded servicemembers returning from Afghanistan and Iraq.

The committee has also carried out aggressive oversight activity during this session. Since January, the majority staff has conducted 95 days of oversight involving 28 trips to 18 states as well as to Korea, Guam and American Samoa. Oversight investigations have included visits to nine separate VA regional offices.

During these nine visits, oversight staff reviewed a total of 119 individual veteran claim files, including 45 claim files for members of the National Guard and various Reserve units. Claims were selected for review based upon claims for service-connected disability due to traumatic brain injuries, posttraumatic stress disorder, or musculoskeletal conditions. In particular, the reviews were conducted to identify any systemic problems impeding the fair and efficient adjudication of veterans' claims.

On a national level, one of the most critical issues identified by the claims review was a VA regulation which resulted in the denial of a rating higher than 10 percent for almost all traumatic brain injuries, or TBI, claims. As noted earlier, TBI has been described as a signature wound of the current conflicts. Medical evidence supports the view that severe long-term consequences can result from blast injuries involving improvised explosive devices, or IED, such as those used in Iraq and Afghanistan. Despite this, VA adjudicators believed that they could not authorize a rating in excess of 10 percent, or $115 per month, because of a current VA regulation.

Upon learning of this problem, I contacted VA's Under Secretary for Benefits, Daniel Cooper, to ask why veterans with migraine headaches were eligible for higher disability ratings than combat veterans with TBI. I was pleased when Under Secretary Cooper informed me that VA adjudicators have been instructed to stop limiting ratings to 10 percent if not warranted. However, because Under Secretary Cooper's instruction is not binding upon the Board of Veterans Appeals or the United States Court of Appeals for Veterans Claims, I also wrote to the Acting Secretary for Veterans Affairs, Gordon Mansfield, to ask that the ''10 percent and no more'' regulation be rescinded. I understand that VA is now working on new regulations for the adjunction of TBI claims which will hopefully resolve this matter. I will continue to monitor these claims and VA's actions.

In addition to the restrictive instruction in the rating schedule, it appears that neither the military services nor VA are providing comprehensive and thorough evaluations of veterans with mild and moderate TBI. While veterans who are being treated at polytrauma centers appear to be getting appropriate diagnosis and treatment, this is not true for veterans with significant, but less severe injuries. I believe that it is imperative that veterans with silent wounds, such as mild and moderate TBI have a comprehensive evaluation of their signs and symptoms by appropriate medical specialists. New data, such as the recently released information from VA that nearly 6 percent of the veterans from Iraq and Afghanistan screened have sustained traumatic brain injuries, adds to the importance of legislation that improves VA's ability to respond aggressively.

Review of service medical records for claims involving PTSD indicated poor follow-up, assessment and referral of servicemembers who endorsed symptoms of PTSD on postdeployment surveys. This matter has been noted by the GAO and others. In some cases, veterans were discharged for a ''personality disorder'' which was not manifested prior to combat exposure and with no evaluation of classic PTSD symptoms. In other cases, veterans with significant psychiatric symptoms were not considered for a military disability retirement, but were awarded benefits by VA upon discharge.

The committee's oversight investigations indicate that VA generally did a better assessment of claims for service-connected PTSD than the military services. However, for some disorders, VA will not grant service-connection for the small number of veterans who were diagnosed with PTSD during military service without independent verification of the stressor which gave rise to the diagnosis by military doctors. Some veterans who served in Iraq, but did not receive a medal acknowledging their participation in combat, have experienced difficulty establishing their ''personal participation in combat'' in order to validate the existence of a combat stressor.

Under current law, veterans who allege disabilities related to their combat experience may prove their claim without presentation of official military documents. In order to clarify this issue and provide combat veterans with the benefits intended, I recently introduced S. 2309, the proposed Compensation for Combat Veterans Act. This bill would provide that service in a combat zone, recognized as such under the Internal Revenue Code, shall be sufficient proof that the veteran engaged in combat for purposes of the relaxed evidentiary requirement. I hope that we will be able to address this issue in the coming months.

There is no question that the Guard and Reserve have experienced difficulties due to our current combat engagements, in a fashion quite similar to branches such as the Army and Marine Corps. There is some concern that members of the National Guard and Reserve units receive less favorable consideration of their service-connected claims than members of the Armed Forces. While oversight investigations did not substantiate allegations of less favorable treatment for Guard and Reserve claimants, other issues may require further analysis. Many regional office staff reported significant difficulties in obtaining copies of the medical records of members of the Guard and Reserve. As a result, I wrote to the National Guard Bureau to express my deep concern about a policy that I had been told exists in some states that requires National Guard members to sign a release form before their Service Medical Records can be shared with VA for purposes of adjudicating a claim for compensation benefits. Acting upon my request, the National Guard Bureau sent guidance to the field that removes the requirement that servicemembers sign release forms to have their records provided to VA.

VA cannot be expected to end the benefits backlog if it lacks the staff to adjudicate veterans claims. While VA froze hiring in this area, there has been an increase in the number and complexity of claims received. As a consequence, the backlog has ballooned beyond already disconcerting levels. Although the infusion of additional monies for staff should improve the situation, some offices have too few experienced staff compared to the number of new hires. Oversight studies have found that less experienced staff is more likely to make errors on veterans' claims.

In some cases, service medical records are maintained in an electronic format and are not provided to VA adjudicators in any form. In other cases, medical reports are scanned into the Veterans Health Administration electronic records, but are not able to be viewed by VA adjudicators who use a CAPRI system to access VHA records. I have questioned VA about the need to make these records available to VBA and am awaiting a response.

While the committee does much direct oversight, as chairman, I also rely on the VA's inspector general. Indeed, the IG has consistently served as the committee's right hand in the execution of our oversight responsibilities. In the last year alone, the IG has provided us with a number of professional inquests and reports on issues of critical importance to veterans' health care. In the areas of traumatic brain injury, mental health, and substance abuse, among others, the IG has identified the problems and solutions with an insightfulness that few can match. The IG has also responded to my investigation requests in an efficient and collegial manner. The IG is, without question, the central gear in VA's internal

controls and quality assurance mechanism.

All American's have a role to play in honoring veterans. Ordinary citizens give in extraordinary ways, such as volunteering at VA hospitals and VA shelters, and supporting local Veterans Service Organizations. For those of us who serve in Congress, we have a special privilege and responsibility to honor veterans by ensuring that they receive the benefits and care they have earned through service. This Congress has done much for veterans already, but there is more to be done.

The Committee on Veterans' Affairs will continue to do its share throughout this Congress. To name just two items of pending business, we will hold a markup tomorrow on pending legislation, including a bill that is designed to improve significantly VA's programs which address the mental health needs of veterans, especially those recently returned from combat, and second, the Committee is preparing to consider the nomination of Dr. James Peake to become Secretary of Veterans Affairs.

I close with this thought: On the battlefield, one never leaves behind a fallen comrade. Similarly, veterans should never be left behind by a system designed to care for and honor them. We cannot stand by while veterans who have fought for our country have to fight to get the care and benefits they have earned through their service. The Committee on Veterans' Affairs will respond to whatever challenges may arise in our work on behalf of those who rose up to defend and serve our Nation. To our veterans: Our thoughts, prayers, gratitude, honor and pride are with you, not only on Veterans Day, but always.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until the hour of 2:15 p.m.

Thereupon, at 12:28 p.m., the Senate recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER.)

The PRESIDING OFFICER. Who seeks recognition?

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

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

Mr. REED. Mr. President, I ask unanimous consent to speak for up to 10 minutes in morning business.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

Mr. REED. Thank you, Mr. President.

NOMINATION OF MICHAEL MUKASEY

Mr. REED. Mr. President, last week, this Senate deliberated and voted on the nomination of Judge Mukasey for the position of Attorney General of the United States. I opposed that nomination, and I believe it is appropriate to indicate formally and officially and publicly my concerns and my rationale for this vote.

This was not a decision that was made lightly. The Constitution gives the President the unfettered right to submit nominees to the Senate, but the Constitution also gives the Senate not only the right but the obligation to provide advice and consent on such nominations.

We do not name a President's Cabinet, but it does not mean we are merely rubberstamps for his proposals. Senatorial consent must rest on a careful review of a nominee's record and a thoughtful analysis of a nominees's ability to serve not just the President but the American people.

As I have said in the past, unlike other Cabinet positions, the Attorney General has a very special role—decisively poised at the juncture between the executive branch and the judicial branch. In addition to being a member of the President's Cabinet, the Attorney General is also an officer of the Federal courts and the chief enforcer of laws enacted by Congress.

He is, in effect, the people's lawyer, responsible for fully, fairly, and vigorously enforcing our Nation's laws and the Constitution for the good of all Americans.

Although I believe Judge Mukasey to be an intellectually gifted and legally skilled individual, I am very concerned about his ability to not just enforce the letter of the law but also to recognize and to carry out the true spirit of the law.

Frankly, I found Judge Mukasey's lawyerly responses to questions regarding the legality of various interrogation techniques, in particular waterboarding, evasive and, frankly, disturbing.

Waterboarding is not a new technique, and it is clearly illegal. As four former Judge Advocates General of the military services recently wrote to Senator LEAHY, in their words:

> In the course of the Senate Judiciary Committee's consideration of President Bush's nominee for the post of Attorney General, there has been much discussion, but little clarity, about the legality of ''waterboarding'' under United States and international law. We write because this issue above all demands clarity: Waterboarding is inhumane, it is torture, and it is illegal.

These gentlemen have devoted themselves to their country, as soldiers and sailors and aviators, and also as attorneys. At the crux of their service was the realization that what we espoused, what we stood for, would also be the standard we would claim for American soldiers and aviators and sailors and marines if they were in the hands of hostile forces. It is clear in their eyes—and should be clear in our eyes—that waterboarding is inhumane, it is torture, and it is illegal.

It is illegal under the Geneva Conventions, under U.S. laws, and the Army Field Manual. The U.S. Government has repeatedly condemned the use of water torture and has severely punished those who have applied it against our forces.

As Evan Wallach—a judge in the U.S. Court of International Trade and a former JAG who trained soldiers on their legal obligations—wrote in an opinion piece in the Washington Post, it was for such activities as waterboarding that members of Japan's military and Government elite were convicted of torture in the Tokyo war crimes trials.

The law is clear about this horrifying interrogation technique. Waterboarding is illegal torture and, to suggest otherwise, damages the very fabric of international principle and more importantly, of what we would claim and demand for our own soldiers and sailors and marines.

Now, Judge Mukasey was given several opportunities to clearly state that waterboarding is illegal. Instead, he went through a lengthy legal analysis regarding how he might determine if a certain interrogation technique was legal and then told us that if Congress actually wrote a law stating that a particular technique is illegal, he would follow the law. I found the last declaration almost nonsensical. This is the minimum requirement we would expect of any citizen of this country, that if we passed a law, they would follow the law.

I think we expect much more from the Attorney General. We expect him to be a moral compass as well as a wise legal advisor. We expect he would be able to conclude, as these other experts and as our history has shown, that this technique is indeed illegal. We need an Attorney General who has the ability to both lead the Department of Justice and to tell the President when he is crossing his boundaries. We do not need a legal enabler to the President. We need an Attorney General who will stand up for his obligation to the Constitution, and make this his foremost obligation, rather than his obligation to the President.

Not definitively stating that a technique such as waterboarding is illegal demonstrates to me that Judge Mukasey does not have those qualities we need in an Attorney General. As we learned from Attorney General Gonzales, we need someone who is willing to stand up to the President instead of helping the President negotiate around either the letter or the spirit of the Constitution.

This is not just an academic exercise. If the question of whether waterboarding is illegal torture was asked of the parents of American soldiers, their answer would be quite

clear: Of course, it is. If it was applied to the spouse or the loved one of a soldier—their answer would be: Of course, it is. I think those people are as expert as Judge Mukasey and certainly much more candid.

I also think we have risked a great deal in the administration's embrace of these techniques because today, as we look around the world, there are many nations that do not even need that kind of suggestion to embark on the torture of their own citizens. The Burmas of the world and other countries, they will use what we say and do as justification for what they might want to do. I think we have lost the moral high ground during this whole exercise going back several years.

Finally, I would like to mention my concerns about Judge Mukasey's responses to questions regarding executive power. His responses to these questions did nothing to reassure me. In fact, I now believe that Judge Mukasey believes that even a constitutional statute could become unconstitutional if its application constrains the so-called constitutional authority of the President.

As we all know, the genius of our Founding Fathers was not to allow power to be concentrated in the hands of the few. Indeed, they were particularly concerned about a concentration of power in the hands of the President.

Although they made the President the Chief Executive Officer of our Government and the Commander in Chief, the Founding Fathers constrained the President through the very structure of our Government, through both law and treaty. The Attorney General has a duty not just to serve the President but also to support, protect, and defend the Constitution.

I did not vote in support of Alberto Gonzales's nomination to be Attorney General because I was concerned about his ability to serve more than the President—a concern that has been borne out by the events over the last several months. It is largely because of his actions we are in the quandary we are in today with respect to torture and so many other issues.

Instead of protecting our Nation's Constitution and upholding our laws, he engaged in actions that damaged our Nation's core values and put our citizens' rights at risk both here and abroad.

Given the extreme politicization of the Department of Justice, and the demoralization that has followed in his wake, I believe our Nation needs an Attorney General who can help lead us like a beacon of light and help right our country's moral compass as an example again for the rest of the world.

I do not think Judge Mukasey met that standard.

I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, what is the pending legislation?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FARM, NUTRITION, AND BIOENERGY ACT OF 2007—Resumed

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (H.R. 2419) to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

Pending:

Harkin amendment No. 3500, in the nature of a substitute.

Reid (for Dorgan-Grassley) amendment No. 3508 (to amendment No. 3500), to strengthen payment limitations and direct the savings to increased funding for certain programs.

Reid amendment No. 3509 (to amendment No. 3508), to change the enactment date.

Reid amendment No. 3510 (to the language proposed to be stricken by amendment No. 3500), to change the enactment date.

Reid amendment No. 3511 (to amendment No. 3510), to change the enactment date.

Motion to commit the bill to the Committee on Agriculture, Nutrition, and Forestry, with instructions to report back forthwith, with Reid amendment No. 3512.

Reid amendment No. 3512 (to the instructions of the motion to commit to the Committee on Agriculture, Nutrition, and Forestry, with instructions), to change the enactment date.

Reid amendment No. 3513 (to the instructions of the motion to recommit), to change the enactment date.

Reid amendment No. 3514 (to amendment No. 3513), to change the enactment date.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Thank you, Mr. President.

We have the farm bill before us. We have been trying for a week to do amendments on the bill. The Republicans have said that because this bill is being handled in such an unusual procedural way, they are not going to let us move forward on this bill.

This bill is being handled similar to every farm bill in the last 30 years. In that entire period, there has only been one time that a nongermane amendment was offered, and that was on the last farm bill when Senator KYL offered an amendment dealing with the estate tax. It was a sense-of-the-Senate resolution. That is it.

So for the minority to cry about this is simply that they are crying about something there is no reason to cry about. We want to move this bill. I had a conversation this morning right over here on the floor with the distinguished Republican leader and the ranking member of the committee, SAXBY CHAMBLISS. At that time, as I understood the conversation, the Republicans had 10 amendments they wanted to do. Let's look at them. We have some we want to do. Let's pare them off, set very short time limits on them, and move this bill.

This is an important bill. If this bill does not move forward—a bill that is being treated similar to every other farm bill in recent history—the reason it is not going forward is the Republicans. If they do not want a farm bill, why don't they say so. They can explain to all the farm organizations around the country that they did not want a farm bill, they wanted us to extend what is now in existence. If that is what they want, why don't they say so?

It is unfortunate we have been unable to move forward on these amendments. The first amendment pending is a bipartisan amendment offered by Senator DORGAN. It is a good amendment. It is one that should be debated and voted on. Another amendment is a complete substitute—that is my understanding—and Senator LUGAR and Senator LAUTENBERG want to do that amendment. Let's debate it, find out what the will of the Senate is, and move on. But to be in this position is really unfair to farm State Senators, to farmers and ranchers, to the Senate, and to our country. If you are unwilling to fight, just say so. If you don't want this bill to come forward, just tell us that. Don't play these games that they are not treating us right procedurally. This is the way this bill is always handled.

So I just think it is something we need to do. It is an important piece of legislation. The committee, on a bipartisan basis, reported this bill out with an overwhelming vote. This is not a Democratic bill; it is a bill reported out by the Agriculture Committee on a bipartisan basis. So I hope this afternoon we can get some work done on the farm bill.

Mr. HARKIN. Will the leader yield?

Mr. REID. I am happy to yield to my friend, the chairman of the Agriculture Committee.

Mr. HARKIN. I thank our majority leader for all the support he has given us in getting this bill through even when we worked in committee and working with the Finance Committee to make sure we had the necessary money to meet our obligations and bringing it to the floor in a timely manner. We had all last week; we couldn't get anything done. We have this week before we go home for the Thanksgiving break. We could finish this bill, I say to our leader, we could finish this bill if we could just get the other side to agree to start the process.

We have an amendment, I say to the leader, before us which we could debate. We could even put a time limit on it. We have another amendment on which we could put a time limit. We could get two or three or four amendments done today. But, I say to the leader, I am very frustrated that we have the farm bill out here, we are ready to go—we have been ready for some time—there are amendments filed, and we would like to get started on it, but we can't until the minority leader agrees to move ahead and says we can bring up some of these amendments and move ahead on them. I just hope we don't waste another whole day.

I ask the leader, is there any way we can get the other side to kind of help move us along? I have talked to my ranking member, Senator CHAMBLISS. He wants to move ahead. He has the desire, as I do. As the leader pointed out, this bill came out of committee on a bipartisan vote. There are going to be amendments, and I may support some and not others, and I am sure my ranking member will support some and not others, but that is the amendment process. I think we have a good bill that is going to wind up getting a lot of support on the Senate floor, and the sooner we get to it, the better off we are.

So I am just kind of perplexed, I guess, as to why the minority leader won't let us move ahead or why we can't get some amendments and time agreements.

Mr. REID. Mr. President, I would say to my friend that we have, as I understand it, 22 amendments upon which the 2 managers have agreed.

Mr. HARKIN. That is right.

Mr. REID. We could take care of those very quickly. There are amendments that, in the minds of the managers, improve the bill. We should get those done. We are unable to move on anything.

The calendar dictates a lot of what happens here in Washington in Congress. We have a limited amount of time. We have 3 very short weeks when we come back after Thanksgiving before Christmas. I say to my friends, we are not going to have time to work on the farm bill when we come back after Christmas. We don't have time. We have to take care of all of our appropriations matters. The funding for this Government runs out on December 14. We have some must-do things that run out at the end of this year. So the record should be spread with the fact that Senate Democrats have been willing and terribly interested in moving this farm bill. If it doesn't go forward, the blame is at the doorstep of my Republican colleagues.

We are in the majority. We Democrats are in the majority, but it is a slim majority. The way the Senate operates, the Republicans can stop us from doing a lot—not everything but a lot. But I would bet, if there were a fair vote and not some arm-flexing exercise, that a vast majority of Democrats and Republicans want this farm bill to move forward. Are they asking me—is this what they are asking—to file cloture on this bill so we can have a cloture vote on it Thursday? Is that what they want? Is that what we are going to be relegated to, filing cloture on this bill without having heard a single amendment? And why? Because they won't let us. Is that what they want? If cloture fails—I know it will fail, not because of Democrats but because of Republicans. We know we have broken records here in this year of this session of Congress by having to file cloture 52 times. Only one of those cloture motions was a bipartisan effort. We did it once. That is all. So I am very disappointed because I don't see what the Republicans are going to gain.

Mr. HARKIN. Mr. President, I say to my leader, if he will yield again, I think we have set a record in committee. In a day and a half, we had a comprehensive, 5-year farm bill passed—in a day and a half. I don't think that has ever been done.

Mr. REID. Mr. President, I say to my friend, that was the culmination of weeks and weeks——

Mr. HARKIN. Months.

Mr. REID. Of meetings between Democrats and Republicans to move this bill along.

Mr. HARKIN. That is right.

Mr. REID. I have great admiration for the Agriculture Committee for getting a bill out of that committee on a bipartisan basis. There are people who want very badly to try to improve this bill, but nothing will be done. It is Tuesday. We have this bridge thing coming, dealing with the Iraq war, tomorrow. Time is wasting. I am beginning to have my doubts, I say to everyone here, because of the intransigence of the Republicans, that we can do a farm bill.

Mr. HARKIN. I hope we can overcome that because, as the leader said, we had great agreement in committee. He is right. We worked weeks and weeks and weeks in meetings with people in getting it all together, and in a day and a half we got it through on a unanimous vote—not one dissenting vote. So we have a good bill.

Mr. REID. Mr. President, I say to my friend, on the floor right now are farm State Senators—Arkansas, Georgia, North Dakota, North Dakota, Iowa—and in the back of the room is a State that does a lot of agricultural products, the State of New York. Now, as I look around this room, Senator DORGAN is an example. Senator DORGAN's amendment is pending—a bipartisan amendment. He supports this bill. It came out of committee, but he thinks it would be an improvement. Why shouldn't he have an opportunity to offer that amendment and have a debate on it? That is what this is all about. It is unfair to everyone concerned, as I have mentioned before, that we are not able to move on this important piece of legislation. I am from the State of Nevada. We grow alfalfa. We are the largest white onion producer in America. We grow garlic but mostly alfalfa and white onions. This bill is important to those farmers out there. There are things from which they will benefit. I just think it is too bad we can't move forward. This is a bill——

Mr. MCCONNELL. Mr. President, will the majority leader yield?

Mr. REID. Oh, I am sorry. And Kentucky grows things too.

Mr. MCCONNELL. I would just say to my friend, the majority leader, I am on the Agriculture Committee. I am from a farm State. I want a farm bill. We have been discussing how to go forward. If I may be so bold to suggest—I know Senator CHAMBLISS and Senator HARKIN have been working on a list of amendments. I think we ought to see if we can lock in a list. It will be bigger than we would like, but that is the way it always starts. Most of those will go away in one way or another, but at least it would help define the universe. I think that is achievable, hopefully sometime this afternoon, and it will allow us to get started. That is what I would recommend.

Mr. REID. Mr. President, it would be untoward on the Senate floor to walk over and hug the Republican leader, but that is what I feel like doing. I agree with him 100 percent. I think we should try to get a number of amendments locked in, whether it is 5 or 50, whatever it is. I think we should get it done and start moving on this bill.

I have been, as my friend from Kentucky knows, in a minority position more than I would like to admit here in the Senate as the minority Democratic leader. I understand he has certain things to do within his caucus. Whatever was needed to be proven has been proven. Let's move forward on this bill as the Republican leader has outlined. We greet his suggestion with open arms.

Mr. HARKIN. Mr. President, would the leader yield just one more time?

Mr. REID. I yield.

Mr. HARKIN. I would like to ask the minority leader if during this time we are trying to work out a set number of amendments, we know there are two or three amendments that are absolutely going to be offered. One is the one we are on right now. Then there is another one with I think Senators LUGAR and LAUTENBERG. I am just wondering if we could get time agreements on those.

Mr. REID. I would say to my friend, let's take one step at a time. He has made an offer, and let's see what we can do. He has indicated—the ranking member of the committee is here, you are here, and we will work on that and see if we can get something done in the next little bit.

Mr. MCCONNELL. I thank the majority leader. I think that is a good way to go forward, and we will work on it this afternoon.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Mr. President, let me just say while the leadership is here, we appreciate their assistance in moving this bill. Senator HARKIN, Senator CONRAD, and I have taken our list of amendments we have out there and we are working through them to try to get down to a reasonable number. One problem, frankly, we are having—and I think maybe on the other side too—is we keep having people come forward with amendments. I would simply say to colleagues on both sides of the aisle that we are going to reach a limit with these amendments, and if you have an amendment, we need to know about it now so we can negotiate and deliberate in good faith relative to the number of

amendments that are going to be on this list so that we can pare those amendments down to a reasonable number.

I thank the leadership for working with us.

Mr. DORGAN. Mr. President, would the Senator yield for a question?

Mr. CHAMBLISS. Certainly.

Mr. DORGAN. The important point here is that I think everyone on the floor wants to get this bill passed, and while there will be some amendments, my hope and my expectation—I have one amendment—would be that we would relatively easily get time agreements, have a reasonable number of amendments with time agreements. I think there should be a lot of cooperation on the floor because I think all of us want what you want, and that is to get a piece of legislation passed. This was not easy to get out of the committee. I support this bill. I am going to support a couple of amendments here and there, but by and large I think we are on the right track, and I appreciate hearing the words of the minority leader today on this subject because we need to get this done.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, first of all, I am enormously relieved to hear what has been discussed, and I hope in the next few moments that we could agree, first of all, on amendments that have to be voted on for both sides, No. 1; No. 2, that we would agree on time limits, and it is very clear that unless the time for the debate on amendments that must be voted on is limited to 1 hour apiece, on average—some could be a little more, some could be a little less, but if we don't on average have time agreements of 1 hour or less, we cannot finish the work this week; and finally, that we agree to an order. I have seen colleagues who are very interested in some certainty. For example, if we could do Grassley-Dorgan in an hour and a half and then go to Lugar-Lautenberg for an hour and a half to at least begin the process, that would be enormously helpful, and then establish a list in order with time agreements.

I wanted to take a moment to respond, as leadership is working on that kind of proposal, to an article that appeared in the Washington Post this morning that I thought was not telling the whole story about this farm bill. They have asserted that there is all this new spending in the farm bill. They focus just on the spending side of the ledger; they didn't focus at all on how we pay for it.

I want to indicate that it is true that there are increases in this bill. We have increased spending on nutrition by $5.3 billion; on conservation, we have increased resources by $4.5 billion; on energy, by $1.1 billion and then an additional $1.4 billion from the Finance Committee, for a total increase in energy of $2.5 billion.

Where did we find the resources for those additional investments? Well, that is the uses on this side, and the sources are on this side. Over one-third of the money came out of the commodity programs. Commodity programs have been reduced. They have been reduced from the baseline. They have been reduced as a share of total Federal spending. The fact that the press—at least some elements of the press—seem unwilling to tell the American people is that the reduction in commodities—over a third of the money that has been used to give more money for nutrition, more money for conservation, more money for energy, a third of the money came out of commodities.

Almost a third of the money came out of crop insurance. Now, if you are going to tell the story, Washington Post, tell the whole story. These are not just my estimates. These are not KENT CONRAD's numbers, or the committee's numbers; these are the numbers from the CBO. They show, on the 2007 farm bill, commodity programs have been cut by $4.2 billion, crop insurance by $3.7 billion, for a total savings out of the $7.9 billion. That is from these so-called baselines. These are facts.

They also seem to overlook the fact that if you look back on the last farm bill, you will see that the estimate at the time was that the farm bill would take 2.3 percent of total Federal spending. The commodity programs were to take three-quarters of 1 percent. Look at the contrast with this farm bill. With this farm bill, the total share of Federal spending is down from 2⅓ percent to less than 1.9 percent, and commodity programs—the ones that draw all of the conflict and the controversy—have been dramatically reduced to one-quarter of 1 percent of total Federal spending. The Washington Post never mentions these facts.

If we look at commodity program outlays on this chart, here is the baseline at the time of the farm bill. This is what it would cost into the future. Look at the estimates from the CBO on what the commodity programs will cost now. It is a very dramatic reduction in real terms, in relative terms—in whatever terms you want to use. If you are going to report honestly to the American people, then you need to tell them the whole story, not just the story that is the way you want to write it. You have an obligation to people to tell them the whole story so they can make a judgment about what is fair and what is right.

This bill is fiscally responsible. It is paid for. It takes up a much smaller share of total Federal spending than the previous farm bill, and the commodity provisions have been cut by two-thirds as a share of total Federal spending. If you look at where the money goes—I will tell you, I sometimes read these articles and hear broadcasts, and I wonder why don't these reporters tell people where the money is going. You would think this is all for subsidies for rich farmers.

The fact is, the vast majority of the spending in this bill is going to go to nutrition programs; 66 percent of the money in this bill is going to go for nutrition programs. Have you seen any article written by the major mainstream press that has told the American people that fact? Nutrition programs go to every corner of this country. They are 66 percent of the money in this bill. Crop insurance is 7.6 percent. Conservation is 9 percent. Again, conservation is important to every corner of America. When you put conservation and nutrition together, that is 75 percent of the spending in the bill. Commodity programs are only less than 14 percent of what is in this farm bill.

I hope at some point somebody will start to tell the American people the full story. I certainly don't read it in the Washington Post. I have not seen a single story in the Washington Post about agriculture that I thought was fair and balanced. I have not seen one. They are writing with a point of view. They are writing as advocates.

When I grew up, news people felt an obligation to try to tell both sides of the story. But, apparently, those days are gone. Today, if a publication has a point of view, or your television program or television station or network has a point of view, that is how you report it. You report one side of the story. That is not responsible, and it is not telling people what they really need to know to make an informed judgment. It is withholding from people certain information they would need to make any kind of objective judgment. That is what is going on here.

I don't want my colleagues to be fooled or to miss the point that this farm bill is taking much less of total Federal spending than the previous farm bill, and the commodity provisions that, in the last farm bill, were estimated to take three-quarters of 1 percent of Federal spending is down to one-quarter of 1 percent. Why do we need that one-quarter of 1 percent? Very simply, because our major competitors, the Europeans, are providing more than three times as much support to their producers as we provide to ours. This is a fact. The Europeans are providing more than three times as much support to their producers as we provide to ours.

So what happens if you yank this slim rug out from under American producers? Even though we are already outspent more than 3 to 1 by our major competitors, what would happen if we yank that rug out from our producers? Two words: ''mass bankruptcy.'' That is what would happen.

Is anybody paying attention? Do these publications or these news broadcasts give one whit about what happens to the rural economy in America? Why don't they ever report that the Europeans—on export subsidies—are outgunning us more than 80 to 1? That is a fact. But they don't seem to care.

They don't seem to care because, I guess, it doesn't affect their economic lives directly. But I represent a State that has farm and ranch families from one side of our State to the other, from one corner of North Dakota to the other. The hard reality is they are out there competing against the French and German farmers, and they can do that. They are ready to do that, to take on a fair fight. But when you ask them to take on not just the French and German farmers but the French Government and the German Government, as well, that is not a fair fight. To say to our farmers and ranchers: You go out there and take on the French and German farmers, and while you are taking on the French and German Governments, your Government is going to be AWOL, absent without leave; your Government is going to declare unilateral disarmament; your Government is going to let you fend for yourself—good luck, Charlie, because the other side is outgunning us more than 3 to 1 already.

But some here say, let's not even put up a fight; let's throw in the towel and let the Europeans take over world agriculture. They are already equal to us in world market share. They are already advancing every day, increasing their market share, while ours slips—they are not alone, by the way. It is also our friends in Brazil, Argentina, and other countries who manage their currencies to secure advantage in terms of agriculture.

How long will it be, I ask these cynics, before America succumbs on the agricultural front the way we have on automobiles, electronics, and all the others, where our foreign competitors have taken the advantaged position? How long? We are right on the brink of it happening now.

This farm bill is an attempt to meet many needs of the American people. As I said, if you look at where the money goes, the overwhelming majority of this money goes for nutrition; 66 percent of the money in this bill goes to nutrition. I hear some of my colleagues from nonfarm States saying, ''I don't have a dog in this fight; I don't really care what happens in the farm bill.'' Really? Then you don't know what is in the bill. Somebody from a nonfarm State who says they don't have anything in this fight simply don't know what is in the bill.

Sixty-six percent of the money goes for nutrition, 9 percent for conservation, and more for research and trade. That is where the money goes in this bill. Commodity programs are a small minority of less than 14 percent. As a share of total Federal spending, the commodity parts of this bill, according to the Congressional Budget Office, will be less than one-quarter of 1 percent of Federal spending. That is a fact. It is an important fact. It is a fact that the Washington Post, apparently, doesn't want people to know because they never report it. They also never report that the vast majority of this money goes to nutrition programs, or that the next biggest category is conservation. They have an agenda, and their agenda is to look down their nose at people who are in production agriculture, farm, and ranch families, who apparently don't have their respect.

It is interesting, they don't write the same kind of article about any other industry that gets help from the Federal Government. Virtually every industry in America has some kind of Federal assistance, whether it is highways for the trucking industry or airports for the airline industry or any of the other things that are done for industry after industry. I don't see them come after them with this same sort of look-down-your-nose arrogance because that is what it is. It is incredible arrogance.

Mr. President, I hope my colleagues will have a chance to pay attention to both sides of the story in this farm program today. They deserve to hear both sides of the story.

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. HARKIN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. MCCASKILL). Without objection, it is so ordered.

Mr. HARKIN. Madam President, I ask unanimous consent to speak as in morning business for up to 10 minutes.

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

PRESIDENTAL VETO

Mr. HARKIN. Madam President, earlier today, President Bush vetoed the Labor, Health and Human Services and Education Appropriations bill. I wish I could say I was surprised but, frankly, few actions by this President surprise me anymore. This is a good bill, a bipartisan bill, a bill that cleared both Houses with clear, strong majorities. In fact, the first one cleared here by 75 votes. It is a bill that reflects the critical education, health, job training needs of our country, especially for Americans who are at the bottom rungs of the socio-economic ladder. The bill was endorsed by more than 1,000—actually 1,075, to be exact—health, education, social service, and labor organizations in this country. There are disability groups in this letter, disease advocacy groups, school groups, community action partnerships, religious groups—millions of people across America are represented on this letter. This morning President Bush turned his back on all of them.

He seems to have no problem pouring billions of dollars into Iraq for schools, hospitals, job programs, health needs, but when it comes to those priorities here in America, the President says no. After spending all these billions of dollars on schools, hospitals, job programs, and health needs in Iraq, it is time to start investing some of that money here in America.

The President insists we have to stick to exactly the top number in his budget. Frankly, if we did that, we would be cutting programs such as the Low Income Heating Energy Assistance Program for the elderly at a time when we know fuel prices are going to be extremely high this winter.

The President completely zeroed out the social services block grant and cut the community services block grant by 50 percent.

Under the President's budget, we would be cutting the National Cancer Institute. At a time when we are starting to make some progress in the fight against cancer, Alzheimer's, Parkinson's and so many other things, he cuts funding for the NIH.

Again, we need to put more money into special education to help some of our beleaguered property tax payers in our States.

We have a backlog of several hundred thousand cases in Social Security. People who have paid in all their lives to Social Security, if they have a problem and they have an appeal pending or a case to be heard—there are 700,000 backlogged. It is about a year-and-a-half wait right now to get Social Security. It is unconscionable. We put money in there to reduce the backlog.

We wanted to fund more community health centers as one of the great things we have done in this country to help people who are not getting their health care needs attended to, to get them at their community health care centers. It has done a great job nationally.

We put more money into the Head Start Program. And No Child Left Behind—we put more money in there to meet our needs in title I schools, teacher training.

These are all provisions that were in our bill. As I noted before, it was bipartisan. I worked very closely with Senator SPECTER, our ranking member. There were dozens of provisions and funding increases in the bill that were requested specifically by Republicans, those on the other side of the aisle who requested that we increase funding in these areas. Unfortunately, it seems Mr. Bush is more interested in provoking a confrontation than in governing responsibly. He recently dismissed the funding in this bill as ''social spending,'' as though somehow it pays for ice cream socials or Saturday-night socials or something such as that—social spending. I never heard it referred to like that. It is out of bounds, it is out of touch, it shows how isolated this President has become.

Every dime of additional funding in this bill goes to bedrock essential programs and services that have been shortchanged in the last few years. I mentioned them: community health centers, Head Start, NIH, special education, student aid, social services block grant and community services

block grant, Pell grants. These are all things that have been shortchanged. The President's budget would cut NIH, LIHEAP, special education, and eliminate the community services block grant, job training, housing and emergency food assistance for our most needy citizens. Apparently, Mr. Bush sees this as frivolous social spending. I couldn't disagree more.

We have to keep the President's veto this morning in context. During the 6 years Republicans controlled Congress, Mr. Bush did not veto a single appropriations bill, including many that went over his budget. He never vetoed one of them. Now Democrats are in charge. Yes, we have gone over budget in some of the areas I mentioned and not only with the support but the encouragement of Republican Members who wanted to add more money. I guess because the Democrats run Congress now, the President says he will veto them. He did. He vetoed the bill this morning, but he never vetoed one in 6 years even though they were above his request. It smacks of the most blatant form of partisanship and politics. It kind of goes beyond the pale.

A few weeks ago the President sent up a new supplemental spending bill. We will be working on that this week. I don't know if we will pass it this week or when we come back in December. It is more than $196 billion, mostly for Iraq. The Congressional Budget Office now estimates that Mr. Bush's war in Iraq will cost a staggering $1.9 trillion in the next decade. Yet he vetoed this bill, over $12 billion in funding for education, health, biomedical research, and other domestic priorities.

You ask: $1.9 trillion, $12 billion, what does it mean? Look at it this way: Do away with all the zeroes. It means Mr. Bush is asking for $1,900 for Iraq. Yet he vetoed this bill because we spent $12 more than what he wanted. That shows misplaced priorities: $12 billion a month for the war in Iraq, yet he vetoed this bill which is $12 billion for a whole year.

What is most disappointing about the President's veto this morning is his total unwillingness to compromise. Any time we work out bills, we compromise. That is the art of democracy. We compromise. No one around here ever gets everything he or she wants, but we make compromises. We do it in committee; we do it on the floor of the Senate. We do it between the House and the Senate. Then when all is said and done and we work in conference, usually the President will work with us to work out problems. This is where the White House is. Where do we meet? The President never came to our conference—I shouldn't say the President didn't, but his people never came to our conference to offer compromises, where we might meet halfway.

When the President sent down his veto message, he mentioned two things about our bill: One, it had the lifting of his ban on stem cell research; two, it spent more money than he wanted. I thought a compromise might be: OK, we will take off the stem cell stuff, and you agree to the spending priorities we have. We voluntarily, to try to meet the President halfway, said: OK, we will take off the stem cell issue, even though Senator SPECTER and I both believe strongly in it. It passed the committee with only three dissenting votes. The Senate has spoken at least twice in support of an embryonic stem cell bill to take off the handcuffs the President has put on scientists. But even that wasn't enough.

Then we went to conference. We thought: OK, will the President now try to meet us somewhat on the spending part? The answer was no. It was his way or the highway. We either agree totally with the President or he is going to veto it and the White House will put pressure on the House because that is where the bill goes for an override, to keep them from overriding his veto.

It is sad the President has taken that position. Under the Constitution, Congress does have the power to override a veto. It happened last week with the water resources bill. He vetoed it. Both the House and Senate voted over two-thirds, as is constitutionally required, to override the veto. We could do it on this bill that funds education, everything from Head Start, elementary education with title I, No Child Left Behind, elementary and secondary education, college with Pell grants, student loans, forgiveness of loans if you go into certain occupations such as medically underserved areas, legal services, or become a prosecuting attorney—the type of occupations that don't pay a lot of money but are needed in our country.

On health, especially all the biomedical research that was in that bill for NIH, the money for the Centers for Disease Control and Prevention for making sure we get more flu vaccine this year stockpiled, not to mention all of the efforts that CDC is doing in stockpiling other vaccines in case of a terrorist incident, something that might happen—we hope it doesn't, but we have to be prepared for it—that is in this bill he vetoed.

I mentioned things such as low-income heating energy assistance for low-income elderly. This is all in this bill. Now it is up to the House whether they will vote to override the veto. It will be interesting to see how many House Members would vote to override the President on the water resources bill but would not vote to override a bill that deals with health, education, community block grants, NIH, the Centers for Disease Control. It will be interesting.

The Water Resources Development Act was an important bill. I was strongly supportive of it. It goes basically to meet one of the urgent infrastructure needs of the country: waterways, to make sure we upgrade our locks and dams and make sure they are adequate to the environmental needs and river transportation needs for the next century. It is vital. The Education, Health and Human Services, and Labor appropriations bill is sort of the counterpart of that in terms of the human infrastructure, making sure we have the best educated populace, that we meet the health care needs of people, that we invest in cutting edge research, that we have good job retraining programs.

We just had a case where a Maytag plant, after all these years, closed in Newton, IA. We need job retraining programs. That is in this bill the President vetoed. It is human infrastructure needs.

It will be interesting to see how many House Members vote to override the President when it comes to the physical infrastructure but now will not vote to override the President when it comes to the human infrastructure. I hope it is very few. I hope we get the same number of votes to override the President's veto on this Education, Health and Human Services, and Labor appropriations bill as we got on the water resources bill.

It is a sad day that the President would veto this bill. We went out of our way to meet him halfway, but he said absolutely not. It is his way or nothing else.

That is not the way we do things. The President is not acting responsibly, quite frankly, in this area. I don't know what we can do. If the House overrides the veto, I am pretty certain we would have the votes here to override the veto. We would have to wait for the House to act first. I hope they do, and I hope we get it. I hope we vote to override the veto. But until then, we have to see what the House is going to do.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DURBIN. Madam President, I ask unanimous consent to speak as in morning business for 10 minutes.

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

PRESIDENT'S VETO OF LABOR, HHS APPROPRIATIONS BILL

Mr. DURBIN. Madam President, they say in life you can really judge a person's values by where they put their wealth. Certainly, we all love our families, and we think nothing of spending a lot of money on our children. We all value our health, and we go to great extent to spend whatever is necessary to have a healthy lifestyle and to live on for many years.

The President, today, had a chance to demonstrate his values with his veto pen. He had a chance to decide what priorities we should have in America

for our future. We sent him a bill called the Labor, Health and Human Services appropriations bill.

There was a venerable Congressman from Kentucky named Bill Natcher. He served for many years and distinguished himself as never having missed a rollcall vote in his life. I will not get into that side story, but his responsibility in the House Appropriations Committee was to chair the subcommittee that generated this spending bill, the Labor, Health and Human Services bill, the bill that includes education, health care, medical research—programs that really directly reach the people of America. He called it the people's bill. He used to wear these starched white shirts and dark-blue suits and silver-gray ties. He looked like a Senator. He had the gray hair and would stand there and say: This is the people's bill. The people should vote for it. And they did. Overwhelmingly, House Members—Democrats and Republicans—would vote for it because this bill really does reach families everywhere across America.

President Bush decided to veto this bill today. He vetoed the bill, which is rare. Incidentally, he never vetoed a bill until this year. Now, he has, after a long search, found his veto pen and is using it frequently. He vetoed this bill this year because it called for 4 percent more spending than he had asked for—$6 billion.

Madam President, $6 billion is a lot of money, for sure, but not by Federal budget standards. The President, before he vetoed this bill, signed the Defense appropriations bill. That bill was 10 percent over his request, and yet he signed it. When it came to this bill that reaches families and people across America, he said no.

Of course, this President, who says we cannot afford $6 billion for programs for the American people, is asking us for $196 billion for programs for the people of Iraq—$196 billion. It is hard to understand how we cannot afford health care in America, cancer research in America, education in America, worker protection in America, homeless shelters for veterans in America, yet $196 billion for Iraq. I said it before. This President gets up every morning in the White House, opens the window, looks outside and sees Iraq. He doesn't see America, because if he would see America, he would understand the American people across this Nation value so much the priorities he vetoed today.

Yesterday we celebrated Veterans Day. We acknowledged what the men and women who have served this country mean to us, our history, and our future. There were a lot of good speeches given by great politicians talking about how much we value our veterans. Those speeches had hardly been finished when the President returned to the White House to veto this bill.

This bill would have provided funding for employment and health programs for veterans. It is hard to believe in America that one out of four homeless people is a veteran. You see them on the streets of your town, large and small; you see them standing on the highways with little cardboard signs. One out of four of them is a veteran. This bill tried to provide counseling, shelter, ways to give these veterans a place to sleep at night. The President vetoed it and said it was too darn much spending.

This bill would have provided $228 million for veterans employment, $9.5 million for traumatic brain injury, and $23.6 million for the Homeless Veterans Reintegration Programs.

Last night on television I saw a program. James Gandolfini, who was the star of ''The Sopranos,'' had a special documentary; I believe it was called ''Alive Day.'' I think that was the name of it, but you couldn't miss it if you saw it because he invited veterans on this program to be interviewed, veterans of Iraq and Afghanistan who had been injured. These young men and women came and talked about their love of this country, their service to our Nation and what they had been through. This beautiful young woman who had been a lieutenant in the Army had a rocket-propelled grenade explode right next to her, tearing off her right arm and shoulder. She now has a prosthetic arm that appears to be real but of course does not even have function to it, but it is what she uses. It was a touching moment when she talked about what her future would be, this beautiful young woman, this disabled veteran.

There were many amputees—some of them double amputees—talking about trying to put their lives back together. Some of the most painful episodes involve victims of traumatic brain injury. There was one young man with his mother sitting next to him. They showed before pictures, when he was a hard-charging soldier, happy go lucky and a lot of fun, who then sustained a serious traumatic brain injury and now is in a wheelchair. He hopes the day will come when he can once again walk and run. It is hard to imagine we could give tribute to those veterans yesterday and veto a bill today that would have spent just $9.5 million for traumatic brain injury programs, but the President did that this morning.

The President came to Washington and said he wanted to be the education President. We remember it well because he came up with a new term we hadn't heard before called No Child Left Behind; he persuaded leaders on both sides of the aisle to vote for it and produced a new education program for America. This bill provided money to make that program work. It is not enough to identify the problems in our schools and the difficulties facing our children and our students; you need help to make certain you have the best teachers in the classroom, the proper class size, the right equipment at the school.

We also understand early childhood education is essential for kids to succeed. Show me a family where the mom and dad focus on teaching that child to read and read to the child and take the child out and speak to them in adult terms and I will show you a child probably destined to be pretty good in kindergarten. A lot of kids don't have that good fortune; mom and dad are off to work. So the Head Start Program is a way to give them a fighting chance. The bill the President vetoed today included more than $7 billion for the Head Start Program, increasing it by $200 million from last year. The President said we can't afford to increase the Head Start Program.

The bill also included $18 billion for higher education initiatives and student financial aid. How many working families do you know with a child they want to see go to the best school in America, struggling with the idea of how they will pay for it and the debt they will carry out of school? We put money in this bill to help those families help those students, and the President said we can't afford it.

The President's budget would have provided title I funds for 117,000 fewer students and cut the number of new teachers in classrooms by 8,000. So the President says it is wasteful for us to provide title I funds to help children from disadvantaged families—117,000 more—and new teachers and classrooms by 8,000. At the same time, he wants $196 billion for a war in Iraq not paid for.

In Illinois, almost 3,500 students will be left behind by the President's veto, and 200 teachers will not be hired. Will that be better for those schools, those families, those children? Of course not.

The appropriations bill the President vetoed also included $11.3 billion for special ed, kids with special challenges who need special help and with that help have a chance to succeed. The President said we spend too much money on those kids and he vetoed it.

Had Congress provided what the President requested, Federal funding for disabled children would be lower by an average of $117 per child. I have been in schools with special education classes, and I have watched the special care those children need and receive, often one-on-one help. If that teacher is caring and competent, the child has a chance—just a chance—to come out of the shadows of darkness and have a future. That is what this bill is about—a bill the President says America cannot afford.

In the area of health care—this is one I think touches me and most people—we included $29 billion for medical research at 27 institutes and centers at the National Institutes of Health. Senator MIKULSKI knows all about this. This is in her neck of the woods in Maryland. The National Institutes of Health and what they achieve, we put in this bill $29 billion and included $1.4 billion more than the President requested for medical research at NIH.

Ms. MIKULSKI. Madam President, would the Senator from Illinois yield for a question?

Mr. DURBIN. I am happy to yield.

Ms. MIKULSKI. Is the Senator aware the President's budget actually cut NIH by $310 million? He cut the National Institutes of Health projects by $310 million, wiping out research opportunities for those young scientists with breakthrough ideas, as well as those which were ready for advancements; is the Senator aware of that?

Mr. DURBIN. I am aware of it. I will tell my colleagues the Senator from Maryland probably recalls that over the last 10 years or so, this has kind of been an area of real bipartisan cooperation. We may fight like cats and dogs over everything else, but we said: Come on, when it comes to the National Institutes of Health and medical research, Democrats get sick and Republicans get sick, too, and our kids do as well, so let's all join hands and promise we are going to increase the spending for medical research, not just to find the cures but also, as the Senator from Maryland says, to build up the infrastructure of talented professionals who will devote their lives to this medical research. The President says: No, we can't afford it.

Madam President, $1.4 billion, we can't afford to spend $1.4 billion more on cancer research, heart disease, diabetes, Parkinson's, Alzheimer's? We can't afford that? Well, for $12 billion to $15 billion a month, we can obviously afford a war in Iraq, but the President can't find money for the war against disease and death in this country. That is truly unfortunate.

Since I see my colleague from Maryland, I will surrender the floor and give her a chance to speak. I hope this veto today will not go unnoticed. Elections have consequences. In the last election, the American people said: We are going to give you—the Democrats—a majority in the Senate and a majority in the House. Now do something with it.

We have tried. We have succeeded in many areas. But we have run into the opposition of this President more often than not. When we tried to change the course and policy of the war in Iraq, the President used his first veto as President of the United States to veto on foreign policy, to veto that decision. When we tried to change his horrendous decision to stop medical research involving stem cells, he used his veto pen again. When we tried to provide children's health insurance for millions of kids across America who are not poor enough to qualify for Medicaid but not lucky enough to have health insurance in their family, he used his veto pen again. He used it again today.

Why is it a recurring theme that we see this President stopping efforts by this Democratic Congress to address the issues people care about: Health care, making sure we have the best; medical research to find those cures; making sure our schools are preparing the next generation of leaders; making certain that as a country, we move forward in providing health insurance protection for kids. It is a sad moment.

I hope the House of Representatives can rally the votes to override that veto. I hope a few of our Republican friends who joined us in passing this bill, with over 70 votes, if I am not mistaken—I think close to 75 votes—I hope they will stand with us again and override this President's veto—a mistake, a mistake this President made at the expense of America's families.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Madam President, I ask unanimous consent that the pending amendments on the farm bill be laid aside and that I be allowed to speak on two important amendments that I will offer at an appropriate time.

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

Ms. MIKULSKI. Madam President, today I rise to speak about two very important amendments. I will ask for a vote on both of these amendments at an appropriate time. The first amendment requires the U.S. Government to label any food that comes from a cloned animal or its progeny. The second amendment would increase food safety because I will ask for three studies on the impact of cloned products in our food supply—the impact on trade, the impact on the economy, and the impact on health.

But let me talk about the fundamental problem. See this picture up here? This is Dolly. You remember Dolly, the cloned lamb that burst onto the scene? Dolly is cloned. She has gone from a novelty to a biotech product, to possibly Dolly burger in your food supply. So we have gone from: Hello Dolly, who are you, to being on the verge of having Dolly burgers in our school lunch program, maybe Dolly Braunschweiger in our Meals on Wheels program. Why are we on the verge of doing that? It is because the FDA said it is OK. You remember the FDA. They said OK to Vioxx. They said OK to a lot of things.

It seems, in December of 2006, the FDA announced that milk and meat products from cloned animals are safe for human consumption. Now, I have very serious doubts about that, but I am not a scientist, so I want more science and more research. Most Americans agree with me, that scientists should be able to monitor cloned animals as they enter the food supply. To my dismay, FDA has refused to label cloned food. I believe people have a right to know and a right to make their own decisions.

The American people find cloned food disturbing. A Gallup poll reports over 60 percent of Americans think it is immoral to clone animals. My bill doesn't deal with morality. My bill deals with: When you eat it, you know where it came from. Consumers have a right to know. They have no way to tell if the food comes from a cloned animal, the cloned animal's progeny, such as Dolly, or if it comes from a cow, a pig, a chicken. I want the public to be informed.

I am for consumer choice. If most Americans don't want cloned milk and meat, they should not be required to eat it. I cannot stop the cloning of animals. Maybe that would not be a good idea. I cannot stop the FDA from approving it. I don't believe in meddling at that level. But I can insist on labeling. And if it enters your food supply, whether you buy it at the supermarket or whether you are in a restaurant or whether it is going to be in the child's school lunch program or your elder parents' Meals on Wheels program, you ought to know about it. My amendment would require labeling by the FDA and the Department of Agriculture, to put a label on all food from cloned animals that says this product is from a cloned animal or its progeny. These labels would be at the wholesale level, retail level, or restaurant level, or wherever the U.S. Government acts in calling it nutrition. It would allow the American people to make an informed decision on what they are eating.

You would think I am creating Armageddon. The BioTrade Association has been all over me with the functional equivalent of cleats, running editorial boards, and whispering science as they know it into the ears of the ed boards. If they have such confidence that cloned food is OK, why would they care if it were labeled? If they had such confidence that the American people would be indifferent to labeling, why would they oppose it?

They say it will cost too much. Guess what. They said it about nutritional labeling. They said that about other forms of labeling on our food. I reject those arguments. I believe you want to know this. I really believe you want to know if you are eating cloned food.

Madam President, you know me. You know I am one of the people in the Senate who has stood fairly on the side of science, the technology advancements it brings and the need always for more research. I believe we need more research into what this means. What is the impact and consequence on public health, on individual health, on unborn children, which I know is a great concern to many of our colleagues here? We don't know. Are we going to wake up and, instead of fetal alcohol problems, have the impact of cloned food? I don't know that.

My second amendment would require three studies: a health impact study on cloned foods and do more of it; an economic impact to the United States from adding cloned food to our food supply; a foreign trade impact on exporting food made in the United States from cloned animals.

My amendment also requires scientific peer review of the FDA's decision to improve scientific rigor. It would eliminate and assure there were no conflicts of interest. Many studies done with cloned food were done with the supporters of cloning, and those who would profit from cloning. The FDA received over 13,000 comments

when it released its initial decision that food from cloned animals is safe. Many of these comments said more information is needed. Scientists said there is more information needed. The public said more information is needed. I believe we need to listen to the National Academy of Sciences, which is the premier adviser to the Congress and the people on this.

The National Academy of Sciences agrees that cloning is a brand-new science. There may be unknown and unintended consequences. These scientists recommend this technology be monitored and urge postmarket surveillance. You cannot have postmarket surveillance unless it is labeled. If it is mixed in with your food, you won't be able to do this.

The FDA tells us that once they determined cloned food is safe, they would allow it to enter the market. The scientists want this labeling. I believe we are going down a difficult path. In Europe, they call this type of food ''Frankenfood.'' Cloned beef is having a hard time in the marketplace. Do we want the EU to ban all American food products because the people are worried about ''Frankenfood'' and are worried that this ''Frankenfood'' has been mingled with the other food? Essentially, they could ban all exports of meat products there. I don't want to hear one more thing coming from the EU that says they don't want to buy our beef or lamb because they are worried that it is ''Frankenfood.''

Again, I am worried about it. How about having an amendment that mandates a study on the trade impacts?

I also believe in science and research. I believe, therefore, we need to mandate a study now and follow a scientific program based on sound science. Were they accurate? Were they impartial? Were they free of conflict of interest? What additional research needs to be done? We need to be able to also look at the impact on our economy. Are we running a shortage in beef, lamb, and so on, so that we have to go to cloned animals? I don't think so. It seems to be readily available in the American marketplace. I don't know why we need to do this.

People say, well, don't you believe in the FDA? I do. The FDA is in my State. Over a thousand dedicated men and women work there every day. What I also know is that the FDA has been making some pretty big mistakes. They have been making mistakes in their food supply. They cannot stand sentry over spinach and E. coli in our own country. How are they going to monitor Dolly as she makes her way into our food supply? They don't even have enough people to keep an eye on E. coli spreading in spinach in our own country. What about the food coming in from other countries that we don't seem to be able to stand sentry over?

The FDA has not had enough resources in the food supply area. Then they say: Don't worry, honey, we will take care of you. We learned that line a long time ago and we know how false it was. The FDA, I believe, needs more help. They need more research. They need more monitoring, and this is why I am for labeling. Labeling would tell us where these foods go. It would give us the ability to have postmarket surveillance to look at the consequences, some of which might be OK and some of which might be quite questionable. So all I am saying is give the public a right to know and let's do more studies.

I don't know about Dolly. She looks so sad here in this photo, doesn't she? I don't know if she is happy that she is a clone, and I don't know if she is sad that she is a clone. I know whatever happens to Dolly, and whatever breakthrough comes from cloning—and maybe there are wonderful things that I don't know about. I do know that when I sit down on my heart-smart program and bite into a nice juicy roll, I want to know whether I am eating beef, lamb, or a Dolly burger. So my amendment simply says: Give me the right to know; otherwise, I will take further steps to say bah, bah to Dolly burgers.

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

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

PRESIDENTIAL VETO

Mr. BYRD. Madam President, today the President, our President, demonstrated once again that he values political posturing more than making America a safer, healthier, more economically strong nation.

This morning, President Bush vetoed a bipartisan, fiscally responsible Labor-HHS-Education bill that increases funding for programs to improve student performance, makes college more affordable, supports lifesaving medical research, and provides relief for families coping with rising home heating costs.

The bill also provides money for veterans employment programs, homeless veterans, and research to help those veterans suffering from traumatic brain injuries.

The President, in an effort to convey the appearance of fiscal discipline, has threatened to veto 10 of the 12 appropriations bills—10 out of 12.

Today the President vetoed the Labor-HHS-Education appropriations bill because Congress chose to increase funding by 5 percent. The hypocrisy of the President's political posturing became even more clear today. This morning, the President signed the Defense appropriations bill which provides a $40 billion, or 10-percent, increase for the Department of Defense. Also, this morning, the President vetoed the Labor-HHS-Education bill because Congress chose to restore irresponsible and shortsighted cuts proposed by the President.

As part of the President's political message, he describes the 5-percent increase for Labor-HHS-Education programs as ''bloated'' spending. I call it responsible investments in research in cancer, heart disease, diabetes, in educating our children, in providing access to health care to rural America, and to heating the homes of low-income elderly Americans.

The President proposed to cut funding for the National Institutes of Health by $279 million for studying cancer, diabetes, and heart disease. Under the President's budget, the National Institutes of Health would have to eliminate 717 research grants that could lead to cures or treatments for cancer, diabetes, Alzheimer's, and other diseases.

Congress restored those cuts and provided an increase of $1.1 billion. I ask the question: Is increasing spending for the National Institutes of Health by 3.8 percent ''bloated'' spending? Is it? Of course not.

The President proposed over $3 billion in cuts for educational programs, including special education, Safe and Drug-Free Schools, and improving teacher quality. Congress—that is us—restored those cuts. Is increasing by 3 percent to educate our children bloated spending? I ask the question again. Congress restored those cuts. Is increasing funding by 3 percent to educate our children bloated spending? No.

The President proposed cuts of nearly $1 billion from health programs, such as rural health, preventive health, nurse training, and mental health grants. Congress, on a bipartisan basis, restored those cuts. I ask the question: Is providing an increase of $225 million for community health centers bloated spending? Is it? Certainly not.

The President—our President—proposed to cut low-income home energy assistance by $379 million. Congress restored that cut and provided an increase of $250 million. With the price of a barrel of oil reaching $100, does anyone really think increasing low-income home energy assistance is bloated spending? No.

No Senator will be cold this winter. I will not be cold this winter. You on that side of the aisle will not be cold this winter. We on this side will not be cold this winter. No Senator will be cold at home this winter. The President will not be cold down at the White House. No. Yet the President wants Congress to slash such assistance.

President Bush's Budget Director, Jim Nussle, with whom I met several weeks ago, indicated he would be prepared to negotiate in good faith with Congress over our differences in spending. To my dismay—to my dismay—Director Nussle has not reached out to the leadership of the Appropriations Committees in the House and the Senate in a genuine effort to find common ground.

Now, what is the problem? Why, Mr. President, why, Mr. Nussle, is the $40 billion increase for the Department of Defense fiscally responsible while a $6 billion increase to educate our children and improve the health of our citizens bloated spending?

Now, let's stop—please, let's stop—this charade of political gamesmanship. I say this most respectfully to our President. Let's move forward for the good of the American people. They deserve more from their elected officials.

I suggest to this White House that it stop its intransigence and help us—the elected Representatives of the people in Congress—to enact this vital legislation. Let's sit down together and work out the problems in this bill. Providing for our people's needs should not be a game of us versus them. It should not be a Republican White House versus a Democratic conference. People's lives should not be fodder for ego-driven political games.

Homeless veterans, veterans in need of health care, children in need of education, these must not become the target in a foolish game of kickball. I urge this White House—I plead with this White House—to sit down with the Congress and address the growing unmet needs in this country. If we can build schools and hospitals in Iraq, we can certainly provide health care and education for our own citizens. Nobody wins in a game of chicken, and surely the White House can and ought to work with us—us, in Congress—to stop this charade.

Mr. President, I yield the floor.

Mr. BROWN. Mr. President, I ask to speak for up to 7 minutes in morning business.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). Without objection, it is so ordered.

Mr. BROWN. Mr. President, November voters in my State of Ohio spoke out for change. They spoke out for a very different and new set of priorities in Washington, priorities that match their own priorities and their own values back home.

Heeding their calls earlier this year, Congress raised the minimum wage, passed potentially lifesaving stem cell legislation, voted to expand access for health insurance to literally 4 million low-income children, and last week, Congress sent to the President the Labor, Health and Human Services bill for his signature, a bipartisan bill that was filled with our national priorities. That bill would increase funding for Head Start and Pell grants and programs that benefit our Nation's veterans.

Earlier today, once again, the President made it clear that this administration and its supporters do not share the priorities of America's middle class. He vetoed lifesaving stem cell legislation, he vetoed expanding access to children's health insurance, and he, today, vetoed the bipartisan bill for Head Start, to give preschool kids a chance. He vetoed the legislation that included Pell grants to give middle-class working families, working-class kids an opportunity to go to college without a huge, onerous burden on them when they leave college. And he vetoed legislation that would matter to our Nation's veterans.

Today's veto was a veto of middle-class families and a veto of our values as a nation. The Labor, Health and Human Services bill funds the priorities that matter most in Ohio and across the Nation—more funding to help low-income children get the best possible start in school, more funding for students hoping to realize their American dream, more funding for programs to help our Nation's veterans with job training, with college costs, and to help with the all too serious issue of traumatic brain injury.

The day after Veterans Day, the day set aside to honor our Nation's veterans, the President vetoed legislation that would benefit those who have sacrificed so much for our great country. That, Mr. President, is unacceptable.

Yesterday, in Cleveland, at the Wade Park Veterans Hospital, I spent the afternoon with veterans from northeast Ohio, listening to them and their concerns. I learned that they need more, not less, assistance from the Federal Government. I heard from a former Ohio National Guardsman living in Jefferson, OH, not far from Ashtabula. Before being deployed to Iraq, he was an engineer and his wife was the vice president of a local company. After being injured in Iraq by an IED, he returned home suffering from a traumatic brain injury, a spinal cord injury, and post-traumatic stress disorder. Unable to work full time because of his injuries, this former National Guardsman, who worked full time before he left, now had to rely on disability compensation to support his family. His wife Julie had to leave her job to care full time for her child and for her husband. His care requires four trips weekly to the nearest VA hospital, a trip of about 110 miles each way.

I heard from a reservist, CPL Anthony Niederiter, of Euclid, OH, who was deployed to Iraq in 2005. Corporal Niederiter shared stories about the need for a better system that helps our military men and women return to civilian life after serving our country. The confusing transition process has caused veteran after veteran to miss filing deadlines for health benefits and educational opportunities.

One veteran, one soldier, told me after he left the military, he applied for dental benefits 32 or 33 days after he left the military. But he found out if you don't apply within 30 days, they are not available. Nobody told him that. Others have been denied educational benefits because they didn't follow the right rules because nobody told them that when they left the military.

Too many commanding officers, after these troops are used up and of no value anymore to the military, just wash their hands of them and look to the next class of military recruits they are going to send off to war, not informing those who are leaving, those who have served their country—frankly, not caring enough to make sure those veterans, those soldiers leaving the Armed Forces have been notified and told of their rights and the benefits they are able to receive—education, health care, and the like.

I heard from Dr. John Schupp, a Cleveland State University professor, who emphasized the importance of doing more, not less, for our veterans. Dr. Schupp founded the SERV Program, a two-semester program at Cleveland State University designed just for veterans. The program helps veterans apply for GI bill benefits, offers veterans-only classes that help ease the transition back into the classroom for many veterans who have not been in a classroom for 6, 8, 10 years or longer. He works with veterans to navigate VA issues and offers a veteran-to-veteran mentoring program.

Mr. President, we need more programs like this. Dr. Schupp's involvement, his brainchild, his program—much of this should be done by the Department of Defense before our soldiers, our marines, and our sailors leave government or military service. Dr. Schupp has taken up the slack, frankly, for much that hasn't been done. We need more programs like this, not just in Ohio but across our great country.

We need more Federal investment in our Nation's veterans. We must continue to honor our heroes from World War II and Korea and Vietnam, while finding ways to care for the new generation of veterans returning from Afghanistan and Iraq—and Kosovo, as one of the veterans came from yesterday. As more and more veterans return from these overseas engagements, especially from Afghanistan and Iraq, we must ensure that this growing group has access to the best care and the best benefits available. They have earned them.

Congress cannot simply wait to correct problems that arise. We can, we must anticipate those problems and address them now, not later. Providing care and support for Ohio's veterans is a moral obligation. Instead of vetoes, our veterans deserve, from their Government, the support they have earned. Congress can start by overriding the veto of the Labor-Health and Human Services appropriations bill.

I strongly encourage my colleagues to stand up for middle-class families, stand up for our communities, stand up for our workers, and to stand up, importantly, for our Nation's veterans. I strongly encourage my colleagues to override this veto.

I yield the floor and 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. SANDERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CARDIN). Without objection, it is so ordered. The Senator is recognized to speak as in morning business, without objection.

GLOBAL WARMING

Mr. SANDERS. Mr. President, as a member of the Senate environmental committee, and also on the Energy Committee, it is my view that the time is long overdue for Congress to go beyond deal-making and politics as usual in addressing the crisis of global warming. The droughts, the floods, and the severe weather disturbances our planet is already experiencing will only get worse, potentially impacting billions of people, if we do not take bold and decisive action in the very near future.

While the Lieberman-Warner cap-and-trade bill is a strong step forward—and I applaud both Senators and I applaud Senator BARBARA BOXER for her entire leadership on global warming—it is my view that legislation as currently written does not go anywhere near far enough in creating the policies the scientific community says we must develop in order to avert a planetary catastrophe.

This legislation is also lacking in paving the way for the transformation of our energy system, away from fossil fuels into energy efficiency and sustainable energy technologies.

Here are some of my concerns about the Lieberman-Warner bill. These are concerns I will be working on in the next number of weeks, trying to improve that legislation. First, virtually all the scientific evidence tells us, at the least, we must reduce greenhouse gas emissions by 80 percent by the year 2050, if we stand a chance to reverse global warming. Unfortunately, the Lieberman-Warner bill, as currently written, under the very best projections, provides a 63-percent reduction. In other words, under the best projections, this bill does not go far enough, according to the scientific community, in giving us a chance to reverse global warming. Secondly, this legislation allows major polluters to continue emitting greenhouse gases for free until the year 2036. In fact, old-fashioned, dirty coal-burning plants could still be built during this period. That is wrong. The right to pollute should not be given away for up to 26 years. Further, in calculating emission reductions, this bill relies much too heavily on ''offsets,'' a process which is difficult to verify and which could lead to the underreporting of emission reductions.

Third, this bill provides a massive amount of corporate welfare to industries that have been major emitters of greenhouse gases, while requiring minimal performance standards and accountability for these same industries. According to a recent report published by Friends of the Earth, the auction and allocation processes of the bill could generate up to $3.6 trillion over a 40-year period. While a large fund does exist in the bill for ''low carbon technology,'' there is no guaranteed allocation for such important technologies as wind, solar, geothermal, hydrogen or for energy efficiency. But there is a guaranteed allotment of $324 billion over a 40-year period for the coal industry through an advanced coal sequestration program and $232 billion for advanced technology vehicles.

The time is late. If Congress is serious about preventing irreversible damage to our planet because of global warming, we need to get our act together. We need to move in a bold and focused manner. Not only are the people of our country looking to us to do that, but so are countries all over the world. The good news is, we can do it.

As Members will recall, in 1941, President Roosevelt and the Congress began the process of rearming America to defeat Naziism and Japanese imperialism. Within a few short years, we had transformed our economy and started producing the tanks and bombs and planes and guns needed to defeat Nazism. We did it because of the leadership of Roosevelt and the Congress. In 1961, President Kennedy called upon our Nation to undertake the seemingly impossible task of sending a man to the Moon. Working with Congress, NASA was greatly expanded. The best scientists and engineers in this country and in the world were assembled to focus on the task. Billions of dollars were appropriated and, in 1969, as we all remember with great pride, Neil Armstrong stepped foot on the Moon. We did it. There was a challenge. We stepped up to the plate. We did it.

As a result of global warming, the challenge we face today is no less daunting and no less consequential. Quite the contrary. Now we are fighting for the future of the planet and the well-being of billions of people in every corner of the world. Once again, if we summon the political courage, I have absolutely no doubt the United States of America can lead the world in resolving this very dangerous crisis. We can do it.

In that context, let me take a moment to suggest some ways we can strengthen the Lieberman-Warner bill—and I look forward to working with those Senators and the entire committee—to aggressively reverse global warming. Most importantly, significant resources in this bill must be explicitly allocated for energy efficiency and sustainable energy, the areas where we can get the greatest and quickest bang for the buck. In terms of energy efficiency, my home city of Burlington, VT—and I have the honor of having been mayor of that city from 1981 to 1989—despite strong economic growth, consumes no more electricity today than it did 16 years ago because of a successful citywide effort on the part of our municipally owned electric company to make our homes, offices, schools, and buildings all over the city more energy efficient. That is what we did in Burlington, VT. In California, which has a strong and growing economy, electric consumption per person has remained steady over the last 20 years because of that State's commitment to energy efficiency. In other words, in Burlington, VT, and the State of California—and I am sure in other communities around the country—despite economic growth, the consumption of electricity does not have to go soaring, if we invest in energy efficiency, if we rally the people to not waste energy.

Numerous studies tell us that by retrofitting older buildings and by establishing strong energy efficiency standards for new construction, we can cut fuel and electric consumption by at least 40 percent. If we want to save energy, that is how we do it. Those savings will increase with such new technologies as LED light bulbs, which consume 1/10th the electricity of an incandescent bulb, while lasting 20 years. These LED light bulbs are on the verge of getting on the market. We have to facilitate that process and get them all over the country as soon as we possibly can.

In terms of saving energy in transportation, it is beyond my comprehension that we are driving automobiles today which get the same mileage per gallon—25 miles per gallon—as cars in this country did 20 years ago. Think of all the technology, all of the changes. Yet we are driving cars today which get the same mileage per gallon as was the case 20 years ago. That is absurd. If Europe and Japan can average over 44 miles per gallon, we can do at least as well. Simply raising CAFE standards to 40 miles per gallon—less than the Europeans, less than the Japanese—will save more oil than we import from Saudi Arabia. How about that? That makes a lot of sense.

Further, we should also be rebuilding and expanding our decaying rail and subway systems and making sure energy-efficient buses are available in rural America so travelers have an alternative to the automobile. Everybody knows the state of the rail system in America today is absolutely unacceptable, way behind Europe, way behind Japan. Subways in large cities need an enormous amount of work. In rural States such as Vermont, there are communities that have virtually no public transportation at all. We have to address that crisis, if we are serious about global warming.

In terms of sustainable energy, the other area we can make tremendous leaps forward, wind power is now the fastest growing source of new energy in the world and in the United States, but we have barely begun to tap its potential. In Denmark, for example, 20 percent of the electricity is produced by wind. We, as a Congress, should be supporting wind energy, not only through the creation of large wind farms in the appropriate areas but through the production of small inexpensive wind turbines which can be used in homes and

farms all across rural America. These small turbines can produce up to half the electricity an average home consumes and are now—right now, forget the future—reasonably priced. Without Federal tax credits, which are available, without rebates such as what is being done in California today, a 1.8-kilowatt turbine is now being sold for some $12,000, including installation, with a payback of 5 to 6 years. That is a pretty good deal. If you are not worried about global warming, if you are not worried about carbon emissions, it is a good deal because you are going to save money on your electric bill.

The possibilities for solar energy are virtually unlimited. In Germany, a quarter of a million homes are now producing electricity through rooftop photovoltaic units, and the price per kilowatt is rapidly declining. In California, that State is providing strong incentives so 1 million homes will have photovoltaic rooftop units in the next 10 years. But the potential for solar energy goes far beyond rooftop photovoltaic units. Right now in the State of Nevada, a solar plant is generating 56 megawatts of electricity. What we are now beginning to see developed in the Southwestern part of the country are solar plants which are capable of producing enormous amounts of electricity. According to the National Renewable Energy Laboratory of the U.S. Department of Energy:

> Solar energy represents a huge domestic energy resource for the United States, particularly in the Southwest where the deserts have some of the best solar resource levels in the world. For example, an area approximately 12% the size of Nevada (15% of federal lands in Nevada) has the potential to supply all of the electric needs of the United States.

Whether that area can in fact supply all the electric needs of the United States, I don't know. But I have recently, in the last couple weeks, talked to people who are involved in these solar plants. They say in the reasonably near future, they can supply 20 percent of the electricity our country needs. There it is, sitting there, ready to happen. Our job is to facilitate that process and make it happen sooner rather than later.

Perhaps most significantly, Pacific Gas & Electric, which to my understanding is the largest electric utility in the country based in California, has recently signed a contract with Solel, an Israeli company, to build a 535-megawatt plant in the Mohave Desert. This plant, which should be operating in 4 years—my understanding is they are going to break ground in 2, and it should be operating in 4 years—will have an output equivalent to a small nuclear powerplant and will produce electricity for some 400,000 homes. This is not a small-time operation. The people I talked to involved in this industry say this is the beginning. Think of what we can do if we provided them with the support they need.

Most importantly, people say: Well, that is a good idea, but unfortunately this electricity is going to be sky high, very expensive.

That is not the case. The price of the electricity generated by this plant to be online in 4 years is competitive with other fuels today and will likely be much cheaper than other fuels in the future.

News reports indicate that the 25-year purchase agreement signed by Pacific Gas and Electric with Solel calls for electricity to be initially generated at about 10 cents per kilowatt, with very minimal increases over the next 25 years—minimal increases because this is a process that does not have all that many moving parts. There it is. It needs maintenance. It needs work. But, unlike gas, unlike oil, you are not looking at a volatile market. There is the Sun. It will shine. So we are talking about a price over a 25-year period which probably will end up being less than 15 cents a kilowatt in the year 2035, which I suspect will be not only very competitive, it will be more than competitive.

The potential for solar plants in the Southwest is extremely strong. While there certainly is no magical silver bullet in the production of new, nonpolluting energy sources, experts tell us we can build dozens of plants in the Southwest, and that this one nongreenhouse gas-emitting source could provide a huge amount of the electricity our country needs.

Geothermal energy is another source of sustainable energy that has huge potential. Mr. President, as you know, geothermal energy is the heat from deep inside the Earth. It is free, it is renewable, and it can be used for electricity generation and direct heating. While geothermal is available at some depth everywhere, it is most accessible in Western States where hydrothermal resources are at shallow depths.

Currently, the United States has approximately 2,900 megawatts of installed capacity, which is just 5 percent—5 percent—of the renewable electricity generation in the United States. The installed geothermal capacity is already expected to double in the near term with projects that are under development, but this is just the tip of the iceberg.

A recent report for the U.S. Department of Energy by the Massachusetts Institute of Technology, MIT, suggests that geothermal could provide 100,000 megawatts of new carbon-free electricity at less than 10 cents per kilowatt hour, comparable to costs for clean coal. Drilling technology from the petroleum industry is the key to unlocking this huge potential. Enhanced geothermal systems tap energy from hot impermeable rocks that are between 2 and 6 miles below the Earth's crust.

So geothermal is another opportunity for us as a nation to be producing large amounts of energy in a way that does not emit carbon dioxide and does not create greenhouse gases.

An investment of $1 billion—less than the price of one coal-fired powerplant—could make this resource commercially viable within 15 years. The potential payoff is huge. It is estimated that electricity from geothermal sources can provide 10 percent of the U.S. base-load energy needs in 2050.

In terms of the future—in terms of the future of our planet—the bad news is that scientists are now telling us they have underestimated the speed and destructive aspects of global warming.

As you remember, Mr. President, the Intergovernmental Panel on Climate Change, which recently won the Nobel Peace Prize, along with former Vice President Al Gore—many of those scientists are now saying their projections were too conservative, that the planet is warming faster than they had anticipated, and the damage will be greater if we do not move boldly to reverse it. That is the bad news.

There is good news, however. The good news is that, at the end of the day, we know how to reverse global warming. We know what to do. What is lacking now is not the scientific knowledge, though more and more knowledge will come, and it is not the technology, though more and more technology will be developed, and sustainable energy will become less and less expensive. But after all is said and done, we know what we have to do. We know how to make our homes and our transportation systems more energy efficient. We are now making great progress in driving down the cost of nonpolluting, sustainable energy technologies. That is what we are doing.

What is lacking now is the political will—the political will to think outside of the box, the political will to envision a new energy system in America which is not based on fossil fuels, the political will to stand up to powerful special interests that are more concerned about their profits than about the well-being of our planet.

So I think not only the children—the young people of our country and the people all over America—but people throughout the world want this Congress to catch up to where they are. They are far ahead of where we are. I think if we have the courage to do the right thing here, we can reverse global warming. In the process, we can create millions of good-paying jobs, we can help restore our position in the international community as a country that is leading and not following on this issue of huge consequence.

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

The PRESIDING OFFICER. The clerk will call the roll of the Senate.

The legislative clerk proceeded to call the roll.

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

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

The Senator from California is recognized.

Mrs. BOXER. Thank you very much, Mr. President.

Mr. President, I thank Senator HARKIN because I know he is going to be speaking shortly, and I wanted to follow Senator SANDERS.

As the Chair of the Environment Committee, I was very interested in his presentation. I thank him for caring so deeply about global warming. The thing we have to do around here is get a good bill down to the floor. Because everything Senator SANDERS talks about—geothermal, solar—everything he talks about—green jobs—depends on our ability to get a good bill to the floor of the Senate.

What also is interesting is that Senator SANDERS called the Lieberman-Warner bill a very strong bill. I agree with him. It is a very strong bill. And that is before we even make some perfecting amendments out of subcommittee.

I think it is interesting, it is the evening time now. Senator HARKIN is on the floor, and Senator CARDIN is the Presiding Officer. Senator HARKIN is a cosponsor of the Lieberman-Warner bill. Senator HARKIN is truly a great conservationist, as we are going to hear from him. He gave a presentation to us at our caucus lunch that showed how deeply committed he is to this country's environment.

The fact that he is on the Lieberman-Warner bill gave a great lift and a great boost to that piece of legislation. Mr. CARDIN, the Senator from Maryland, sitting in the chair, our Presiding Officer, has played a tremendous role already in moving forward the legislation if we are going to address global warming.

There is not any question that the ravages of global warming are around the corner. Is it going to be 20 years? Is it going to be 10 years? Do we already see it? Some say yes—in Darfur, in some of the weather patterns, in some of the fires, in some of the floods, in some of the droughts—because the scientists tell us that unfettered global warming will lead to extremes in weather. So it is coming down the track right at us.

We have some options in this Senate as to what we are going to do about it. We can hold out for the ''perfect'' bill. I can say, as someone who wrote a bill with Senator Jeffords, and then Senator SANDERS: Oh, I know which bill is perfect for me; it is the bill I wrote. I know my friends in the Senate each could take their turn at writing a bill, and that bill would be ''perfect'' for that Senator. But this is a legislative body, and if you have 100 ''perfects,'' and we cannot agree to come together on a very good bill, we get nothing done.

I would suggest that for those who, very well-intentioned, decide to turn their back on a very good bill because it is not their idea of ''perfect,'' I think that is an irresponsible position to find yourself in. I feel very strongly about that.

There is much about the Lieberman-Warner bill I am going to work to strengthen in the full committee. If the bill gets to the floor, I am going to work hard to strengthen it. But I know, as long as it is a very strong bill, we need to move it forward.

So we could hold out for the ''perfect.'' That is very dangerous because that leads to no bill. And no bill—doing nothing about global warming in the face of all the science—would be very irresponsible.

The next thing we could do is have a bill that is very weak. I think a very weak bill is dangerous because people will think, ''Oh, they have taken care of global warming,'' when, in fact, we have not. You may be stuck with a weak bill, and you cannot strengthen it, so that is a problem too.

So it seems to me we could hold out for the ''perfect,'' and that means no bill, we could have a dangerously weak bill, which is a very bad option, or we could have a very good bill. We know that. We have people who are saying: Wait a minute, this bill, Lieberman-Warner, is too weak. We heard some of that on the floor tonight. It is too weak. I want an 80-percent cut in 2050, and it is 65 percent. So is the solution to do nothing? I say no. Then we have many people on the other side who say this bill is too strong. It is kind of like the three bears—what is just right?

I think what is just right is a very strong bill that moves us forward, that asserts the real dangers of global warming, and we know what that is: sea level rise. Those of us who went to Greenland saw what could happen if that sheet melts. We could see huge increases in sea level for all of us who represent coastal States, and the whole country and the world will suffer. The intelligence community, the Department of Defense—they are saying to us: With a few feet rise in sea level, we are going to have refugee problems, we are going to have every problem in the world. So the fact is, we can't turn our backs.

We had a hearing on the public health implications of unfettered global warming. The star witness was the head of the CDC, Julie Gerberding, Dr. Gerberding. She is the top doc of the country. She had very strong views that we have to look at the public health impacts. For example, what is going to happen to our elderly when heat levels rise and they can't seek refuge? What is going to happen to our children when they are swimming in lakes and streams and rivers and those bodies of water are so warm that dangerous amoebas live in those waters? What is going to happen to them? What is going to happen to the people of the world when they can't get the food they need?

So what happened was the White House redacted page after page of their own head of the CDC—they redacted page after page of their own head of the CDC. Her testimony was redacted. When we wrote and asked for it, the answer came back from the White House Counsel: Oh, no, we couldn't possibly send you this. This is a breach of executive privilege and the rest.

Can you believe, Mr. President, that the people of this country who pay the taxes for the CDC employees cannot hear what the top doc has to say about the ravages—the potential ravages—of global warming? This is what we are facing. Yet we see signs that the people who think our bill doesn't go far enough are going to team up with the people who want to kill this legislation. What a tragedy that would be. And who loses? The people of the United States of America. These new technologies that are going to save us, the ones Senator SANDERS talked about—he talked with great passion about solar and wind and all the rest—you are not going to get it, folks, unless you have a bill that puts a price on carbon. If you hold out for your version of the perfect, trust me, it isn't going to happen, and you give false hope to people—false hope to people.

So I would just say to my colleagues who may be listening that we have a golden opportunity in the Environment Committee. We have held more than 20 hearings on global warming. We have this bipartisan bill. We have gotten it through the subcommittee. We are working to make it better, get it through the full committee and onto the floor of the Senate, where we will see where people stand. We will have amendments that range from one extreme to the other, and we will see where people stand on global warming.

I would say to you, Mr. President, coming from a State that has done so much about this already, we are late to the game. We are late to the dance. We are late to the party. But we are not too late, unless everybody stands up and says: If I don't get it my way, then I will show you the highway. We have a lot of that going on already. We have a President who really won't talk to us about anything. He won't talk to us about Iraq; he won't meet us halfway there. He won't talk to us about CHIP; he won't meet us halfway there. He won't talk to us about education funding; he won't meet us halfway there. Won't, won't, won't, won't, won't. He vetoed the Water Resources Development Act. We overrode it. He still has never said he was wrong. There is too much of that. We in the Senate have to show that we are adult enough to admit that the perfect cannot be the enemy of the good, particularly when there is so much at stake.

So I am excited about the work of the Environment Committee, and I am so pleased we had a bipartisan breakthrough. I am so grateful to all the groups out there who are helping us, who are giving us the courage to move forward, because, believe me, special interests are going to be pounding us, pounding us, pounding us.

To wrap this up, there are always people who say no to the science. There are always people who say: Oh, no, HIV doesn't cause AIDS, I don't believe it.

There are always people who say cigarette smoking doesn't cause lung cancer. I am sure there were people who said to Jonas Salk: Your vaccine idea is just not going to work. We have to go with the consensus view, and we have it on our side. We know we have to act.

So it is going to be an exciting time in the Environment Committee. It is going to be an exciting time here on the floor when this legislation comes to the floor. I don't know exactly when that will happen, but it will happen, and when it does we will have a chance to fulfill our responsibility not just to our generation but to our kids' generation and our grandkids and future generations. I see young people sitting here on the floor of the Senate helping us out every day. Their generation has so much at stake.

I met with some young people from the UC system, UC Santa Cruz. They are going to 100 percent renewable energy to run UC Santa Cruz, and all of the different campuses, UC campuses, are going to try to do that. So whether we vote here or we don't vote here, the people are way ahead of us. How sad it is if we were to walk away from this challenge because it wasn't just right on page 102 or page 6. It is never going to be perfect, I say to my colleagues, but we have an obligation to come together. We did it with the Clean Water Act years ago, the Safe Drinking Water Act, and the Endangered Species Act. We have really moved forward, and we became a leader in the world. We are behind the world today, and the world is looking to us.

So I am excited about this challenge, and I thank Senator SANDERS for his passion, for coming down and making the case for solar energy, making the case for wind energy. But I will say to him and everyone else within the sound of my voice that it isn't going to happen unless this Congress sets up a cap-and-trade system with mandatory cuts in carbon. It just isn't going to happen the way it should.

Thank you very much, Mr. President, and I thank, Senator HARKIN for this time.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. HARKIN. Mr. President, it is hard to believe, but we are on the farm bill. As any casual observer might notice, we are not doing anything. We sit here with an empty Chamber. The farm bill has now been on the floor for over a week. The farm bill was laid down a week ago yesterday, as a matter of fact, and nothing has happened. Why hasn't anything happened? Because we can't get anything from the other side.

We want to move ahead. We wanted to ask unanimous consent to go ahead with an amendment with a time limit, vote on it, and move to another amendment, but the other side refuses. The Republican leadership refuses to move ahead on the farm bill. I suggested earlier today that we may at least want to have some amendments up. We cannot get consent on the other side. So here we sit. At this rate, we may not have a farm bill.

We worked very hard on it this year. First, on the other side in the House, they got a farm bill passed early. We met and worked hard on it all summer long and worked with the Finance Committee to get extra funds to meet our obligations. I am checking on this right now, but I believe we had a record movement of a farm bill through our committee this year—a day and a half, a short day and a half.

Now, this is my seventh farm bill. I have never seen anything move that fast. It was the result of weeks and weeks and months and months of working with the other side, with everybody working together, hammering out agreements, before we brought it to the committee. That is a good way of doing things around here. You establish relationships, figure out what people need to make sure they take care of their constituents. We came out of committee with not one vote against the farm bill. That never happened before, either, to the best of my memory. We always have a split vote coming out of committee on the farm bill. So it took a day and a half to get it out.

I commend my ranking member, Senator CHAMBLISS, who worked very hard on his side to pull things together. I don't even know how many amendments we had in that day and a half—four, five, or six—not very many. We disposed of them; we either adopted them or not. When we voted the bill out, we didn't have one dissenting vote.

So you would think a bill such as that coming to the floor could be handled rapidly. But then we got here and we wanted to move it, so our majority leader, exercising his right as majority leader, said we will do this bill and we will do relevant amendments. If it is relevant to the farm bill, we will take all comers. Bring them all. That sounds good to me—open debate, open amendments. Bring on the amendments to the farm bill. But the other side said, no, they may have some extraneous amendments dealing with children's health care, estate taxes—I don't know what else. We may have had some on this side too. But we were agreeing that we would not take any non-relevant amendments, whether they were from Democrats or Republicans. I thought that was a pretty good way to proceed, to just focus on the farm bill. The Republican side said no.

We have been locked here for over a week. I say to my friends in farm country—farmers, ranchers, agribusiness, the suppliers, wholesalers, retailers, shippers, those who sell seed, the elevator operators, fertilizer dealers, and those in the livestock industry, who want to know what the farm bill is like so they can plan ahead on whether they are going to milk more cows or fewer cows: Will the milk go to class A or class B? Will we feed more cattle or will we shift to feeding hogs? What is the lay of the land going to be? They need certainty. The livestock market is volatile as it is, but they need some certainty as to what we are going to do here. That is why we worked very hard to get the bill done, hopefully, by December, which is not unusual—except for the last farm bill when I was chairman at that time, the House was in Republican hands and the Senate was Democratic, and we got it through ahead of schedule. But for that one exception, every farm bill comes in late. That is just the nature of things around here, I guess. We usually get them done by December. The present farm bill is expired. We are now on a continuing resolution.

I say to my friends in farm and ranch country, you ought to be calling up the minority leadership and saying we ought to get this farm bill through. We have to get it through. But if we don't move soon, we will have an extension of the present farm bill. We will just extend it. All the work we have done this year will be for naught. We will have to pick it up again some other time. That may be what will happen because of the fact that we cannot get an agreement to move ahead. We are stuck here at 6:20 in the evening, and we have been on the bill 1 week with not one amendment. All we ask is for the other side to bring forth amendments, and we will get ours and start moving.

I know we are trying to work things out. After a while, my patience runs out. Next week, we have Thanksgiving. People want to go home for Thanksgiving. If we don't finish the farm bill this week, it is going to be hard to have a farm bill done before we go home for Christmas. I know what it is like after Thanksgiving when we come back. We have 3 weeks, and we have all our appropriations bills. I am chairman of one of the appropriations subcommittees. We have all that to do. We have the Iraq war funding to consider, and we have some tax bills. Everybody is going to want to get out of here and get home for Christmas.

I say to all those watching, if we don't get a farm bill done this week, it will be hard to get one done this year. Maybe we will have to go into next year sometime to get it done. I hope that doesn't happen, but here we sit with no action, and there are going to be other things to be brought up this week, such as conference reports.

So here we sit. I hope we can reach some agreement and move ahead rapidly. If we don't, it looks as if we may be in for a long continuing resolution on the farm bill—either into next year or beyond. I don't know when we can

finally get it done. But it is too important to just leave it go. We would like to get it done. Is there everything in the farm bill I would have wished for? No. Senator CHAMBLISS and every member of the committee could say the same thing. That is the art of compromise. This bill is a good compromise among all regions of the country. I hope we can move ahead.

I want to talk a little about one area of the farm bill about which I feel very passionate. Even though we have done some good things, we haven't done as much as we need to do, considering the enormity of what confronts us in terms of the loss of our soil, the pollution of our water and waterways, and the degradation of whole areas of this country because of intensive cropping or lack of good practices. We are facing a dire circumstance in this country where we are going to lose the productivity of our soil. Almost like global warming, it may reach a point where the scales have tipped so far that to get the productivity back, to clean up our waterways might be almost impossible or will cost so much money that we won't be able to do it.

All of the farmers I have fought for so hard over these last 32 years are what I call the front line of conservationists. Farmers and ranchers want to protect the soil. They want to leave it better for future generations. When you are caught between a rock and a hard place in terms of all of the input costs, what it costs to produce a crop, the demands on those crops, and some negative incentives in the system right now in terms of Government support to farming and ranching—you put all those together, and there is a counterpressure, if you will, from the Government and from society at large against the farmer being a good conservationist.

We are placing tremendous demands on our food and fiber producers in this country—tremendous demands—and, with the ethanol boom and others, even more demand for the productivity of our soil. So what is happening right now, in many cases, is we are pushing it to the limits and beyond the limits to what soil can carry and what our water can carry, and now we have to think about being really good conservationists, not on the scale of the individual farmer but on a national scale.

I wish to take some time to talk about conservation and what is happening in our country at large in terms of conservation and what is happening to our soil and water in America and why we have to do something about it and why little steps, little things aren't going to do it. We need some big steps, big interventions, just as we do on global warming. The previous two speakers talked about that. If we just tinker around the edges, it won't mean anything. It is the same with conservation. We need a national commitment to a conservation ethic to restore, renew, and preserve our waterways, our soil, our wildlife habitats, and, yes, the source of our water. All that needs to be preserved.

I have some pictures I wanted to point to here, some charts to give an idea of what I am talking about. I will bet you, Mr. President, a lot of Americans have seen this first picture somewhere. Every school kid has seen it in a history book. It is reprinted time and time again in one of our periodical magazines, talking about the great Dust Bowl of the 1930s.

What was the Dust Bowl? It took place in the panhandles of Oklahoma, Texas, some in New Mexico, Colorado, Kansas, up into Nebraska, and stretching up into South Dakota. This is one of the famous pictures taken in Cimarron, OK, in 1936 in the Dust Bowl. You can see there is no grass, nothing. You can see that the top of the posts are covered with dust. And there is a farmer and his kids running to take shelter from yet another one of the dust storms. That was in Cimarron County.

The year before that, in 1935, under President Franklin Roosevelt, the Soil Conservation Act passed and the Soil Conservation Service began providing help and service to farmers on conservation.

The next picture shows what happened that year. This is another famous picture, of a dust cloud in Kansas. On April 14, 1935, a dust storm started in eastern Montana, western North Dakota, rumbled through South Dakota into Nebraska, across Kansas into Oklahoma and into Texas. This dust storm was called Black Sunday. It was the biggest dust storm ever. In fact, it was preceded the previous year by a dust storm that swept from west to east that dumped dust on New York City. New York City got so dark it had to turn on its lights. Ships at sea could not dock in New York City because of the dust.

There is a wonderful book that I recommend that was released last year. This book by Timothy Egan is called ''The Worst Hard Time: The Untold Story of Those Who Survived the Great American Dust Bowl.'' I recommend this book.

First of all, it is a great read. He tells a wonderful story about the Dust Bowl, but he tells the history of the whole area and what happened in that area in the 1890s, 1900s, 1910s, 1920s, up to the 1930s. Here is what he said:

By some estimates, more than 80 million acres in the southern plains were stripped of topsoil.

Mr. President, 80 million acres.

In less than 20 years, a rich cover that had taken several thousand years to develop was disappearing day by day.

Eighty million acres of grassland turned over, grassland that he says in the book was laid down almost 20,000 years ago. As he said, this was land the buffalo couldn't hurt, the tornadoes, the fires, and the floods struck, but the grasslands stayed, and they came back year after year.

But then there was the land rush. That area was opened up to homesteaders. They came in with plows and new equipment. They plowed it all up, turned it over.

As one person said in Timothy Egan's book, he looked around and said: There is something wrong here; the wrong side is up. The dirt is up and the grass is down and the wind started blowing. And then came Black Sunday, April 14, 1935, the worst dust storm in recorded history. I don't mean in this century; I mean in recorded history, the worst dust storm ever.

Again, when people look at that picture and they read about Black Sunday, they say: That is all over with; we took care of that situation. But look at this next photograph: a dust storm, the same as you saw before, and this time with color photography. That is a dust storm in the same area in Kansas, taken last year. The same huge dust storms rumbling through the plains because we have, once again, stripped the soil bare, turned the wrong side up, and we lack good conservation practices.

Here is another picture. This one could have been in the thirties just as the first picture I showed, but this was taken in South Dakota last year. Here is a fence. We can barely see it. The top of the fence is almost covered, and it stretches as far as the eye can see. That is just dust and a few tumbleweeds. That is South Dakota last year.

I hope we can recall the lessons of the thirties and what putting marginal cropland in production will really cost us.

This farm bill will prohibit allowing newly broken native sod into the Crop Insurance Program. That is vitally important because you cannot be covered under the disaster provisions of this farm bill unless you buy crop insurance. So if you turn over native sod, you cannot get crop insurance on the newly broken land, and you will not get disaster payments, and you will not be eligible then for all the other programs. So there is a strong provision in this bill to at least save some of the native sod because history can and will and does repeat itself, as we have just shown.

That is the dust. Here is the water. This is a cornfield in my part of the country. We can see that it has rained, and there is water running off. It is running probably into a ditch, that ditch drains probably into a small stream, that small stream runs into a bigger river, and that river goes into either the Missouri River or the Mississippi River.

What happens is when this soil and water runs off, it is taking with it phosphorous, and it is taking with it nitrogen, washing down into the river. What happens to it? When it goes down river, it winds up down south of New Orleans. In this next photograph, the red area is called the hypoxic area, the dead zone in the mouth of the Mississippi. This picture was taken by satellite this year. That area in red is now

the size of New Jersey. These nutrient levels are so high, that it triggers an explosive growth of algae; when the algae dies, the decomposition process consumes all the oxygen, so all marine life dies—no crabs, no shrimp, no nothing.

So, again, the water we saw running off these fields goes into the Mississippi, and this is what happens to it.

What can be done about it? There are things that can be done about it. This picture show us one. I showed you a picture a little bit ago of the water running off the field. That wouldn't happen here. This is the Boone River watershed, Hamilton County, IA. We see buffer strips along the streams. So if there is a heavy rain, any runoff will be trapped by the trees and the grasslands and whatever else is in between.

Those nutrients are good for trees. It makes them grow. The trees keep the nutrients from going in the water. Practices such as this are promoted by several conservation programs—the Conservation Stewardship Program, the EQIP program, the Environmental Quality Incentives Program, and the Conservation Reserve Program, especially the continuous signup.

What is so important to note is that these are incentives paid to farmers to do these strips. One might say: Why wouldn't farmers just do that on their own? Why? Because of economics. The Senator was present today when I mentioned earlier about my backyard. I happen to be one of a few people who actually lives in the house in which he was born. Not many people can say that. I actually live in the house in which I was born.

A lot of people say: HARKIN, I live in the house I grew up in.

I said: That is not what I said. I live in the house in which I was born. I wasn't born in a hospital. I was born in a house, as were all my five siblings. We lived in a small town in rural Iowa. People were born at home.

In my home, we have a nice backyard with fruit trees. My wife planted a nice garden out there. Ever since I was a kid, I always thought I knew where the end of our garden was to the east, and there has always been a field there, about a 140-acre field with corn and beans.

Because of the high price of corn and the high price of beans, the owner of that property sent a notice to all of us who live around it saying: I just had my property resurveyed, and my property is about 6 feet more into your property than what you think.

He has his rights. No one ever bothered to think about it in the past. We had our garden there, and we had our trees. As a consequence, I am going to have to have some of our bushes and trees taken out and move the line back. I guess I mind a little bit, but the guy is within his rights.

One might think: What does 6 feet mean? Up until now, 6 feet never meant a hoot to any farmer who farmed that land, and it has gone through three or four different hands. No one ever cared about it. Because the demands are now so high on the owner of that property, and I am sure the farmer who farms that land says: You know, that extra 6 feet, I can grow a few more rows of corn in there and get some more money. So before next year we have to move everything back, and they get another 6 feet.

I tell that story to demonstrate the pressures that farmers are under to plow and plant right up to the fence row or anyplace they can get.

I don't know the farmer who owns that land in this photograph, but I can tell you his economic pressures are to plant right up to the stream, to get rid of all that buffer and plant right up to the stream. Why doesn't he? Because he is in a conservation program that is giving him incentives, payments to provide a continuous strip through there. He might have made a little more money if he had planted right up to it, but he has probably a CRP agreement for 10 years, maybe has a CSP contract.

I know a lot of farmers in Iowa who have done buffers like this. You know what, Mr. President. They feel better about it. They feel better about it because they know they are helping keep the water clean. They are farming the way nature really meant for them to farm. But because of economic pressures, they need help.

That is what this farm bill does, it provides some help and support. They get a benefit, but I can tell you, he probably would make more money if he plowed right up to the stream. But he is willing to give up a little bit as long as he gets some help from the Government to put this buffer in. They feel better about it.

What do we get out of it? Cleaner water, fish, not hypoxia down in the Gulf of Mexico. It cleans up our waterways. It preserves our soil for future generations. That is what is in this farm bill, to help them continue to do that.

I talked about the Midwest. How about the East? Here is a farm in Pennsylvania that uses many of our conservation practices. We see strip cropping and contour farming. They have some corn, maybe some alfalfa in there for livestock. It is good conservation practice. It looks as if he has a good rotation practices on this land.

There is one other item in this photograph. We see the city out here. It is encroaching on his farmland. There is a program called the Farmland Protection Program which buys easements on land, permanent easements on land. So that land cannot be converted to development; it has to stay as farmland. Again, here is a farmer. He could be getting CSP, the Conservation Stewardship Program. He may have gotten some EQIP money, and he may be getting farmland protection program money. I don't know. But those are all programs involved in preserving the land. We can see the strip cropping on the hillside and the contour plowing. That is what he has done to hold back the water. Again, part of our farm bill is to provide money for the Farmland Protection Program.

Here is something a little bit closer to where we are here in the Capitol. Any of us who have been around this area for any time knows the Chesapeake Bay is polluted. Now, not all of that Chesapeake Bay pollution is because of farmland. There is a lot of industrial waste coming from factories and from other places up and down—plants, people dumping stuff out and going into the Chesapeake Bay. That has to be stopped. But a big part of the Chesapeake Bay problem is the nutrients coming off a lot of our land, such as livestock waste. It comes from the whole Chesapeake Bay watershed, which extends all the way to New York State. So New York State, New Jersey, Pennsylvania, Delaware, Maryland, a little bit of West Virginia, all that water dumps into the Chesapeake Bay, eventually.

Here is a farm in New Castle County, DE. Again, this is a prime example of conservation of the Chesapeake Bay watershed. Prior to this picture being taken—you can see some wetlands and farm fields in the background—where that wetland is, crops used to grow. So from those fields, nutrients ran off right into the bay. Through conservation programs and through the Wetlands Reserve Program, this farmer has gone back and, with the help of conservation, has put this back into a wetlands, secluded off from the Chesapeake Bay, so any runoff filters through the wetlands. It filters through the wetlands before it gets to the Chesapeake Bay.

If anybody wants to see how a wetlands works, you don't have to go more than about 15 miles from where this Capitol is, southwest of here. There is something called the Huntley Meadows Wetlands Reserve. I recommend it highly for anyone. Go down there and take a stroll through the wetlands. They have done a great job. They have preserved the wetlands, and it is right in the middle of a city. All of a sudden you go from housing developments and busy thoroughfares up Route 1 and down south, and all of a sudden you are in a wetlands area. A lot of the runoff from apartment houses and businesses and parking lots and everything else drains into this wetlands. By the time it gets through and dumps into the Potomac River, it is clean. The wetlands cleans it up. It is 15 miles from here where you can see it happen, Huntley Meadows.

This bill provides $160 million for the Chesapeake Bay to do this kind of work to back up into the farmlands, restore wetlands, and help farmers build the structures and do the things to clean up the Chesapeake Bay. We can do it. This farmer did it in Delaware.

Now, this photo is from Georgia. Well, you can't see much except this shows pine trees back here. All pine

trees back here, but in the past they were overgrown and so thick that wildlife could not use it for habitat. So they thinned it out to provided for some wildlife cover in that area. One of Senator CHAMBLISS's priorities was to add a feature to the Conservation Reserve Program that will result in better management of soft wood pine stands currently enrolled in the CRP. The Senate bill invests $84 million in this effort. Again, showing the breadth and the depth of what we are doing on conservation in forested areas in the South, making sure we have good conservation at work there also.

And lest we forget about the West, this is Arizona. This is well-managed grazing land. The Conservation Stewardship Program provides incentives to increase current conservation, use better management practices, such as rotational grazing that better utilizes the resource base and increases wildlife habitat. The Senate bill continues to devote 60 percent of the Environmental Quality Incentives Program to livestock needs.

Again, it is hard to see here, but what we are trying to show with this is that with fences, with rotational grazing, you don't feed down all the grass and don't create areas where the wind blows all the dust, or if they have a heavy rain it runs the soil off. This is good conservation practice and rotational grazing. You graze for a while, then you move them on. But in order to do that, you obviously need some fences, and fences cost money. So we provide that kind of help. If a rancher wants to get involved in good conservation practices with rotational grazing, we help with that. We help with that. So even in the Arizona southwest, we can make a difference.

Well, now you might wonder about this picture. Well, we are all familiar with the problems affecting honeybees and other pollinating species. In this farm bill, we have made strategic changes to help with this issue. In the Conservation Reserve Program, the Conservation Stewardship Program, and the Environmental Quality Incentives Program, we emphasize the creation and improvement of both the native and managed pollinator habitat. We require the Secretary of Agriculture to update conservation standards to include consideration for pollinators. Now, our Senate bill provides clear direction to focus conservation programs on creating, improving, and maintaining pollinator habitats and to revise and update conservation practices to include pollinators.

Again, together these practices will help to establish better pollination. We know we have had a problem with honeybees dying. We don't know exactly what is causing it. They are doing a lot of research on it now. But we do know one thing. In order for our prairies once again to blossom and do all the kinds of conservation work we need, we need that little animal called a honeybee for pollination purposes. So this bill invests in that also.

Coming full circle, when I started off my talk, I showed pictures of the great Dust Bowl in Kansas and places such as that—eastern Colorado. That is where this picture was taken. If you could take a picture of here in 1935, you would see the Dust Bowl. What has happened in this area, obviously a housing development has grown up, but in the foreground you will see grassland. That is a grassland reserve. They can't build houses there. You see a part of it, but this is a huge grassland reserve—protected by an easement that ensures that it stays in agricultural production. Grass will grow there, and livestock will graze, and the grass will hold the soil down, and keep the dust from blowing.

So, again, in this Grassland Reserve Program, there are about a million acres enrolled right now, but we haven't been doing it very long. Remember, I mentioned in the Dust Bowl that 80 million acres—80 million acres—were turned up. We have a million in protected grassland. We have a long way to go. We have a long way to go. But we put in $240 million for the Grassland Reserve Program in this bill to continue the program.

Now, again, I want to digress a little bit on this grassland. You see, one of the other things we are doing in our farm bill is we are providing money for ethanol—cellulosic ethanol. Ethanol not made from row crops, such as corn, but cellulose made from grass, such as this. With the research we are doing, we know we can make ethanol from these grasses. We are getting the right enzymes to make it economical. The scientists and engineers tell me that in 5 years or so we will have an economical means of making cellulosic ethanol. We are already investing in that in several ethanol plants around the country.

Imagine, if you will, this huge area of grasslands in the Plains States, where I showed the picture of the Dust Bowl.

This is the picture I showed earlier of a dust storm in Kansas last year. Now imagine, if you will, that rather than cropping this land, as we do every year, we have grassland. Now, as Timothy Egan pointed out in his book, nature has a way of selecting the best ecosystem over a long period of time. Nature does that, whether it is the rain forest up in the Northwest, the bay area here for shellfish and others, and backwaters, where all the fish life starts, or in the grasslands in the Plains areas. So over thousands and thousands and thousands of years, nature laid down this thin topsoil, and on top of it grew grasses—buffalo grass, blue stem, others—and through selectivity, over periods of time, were the hardiest to grow there. They sent their roots down 20, 30 feet into the ground, and they could withstand years of drought, the worst blizzards, and grass fires that used to sweep across the Plains.

Anyone who has ever read the Laura Ingalls Wilder book ''Little House on the Prairie'' knows how she talks about the threat of these huge fires sweeping through and all of that kept coming back, the grasslands that were there. Millions of buffalo ranged up and down there and had enough food to sustain them forever, and in 20 years we turned over 80 million acres of it that then dried up and blew away.

But think about this. We are going to have cellulose ethanol made from grass. Ten years from now, fifteen years from now, twenty years from now, we could see much of this land back into grassland. Not for buffalo to graze on but being grown as cellulosic feedstock being cut for ethanol and making fuel for our country. You don't have to plow it up. You leave it there, you cut it, it stays there and grows the next year. We can have the best conservation, we can have our grasslands, and we can produce the fuel we need for this country and do it in a way that is in concert with nature.

So that is why it is so important we get this grassland back and provide the incentives to protect as much of this grass as possible, and that is why we put $240 million into this bill.

The last couple of things I want to show is the Conservation Security Program, now renamed the Conservation Stewardship Program, which has enrolled about 15 million acres since 2002. This was a new program put into the farm bill in 2002. You see, most conservation programs are programs designed to give incentives to someone to take land out of production, put it into grassland, put it in trees, wetlands and buffer strips. And that is an important part of conservation.

But there is a lot of working lands. We need farmers to be better conservationists on working lands, lands that are being cropped. That means, for example, putting on the right amount of fertilizer and other management practices that can make a big difference for the environment.

Through the Conservation Security Program, I saw areas where farmers enrolled, and transitioned to precision agriculture, with equipment guided by the Global Positioning System. They had soil tests done of their farm, and rather than applying the same amount of fertilizer all over, they put the right amount of fertilizer wherever they applied it—more one place, less in another place. They were able to monitor and get the right amount of fertilizer so it wouldn't run off. They were able to buy equipment so they could do minimum tillage, where they didn't have to turn the soil over with the plow. They could combine, cut the cornstalks and leave it right there on the ground.

I visited a farm in southern Iowa this summer that was in the Conservation Security Program. With help the farmer received from the program, he had purchased some equipment to do what I am talking about. Then he took me over his land. He had corn last year. This year, he is planting beans. So he

is on a rotation, which is good for the soil. But he left all his cornstalks chopped and laid on the ground. At the time of my visit, there was rain in his area. It rained almost 5 inches—5 inches in about 12 hours. Now that is a heavy rain. We drove all over his land in a four-wheel drive vehicle. He hardly had any soil runoff because that rain would hit those cornstalks on the ground, slide off—he almost had literally no soil runoff.

Right across the road was a farmer who was not in the program and was planting corn up and down the hillsides and there were ditches where the water had taken that soil and run off the farm into other ditches, into streams, and the soil was gone.

The program in the 2002 farm bill was a conservation program to help farmers be better conservationists on land on which they were actually producing crops or livestock. They didn't have to take land out of production. They just had to do things better: minimum tillage, crop rotations, buffer strips, applying with the right amount of fertilizer—that type of thing. For producers who have been able to enroll, it has worked wonderfully.

But there has been one problem. The administration decided to allow enrollment on the basis of a watershed rotation. Over eight years, the program would supposedly cover all the watersheds in the country, but it has fallen far short of that goal. That is the bad news.

The good news is in this farm bill we get off the watershed rotation, and make CSP a national program—producers in every watershed and region of the states would be eligible to enroll, every year. Producers are ranked based upon the level of conservation they are already doing, and how much new conservation they are willing to do as part of the contract. We are strengthening this program.

It is hard to see on this chart, but the conservation security program is in every State in the Nation. It is all over, from Washington, Oregon, California, all across the east coast. A lot of people have said it is mostly for the Midwest. That is not true. On the east coast, on the far west up in Idaho. We even have some in Alaska, even some in Hawaii—again, to protect our soil and other resources.

The point I want to make here is in the last 5 years since we put this program in, we have enrolled 15 million acres. I know that sounds like a lot, but under the new program we have in this bill, with the funding we have, we will enroll 13.2 million acres each year in this program—13.2 million acres every year. We had 15 million acres in 5 years. We will do almost as much every year for the next 5 years. This means by the end of this farm bill we will have about 80 million acres enrolled in this program.

What will that mean? It will mean cleaner water, better wildlife habitats, less soil runoff; a better environment, a healthier environment for farmers, their families, and for all of us. That is why this program is so important.

It is sad to say, the House didn't put anything into this program and actually cut the program from baseline. It is an important program, one that can do a lot of good for our country. But it needs to be funded properly to give producers a fair shot at enrolling for it to do the good it has the potential of doing.

Last, here is the kind of thing we are looking at here. We talked about the soil and the land but it all comes down to people and the kind of people we have farming, and their families. That is what it comes down to. How do we nurture beginning farmers? How do we get young people involved in this?

Here is a young dairy farmer, Matt Fendry. He is 25 years old. He farms near Lanesboro in southeast Minnesota. He is a beginning farmer. He sells his milk through Organic Valley out of Lafarge, WI.

Matt, like many beginning farmers and ranchers, will benefit from the provisions we have in the conservation title. Here is how we do it.

For beginning farmers like Matt Fendry, and socially disadvantaged producers, we have included a special increase in cost-share rates up to 90 percent. So if the young man here wants to do good conservation work on his land—maybe rotational grazing the grassland for his cattle—it probably will cost him a little bit to get some things established. He can get back 90 percent. He only has to put up 10 percent of this money. The Government will come in for 90 percent for a beginning farmer.

Ten percent of our conservation programs will be reserved for beginning farmers. And for the first time we will allow the Secretary of Agriculture to advance up to 30 percent of the value of an EQIP contract to beginning and socially disadvantaged producers so they can purchase the materials they need for conservation work.

Most of the EQIP money that will go to Matt for what he will do for good conservation would come after he does it, maybe a year after. That means he would have to borrow the money, and pay interest. Now we give the Secretary authority to get what he needs, 30 percent up front, so if he needs to put in fencing, buy seed, whatever he needs to get this operation going using good conservation, he can get up front.

I think that is probably the bottom line here on my whole talk this evening, and that is what can we do for conservation. But what can we do to get young people involved in a way so they start from the very beginning, not just being a producer but being an environmentally conscious producer and one who, from the very beginning, protects our soil, our water, and our wildlife habitat? That is the goal of this.

You can see I am very passionate about this. I am passionate because if you read history, you know what we are doing. We saw it in the photos at the beginning of my presentation—we are repeating the mistakes of the past. We are abusing the land and pushing it beyond its productive capacity. As I said—the farmers want to protect their soil and their land. But the economics of agriculture drives producers to produce as much as they can when prices are high. The farm bill has to counter those pressures.

It is not good for this country. It is not good for our society. It is not good for rural America. So we need to make some changes in this farm bill and redirect it and guide it toward more conservation.

Back in 1998, I was wondering why it was that Europe was spending so much of government money on their farmers, yet they were complying with the World Trade Organization restrictions on farm subsidies. We are spending less money on our farmers and somehow we are not complying. I wanted to see what were they doing in Europe different than we were doing. So I traveled around and visited a lot of their farms.

No matter where I went, I saw a pristine countryside. I saw a countryside with small towns that were vibrant. I saw soil that was protected, waterways that were decently clean—some areas better than others. Finally I began to figure it out, what countries like France, Belgium, Germany, Spain, England, and Denmark were doing. They were making ''green payments'' to farmers, payments to farmers for conservation. Under the WTO, that is in the ''green box,'' which means it doesn't count against WTO limits. So some of the Europeans figure out here is the way we support our farmers, our small towns, our communities, clean up our water, provide for a beautiful countryside, and, guess what, we don't take a hit in the WTO because of that.

That made me think. I come back, traveling around through this country, I see the wind blowing, I see the dust storms, the soil erosion, the hypoxia maps in the Gulf of Mexico, what is happening to the Chesapeake Bay, and I think: Wait a minute, why aren't we doing that?

We have a program now, a direct payment program—$5 billion a year, $25 billion over the life of this farm bill, that started in 1996, of direct payments to farmers. To qualify for direct payments, all you had to do is have base acreage and a certain crop back in 1981 to 1985. You don't have to plant anything to get this money.

Moreover, the bigger you are, and the bigger the base you had, the more money you get. The result is that these payments lead to a cycle. More direct payments means a greater opportunity to expand. More expansion means more direct payments. It is like a black hole, there is nothing to stop it.

I am concerned that this cycle is hurting family farmers. It encourages producers to get bigger and bigger. Yet here we go, $5 billion a year, $25 billion

over the life of this. It seems to me it would make much more sense and would be more supported, I think, by the general populace, if we took that money and put it out in green payments to farmers to build the buffer strips, the contours, the wetlands, the grasslands—yes, paying farmers to help them use the right amount of fertilizer and do rotations and things such as that, that help preserve the soil.

Conservation programs are perfectly acceptable under WTO. We get a lot out of it. I am hopeful in the coming weeks, maybe as we go to conference on this farm bill, we can do more for conservation.

I want to say we did a good job on conservation in this bill. I am not denying that. We put good money in conservation. I thank my ranking member, SAXBY CHAMBLISS, and all the others on the committee. It was a hard fight but we got the money in there. But it is not quite enough when you look at all the other things in the farm bill. We moved the ball forward, but I think with the demands on our farmers now, what we see happening around this country, we need an even greater commitment. We need to do a lot more in conservation than we have ever done before or pretty soon the scales will tip so far that the kind of money it is going to take it to do it will be prohibitive.

That is why I take the time of the Senate tonight to talk about conservation. We need a better conservation ethic in this country. As we consider the farm bill, we need to be talking about soil and water conservation, helping farmers be better stewards of the soil and water. I am hopeful as we move into more debate we can make a few changes that will add some money to conservation before we go to conference. We have done a lot in the farm bill, but we have a lot more we can do.

So I ask any Senator out there who has an amendment, if you have not filed it, you better file it because pretty soon we may cut it off.

I am not encouraging amendments, you understand. I am just saying, if you have one, you better get it in in a hurry, and we will take a look at it.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

UNANIMOUS CONSENT REQUEST—EXECUTIVE CALENDAR

Mr. HARKIN. Mr. President, on behalf of Senator REID, I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 206, the nomination of James Kunder to be Deputy Administrator of the U.S. Agency for International Development; that the nomination be confirmed; the motion to reconsider be laid on the table; the President be immediately notified of the Senate's action; and the Senate then return to legislative session.

The PRESIDING OFFICER. Is there objection?

Mr. CHAMBLISS. Reserving the right to object, I understand that Senator COBURN, who was on the Senate floor a little earlier, has an objection to this request. On his behalf I would object.

The PRESIDING OFFICER. Objection is heard.

Mr. CHAMBLISS. Mr. President, I would like to say to all of our colleagues, we have worked diligently to try to come together with a list of amendments on the farm bill to try to make sure that we proceed in some sort of regular order over the next several days.

Unfortunately, we have been here all day without being able to consider amendments. It is the unfortunate part of the way we do business in this body, trying to be deliberate, trying to make sure we are fair, not operating under a rule like our colleagues in the House do.

It is the way the Senate is designed to work. I think now it appears our leaders are going to be able to sit down with a list of amendments that have come forward from the majority side of the aisle, a list of amendments that have come forward from the minority side of the aisle, and we are going to be able to agree that these are all of the amendments that can be considered.

There is no agreement that all of them are germane, but there is hopefully going to be an agreement shortly that will allow us to proceed in the regular order for the consideration of amendments. It is a frustrating process that we go through from time to time.

When we were in the majority and our colleagues on the other side of the aisle were in the minority, again, there was many a day that we sat wanting to move forward and not being able to because of the way the process in the Senate works.

I would simply say to our colleagues that I fully expect that we are going to have an agreement, which means we should be able to move forward with the farm bill tomorrow, from an amendment consideration standpoint. Senator HARKIN and I pretty well agreed on the order of a couple of amendments that we will begin with that are critical amendments for consideration.

I am very hopeful that within the next couple of days not only will we make significant progress on the farm bill, but I am very hopeful, as I know Senator HARKIN, Senator CONRAD, and all of us are who have been working very hard together in a bipartisan way to get this bill before our colleagues, to have it considered before we get away from here for Thanksgiving so we can complete it early on in December and, hopefully, get it to the desk of the President in time that farmers and ranchers across this country will know what the farm policy is going to be for the next 5 years versus having to enter into the end-of-the-year process with a big question mark out there.

I simply say, again, we hope that is going to happen. I hope before we leave here in the next several minutes, whatever it may be, that we do have some agreement on the direction in which we are moving with respect to amendments to be offered to the farm bill.

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

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

Mr. THUNE. Mr. President, we are still, as I understand, on the 2007 farm bill. I wanted to speak to one particular title of that bill, if I might, today.

As I have noted before, I support the Food Security and Energy Security Act of 2007, which is currently before the Senate. My hope is that in the not too distant future, we will be able to reach an agreement with regard to amendments so that we can move this process forward.

My fear is, if we do not reach any resolution this week and this gets pushed back until after the Thanksgiving break, that we run a very serious risk that we are not going to be able to get a bill through the Senate, conferenced with the House, before the end of the year.

In my judgment it is incredibly important to farmers and ranchers across this country that we come to some conclusions with this farm bill to give them some certainty, as they approach the 2008 planting season, about what the rules are going to be, what the programs are going to be, how it has perhaps changed from what we currently have in place.

But, in any event, it is, from a timing standpoint, of great importance that we act as soon as we can on the 2007 farm bill. So my hope would be, again, that we reach some resolution between the leadership on both sides as it pertains to amendments, and, of course, I have an amendment dealing with renewable fuel standards that I hope will be able to be included in that list of amendments that we get to debate and ultimately vote on.

But I do want to speak this evening with regard to one particular aspect of this farm bill, and it is an important one. It is one that perhaps has not been emphasized as much in this debate, although the Senator from Iowa, I heard earlier this evening, speaking to the conservation title of the farm bill. But my colleagues and I have spent the better part of the last 2 years listening to our constituents and translating those concerns and suggestions into the farm

bill that we have before the Senate today. We have also listened to multiple criticisms, mostly coming from those who are not directly involved in agriculture, telling us what is wrong with this farm bill.

But today I would like to talk about the conservation title because I believe it is just as critical to production agriculture in many respects as the commodity title.

The conservation title of the farm bill comprises only about 9 percent of its total cost. Yet it potentially affects more than 350 million acres of land in the United States.

When I say 9 percent, if you look at total spending in the 2007 farm bill, about 14 percent of the money in the bill is in the commodity title. Those are the programs that support production agriculture. About 9 percent is in this conservation title to which I address my remarks. The balance—about 67 percent or about two-thirds—of the funding in the farm bill actually goes toward nutrition, those aspects of the farm bill that really are very much unrelated to production agriculture. That is where the predominant share of the money is spent. A lot of times when those who criticize farm bills attack the funding that goes toward production agriculture, it is important to realize that most of the money in this bill isn't going to production agriculture. It is not going to the commodity title. It is going, two-thirds of it, to the nutrition title. That is in contrast to the last farm bill, the farm bill we operate under today, where about 28 percent of the funding in the bill goes to the commodity title, production agriculture, and about 54 percent of the funding, under the 2002 farm bill which is currently in effect and which we are hopefully reauthorizing with the 2007 version, goes toward nutrition. Under the new farm bill, the one before us today, about 67 percent of the money would go toward the nutrition title of the bill. I don't think it is fair in many respects when those who would like to criticize this attack it for the money going to the commodity title. That is certainly not the case.

The 9 percent that goes into conservation is important. There probably isn't anything that we do in terms of conservation or environmental stewardship that actually does more to achieve the objectives we all want than this conservation title in the farm bill achieves.

This picture, taken in 2007, is an example of the role played by the farm bill conservation title. What you see in the picture is CRP on the farm. You see also an example of crop production, working literally hand in hand. If you look in the bottom part of the picture, you see Conservation Reserve Program, the land that has been put into native grasses that is in abundance. You see in the center of the photograph a wetland area, some water in the background. Across the way, you see the cornfields that have been planted. The balance that has been struck on this property is seen between conservation, between native grasses, a wetland area that has been managed, and it all being complemented with a corn crop as well. That sort of describes what all of us would like to see when it comes to the way we manage our lands and the way farmers go about incorporating conservation practices into their crop production as well.

The CRP on this farm, the 1.5 million acres enrolled in CRP in South Dakota added 10 million pheasants and $153 million to South Dakota's economy. This year's record corn crop in South Dakota at 556 million bushels is worth an additional $1.8 billion to South Dakota farmers—again, those two working hand in hand in South Dakota achieving record corn crops at the same time that we have a record pheasant crop because of the good conservation practices that have been employed by many of the farmers in our State and which have been in response to, their practices, many of the incentives that were put in place in previous farm bills.

The second picture we have this evening is a picture taken not too long ago in South Dakota, a few months back, in the year 2007, and it tells another story. A lot of people would look at this picture and say: That must be the Great Depression, because when you look at it, that certainly is what it would appear to be. But it is not a scene from the 1930s; it is a scene from last March in 2007. It is an example and a result of what happened when native sod was cropped, because crop insurance provided an unintended incentive to convert marginal pastureland or native sod into cropland. This picture sends a stronger message than any words could about the inherent need to take care of our land. The topsoil you see in the fence line and ditch along this South Dakota field took literally millions of years to create and one dust storm to remove. The damage you see here cannot be undone.

There is a sod saver provision in the farm bill we are considering. It won't prohibit anyone from converting native sod into cropland, but what it does do, what the sod saver provision in this bill does is eliminate the incentives found in current Federal farm policy that encourage unwise farming practices which result in the consequences shown here.

Again, it is not a scene from the 1930s, which at first glance one might expect, but it is a scene literally from last March, calendar year 2007, in South Dakota. It is an example of what can happen when bad practices are undertaken.

The next picture is an example of some of the native sod that is being converted to cropland in South Dakota. For the past 100 years, billions of acres of prairie have been converted to productive farmland. Most native sod that can be productively farmed in South Dakota and other prairie States has already been converted to cropland. We faced a shortage of money to write this farm bill. I don't believe it is a wise use of Federal funds to pay for crop insurance and disaster programs on this type of land. If the farmer who owns this land wants to farm it under this farm bill, he or she is free to do so. But let's not subsidize it. That is an example of land that should not be brought under the plow, and this farm bill prevents crop insurance or disaster program payments from going to a farmer who would convert native prairie ground such as this into cropland.

This is an example of a dust storm that was not limited to the 1930s. This picture was taken in 2005 in South Dakota. Once again, we see the consequences of unwise land stewardship practices disturbingly evident in this picture.

During the 1930s, South Dakota received billions of tons of Kansas and Oklahoma topsoil, much of it still in place in fence lines and fields. The programs we drafted in the conservation title of this farm bill, if funded adequately, will ensure that Kansas and Oklahoma farmers no longer see their topsoil blow to South Dakota and that South Dakota farmers will keep their topsoil in their fields and not in the ditches and fence lines as we saw in the previous picture.

I have stated many times before and I will emphasize once more that production agriculture and conservation should not compete; rather, they should complement each other.

This is another picture of a South Dakota cornfield in CRP. CRP is native grasses in the foreground and then, of course, a cornfield planted toward the background of the picture. Every agricultural area in the country is blessed with productive land and also land that needs help to keep from polluting the water we drink and the air we breathe.

I ask those who are so critical of this farm bill to take a close look at the conservation title and what it offers. In spite of the budget cuts made in drafting this farm bill, which made it more difficult than writing any other farm bill that has ever been written, I am pleased that my colleagues and I have been able to write a farm bill with a sound conservation title.

I will point out once more examples of the benefits of the conservation title in this farm bill: First, protecting and enhancing our soil and our land; secondly, providing an economic alternative to placing costly fertilizer, seed, and chemicals on unproductive cropland; third, enhancing recreation and boosting local economies, which, as I noted earlier, created in our State of South Dakota an abundance of pheasants, 10 million pheasants this year, which is the highest number of pheasants we have seen at any time since the 1960s—they say about 1962 was the last time we had this kind of pheasant numbers in South Dakota—and $153 million to the economy of my State as a result of the recreation value that

comes from good, sound conservation practices.

I believe it is very important to take a breather from the controversy surrounding this farm bill and to take a few minutes to focus on the farm bill's proven capabilities to enhance rural America and to improve our Nation's water and soil. The conservation title will do just that. This is one of many reasons this farm bill deserves the support of our colleagues.

I leave my colleagues with the following information regarding the conservation title in the 2002 farm bill. Nationwide, without a conservation title, we would have 13.5 million fewer pheasants, 450 million tons of topsoil disappearing every single year, 2.2 million fewer ducks, an additional 170,000 miles of unprotected streams, and 40 million fewer acres of wildlife habitat. That is the value of a conservation title in the farm bill which accomplishes multiple objectives—protecting and enhancing our soil and land, providing an economic alternative to placing costly fertilizer, seed, and chemicals on unproductive cropland, and enhancing recreation and boosting local economies. Nine percent of the funding in this farm bill goes toward that end. That, when put in a total perspective of what this farm bill spends, is not that much relative to the benefit we accomplish and to the bad things we avoid happening by having a good conservation title.

As this farm bill is debated, we will have amendments at some point when we get an agreement. The amendments will focus on a lot of other areas of the farm bill. Some will focus on the commodity title and trying to move money around within the farm bill.

I am interested in the energy title. I have an amendment to the energy title, and we worked very hard in crafting the energy title in this farm bill to provide the necessary economic incentives for further investment in cellulosic ethanol production. The renewable fuels standard amendment I hope to be able to offer along with Senators DOMENICI AND NELSON of Nebraska and others on a bipartisan basis will make that energy title stronger. It will improve it.

It will give us some headroom to work within the area of renewable energy. The renewable fuels standard put in place back in 2005 called for 7.5 billion gallons of renewable fuel by the year 2012. We are going to hit 7.5 billion gallons by the end of this year if we don't act to increase the renewable fuels standard. We have a terrible crunch that is coming ahead of us. I hope we can get this amendment adopted that raises the renewable fuels standard, moves it to 8.5 billion gallons in the year 2008. It will give us the necessary headroom to keep this wonderful example of renewable energy in this country and a remarkable story going forward.

If we don't do something to address the renewable fuels standard, my fear is we will run into a wall. That would not be good. It would not be good for those who have already invested in ethanol facilities. It would not be good, clearly, for the economy in rural areas and all the jobs that have been created as a result of renewable energy. As importantly, if not more importantly, it will do nothing to lessen our dependence upon foreign sources of energy, which at the end of the day is so important in terms of our policy objectives.

This farm bill, by encouraging more energy production, if we can get the renewable fuels standard added to it, will take us a long way toward lessening our dependence on foreign energy. I would hope before this debate is concluded we will be able to have the amendments adopted and voted on, if not adopted, but certainly a chance to debate these things which we think will make the farm bill stronger. Some of those amendments may deal with the conservation title, but I think this particular title is one that often gets overlooked in the discussion that is held about the farm bill because of the focus on production agriculture and because of the focus on the nutrition title of the bill which really comprises about two-thirds of the total funding of the bill.

But 9 percent of the money that is spent in this farm bill, the conservation value we get from that and the difference it is making in areas all across this country in protecting our critical soil and water resources, in adding to our economy, providing recreational opportunities such as pheasant hunting in South Dakota—this is a very important title of this bill, one that there was great deliberation and consideration given toward coming up with.

I hope at the end of the day we will get the farm bill passed before the end of the year and get this conservation title, along with the other policy changes that are included in the farm bill, implemented into law so our farmers and our ranchers and those who will benefit from the great recreational opportunities that will result from this conservation title will know what the rules are going to be as we approach this next year.

So, again, I have heard many of my colleagues come down and speak on the floor today about different aspects of this bill. My biggest hope and greatest fear at this point is—my biggest hope is we get this thing moving this week. My greatest fear is if we do not, we are not going to get a farm bill this year. So I hope before we leave this week we will come to a resolution about amendments and the way forward and the process we are going to use to get a farm bill adopted.

Mr. President, I yield the floor.

VETERANS DAY

Mr. CARDIN. Mr. President, 53 years ago, President Dwight Eisenhower named November 11 ''Veterans Day,'' setting aside that day to honor all Americans who have served our country so honorably in the military, both in war and in peace.

I want to take the opportunity this day of remembrance provides to say to all veterans and their families, thank you for your courage, your character, your strength, and the enduring power of your example. All Americans owe you our gratitude and appreciation for your commitment to and sacrifice for our Nation.

Since our Nation's struggle for freedom more than two centuries ago, nearly 50 million men and women have served in the U.S. military and nearly 25 million of these veterans are alive today. Our thoughts and prayers also are with our veterans of tomorrow—the 1.4 million Americans serving in our Armed Forces, including the more than 189,000 service men and women who are in harm's way in Iraq and Afghanistan. Because of the noble service and tremendous sacrifices of our men and women in uniform, the United States stands as a beacon of democracy, hope, and opportunity to the rest of the world.

At this moment, as we send soldiers to fight overseas, our support for our servicemembers must remain steadfast and strong. Our veterans have earned access to quality health care, affordable educational opportunities, and a chance to thrive once home.

I am proud today to be a part of this Congress that has worked to honor our commitment to our Nation's veterans. In September, the Senate passed the Veterans Affairs Appropriations bill for 2008. The legislation provides nearly 65 billion dollars for the Veterans' Administration. Specifically, the bill makes substantial new investments to improve and strengthen health care for our brave veterans, making critical investments in medical services, including treatment of traumatic brain injury, TBI, and post-traumatic stress disorder, PTSD, for Iraq and Afghanistan veterans; funding for new claims processors to address the backlog of pending disability claims, and the investment in VA repair and maintenance necessary to prevent another Walter Reed type situation. These investments address key shortcomings in our veterans health care system.

Although a minority in the Senate blocked our ability to send that legislation to the President's desk last week, we voted this past Thursday to provide temporary funding at the level the Bush administration requested. That amount is $4 billion less than what we in Congress originally intended. We remain committed to ensuring the VA receives the full $65 billion necessary to provide veterans the care and services they have earned.

But just as important as the quality of care is access to care. My colleague, Senator BARBARA A. MIKULSKI, and I have worked together to secure Federal funding for two new VA community-based clinics in Maryland—one at Andrews Air Force Base in Prince

George's County and another at Fort Detrick in Frederick County. Not only will facilities like these help to reduce backlog and waiting times, they will allow more veterans to receive care close to home.

We know, however, that we can and must do more for our Nation's veterans, for those who have given so much to our country. In addition to giving our veterans the benefits they deserve, we must continue to honor their service and keep the memory of our fallen soldiers alive. In that spirit, I introduced bipartisan legislation to grant a Federal charter to the Korean War Veterans Association, S. 1692, the only fraternal veterans' organization in the Unites States devoted exclusively to veterans of the Korean war. This bill unanimously passed the Senate, and I am hopeful it will soon pass the House. Should that happen, it will ensure that the nearly 1.2 million American veterans of the Korean war will receive the Federal recognition they deserve for their dedication and sacrifice.

As elected leaders, we also have an obligation to act as good stewards for our military, exercising wise judgment for its use and providing the equipment, training, and materiel necessary for its success. My colleagues and I have made a good faith effort to act as those stewards.

Just this past Thursday evening, Congress passed a spending bill that provides $460 billion for the Department of Defense, which is $40 billion above the fiscal year 2007 enacted level. Congress directed that money be spent on a pay raise and better medical care and benefits for our troops but also on procuring new equipment for our National Guard, increasing troop strength, and developing the Armed Forces and the tools necessary to engage in the very different types of conflicts we are confronted with in the world today.

In his second inaugural address, a portion of which is engraved on our Veterans' Administration building, President Lincoln said:

> Let us strive on to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just, and a lasting peace, among ourselves, and with all nations.

I see those words as a charge to us here in Government, laying out the grave and important work we have left to do. But I think these words can serve as a guide to all of us, in every community, today and every day, as we welcome and honor our returned and returning heroes and work toward a more perfect Union.

Mr. KYL. Mr. President, founding Veterans Day in 1954, President Dwight D. Eisenhower called upon Americans to ''solemnly remember the sacrifices of all those who fought so valiantly, on the seas, in the air, and on foreign shores, to preserve our heritage of freedom. . . .'' Today, we heed the advice of President Eisenhower and pay respect to all soldiers who have sacrificed to ensure America remains free, safe, and the symbol of democracy around the world.

Throughout history, our soldiers have been asked to abandon their livelihoods to defend America's ideals and freedoms. Our soldiers have shouldered this great responsibility with courage, dedication, and honor. In return, this Nation cannot forget the countless sacrifices our soldiers have made for this country. We commemorate these valiant Americans who have protected the liberties and freedoms that all enjoy today.

Congress must do its part to honor our Nation's soldiers. We are profoundly grateful for the many sacrifices that our soldiers have made in the current war against terrorists and in past conflicts. This includes ensuring all veterans receive proper health care, benefits, rehabilitation, and services. Congress will continue to support our veterans.

We are all forever indebted to our veterans. I, therefore, personally thank all veterans and their families for the sacrifices you all have endured. I salute your valor and am immensely grateful for your service.

RECOGNIZING THE RUNNIN' BULLDOGS

Mrs. DOLE. Mr. President, it is with great honor that I rise today to proudly recognize the accomplishments of the Gardner-Webb University ''Runnin' Bulldogs'' of Boiling Springs, NC.

Originally chartered on December 2, 1905, Gardner-Webb has long been known for its excellent academic and athletic programs, which is a testament to its accomplished faculty. As a thriving regional university, Gardner-Webb offers eight unique degree programs on its beautiful 200 acre campus. Led by University President Dr. Frank Bonner, its approximately 4,000 students are some of the brightest minds their generation has to offer and I look forward to witnessing their rise through the ranks in the coming years ahead.

On November 7, 2007, in a truly David versus Goliath story, the Gardner-Webb ''Runnin' Bulldogs'' basketball team visited storied Rupp Arena to challenge the Kentucky Wildcats, one of college basketball's most successful programs, boasting seven National Championships. Late into the evening it became official, the Bulldogs shocked college basketball by upsetting the #20 ranked Wildcats. The Bulldogs entered the locker room at halftime with an 11 point lead and never looked back. With a final score of 84–68, head coach Rick Scruggs, team staff and the determined players masterfully executed their game plan which will forever be remembered as one the greatest upsets in college basketball history.

I join the university's many loyal supporters, alumni and fans everywhere in commending not only the Bulldogs' outstanding accomplishment last night, but the entire Gardner-Webb community for cultivating an environment that believes that accomplishing anything is not only plausible, but as highlighted last night, is possible.

TRAVEL RULES

Mrs. FEINSTEIN. Mr. President, I wish to notify all Senators that on Friday, November 9, 2007, the Committee on Rules and Administration approved the request of the Select Committee on Ethics and granted a 3-week extension until December 3, 2007, for the Ethics Committee to issue the initial guidelines implementing the new rules on privately sponsored travel required by Public Law 110–81.

In their letter to the Rules Committee, Senators BOXER and CORNYN note that unless the request is approved, the new travel rules would become effective on November 13, 2007. Due to the scheduling of a number of proposed trips on or shortly after November 13, the Ethics Committee believes that the additional required paperwork would not be submitted in time for review before the trips commence.

The 3-week extension will afford the Ethics Committee additional time to post the proposed new travel guidelines on its Web site. These guidelines will be effective on December 3, 2007, and all privately sponsored travel beginning on or after that date will be required to conform to the new rules and guidelines.

I ask unanimous consent to have the letter from the Ethics Committee dated November 7, 2007, printed in the RECORD.

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

U.S. SENATE,
SELECT COMMITTEE ON ETHICS,
Washington, DC, November 7, 2007.

Hon. DIANNE FEINSTEIN,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

Hon. ROBERT F. BENNETT,
Ranking Member, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR SENATORS FEINSTEIN AND BENNETT: Consistent with the Honest Leadership and Open Government Act of 2007 (the ''Act''), the Select Committee on Ethics requests that the Committee on Rules and Administration extends until December 3, 2007, the deadline for the Ethics Committee's formal issuance of the initial guidelines implementing the new rules on privately-sponsored travel. (See Section 544(b)(4) of the Act.)

The legislative history of the Act provides that the new travel requirements ''go into effect 60 days after enactment, or the date the Select Committee on Ethics issues the required guidelines under the rules, whichever is later.'' Without the requested extension, the new travel rules would become effective on November 13, 2007. The Committee has prepared guidelines and new forms that

must be completed by Senate members and staff, as well as trip sponsors, 30 days prior to their travel. We would be ready to issue these guidelines and forms on November 13. However, a number of proposed trips that have been submitted to the Committee for review begin on or shortly after November 13, and it would be highly unlikely that the additional paperwork could be completed for review by the Committee before these trips begin.

If the Committee on Rules and Administration extends the deadline for issuance of the guidelines until December 3, 2007, all privately-sponsored travel beginning on or after that date would be required to conform to the new rules and guidelines.

So that privately-sponsored travel starting on or after December 3, 2007, may meet the requirements of the new travel rules, the Committee intends on November 13, 2007, to post on its Web site a preview of the complete text of the new travel guidelines, and related regulations and forms, that the Committee will issue formally on December 3, 2007, if the Committee on Rules and Administrations grants the requested extension.

Thank you for your prompt attention to this request,

Sincerely,

BARBARA BOXER,
Chairman.
JOHN CORNYN,
Vice Chairman.

EMANCIPATION HALL

Mrs. FEINSTEIN. Mr. President, I rise today, as chairman of the Senate Rules and Administration Committee, to voice my support of legislation to name the great hall in the new Capitol Visitor Center ''Emancipation Hall.''

This legislation—S.1679—was introduced by Senator MARY LANDRIEU on June 21, 2007, and is cosponsored by Senator BARACK OBAMA. I am proud to join them as a cosponsor.

A companion bill has been introduced in the House of Representatives by Representatives ZACH WAMP and JESSE JACKSON. The measure has over 225 cosponsors in the House and last week it was approved by the House Transportation and Infrastructure Committee. It is my understanding that it will soon be taken up by the House, which earlier approved the proposal as part of the fiscal year 2008 legislative branch appropriations bill.

I encourage my colleagues in the Senate to support this legislation.

The naming of ''Emancipation Hall'' in the new Capitol Visitor Center would be a fitting tribute to the contributions of slaves in the construction of our Nation's Capitol Building. It would also serve to recognize the end of slavery in the United States.

The Capitol Visitor Center is nearing completion, and its Great Hall promises to be a spectacular place—an estimated 3 million people are expected to gather in the area as they come to visit our great Capitol each year.

And through large skylights in the ceiling, visitors will be able to look upwards and gaze upon the grand Capitol dome.

This environment is the perfect place for visitors to reflect upon the construction of the U.S. Capitol, and to recognize the slaves who helped to build it.

The total number of slaves who worked on the Capitol is unknown. But there is evidence that slave workers contributed in a number of important ways to its construction. This includes a slave named Philip Reid who played an important role in the casting of the 19-foot, 15,000-pound bronze Statue of Freedom that rests atop the Capitol dome. Others are memorialized in pay stubs to their owners for work done in the Capitol.

Naming the Great Hall of the Capitol Visitor Center as ''Emancipation Hall'' would serve to recognize both the brutal truth of our Nation's past and the importance of freedom as a pillar of modern America.

The history of slavery in the United States is a grim chapter in our Nation's history. But the Emancipation Proclamation, issued by President Abraham Lincoln on January 1, 1863, was an important step toward abolishing slavery in the United States.

In the Emancipation Proclamation, President Lincoln declared:

> I do order and declare that all persons held as slaves within said designated States, and parts of States, are, and henceforward shall be free; and that the Executive government of the United States, including the military and naval authorities thereof; will recognize and maintain the freedom of said persons.

While the Emancipation Proclamation did not officially abolish slavery in all of the United States, it was an important commitment by the government to end this centuries-long injustice.

By sustaining the history of this great act, we highlight the importance of freedom. And by naming the Capitol Visitor Center's main entry as ''Emancipation Hall,'' we do so in a significant way that all visitors of our Nation's Capitol Building will notice and respect.

As chairman of the Senate Rules and Administration Committee and the Joint Committee on the Library, which oversees Capitol artwork, I believe it is very important to provide an accurate and diversified image of our Nation for the visitors to our Capitol. The naming of ''Emancipation Hall'' would be one step toward achieving that.

I also welcome a new report by the congressional Slave Labor Task Force, which has come forward with a number of recommendations for acknowledging and commemorating the work slaves performed in building our Capitol.

I look forward to working with the task force on this issue so people throughout the world will know more about the contribution by slaves toward constructing the building that has become the very foundation of our democracy.

IDENTITY THEFT ENFORCEMENT AND RESTITUTION ACT

Mr. LEAHY. Mr. President, I am disappointed that some Senator is preventing the Senate from taking an important step forward to combat identity theft and to protect the privacy rights of all Americans by passing the Leahy-Specter Identity Theft Enforcement and Restitution Act of 2007. This bipartisan cyber crime bill, which was requested by the Department of Justice, will provide new tools to Federal prosecutors to combat identity theft and other computer crimes. I know that it is cleared for passage by all Democratic Senators.

The dangers of identity theft and other cyber crimes continue to increase as our Nation becomes more dependent on high technology. In fact, just last week, FBI Director Robert Mueller stated that ''[c]yber threats will continue to grow as people become more and more dependent upon digital technology'' and ''we will be vulnerable to terrible attacks.'' Prompt Senate action on this bill will bring us one step closer to providing greatly needed tools to the Federal prosecutors and investigators who are on the front lines of the battle against identity theft and other cyber crimes. I urge those objecting to proceeding on this bill to reconsider their actions and allow the bill to be considered and passed.

I thank Senator SPECTER, who has been a valuable partner in combating the growing problem of identity theft for many years, for joining with me to introduce this important privacy bill. I have once again worked in a bipartisan manner with a group of Senators on both sides of the aisle to draft this legislation. I thank Senators DURBIN, GRASSLEY, SCHUMER, BILL NELSON, INOUYE, STEVENS, and FEINSTEIN for joining with us as cosponsors of this important legislation.

I commend Senators BIDEN and HATCH for their contributions in this area. I am pleased that several provisions they have suggested to further strengthen this cyber crime legislation were included by amendment in this bill when it was considered and reported by the Judiciary Committee and that they, too, have now cosponsored our bill.

Senator SPECTER and I have worked closely with the Department of Justice in crafting this bill, and the Leahy-Specter Identity Theft Enforcement and Restitution Act has the strong support of the Department of Justice and the Secret Service. This bill is also supported by a broad coalition of business, high-tech and consumer groups, including Microsoft, Consumers Union, the Cyber Security Industry Alliance, the Business Software Alliance, AARP, and the Chamber of Commerce.

The Identity Theft Enforcement and Restitution Act takes several important and long overdue steps to protect Americans from the growing and evolving threat of identity theft and other cyber crimes. First, to better protect American consumers, our bill provides the victims of identity theft with the ability to seek restitution in Federal court for the loss of time and money

spent restoring their credit and remedying the harms of identity theft, so that identity theft victims can be made whole.

Second, because identity theft schemes are much more sophisticated and cunning in today's digital era, our bill also expands the scope of the Federal identity theft statutes so that the law keeps up with the ingenuity of today's identity thieves. Our bill adds three new crimes—passing counterfeit securities, mail theft, and tax fraud—to the list of predicate offenses for aggravated identity theft. And, in order to better deter this kind of criminal activity, our bill also significantly increases the criminal penalties for these crimes. To address the increasing number of computer hacking crimes that involve computers located within the same State, our bill also eliminates the jurisdictional requirement that a computer's information must be stolen through an interstate or foreign communication in order to federally prosecute this crime.

Our bill also addresses the growing problem of the malicious use of spyware to steal sensitive personal information, by eliminating the requirement that the loss resulting from the damage to a victim's computer must exceed $5,000 in order to federally prosecute this offense. The bill also carefully balances this necessary change with the legitimate need to protect innocent actors from frivolous prosecutions and clarifies that the elimination of the $5,000 threshold applies only to criminal cases. In addition, our bill addresses the increasing number of cyber attacks on multiple computers by making it a felony to employ spyware or keyloggers to damage 10 or more computers, regardless of the aggregate amount of damage caused. By making this crime a felony, the bill ensures that the most egregious identity thieves will not escape with minimal punishment under Federal cyber crime laws.

Lastly, our bill strengthens the protections for American businesses, which are more and more becoming the focus of identity thieves, by adding two new causes of action under the cyber extortion statute—threatening to obtain or release information from a protected computer and demanding money in relation to a protected computer—so that this bad conduct can be federally prosecuted. In addition, because a business as well as an individual can be a prime target for identity theft, our bill closes several gaps in the Federal identity theft and the aggravated identity theft statutes to ensure that identity thieves who target a small business or a corporation can be prosecuted under these laws. The bill also adds the remedy of civil and criminal forfeiture to the arsenal of tools to combat cyber crime, and our bill directs the U.S. Sentencing Commission to review its guidelines for identity theft and cyber crime offenses.

The Identity Theft Enforcement and Restitution Act is a good, bipartisan measure to help combat the growing threat of identity theft and other cyber crimes to all Americans. This carefully balanced bill protects the privacy rights of American consumers, the interests of business, and the legitimate needs of law enforcement. This privacy bill also builds upon our prior efforts to enact comprehensive data privacy legislation. The Leahy-Specter Personal Data Privacy and Security Act, S. 495, which Senator SPECTER and I reintroduced earlier this year, would address the growing dangers of identity theft at its source—lax data security and inadequate breach notification. Protecting the privacy and security of American consumers should be one of the Senate's top legislative priorities, and I urge the majority leader to take up that measure at the earliest opportunity.

Again, I thank the bipartisan coalition of Senators who have joined Senator SPECTER and me in supporting this important privacy legislation, as well as the many consumer and business groups that support this bill. I urge whoever is holding up this bipartisan bill to stop delaying this measure so that the Senate can promptly pass this important and much needed privacy bill before the Thanksgiving recess.

I ask unanimous consent that a support letter from the Chamber of Commerce be printed in the RECORD following my remarks.

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

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
Washington, DC, November 2, 2007.

Hon. PATRICK LEAHY,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, DC.

Hon. ARLEN SPECTER,
Ranking Member, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR CHAIRMAN LEAHY AND RANKING MEMBER SPECTER: The U.S. Chamber of Commerce, the world's largest business federation representing more than three million businesses and organizations of every size, sector, and region, thanks you for your leadership on issues related to identity theft and other types of cyber crime. The Chamber strongly supports S. 2168, the ''Identity Theft Enforcement and Restitution Act of 2007,'' and congratulates the Committee on the Judiciary for reporting favorably this important legislation.

The Internet today is a major engine of economic growth for the United States. Unfortunately, accompanying this amazing growth has been the continued rise of malicious cyber activity by very coordinated and clever criminal networks. S. 2168 will go a long way to address this very serious issue by giving law enforcement officials much needed tools and resources to combat these criminals.

Once again, the Chamber appreciates your leadership on these issues, and looks forward to working with the Committee to assure passage of S. 2168 by the full Senate.

Sincerely,

R. BRUCE JOSTEN,
Executive Vice President, Government Affairs.

HEALTHY AMERICANS ACT

Mr. LIEBERMAN. Mr. President, today, I join a bipartisan group of Senators in support of the Healthy Americans Act. This legislation marks the beginning of what I hope will be a growing bipartisan effort to address one of our most daunting domestic challenges—health care reform. Historically, the issue of health care and how to solve our growing crisis has divided us, but we must find a way to come together and provide leadership on an issue that is central to the lives and finances of millions of Americans.

There are over 47 million uninsured people in America today; another 16 million are underinsured. Diminished health and shorter life spans due to lack of health insurance cost an estimated $65 to $130 billion annually. Meanwhile, an estimated $35 billion in uncompensated care is delivered to uninsured individuals annually.

The ever-rising costs of health care are being felt by all Americans, not only those who are uninsured. When I speak to constituents in my home State of Connecticut, I am struck by the number of currently insured families who worry about maintaining that coverage. With premiums rising more rapidly than wages, it is increasingly difficult for these families to continue to afford their coverage.

And the costs are certain to continue rising. Health spending between 2006 and 2015 will total $30.3 trillion and will grow at an average rate of 7.2 percent—2.3 percent higher than the average annual GDP growth rate. To bring the growth in health care spending into line with the annual GDP growth rate, we would need to decrease health care spending by $3 trillion over this period.

But while we spend more than any other nation in the world on health care, Americans do not receive the highest quality of care. A 2003 study published in the New England Journal of Medicine found that in the U.S., appropriate medical care is provided to individuals approximately 50 percent of the time.

It is clear that we must work across party and ideological lines to cover those that are uninsured in this Nation, provide health security to those hardworking families with insurance, bring the rising costs of health care under control, and provide high quality care to all. In the past, I have advocated for, and have proposed, targeted reforms to our health care system. I proposed the creation of a program called MediKids to insure all children in America from the moment of their birth to 25 years of age. Families would choose from a menu of private health care plans and pay based on their income. And for the millions of uninsured adults in the U.S., I proposed the establishment of a program called MediChoice, which would create large pools of coverage to bring the cost of health insurance down, and would provide the uninsured, the self-employed,

and small business employees with affordable private health insurance options. In addition, my plan would have included a new program called FairCare to reduce racial disparities, increased the number of school-based health centers around the Nation, reinvested in our public health infrastructure, and provided new funds and incentives for the improvement and adoption of health information technology. Lastly, my health care proposal included a new strategic investment in promising breakthroughs in biomedical research to bring new treatments, diagnostics, and cures to the public. I will continue to support these incremental reforms as we move forward.

But as our health care system shows increasing signs of strain and growing numbers of Americans join the ranks of the uninsured, I also believe that we must seriously consider comprehensive, systemic reform to achieve the goal of quality, affordable health care for all Americans.

For that reason, I am proud to support the Healthy Americans Act, a strong proposal that provides this Congress with a bipartisan starting point on health care reform.

The Healthy Americans Act has the potential to offer universal coverage while using a fiscally responsible approach, which I believe are the keys to moving forward in a bipartisan manner. The legislation would reform the tax code in a well-thought out manner to make comprehensive health care reform a true possibility. By realigning key provisions in the Tax Code, this legislation would achieve universal coverage without adding yet another burden to the Federal budget. The legislation would also shield American business from ever-rising health care costs and, by unleashing market forces, protect the economy by reining in overall health care costs—all while reassuring our families that their health care will always be there.

An independent health care consulting group found that through new revenues, savings, and the restructuring of tax credits, the Healthy Americans Act would not result in new Federal spending. The group also projects that the proposal would reduce the annual health spending growth rate by 0.86 percent totaling a savings of $1.48 trillion from 2007–2016, or 4.5 percent of total spending over that time period. Lastly, the group estimates that the proposal would cover 99 percent of all Americans.

The act would establish a centrally financed system of private health insurance for all Americans. Comprehensive coverage policies would be available through new insurance pools, which would harness the power of a reformed health insurance marketplace that would provide individuals with choice and value. The plan would be paid for by eliminating the current employer health benefits tax exclusion, which is estimated to cost the Federal Government approximately $200 billion per year. Instead, subsidies would be provided to lower income and working families to purchase comprehensive coverage. Employers, in turn, would convert the health benefits they currently provide to employees into higher wages that employees would use to buy health insurance. Lastly, individuals would also receive a new health insurance premium tax deduction to prevent tax increases in middle-income workers resulting from the higher wages.

This proposal embodies both the foundation and architecture for building a health care system that will achieve universal coverage. Each of the stakeholders in our health care system—from individual Americans, employers, to insurance companies, health care providers and hospitals—will gain something under this plan. I believe this legislation offers crucial benefits for all stakeholders while calling on them to make equitable, economically efficient contributions to the shared effort of achieving health security for all Americans.

As we move through what I hope will be a successful legislative process, I will be working with my colleagues to ensure that we perfect the balance this bill strives to reach. That effort will be crucial for my home State of Connecticut. First, nearly 60 percent of Americans currently receive coverage through their employers, and in Connecticut, more than 60 percent of our workers are covered through employers. We must move cautiously and ensure we protect coverage for those currently a part of the system that has served us for decades, and provide American businesses with the support necessary to make short-term changes in benefits, in exchange for long-term cost savings and increased competitiveness. At the same time, moving away from a primarily employer-based system of coverage would provide individuals with true portability and stability of coverage, while, again, protecting competitiveness of American businesses against runaway health care coverage costs, in this new global economy.

Second, the legislation as currently drafted would mandate that employers provide employees higher benefits equivalent to the amount that employers currently contribute for employee health care benefits. We should consider the prudence of safeguards following a mandate period in order to prevent employees from facing wage cuts that would reduce their capacity to purchase comprehensive coverage.

Third, a new health premium tax exemption will be created by this legislation so that most workers are not paying higher taxes with the increase in wages, which are to be used for the purchase of health insurance. But in many States, such as mine, the cost of living and cost of health insurance are higher than in other parts of the nation, placing unique pressures on residents of those States. Therefore, I plan to work with Senator WYDEN and the other sponsors of the act to move in a direction that will take account of differences in health insurance coverage costs, as well as in cost of living.

Lastly, the proposal would transition Medicaid and CHIP beneficiaries into the new program. Given the complex health needs of many Medicaid beneficiaries, we must ensure that they have the necessary levels of coverage under any new system. I look forward to working with my colleagues on each of these issues.

I applaud the efforts of my colleagues, Senators WYDEN and BENNETT, and of the bipartisan group that is supporting this legislation, and I am proud to join them. If we put aside partisan politics and muster political will, we can provide the American people with true leadership on this most important domestic policy issue, and can succeed in bringing quality health care to all Americans.

INTERNATIONAL EDUCATION WEEK

Mr. FEINGOLD. Mr. President, in honor of the eighth annual International Education Week, which runs Monday, November 12 to 16, 2007, I would like to emphasize the importance of international education and exchange programs and the key role they play in strengthening our own educational system, shaping our young citizens to become successful in our interconnected world, and improving our image as Americans overseas.

In so doing, I want to share a number of stories from my constituents about how their international education and exchange experiences have changed their lives. While I do not have time to read all of their stories, I will ask to have them printed in the RECORD as each and every one of these stories demonstrates how critical it is that we support international education and exchange programs and initiatives.

You will see in all of my constituents' stories a common theme—international education has opened their eyes to the fact that we are an interconnected global community and that we have responsibilities as Americans to reach out to that global community. A constituent, Claire from River Falls, WI, wrote to me that:

> I was an AFS student in high school (in Brazil) and since then firmly believe that if we could lift every 16 year old out of their ''comfort zone'' and have them live somewhere else in the world for a few months; we'd end war and certainly increase global understanding.

I agree with this statement and firmly believe that if we all stepped out of our ''comfort zone,'' we would be facing a future that is more stable and secure than where we appear to be today.

International education and exchange strengthens our own educational system in a variety of ways. First and foremost, educational exchanges better prepare our children for

the workforce and competing in the global economy. Katherine from River Falls shared her experience working through a nongovernmental organization called Building Tomorrow. She wrote:

While in Uganda [with Building for Tomorrow], I was fortunate enough to have a homestay experience with a Ugandan family . . . I and two other Building Tomorrow members were paired with a doctor because we all had an interest in some aspect of health care . . . This experience was remarkable and contributed to my decision to pursue a career in public health.

International education and exchange strengthens our own educational system. Teachers and students participating in exchange programs are able not only to broaden their own horizons, they also inform their peers of their experiences and thinking and, in so doing, contribute to their school systems for the lasting benefit of others. Sandra, a teacher in Sun Prairie, wrote to me that she participated in two separate Fulbright Hayes Group Projects Abroad and that, ''both Fulbright-Hayes Group Projects Abroad inspired me to develop innovative interdisciplinary curriculum units, made infinitely richer by my newly acquired photographs, video footage, cultural artifacts, interview notes, books published outside of the U.S., and personal reflections . . . As a result of ongoing internationally focused literacy programming, my middle school students, including reluctant and struggling readers, seek out books on other cultures and countries, are intrigued by world maps, and pay more attention to world news and global concerns.''

International education and exchange programs foster greater cultural understanding. Today's students are tomorrow's leaders—and the better they understand other cultures, the better prepared they will be to make informed and balanced decisions for the benefit of our Nation's and our world's security and well-being. Thanks to the disastrous policies of this administration, anti-American sentiment around the world is at alarming levels. Those policies were based, in part, on inadequate information or misinformation about the rest of the world. As a result, future American leaders are facing a world that is fraught with mistrust. Their overseas experiences today will build relationships for tomorrow. Those experiences will form their future decisions and provide them with a broader appreciation of others' views and interests.

Sarah, a senior at University of Wisconsin Stevens Point, wrote to explain to me about her semester abroad program:

Traveling and studying abroad in general taught me about American and other cultures, societies, views, and ideas, different forms of government, a greater sense of independence, and how to look at cultures and traditions that are different from my own with an open mind, rather than making judgment[s] before I know all the facts.

As U.S. citizens, many of us have privileges that countless millions of people throughout the world will never experience. International educational opportunities encourage a greater sense of social responsibility to assist those who face lives of poverty, disease, and the effects of natural disasters. Lacey, a 25 year-old graduate of UW Madison, e-mailed me upon her return from spending a summer studying in China which impacted her so much that she is returning to be a volunteer interpreter at the Beijing 2008 Olympics. She wrote:

I use my travels and the things I learn from each place to bring back to my community with me and try to give back in whatever way I can as much as possible.

Finally, our citizens are our best diplomats. International education and exchange programs offer them the opportunity to reach out to others to reverse negative or inaccurate images that the rest of the world has formed. Kathy from Oshkosh shared with me how her experiences changed her perceptions:

I recall with distinct clarity a conversation I had with my host mother in Spain about the people of Islam in our country. She was very surprised that I had friends who are Muslim and that I respect their culture and religion. She told me that I changed the way she views Americans . . . Senator Feingold, I am no longer just a citizen of the United States of America. I am a citizen of the World.

Congress has an important role to play in enabling and promoting these experiences for our constituents. I was a strong supporter of the creation of the Commission on the Abraham Lincoln Study Abroad Fellowship Program, an independent commission created in 2004 for the purpose of recommending a program to greatly expand the opportunity for students at institutions of higher education in the United States to study abroad, with special emphasis on studying in developing countries. One of my colleagues—Senator DURBIN—has taken an important step in working to implement the commission's published recommendations by introducing the Senator Paul Simon Study Abroad Foundation Act of 2007, S. 991. But this bill is not enough. We also need to be supporting opportunities for every American to study overseas. And if not study, then to volunteer or participate in one-on-one exchanges. Cultural misunderstanding makes our world more dangerous, and, as you have heard from the accounts I have read, it is our citizens who make the biggest, longest lasting change.

As we recognize and celebrate International Education Week, I call on all Americans to take a little time to learn something new this week about another culture, and I encourage all Americans to recognize and support international education and exchange throughout the year.

Mr. President, I ask unanimous consent to have constituent stories printed in the RECORD.

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

ADDITIONAL STORIES

In the summer of 2005 our family, which owns a dairy farm, did an international exchange with a Mexican college student named Ceci.

Boy oh boy did it open our eyes to the cultural differences as well as similarities that we share. Our children later did a reciprocal exchange, and stayed with Ceci's family for 3 weeks, and again this summer we had an opportunity to go visit Ceci's family who live in Queretaro, Mexico. I have also volunteered to speak about this cultural eye opening experience to our local elementary school, and have shared our pictures of the farms we visited while in Queretaro. Very similar...

Our countries have so much to offer each other, it sickens me that our government is spending so much money in the name of terrorism to build a wall between our borders. I respect the need to secure our borders, but there should be a diplomatic way in which we could legally allow those seeking work to come here and work. Those who come are following a dream of a job, not a dream to kill Americans. If we were working them to place them in jobs, it would be easier to outline our expectations and track them as well.

ELLEN, *Independence.*

Studying abroad is an opportunity that any student should be able to take advantage of. This past Spring Semester, I had the chance to study abroad in Pamplona, Spain. Never did I imagine it possible for me to study in Spain had it not been for the financial help provided for me in the form of grants and loans. I entered Spain, expecting to learn a language, when I left I had learned and gained so much more. Coming back to the United States, I not only feel more comfortable in my ability to speak Spanish but in the way I present myself. When studying abroad, language can become a barrier, and one must rely on other things such as tone of voice, hand gestures, and more often relationships to understand the culture to its fullest. Having to conquer the hurdle of language while I was abroad, I learned to depend on other strengths and attributes I never knew I had. I can say honestly, that I have gained much more than the experience of learning a language, moreover the growth of a family. Living in the United States, I take a little piece of Spain with me wherever I go, hoping to influence others with my experience.

MARY, *Oshkosh.*

This past summer I completed an internship on the Tibetan Plateau in the Yunnan Province of southwestern China. It was coordinated through UW—River Falls and the China Exploration and Research Society (CERS). The mission of CERS is to conserve the cultural and natural environments of remote China. I aided in this mission by helping to develop eco-tourism plans for one of their current projects. This involved designing nature trails, septic systems, and composting toilets.

Living in a developing country really puts the world into perspective. I now look at my day-to-day life differently than before. It is hard to put into words, but I feel much more content with my decisions and myself. Seeing the lives of the rural Chinese and Tibetan people has shown me how other people live and sustain themselves on very limited resources. They get things done with the tools around them and are patient to let things unfold naturally. When time is taken to look at all the options for solving a problem and all the consequences have been laid out, the likelihood of success based on common sense is far greater.

Studying abroad is a great opportunity and a true life-altering event. It challenges a person right down to their core and really builds character on a newly formed understanding of the world.

NICK, *River Falls.*

I had a once-in-a-life-time opportunity to study abroad in the Wisconsin in Scotland program in the spring of 2006. This experience changed my life. It not only helped me realize what I wanted to do in my life, and gave me the desire to travel, it also changed the way I looked at every aspect of the world. This biggest thing I took away from the program is my view of other cultures. I was naive when I first left to study abroad thinking that any culture that wasn't as ''advanced'' or ''sophisticated'' as the U.S. was simply just not wealthy enough to be up to our ''standards.'' I now am adamant that this is not the case. I live by the phrase ''different isn't bad, scary, or wrong, it is just different.'' This experience also helped me realize what I wanted to do with my life. I intend to become a theatre professor, and I want to teach somewhere in the UK. I loved every single aspect of my study abroad experience and cannot wait to go back. Lastly, and perhaps most importantly, I learned something about myself that I would not have learned anywhere else besides in another study abroad experience. I learned my own personal strength. I learned what I was capable of. When I was on holiday in Milan I missed my flight, and it was up to me, not my professor, or my parents, to figure out what to do. I never realized what it was like to be a real adult until I had to take care of myself. It was scary, and it was hard, but I did it. I now have this inner strength of knowing what I accomplished by myself, in a land where no one spoke my native language, and I got myself through it. I will be forever grateful to the University of Wisconsin—Superior and their Wisconsin in Scotland study abroad program for turning me into the strong, well-educated, and open-mined woman that I am today.

NICOLE, *Superior.*

I was fortunate enough to study in another country. At first, when my friends told me about the study abroad program, I was hesitant to sign up for the experience. In the end I had made a decision that would change my life forever. I had decided to study in the Wisconsin in Scotland program. Before that time I had never even been in an airport much less fly to another country. When I was in Scotland, I learned far more about culture than any one could experience from a class or text book. I was place in a foreign world and had to deal with the changes. This is what made me feel more confident about my independence as a person. Soon after my return, my communication and people skills flew through the roof. Thanks to the study abroad program for helping me become the successful person I am today.

Aaron, Menomonie.

I am currently a student at the University of Wisconsin—River Falls. Last semester, spring 2007, I was a participant in the ''Wisconsin in Scotland Program.'' It was an amazing experience to be a part of. Not only were we able to enroll in courses which would transfer credit back to our home university, but we could fully absorb a different culture by living in it. One of my friends said it best—you learn more from traveling, especially studying abroad, than you could from years in a classroom with text books. Although Scotland is relatively similar to Wisconsin, volunteering in the community of Dalkeith, visiting with host families, and traveling with new friends offers new challenges. When we flew back in May, I think we all had a new sense of independence, a different look on the influence of the United States on other countries, and an appreciation for what we have at home. Being able to have the opportunity to study abroad is an important, valuable experience.

GENA, *River Falls.*

I am a senior at the University of Wisconsin—River Falls. Two years ago, I spent a semester of my academic career studying Spanish in Queretaro, Mexico. I lived with a host family while I attended the Instituto Tecnologico de Estudios Superiores de Monterrey, and I had an absolutely phenomenal experience. Yes, I developed my language skills significantly, but even more so, I developed an appreciation for the Mexican culture and an understanding of the social and educational problems that cause so many of the Mexican people to emigrate to the United States. My study abroad experience impacted me so greatly that I changed my major from Elementary Education to Spanish Education with a minor in TESOL (Teaching English to Speakers of Other Languages) so that I might work with the growing immigrant population.

THERESA, *River Falls.*

From September 2005 until September 2006 I was on a sabbatical leave from UW—Whitewater in Oman as a senior Fulbright program scholar. I taught business and economics courses at Modern College of Business and Science, which is located in Muscat. In addition, I assisted the College administration and owners in preparing their college for academic accreditation. I participated in English language training of Omani judges (in collaboration with the U.S. Embassy and the Ministry of Justice). My family and I have met many interesting people from different ways of life and had many opportunities to travel throughout the region.

Promoting American values in the Middle East today is very difficult. I believe that my solid work particularly with college students will enhance good will and will bring tangible benefits in the future by developing bilateral business and educational linkages.

TOM, *Whitewater.*

UWM's Fulbright-Hayes summer program offered an opportunity to nurture an interest I've had in the Middle East and North Africa since I was a freshman in college (over a decade now). Like many Americans, I had reservations about traveling to a part of the world that seems hostile to us. My experience with my Moroccan host family proved this perception false. I learned that the legendary warmth and hospitality of the Arab world are not myths. Indeed, my host family gave the impression that their primary enjoyment of material comforts came from sharing them with me, a stranger with strange ways to whom they had opened their home. They eagerly shared their culture with me, and were infinitely patient as a I learned the finer points of Moroccan manners, such as eating with my right hand and remembering to take my shoes off when I walked on a carpet.

After my experiences in Morocco, I find myself having a lot to say when I hear another American declare that Arabs or, more broadly, people in the Muslim world, hate us. Hearing this is frustrating, knowing what I know now, especially when people use it to justify an unjust action on the part of the United States toward countries in the Muslim world. The Moroccans I met went out of their way to distinguish between the U.S. government and the American people when expressing dislike of a particular U.S. government policy or action against a country in their region. They feel that their side of the story is not heard or understood. Since I've been back, I find myself seeking out news coverage of the Middle East and North Africa, waiting to hear those perspectives my Moroccan friends and family shared with me. Their absence only seems to reinforce the ''well, they hate us,'' attitude, since they are often preempted by more extreme viewpoints.

I think that programs like our summer trip to Morocco can expose both sides to new ways of seeing the conflicts that exist between us and that can be a positive first step to better relations.

VALERIE, *Ripon.*

I was selected to participate in the Training of Writers program offered by the National Council on Economic Education (NCEE). This program is part of the Cooperative Education Exchange Program, funded by the U.S. Department of Education, Office of Safe and Drug-Free Schools, and carried out in coordination with the U.S. Department of State.

Briefly, the week I spent in Bucharest was amazing and exceeded all of my expectations! On a professional level, I benefited from the formal goal of the program: creating a pool of qualified economic curriculum writers which provided insights into NCEE curriculum materials, voluntary national content standards in economics, and active learning strategies. This program has already improved my teaching as I re-focus my lessons on meaningful and relevant economics content. (Hence, the reason why I am swamped as I am making adjustments and improvements in my classroom.) On a personal level, the experience of working with international educators was invaluable. We worked as partners in collegial teams creating active, meaningful economic lessons which could be implemented in K–12 classrooms worldwide. The collaboration allowed me to learn about economic education in various countries and build an international network of fellow educators. I will continue to work on this program over the coming months as I refine my lesson with feedback from the U.S. faculty, field-test the lesson in classrooms here in Wisconsin, and finally submit my final lesson to NCEE with revisions based on feedback from teachers involved in the field-testing.

My international experiences through opportunities provided by the NCEE have shown me the importance of working in partnership with people in other countries and building positive collaborative relationships.

ANN, *New Richmond.*

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

100TH BIRTHDAY OF GRACE DODD

● Mr. DODD. Mr. President, November 9, 2007, was a very special day for me and my whole family. On that day, my mother, Grace Dodd, would have turned 100 years old. She has been gone for many, many years now; but not a day goes by without her memory. I would like to take this chance to call back those memories and speak about what made her so special.

I have never known a more infectious optimist. More than anything, that is what comes back: her unshakeable confidence that no matter how bad the problem, she could fix it; her lifelong dedication to the bright side; a smile that could turn even the grumpiest person pleasant.

Some kinds of optimism are bought cheaply: they come from sheltering yourself from the world. But the much more valuable, much more lasting kind of optimism comes from embracing the world—and that was my mother's kind. She was a dedicated Latin student, a bundle of energy, a basketball star in high school and at Trinity College in Washington, DC. Her nickname—''the adhesive guard''—testifies, I think, to her persistence on the court and everywhere else.

Born Mary Grace Murphy, she married my father Tom Dodd in 1934, loved him deeply, and gave him six children, of which I was the second-to-last. When my father left home to serve as a prosecutor at the Nuremberg Trials in 1945, he wrote home to his ''dearest Grace'' every day—sometimes twice a day. His letters are filled with descriptions of the Nazi war criminals, ravaged, postwar Germany, growing conflict between the Americans and the Russians; but above all, they are filled with how much he missed his Grace. Being away from her, he wrote, was the hardest thing he had to do.

I can't help thinking that my mother had an even harder job—raising all of us! But as full as her hands were, raising four boys and two girls, she found time to give herself fully to her community, as well. She served on the local school board, was an early advocate for public kindergarten, and wrote a column in the Hartford newspaper. And with all that, she still had time left over to read avidly, travel widely, and study Spanish.

But my sister Martha said that her greatest talent was something much simpler, something that I think was at the root of everything else in her full life: the ability to take a walk. Not a modern, calorie-burning power-walk; but simply the skill for consciously forgetting the turmoil and bustle of life and taking time to reflect. My mother loved walks—and I think that they are what kept her smile bright and her optimism undimmed for so many years.

I know a great story about that optimism. When I moved back to Connecticut after graduating law school, the driver of the moving van had a hard time finding my new house. My mother was on hand to make sure everything was going smoothly, and as the driver got angrier and angrier, she finally climbed into the cab and said, ''I'll show you exactly where it is.'' As they drove into the dark, she kept insisting, ''I can just see it! I can just see it!''—for 4 miles. But she knew exactly where they were going, she calmed the driver's nerves, and she got him there, just as she promised.

Grace Dodd did the same for all of us. Whenever times were tough and the road ahead of us seemed dark, there she was by our side, saying, ''I can just see it!'' What we are, we owe to her; and on her 100th birthday, the best words we say in response are, ''Thank you.''●

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

TRIBUTE TO DONALD J. MULVIHILL

● Mr. DODD. Mr. President, I speak in memory of the life of Donald J. Mulvihill, a distinguished lawyer, a proud public servant, and an honored friend of the Dodd family. He recently died at the age of 76.

Donald gave nearly a half century—more than half of his life—to his law firm, Cahill Gordon & Reindel, and the length of his service testifies to his dedication and consummate skill as an attorney. For more than four decades, he managed his firm's Washington office, where he gained a reputation as one of America's leading authorities on federal business regulations.

Donald would tell you, though, that his most successful day at the office came when he was fresh out of law school and assigned to the same office as Grace Conroy, one of Cahill's first female lawyers. ''He thought he was getting demoted because they put a woman in his office,'' Grace would later joke. But Donald's attitude soon changed—he and Grace were married 3 years later, and they spent 45 years together.

Donald's skill in the law led President Johnson to tap him in 1968 to direct a task force on individual acts of violence for the National Commission on the Causes and Prevention of Violence, a council convened in the wake of the assassination of Senator Robert F. Kennedy. Along with Princeton sociologist Mel Tumin, Donald wrote three volumes of the committee's final report, clearly detailing the link between deteriorating urban conditions and a swell in violent crime.

In 1970, he wrote with great insight and penetration on what it means to feel the seductive draw of crime in the inner city, ''to be young, poor, male and Negro, to want what the open society claims is available, but mostly to others; to see illegitimate and often violent methods of obtaining material success, and to observe others using these means successfully.''

For Donald, that was no mere academic conclusion; with the Eisenhower Foundation, he spent years working to put his recommendations into practice, giving as much energy to the revitalization of urban America as he did to his work in the law.

His example still reminds us: An open society is justly measured by the gap between what it claims is available, and what it provides—between what it promises, and what it delivers.

For his services, Donald Mulvihill will be remembered as a public-spirited leader who combined, in equal proportion, private success and civic duty. But I confess that all of those accomplishments mean comparatively little to me, next to what he did during a few months in 1967.

I was 23, but I can still recall as if it were yesterday the Senate's censure hearings of my father, Senator Tom Dodd. What a painful time that was for my family—but it gave me strength to know that sitting at my father's side, through the whole ordeal, was a talented young lawyer named Donald Mulvihill. I know how thankful my father was for Donald's good counsel.

It was the rare case that Donald didn't win; but still, he won my father's sincere and lasting gratitude. And though Tom Dodd is long gone, my family and I have kept his gratitude alive.

Now Donald is beyond our thanks. But I pledge to remember him, to keep alive his good name, and to hold up his example of a life well lived.●

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

REMEMBERING CHIEF RALPH STURGES

● Mr. DODD. Mr. President, I wish to mark the passing of a true Connecticut leader and a great benefactor of his people: Ralph Sturges, chief of the Mohegan Indian tribe. Chief Sturges was 88.

At various times in his long life, Ralph was a deliveryman, a public relations director, a Civilian Conservation Corps worker, a noted marble sculptor, and a World War II Bronze Star winner—but he found his greatest purpose late in life, leading and reviving Connecticut's Mohegan tribe.

Ralph's work on behalf of the Mohegans—who have called New England home for more than four centuries—was unflagging and successful at long last. When he first sought Federal recognition for the tribe, the Government replied that the Mohegans had ceased to exist in the 1940s. That rang clearly false to Ralph, who knew firsthand that the Mohegan identity was still alive; and under his leadership, the tribe pushed until it was finally recognized in 1994.

The Mohegans were only the ninth tribe ever to be recognized on the basis of documentary evidence—evidence which Ralph and other Mohegan leaders were tireless in collecting. The chairman of the neighboring Mashantucket Pequot tribe called his efforts ''an inspiration to native peoples everywhere.'' The Mohegans honored Ralph by naming him chief for life.

But Ralph was more than a cultural guardian; he was also a shrewd businessman. He understood that a prosperous tribe was more likely to survive into his children's and grandchildren's generations, and beyond; and so he negotiated to build the Mohegan Sun casino on tribal land.

Its popularity testifies to Ralph's economic leadership, and its profits pay for health care and college tuition for all Mohegans. Ralph was proud of the casino's success and spoke plainly

about the incentive it created for Mohegans to maintain their cultural identity: ''Because Indians are making money, now it's a privilege to be one.''

The casino offered the means; but the end was always clear, and it was the end to which Ralph dedicated decades of his life: bringing back a people that had seemed on the verge of fading away. Ralph dealt cannily with Wall Street investors—but took more pleasure in spending afternoons raking the leaves from his tribe's ancient burial ground.

He was a proud product of two cultures, Indian and Western, comfortable in either, taking the best from both. ''What probably happened is my father's people were rowing ashore on the Mayflower and my mother's people were probably on the shore throwing stones,'' Ralph once joked.

He will be remembered as an artist, a businessman, and a wise chief, presiding over his tribe with a feathered talking-stick in one hand and a gavel in the other. The cultures he represented in either hand—and our whole State of Connecticut—are united in honoring Chief Ralph Sturges.●

ADDITIONAL STATEMENTS

RECOGNIZING THE 100TH BIRTHDAY OF LAS CRUCES

● Mr. DOMENICI. Mr. President, today I celebrate the 100th birthday of Las Cruces, NM. Being the second largest city in New Mexico, Las Cruces has a lot to be proud of and a lot to celebrate.

Before New Mexico became a State, Las Cruces was making its mark on the world. When it was founded in 1907 as a small railroad town, no one could have foreseen what a major metropolitan area it would become in the southern part of my State. Being sheltered by the Organ Mountains to the east, and the Rio Grande River on the west, Las Cruces boasts 350 days of sunshine a year making it one of AARP's Top 5 Places To Retire. The city also has continued to receive the title of Best Small Metro Area for Business Careers from the Forbes/Milken Institute.

Las Cruces, English translation is ''the crosses,'' is home to the second largest university in New Mexico, New Mexico State University, with a student population of 26,000. NMSU continues to grow and improve upon the various programs and degrees they offer. This university is vital to the strength of Las Cruces. The Dona Ana Community College is located here as well. Their student population is over 4,000 strong. Las Cruces also hosts the nationally acclaimed annual Whole Enchilada Festival. The festival attracts over 40,000 visitors each year. Because of this annual event, Las Cruces holds the Guinness Book of World Records for the world's largest flat enchilada.

Las Cruces has seen a giant explosion in population over the last decade. They have grown from just over 74,000 residents in 2000 to around 87,000 residents in 2006. And the boom in population shows no signs of stopping in the near future. Small and large industries continue to see this budding town as a great place to do business. While it is hard to point to just one industry that has caused the extreme growth, Las Cruces continues to do what it does best, be consistent in its offerings.

To celebrate their 100th birthday, Las Cruces has planned to serve a piece of cake to every resident. They might also make the Guinness Book of World Records for the largest sheet cake after the celebration! The city is planning on cutting this cake at the culmination of an all-day festival at the Downtown Mall. The festival will include live entertainment all day with various acts to include a mariachi band, craft fair, and theatre performances at the Rio Grande Theatre.

Las Cruces has so much to be proud of, and I congratulate them on their 100th birthday. May they celebrate many more. Que Viva Las Cruces muchos mas años!●

TRIBUTE TO REVEREND EDWIN ''D'' EDMONDS

● Mr. LIEBERMAN. Mr. President, today I pay tribute to Rev. Edwin ''Doc'' Edmonds, a retired pastor and civil rights leader from New Haven who passed away Tuesday, November 6. Reverend Edmonds, or ''Doc,'' as his friends called him, was one of the smartest, warmest, and most effective people I have ever had the pleasure to know, and led a truly inspirational life.

Born and raised in Texas, Edwin Edmonds was an excellent student, graduating high school at 15 years of age. In college he began losing his eyesight until he was legally blind. Despite having much difficulty reading and writing his assignments, he prevailed and graduated from Morehouse College in 1938, only 1 year later than expected. He would then go on to earn a bachelor's of sacred theology and a doctorate in social ethics from Boston University. In 1950, he was ordained in the Methodist Church.

While teaching Sociology at Bennett College in Greensboro, NC, Reverend Edmonds became deeply involved with the civil rights movement, where he was elected president of the Greensboro chapter of the National Association for the Advancement of Colored People. In 1958, he met the Reverend Martin Luther King, Jr. and the two exchanged letters until Dr. King's tragic death.

He also was an adviser to the ''Greensboro Four,'' a group of brave college students committed to racial equality who would later lead the famous sit-in at a segregated lunch counter at a Woolworth's department store. This courageous protest is widely believed to be the first sit-in of the civil rights movement. Many Greensboro historians consider Reverend Edmonds a pioneer in the fight for equal rights for the city's minorities.

In 1959, Reverend Edmonds moved to New Haven to become pastor of the Dixwell Avenue Congregational Church, which is now known as the United Church of Christ. As pastor, Mr. Edmonds soon became a fixture in the local community and quickly gained a reputation as one who was always willing to help those in need. His youngest daughter, Toni Walker, who serves as a representative in the Connecticut General Assembly, recalls that people in need often stayed at their home as guests. ''As long as they needed help, they were able to get it,'' Walker remembers.

Reverend Edmonds' congregants all knew that he was around to address not just their spiritual needs, but also everyday needs such as housing and jobs. Under his leadership, the church built a housing development and a creative arts center for the community. In addition, he was involved with many community service groups, such as the Urban League, the New Haven Clergy Association, the Amistad Committee and the New Haven Inter-Faith Ministerial Alliance. He was also a longtime member of the New Haven Board of Education, serving as its chairman from 1979 to 1988.

Even after retiring from the church in 1994, Mr. Edmonds remained active in his community. In 2000, after a meeting with single mothers who had to defer going to school to raise their children, he helped to establish Edwin R. and Maye B. Edmonds Scholarship Fund for single parents.

I bid farewell to ''Doc'' Edmonds and will keep his friends and family in my thoughts and prayers. I take solace in knowing that he will live on in all the people he helped to inspire to serve their community. As Clifton Graves, an activist and professor in New Haven who has known and looked up to Reverend Edmonds since he was a boy, said of his death: ''We mourn this loss, but we celebrate his life and the contributions he made not only to New Haven but to Connecticut and indeed, around the country.''●

TRIBUTE TO FATHER BONIFACE HARDIN AND SISTER JANE SCHILLING

● Mr. LUGAR. Mr. President, today I pay tribute to two Hoosiers who have touched the Indianapolis community and the world through their tireless leadership and commitment to the positive effect that education can have on both individuals and the communities in which they live. Over the years I have admired Father Boniface Hardin and Sister Jane Schilling for their dedication to both their religious calling as well as the more temporal needs of our communities as they worked to fight racial injustice and poverty through education and empowerment.

In 1977, Father Hardin and Sister Jane founded Martin University, an institution dedicated to serving low-income, minority, and adult learners,

while at the same time welcoming students of all backgrounds. In the ensuing 30 years, Martin University has changed the lives of thousands of students. It has grown from a converted church and school to a beautiful campus in the Martindale-Brightwood neighborhood of Indianapolis that serves as a tremendous resource to both faculty and students as well as the surrounding community.

As Father Hardin and Sister Jane step down as president and vice president of Martin University, I am hopeful that you will join me, the board of trustees, faculty, staff, students, alumni, and friends of the university in congratulating them on their many years of service to the people of Indianapolis. I wish them both every continuing success as they pursue new and exciting opportunities to offer important service to many more of the people they have dedicated their lives to helping.●

RECOGNIZING JACOBY ELLSBURY

● Mr. SMITH. Mr. President, today, on behalf of all Oregonians, I recognize the recent accomplishments of Madras, Oregon's own Jacoby Ellsbury of the World Champion Boston Red Sox.

As a child growing up, I followed the Boston Red Sox closer than any other team. I recall my father telling me stories of the four west coast boys who were members of the Boston Red Sox in the 1940s. He told me about how they put their baseball careers on hold to defend our Nation at war. Two of those west coast boys, Johnny Pesky and Hall of Famer Bobby Doerr, had connections to Oregon and the Pacific Coast League. The story of these four young men from the west coast who became members of the Boston Red Sox was highlighted in the late David Halberstam's book ''The Teammates—A Portrait of Friendship.'' For the four friends, Ted Williams, Bobby Doerr, Johnny Pesky and Dominic DiMaggio, it was about more than baseball. Their story is about the American dream and the bonds of friendship.

I recall Williams, Pesky, Doerr, and DiMaggio when I see Jacoby Ellsbury on the field with his teammates: Dustin Pedroia and Jon Lester. Dustin, the Red Sox second baseman, hails from California and Arizona State University and pitcher Jon Lester grew up in Tacoma, WA. Jacoby hails from the small town of Madras, OR, in the central part of the State and was a first team All-American at Oregon State University in 2005 when he led his team to the College World Series for the first time since 1952. Jacoby's career has blossomed on and off the field since joining the Boston Red Sox organization, and he is considered by many to be one of the game's future superstars.

Jacoby exhibits many of the qualities a young man should emulate. It is apparent that his work ethic, sportsmanship, and dedication to the game he loves have propelled him to the top of the baseball world. I praise his Mom and Dad, Margie and Jim, for a job well done. Oregonians and the Red Sox Nation are very proud of Jacoby Ellsbury.

Finally, I wish to note how proud I am to recognize Jacoby, not only as an American and an Oregonian representing the Boston Red Sox so proudly, but I am equally proud to recognize him as a man of Native American descent, particularly the first of Navajo descent to play in the Major Leagues. The members of the Confederated Tribes of the Warm Springs in Oregon should be extremely proud of Jacoby.

I congratulate Jacoby Ellsbury and his teammates on winning the 2007 World Series and wish him the best of luck as he continues his professional career in Boston.●

MESSAGE FROM THE HOUSE DURING ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of January 4, 2007, the Secretary of the Senate, on November 8, 2007, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill:

H.R. 3043. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes.

Under authority of the order of the Senate of January 4, 2007, the enrolled bill was signed on November 8, 2007, during the adjournment of the Senate, by the President pro tempore (Mr. BYRD).

MESSAGE FROM THE HOUSE DURING ADJOURNMENT

ENROLLED BILLS SIGNED

Under the authority of the order of the Senate of January 4, 2007, the Secretary of the Senate, on November 9, 2007, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills:

H.R. 2602. An act to name the Department of Veterans Affairs medical facility in Iron Mountain, Michigan, as the ''Oscar G. Johnson Department of Veterans Affairs Medical Facility''.

The enrolled bill was subsequently signed on November 13, 2007, by the President pro tempore (Mr. BYRD).

H.R. 3222. An act making appropriations for the Department of Defense of the fiscal year ending September 30, 2008, and for other purposes.

Under the authority of the order of the Senate of January 4, 2007, the enrolled bill was signed on November 9, 2007, during the adjournment of the Senate, by the President pro tempore (Mr. BYRD).

MESSAGES FROM THE HOUSE

At 10:13 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3688. An act to implement the United States-Peru Trade Promotion Agreement.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3093) making appropriations for the Departments of Commerce and Justice, and Science, and related agencies for the fiscal year ending September 30, 2008, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Messrs. MOLLOHAN, KENNEDY of Rhode Island, FATTAH, RUPPERSBERGER, SCHIFF, HONDA, Ms. DELAURO, Messrs. PRICE of North Carolina, OBEY, FRELINGHUYSEN, CULBERSON, ROGERS of Kentucky, LATHAM, ADERHOLT, and LEWIS of California as managers of the conference on the part of the House.

At 5:33 p.m., a message from the House of Representatives, delivered by Ms. Niland, 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. 3355. An act to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events.

H.R. 3996. An act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3355. An act to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events; to the Committee on Banking, Housing, and Urban Affairs.

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

H.R. 3495. An act to establish a National Commission on Children and Disasters, and for other purposes.

H.R. 3685. An act to prohibit employment discrimination on the basis of sexual orientation.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 3688. An act to implement the United States-Peru Trade Promotion Agreement.

MEASURES READ THE FIRST TIME

The following bills were read the first time:

H.R. 3996. An act to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

S. 2334. A bill to withhold 10 percent of the Federal funding apportioned for highway

construction and maintenance from States that issue driver's licenses to individuals without verifying the legal status of such individuals.

S. 2340. A bill making emergency supplemental appropriations for the Department of Defense for the fiscal year ending September 30, 2008, and for other purposes.

S. 2346. A bill to temporarily increase the portfolio caps applicable to Freddie Mac and Fannie Mae, to provide the necessary financing to curb foreclosures by facilitating the refinancing of at-risk subprime borrowers into safe, affordable loans, and for other purposes.

S. 2348. A bill to ensure control over the United States border and to strengthen enforcement of the immigration laws.

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–3895. A communication from the Secretary of the Senate, transmitting, pursuant to law, the report of the receipts and expenditures of the Senate for the period from April 1, 2007 through September 30, 2007; ordered to lie on the table.

EC–3896. A communication from the Chairman, Defense Nuclear Facilities Safety Board, transmitting, pursuant to law, a quarterly report relative to the status of significant unresolved issues with the Department of Energy's Design and Construction Projects; to the Committee on Armed Services.

EC–3897. A communication from the Assistant Secretary of Defense (Reserve Affairs), transmitting, pursuant to law, a report entitled ''Report on the Montgomery G.I. Bill for Members of the Selected Reserve''; to the Committee on Armed Services.

EC–3898. A communication from the Assistant to the Board of Governors, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled ''Regulation Z—Truth in Lending'' (Docket No. R–1284) received on November 2, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3899. A communication from the Assistant to the Board of Governors, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled ''Regulation M—Consumer Leasing'' (Docket No. R–1283) received on November 2, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3900. A communication from the Assistant to the Board of Governors, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled ''Regulation E—Electronic Fund Transfer'' (Docket No. R–1282) received on November 2, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3901. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Revenue Ruling Modifying Rev. Rul. 2001–62 as a Result of the Addition of Section 417(e)(3)(D) to the Code by PPA '06'' (Rev. Rul. 2007–67) received on November 7, 2007; to the Committee on Finance.

EC–3902. A communication from the Assistant to the Board of Governors, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled ''Regulation DD—Truth in Savings'' (Docket No . R–1285) received on November 2, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3903. A communication from the Chief Counsel, Federal Emergency Management Agency, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Final Flood Elevation Determinations'' (72 FR 58553) received on November 2, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3904. A communication from the Counsel for Legislation and Regulations, Office of Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Model Manufactured Home Installation Standards'' (RIN2502–AI25) received on November 2, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3905. A communication from the Assistant to the Board of Governors, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled ''Regulation B—Equal Credit Opportunity'' (Docket No. R–1281) received on November 2, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3906. A communication from the Deputy Assistant General Counsel, Department of Transportation, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary for Governmental Affairs, received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3907. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Learjet Model 31, 31A, 35, 35A, 36, 36A, 55, 55B, and 55C Airplanes, and Model 45 Airplanes'' ((RIN2120–AA64)(Docket No. 2006–NM–227)) received on October 30, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3908. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 620 of the Gulf of Alaska'' (RIN0648–XD06) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3909. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Vessels Using Trawl Gear in the Bering Sea and Aleutian Islands Management Area'' (RIN0648–XD08) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3910. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Economic Exclusive Zone Off Alaska; Pacific Cod in the Bering Sea and Aleutian Islands'' (RIN0648–XD14) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3911. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Catcher Processor Vessels Using Hook-and-Line Gear in the Bering Sea and Aleutian Islands Management Area'' (RIN0648–XD11) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3912. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Inseason Adjustments; Inseason Actions 8 and 9'' (RIN0648–XC71) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3913. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Inseason Adjustments; Inseason Actions No. 10 and No. 11'' (RIN0648–XC77) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3914. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Inseason Adjustments; Inseason Actions 5, 6, and 7'' (RIN0648–XC69) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3915. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Inseason Adjustments; Inseason Actions 3 and 4'' (RIN0648–XB09) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3916. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Catcher Processor Vessels Using Pot Gear in the Bering Sea and Aleutian Islands Management Area'' (RIN0648–XC99) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3917. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Cod by Catcher Vessels Using Pot Gear in the Bering Sea and Aleutian Islands Management Area'' (RIN0648–XD00) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3918. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Temporary Rule; Inseason Bluefish Quota Transfer from FL to NJ'' (RIN0648–XC67) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3919. A communication from the Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Economic Exclusive Zone Off Alaska; Trawl Gear in the Gulf of Alaska'' (RIN0648–XD26) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3920. A communication from the Deputy Assistant Administrator for Operations, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Final Rule to Implement Daily Bag Limits for Albacore and Bluefin Tuna Under the Fishery Management Plan for U.S. West Coast Fisheries for Highly Migratory Species''

(RIN0648–AU77) received on November 2, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3921. A communication from the Attorney, Office of Assistant General Counsel for Legislation and Regulatory Law, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Energy Conservation Program for Consumer Products: Test Procedure for Residential Central Air Conditioners and Heat Pumps'' (RIN1904–AB55) received on November 2, 2007; to the Committee on Energy and Natural Resources.

EC–3922. A communication from the Attorney, Office of Assistant General Counsel for Legislation and Regulatory Law, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Loan Guarantees for Projects That Employ Innovative Technologies'' (RIN1901–AB21) received on November 2, 2007; to the Committee on Energy and Natural Resources.

EC–3923. A communication from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, the Inspector General's Semiannual Report for the period ending September 30, 2007; to the Committee on Environment and Public Works.

EC–3924. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Security Under 6166 Elections'' (Notice 2007–90) received on November 2, 2007; to the Committee on Finance.

EC–3925. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''LMSB Division Commission Memorandum—Coordinated Issue: Loss Importation Transaction'' (Notice 2007–57) received on October 30, 2007; to the Committee on Finance.

EC–3926. A communication from the Deputy Director, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled ''Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits'' (29 CFR Parts 4022 and 4044) received on November 2, 2007; to the Committee on Health, Education, Labor, and Pensions.

EC–3927. A communication from the Under Secretary of Defense (Policy), transmitting, pursuant to law, a report relative to the Biological Threat Reduction-FSU Program Area; to the Committee on Foreign Relations.

EC–3928. A communication from the Deputy Chief, Regulatory Management Division, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Removal of Receipt Requirement for Certain H and L Adjustment Applicants Returning from a Trip Outside the United States'' (RIN1615–AB62) received on November 2, 2007; to the Committee on the Judiciary.

EC–3929. A communication from the Chairman, Board of Trustees, John F. Kennedy Center for the Performing Arts, transmitting, pursuant to law, the Inspector General's Report on the organization; to the Committee on Rules and Administration.

EC–3930. A communication from the Director of the National Gallery of Art, transmitting, pursuant to law, the Inspector General's report for fiscal year 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3931. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–172, ''Jobs for D.C. Residents Amendment Act of 2007'' received on November 7, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3932. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–135, ''Closing of a Portion of a Public Alley in Square 163, S.O. 05–8289, Act of 2007'' received on November 7, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3933. A communication from the Chairman, Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 17–171, ''Housing Support for Teachers Act of 2007'' received on November 7, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3934. A communication from the Associate General Counsel for General Law, Department of Homeland Security, transmitting, pursuant to law, the report of a nomination for the position of General Counsel, received on November 6, 2007; to the Committee on Homeland Security and Governmental Affairs.

EC–3935. A communication from the Under Secretary of Defense (Comptroller), transmitting, pursuant to law, a report relative to the funding transfers made during fiscal year 2007; to the Committee on Armed Services.

EC–3936. A communication from the Assistant Secretary of the Navy (Installations and Environment), transmitting, pursuant to law, the report of the Department's intent to conduct a public-private competition of nonguard security support services nationwide; to the Committee on Armed Services.

EC–3937. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a six-month periodic report on the national emergency with respect to Syria that was declared in Executive Order 13338; to the Committee on Banking, Housing, and Urban Affairs.

EC–3938. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Approved End-Users and Respective Eligible Items for the People's Republic of China Under Authorization Validated End-User'' (RIN0694–AE13) received on November 6, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3939. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Burma: Revision of the Export Administration Regulations'' (RIN0694–AE17) received on November 6, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3940. A communication from the Chairman, Securities and Exchange Commission, transmitting, pursuant to law, the Annual Report of the Securities Investor Protection Corporation for fiscal year 2006; to the Committee on Banking, Housing, and Urban Affairs.

EC–3941. A communication from the Assistant Secretary for Export Administration, Bureau of Industry and Security, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''December 2006 Wassenaar Arrangement Plenary Agreement Implementation: Categories 1, 2, 3, 5 Part I, 6, 7, 8 and 9 of the Commerce Control List; Wassenaar Reporting Requirements; Definitions; Statement of Understanding on Source Code'' (RIN0694–AD95) received on November 6, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–3942. A communication from the Deputy Chief Counsel (Regulations), Transportation Security Administration, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Privacy Act of 1974: Implementation of Exemption; Secure Flight Records'' (RIN1652–AA48) received on November 7, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3943. A communication from the Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Economic Exclusive Zone Off Alaska; Trawl Gear in the Gulf of Alaska'' (RIN0648–XD41) received on November 6, 2007; to the Committee on Commerce, Science, and Transportation.

EC–3944. A communication from the Assistant Secretary, Transportation Security Administration, Department of Homeland Security, transmitting, pursuant to law, a report relative to the Administration's intent to enter into a contract with FirstLine Transportation Security, Inc., for screening services in New Mexico; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. REID (for Mr. DODD), from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2338. An original bill to modernize and update the National Housing Act and enable the Federal Housing Administration to more effectively reach underserved borrowers, and for other purposes (Rept. No. 110–227).

By Mr. BAUCUS, from the Committee on Finance, without amendment:

S. 2345. An original bill to amend the Internal Revenue Code of 1986 and to extend the financing for the Airport and Airway Trust Fund, and for other purposes (Rept. No. 110–228).

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. BARRASSO (for himself and Mr. ENZI):

S. 2334. A bill to withhold 10 percent of the Federal funding apportioned for highway construction and maintenance from States that issue driver's licenses to individuals without verifying the legal status of such individuals; read the first time.

By Ms. LANDRIEU:

S. 2335. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide adequate case management services; to the Committee on Homeland Security and Governmental Affairs.

By Mrs. MURRAY (for herself and Ms. CANTWELL):

S. 2336. A bill to designate the Port Angeles Federal Building in Port Angeles, Washington, as the ''Richard B. Anderson Federal Building''; to the Committee on Environment and Public Works.

By Mr. GRASSLEY (for himself, Mrs. LINCOLN, Ms. SNOWE, Ms. STABENOW, and Mr. SMITH):

S. 2337. A bill to amend the Internal Revenue Code of 1986 to allow long-term care insurance to be offered under cafeteria plans and flexible spending arrangements and to provide additional consumer protections for long-term care insurance; to the Committee on Finance.

By Mr. REID (for Mr. DODD):

S. 2338. An original bill to modernize and update the National Housing Act and enable the Federal Housing Administration to more effectively reach underserved borrowers, and for other purposes; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Ms. STABENOW (for herself and Mr. LEVIN):

S. 2339. A bill to designate the Department of Veterans Affairs clinic in Alpena, Michigan, as the ''Lieutenant Colonel Clement C. Van Wagoner Department of Veterans Affairs Clinic''; to the Committee on Veterans' Affairs.

By Mr. MCCONNELL (for himself and Mr. STEVENS):

S. 2340. A bill making emergency supplemental appropriations for the Department of Defense for the fiscal year ending September 30, 2008, and for other purposes; read the first time.

By Mr. REID (for Mrs. CLINTON (for herself, Mr. ROCKEFELLER, and Ms. LANDRIEU)):

S. 2341. A bill to provide Individual Development Accounts to support foster youths who are transitioning from the foster care system; to the Committee on Health, Education, Labor, and Pensions.

By Mr. JOHNSON:

S. 2342. A bill to prohibit States from carrying out more than one Congressional redistricting after a decennial census and apportionment, to require States to conduct such redistricting through independent commissions, and for other purposes; to the Committee on the Judiciary.

By Mr. REED:

S. 2343. A bill to amend the Real Estate Settlement Procedures Act to require mortgage originators to make their fees more transparent; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MENENDEZ:

S. 2344. A bill to create a competitive grant program to provide for age-appropriate Internet education for children; to the Committee on the Judiciary.

By Mr. BAUCUS:

S. 2345. An original bill to amend the Internal Revenue Code of 1986 and to extend the financing for the Airport and Airway Trust Fund, and for other purposes; from the Committee on Finance; placed on the calendar.

By Mr. SCHUMER:

S. 2346. A bill to temporarily increase the portfolio caps applicable to Freddie Mac and Fannie Mae, to provide the necessary financing to curb foreclosures by facilitating the refinancing of at-risk subprime borrowers into safe, affordable loans, and for other purposes; read the first time.

By Mr. REID (for Mr. OBAMA (for himself, Mrs. MCCASKILL, Ms. COLLINS, Mr. KENNEDY, Mrs. MURRAY, Ms. STABENOW, Mr. BINGAMAN, Mr. WYDEN, Mrs. FEINSTEIN, Mr. KERRY, Mr. HARKIN, Mrs. BOXER, Mr. LEAHY, Mr. MENENDEZ, Ms. KLOBUCHAR, Mr. SCHUMER, Mr. BROWN, Ms. CANTWELL, and Mrs. CLINTON)):

S. 2347. A bill to restore and protect access to discount drug prices for university-based and safety-net clinics; to the Committee on Finance.

By Mr. CORNYN (for himself and Mr. GRAHAM):

S. 2348. A bill to ensure control over the United States border and to strengthen enforcement of the immigration laws; read the first time.

By Mr. GRAHAM (for himself and Mr. DEMINT):

S.J. Res. 24. A joint resolution proposing a balanced budget amendment to the Constitution of the United States; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BURR (for himself, Mr. BAYH, Mr. SUNUNU, Ms. SNOWE, Mr. FEINGOLD, Mr. MCCAIN, and Mr. HAGEL):

S. Res. 375. A resolution amending Senate Resolution 400, 94th Congress, and Senate Resolution 445, 108th Congress, to improve congressional oversight of the intelligence activities of the United States, to provide a strong, stable, and capable congressional committee structure to provide the intelligence community appropriate oversight, support, and leadership, and to implement a key recommendation of the National Commission on Terrorist Attacks Upon the United States; to the Committee on Rules and Administration.

By Mr. KERRY (for himself, Mr. KENNEDY, Ms. SNOWE, Mr. GREGG, Mr. SUNUNU, Mr. REED, and Ms. COLLINS):

S. Res. 376. A resolution providing the sense of the Senate that the Secretary of Commerce should declare a commercial fishery failure for the groundfish fishery for Massachusetts, Maine, New Hampshire, and Rhode Island and immediately propose regulations to implement section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act; to the Committee on Commerce, Science, and Transportation.

By Mr. INHOFE (for himself and Mr. COBURN):

S. Res. 377. A resolution recognizing and celebrating the centennial of Oklahoma statehood; considered and agreed to.

ADDITIONAL COSPONSORS

S. 334

At the request of Mr. WYDEN, the names of the Senator from Idaho (Mr. CRAPO) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 334, a bill to provide affordable, guaranteed private health coverage that will make Americans healthier and can never be taken away.

S. 594

At the request of Mrs. FEINSTEIN, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of S. 594, a bill to limit the use, sale, and transfer of cluster munitions.

S. 613

At the request of Mr. LUGAR, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 613, a bill to enhance the overseas stabilization and reconstruction capabilities of the United States Government, and for other purposes.

S. 667

At the request of Ms. LANDRIEU, her name was added as a cosponsor of S. 667, a bill to expand programs of early childhood home visitation that increase school readiness, child abuse and neglect prevention, and early identification of developmental and health delays, including potential mental health concerns, and for other purposes.

S. 803

At the request of Mr. ROCKEFELLER, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 803, a bill to repeal a provision enacted to end Federal matching of State spending of child support incentive payments.

S. 937

At the request of Mr. CARDIN, his name was added as a cosponsor of S. 937, a bill to improve support and services for individuals with autism and their families.

S. 999

At the request of Mr. COCHRAN, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 999, a bill to amend the Public Health Service Act to improve stroke prevention, diagnosis, treatment, and rehabilitation.

S. 1014

At the request of Mr. ALEXANDER, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 1014, a bill to amend the Elementary and Secondary Education Act of 1965 to provide parental choice for those students that attend schools that are in need of improvement and have been identified for restructuring.

S. 1159

At the request of Mr. HAGEL, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1159, a bill to amend part B of the Individuals with Disabilities Education Act to provide full Federal funding of such part.

S. 1183

At the request of Mr. HARKIN, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 1183, a bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities, and for other purposes.

S. 1233

At the request of Mr. AKAKA, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1233, a bill to provide and enhance intervention, rehabilitative treatment, and services to veterans with traumatic brain injury, and for other purposes.

S. 1243

At the request of Mr. KERRY, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1243, a bill to amend title 10, United States Code, to reduce the age for receipt of military retired pay for nonregular service from 60 years of age to 55 years of age.

S. 1299

At the request of Mr. SCHUMER, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 1299, a bill to establish on behalf of consumers a fiduciary duty and other standards of care for mortgage brokers and originators, and to establish standards to assess a consumer's ability to repay, and for other purposes.

S. 1363

At the request of Mr. SCHUMER, his name was added as a cosponsor of S. 1363, a bill to improve health care for severely injured members and former members of the Armed Forces, and for other purposes.

S. 1386

At the request of Mr. REED, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1386, a bill to amend the Housing and Urban Development Act of 1968, to provide better assistance to low- and moderate-income families, and for other purposes.

S. 1394

At the request of Ms. STABENOW, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1394, a bill to amend the Internal Revenue Code of 1986, to exclude from gross income of individual taxpayers discharges of indebtedness attributable to certain forgiven residential mortgage obligations.

S. 1448

At the request of Mr. REED, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1448, a bill to extend the same Federal benefits to law enforcement officers serving private institutions of higher education and rail carriers that apply to law enforcement officers serving units of State and local government.

S. 1512

At the request of Mrs. BOXER, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 1512, a bill to amend part E of title IV of the Social Security Act to expand Federal eligibility for children in foster care who have attained age 18.

S. 1551

At the request of Mr. BROWN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1551, a bill to amend the Public Health Service Act with respect to making progress toward the goal of eliminating tuberculosis, and for other purposes.

S. 1734

At the request of Mrs. BOXER, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 1734, a bill to provide for prostate cancer imaging research and education.

S. 1737

At the request of Mr. SESSIONS, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1737, a bill to amend title XVIII of the Social Security Act to provide for a waiver of the 35-mile drive requirement for designations of critical access hospitals.

S. 1800

At the request of Ms. MIKULSKI, her name was added as a cosponsor of S. 1800, a bill to amend title 10, United States Code, to require emergency contraception to be available at all military health care treatment facilities.

S. 1812

At the request of Mrs. LINCOLN, her name was added as a cosponsor of S. 1812, a bill to amend the Elementary and Secondary Education Act of 1965 to strengthen mentoring programs, and for other purposes.

S. 1852

At the request of Mr. INOUYE, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 1852, a bill to designate the Friday after Thanksgiving of each year as ''Native American Heritage Day'' in honor of the achievements and contributions of Native Americans to the United States.

S. 1858

At the request of Mr. LUGAR, his name was added as a cosponsor of S. 1858, a bill to amend the Public Health Service Act to establish grant programs to provide for education and outreach on newborn screening and coordinated followup care once newborn screening has been conducted, to reauthorize programs under part A of title XI of such Act, and for other purposes.

At the request of Mr. CARDIN, his name was added as a cosponsor of S. 1858, supra.

At the request of Mrs. LINCOLN, her name was added as a cosponsor of S. 1858, supra.

S. 1880

At the request of Mr. KERRY, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1880, a bill to amend the Animal Welfare Act to prohibit dog fighting ventures.

S. 1921

At the request of Mr. WEBB, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 1921, a bill to amend the American Battlefield Protection Act of 1996 to extend the authorization for that Act, and for other purposes.

S. 1943

At the request of Mr. KENNEDY, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 1943, a bill to establish uniform standards for interrogation techniques applicable to individuals under the custody or physical control of the United States Government.

S. 1944

At the request of Mr. LAUTENBERG, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 1944, a bill to provide justice for victims of state-sponsored terrorism.

S. 1981

At the request of Mr. REED, the names of the Senator from Rhode Island (Mr. WHITEHOUSE), the Senator from Massachusetts (Mr. KERRY), the Senator from Illinois (Mr. DURBIN), the Senator from Maine (Ms. COLLINS), the Senator from Vermont (Mr. SANDERS), the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 1981, a bill to amend the Elementary and Secondary Education Act of 1965 regarding environmental education, and for other purposes.

S. 1998

At the request of Mr. DURBIN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1998, a bill to reduce child marriage, and for other purposes.

S. 2020

At the request of Mr. LUGAR, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 2020, a bill to reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2010, to rename the Tropical Forest Conservation Act of 1998 as the ''Tropical Forest and Coral Conservation Act of 2007'', and for other purposes.

S. 2071

At the request of Mrs. FEINSTEIN, the names of the Senator from Colorado (Mr. SALAZAR) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 2071, a bill to enhance the ability to combat methamphetamine.

S. 2092

At the request of Mr. DURBIN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 2092, a bill to amend title 11, United States Code, to improve protections for employees and retirees in business bankruptcies.

S. 2119

At the request of Mr. JOHNSON, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of S. 2119, a bill to require the Secretary of the Treasury to mint coins in commemoration of veterans who became disabled for life while serving in the Armed Forces of the United States.

S. 2169

At the request of Mr. SCHUMER, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2169, a bill to temporarily increase the portfolio caps applicable to Freddie Mac and Fannie Mae, to provide the necessary financing to curb foreclosures by facilitating the refinancing of at-risk subprime borrowers into safe, affordable loans, and for other purposes.

S. 2257

At the request of Ms. MIKULSKI, her name and the names of the Senator from Vermont (Mr. SANDERS), the Senator from Ohio (Mr. BROWN) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 2257, a bill to impose sanctions on officials of the State Peace and Development Council in Burma, to amend the Burmese Freedom and Democracy Act of 2003 to prohibit the importation of gemstones and hardwoods from Burma, to promote a coordinated international effort to restore civilian democratic rule to Burma, and for other purposes.

At the request of Mr. MCCONNELL, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2257, supra.

S. 2267

At the request of Ms. KLOBUCHAR, the name of the Senator from California

(Mrs. BOXER) was added as a cosponsor of S. 2267, a bill to amend the Internal Revenue Code of 1986 to provide an income tax credit for eldercare expenses.

S. 2268

At the request of Ms. KLOBUCHAR, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 2268, a bill to require issuers of long term care insurance to establish third party review processes for disputed claims.

S. 2291

At the request of Mr. AKAKA, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of S. 2291, a bill to enhance citizen access to Government information and services by establishing plain language as the standard style of Government documents issued to the public, and for other purposes.

S. 2310

At the request of Ms. LANDRIEU, her name was added as a cosponsor of S. 2310, a bill to establish a National Catastrophic Risks Consortium and a National Homeowners' Insurance Stabilization Program, and for other purposes.

S. 2323

At the request of Mr. KERRY, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 2323, a bill to provide for the conduct of carbon capture and storage technology research, development, and demonstration projects, and for other purposes.

S. 2324

At the request of Mrs. MCCASKILL, the names of the Senator from Illinois (Mr. OBAMA), the Senator from New York (Mrs. CLINTON) and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. 2324, a bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to enhance the Offices of the Inspectors General, to create a Council of the Inspectors General on Integrity and Efficiency, and for other purposes.

S. 2332

At the request of Mr. DORGAN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2332, a bill to promote transparency in the adoption of new media ownership rules by the Federal Communications Commission, and to establish an independent panel to make recommendations on how to increase the representation of women and minorities in broadcast media ownership.

S.J. RES. 22

At the request of Mr. CRAPO, the names of the Senator from Utah (Mr. BENNETT) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of S.J. Res. 22, a joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Centers for Medicare & Medicaid Services within the Department of Health and Human Services relating to Medicare coverage for the use of erythropoiesis stimulating agents in cancer and related neoplastic conditions.

At the request of Mr. BAUCUS, the names of the Senator from Indiana (Mr. BAYH) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S.J. Res. 22, supra.

S. RES. 366

At the request of Mr. BAUCUS, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. Res. 366, a resolution designating November 2007 as ''National Methamphetamine Awareness Month'', to increase awareness of methamphetamine abuse.

S. RES. 371

At the request of Mr. COLEMAN, the names of the Senator from New Hampshire (Mr. SUNUNU), the Senator from Kentucky (Mr. BUNNING) and the Senator from Nevada (Mr. ENSIGN) were added as cosponsors of S. Res. 371, a resolution expressing the sense of the Senate regarding the issuance of State driver's licenses and other government-issued photo identification to illegal aliens.

S. RES. 372

At the request of Mr. KERRY, the names of the Senator from New York (Mrs. CLINTON) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. Res. 372, a resolution expressing the sense of the Senate on the declaration of a state of emergency in Pakistan.

AMENDMENT NO. 3508

At the request of Mr. DORGAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of amendment No. 3508 proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

AMENDMENT NO. 3538

At the request of Mr. AKAKA, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of amendment No. 3538 intended to be proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

AMENDMENT NO. 3575

At the request of Mr. COLEMAN, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of amendment No. 3575 intended to be proposed to H.R. 2419, a bill to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BARRASSO (for himself and Mr. ENZI):

S. 2334. A bill to withhold 10 percent of the Federal funding apportioned for highway construction and maintenance from States that issue driver's licenses to individuals without verifying the legal status of such individuals; read the first time.

Mr. BARRASSO. Mr. President, I would like to take a few minutes today to discuss the issue of giving legal government documents to people who are in the United States illegally.

There is no question our immigration process is broken. People who attempt to enter the United States legally—to work, to join their families—well, they often face bureaucratic redtape and incredible delays. Legal entry into the United States has become more difficult as a result of the events of September 11, 2001. There is no question that should be the case.

Unfortunately, illegal entry remains a significant problem. It is estimated that between 13 million and 20 million people are illegally in the United States. The fact that the estimates are so far apart should in and of itself give us all cause for concern.

What should also give us concern is that there are efforts in the United States today to provide driver's licenses to those in this country illegally. I believe such efforts are inappropriate and are a serious threat to our national security.

There is no question that legally issuing driver's licenses or other government documents to people who are here illegally puts our entire Nation at risk. I am troubled by those who argue that we will be safer if we provide official government papers to those who have come to our country illegally. I believe this is the wrong path. It is the wrong path for us to take, and it is contrary to the lessons we should have learned from the events of September 11.

To receive a driver's license, any State used to require proof that someone could drive and proof of identity through a legally issued government document. This was often done through a notarized birth certificate or a passport. Over time, criminals have found ways to forge these documents, and they made it easier for individuals to illegally acquire identification, such as a driver's license.

Some of the 9/11 hijackers had acquired identification documents through forged papers. It should be a wake-up call to all of us. More must be done to prevent this from happening in the future.

This past year, in the Wyoming State Senate, I worked with Representative Pete Illoway to pass legislation making it a crime to use false documents to conceal a person's identity, to conceal a person's citizenship, or to conceal their resident alien status in order to obtain public resources or public services. We specifically identified driver's licenses in the law in Wyoming because of the significance that document plays in allowing individuals to freely move about the country. The bill was passed by the legislature and was signed into law. The value of legally issued driver's licenses cannot be underestimated in

maintaining our national security. In Wyoming, we get it.

I, along with many people in America, cannot understand the arguments supporting the issuance of driver's licenses to illegal immigrants. To me, giving driver's licenses to illegal immigrants will compromise our national security.

We have an immediate situation before us where illegal immigrants in certain parts of the country will be provided government documents that will allow them to freely travel all across our great Nation. It is inconceivable to me that this will make our Nation safer.

The Federal Government has a responsibility to secure our borders and to secure the interior of the United States. Though that effort has come up short over the years, it does not mean we should throw up our hands and do nothing. I believe we must take action—aggressive action—to address this issue.

Today, I am introducing a straightforward legislative proposal. It is S. 2334. It is a straightforward legislative proposal to deal with States that provide driver's licenses to those who are in our Nation illegally. Simply stated, my legislation would require States to verify lawful presence in the United States before granting a driver's license. States that refuse would lose a part of their Federal transportation funds, and those Federal transportation funds would then be redistributed to the States that do follow the law.

I do not know if this is a perfect solution. I do know that issuing driver's licenses to illegal immigrants is wrong. Rewarding illegal immigrants—people who have broken into our country—with a driver's license is a flawed idea. It is an idea that deserves Congress's immediate attention. We cannot allow our country to go down this path. The time for action is today.

By Ms. LANDRIEU:

S. 2335. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to provide adequate case management services; to the Committee on Homeland Security and Governmental Affairs.

Ms. LANDRIEU. Mr. President, almost a year ago, we passed a Homeland Security Appropriations bill. Included in that very large piece of legislation was a small provision that probably went beneath most people's notice.

Section 426 of that bill allows Federal funding to provide case management services after a disaster. That has been a tragically absent component to our circumstances in Louisiana. Educated people struggle to find their way through the Byzantine morass that is FEMA individual assistance program, the Small Business Administration's loan program, the Road Home program and their own insurance company's requirements. Think of how all of this seems to working people who are encountering Federal bureaucracy for the first time.

So, we need case management badly. Unfortunately, Section 426 fails the people of my State in two important ways. First, and this predates the change in Congressional leadership, it allows for case management services—but only for future disasters. The legislation that I am introducing today makes Section 426 retroactive to 2005 and will now cover Hurricanes Rita and Katrina, as well as succeeding disasters.

Two years after the disaster, we only distributed half of the Road Home grants. It is obvious that we will need case management services for years to come in Louisiana. It is only common sense to direct these resources to the Gulf Coast today, where they are direly needed.

However, an equally important failing of Section 426 comes from its implementation. In New Orleans and throughout the Gulf Coast, the energy for the recovery effort has truly come from America's faith community. You can see their good work in neighborhoods that are returning in my hometown. You can see them with hammers and nails in the Gulf Coast towns of Mississippi, and you can find them helping thousands of victims of Katrina and Rita to navigate the bureaucratic hurdles between them, and rebuilding their lives.

As we have not had the benefit of Government supported case management, nonprofits and the faith-based community have stepped in to fill the obvious void. Unfortunately, the same community that has been such a lifeline to the people of the Gulf Coast has been barred from competing for Federal funding under Section 426.

This is a shocking turnaround for an administration that has put so much emphasis on including the faith-based community in Government programming. I believe that the instinct to incorporate programs that are organic to the community, and are already working, was a good one. It is clear to me that case management services are prime examples of programs that should incorporate the faith-based community.

So, as you can see, circumstances have compelled me to clarify Congressional intent. The bill I am introducing today does two things. First, it makes Section 426 retroactive to 2005, so that it may cover Hurricanes Katrina and Rita. Secondly, it strikes the phrase ''qualified private organizations'' which has been misinterpreted to exclude the faith-based community. That phrase has been replaced with ''nonprofit or faith-based organization with experience in case management services.'' It is unfortunate that we have arrived at the point where a legislative solution is needed. But nevertheless, I believe that this legislation resolves the problem, and will give comfort to the people of the Gulf Coast that Federal monies are being spent wisely, and given to those that have shown themselves capable and willing to help.

Mr. President, I ask unanimous consent that the text of the bill and letters of support be printed in the RECORD.

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

S. 2335

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 ''Case Management Services Improvement Act of 2007''.

SEC. 2. CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Section 426 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5189d) is amended by striking ''qualified private organizations'' and inserting ''nonprofit or faith-based organizations with experience in case management services''.

(b) APPLICABILITY.—Section 426 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5189d), as amended by this Act, shall apply to any major disaster (as that term is defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) declared on or after January 1, 2005.

UNITED METHODIST
COMMITTEE ON RELIEF,
Washington, DC, October 25, 2007.

Hon. MARY LANDRIEU,
U.S. Senate,
Washington, DC.

DEAR SENATOR LANDRIEU, I am writing on behalf of the United Methodist Committee on Relief (UMCOR), to express my strong support for the Case Management Services Improvement Act of 2007.

UMCOR is the not-for-profit global humanitarian aid organization of the United Methodist Church, working in more than 80 countries worldwide, For domestic disasters, UMCOR maintains a corps of trained disaster response specialists for quick reinforcement of local efforts, and keeps a supply of relief materials in warehouses to be dispatched as required. These practices proved invaluable in the aftermath of Hurricane Katrina when, as one of the founding members of the Katrina Aid Today (KAT) coalition, UMCOR played a vital role in helping nearly 200,000 individuals rebuild their lives. UMCOR also served as the KAT's fiscal agent, overseeing the administration of over $70 million in federal funding and an addition contribution of over $70 million in private dollars to Hurricane Katrina's victims.

The broad language currently contained within the Robert T. Stafford Disaster Relief and Emergency Assistance Act offers federal funding to ''qualified private organizations'' to provide case management services to individuals affected by major disasters. Unfortunately, this language does not recognize the extent to which organizations such as UMCOR have efficiently and effectively provided these services in the past. Through the Case Management Services Improvement Act of 2007, you recognize and highlight the value of the disaster-related case management services provided by mission-driven, faith-based or non-profit organizations, value that can not be duplicated by less-experienced, profit-driven private companies.

Please let me know if the United Methodist Committee on Relief, or the other members of Katrina Aid Today, can be of any

assistance as you proceed in getting this important legislation passed. Again, we appreciate the Introduction of this significant bill.

Sincerely,

F. THOMAS HAZELWOOD,
Assistant General Secretary,
UMCOR Emergency Services U.S.

OCTOBER 25, 2007.

Hon. MARY LANDRIEU
U.S. Senate,
Washington, DC.

DEAR SENATOR LANDRIEU, On behalf of Lutheran Disaster Response, I am writing to express my full support for the Case Management Services Improvement Act of 2007. This legislation is of great importance to all individuals affected by major disasters, as it will allow them to receive case management services from the non-profit and faith-based organizations that have a long and successful history of carrying out these activities,

Lutheran Disaster Response (LDR) is a mission-driven collaborative ministry of the Evangelical Lutheran Church in America and The Lutheran Church-Missouri Synod. We have a long history of effective case management following major disasters, and in partnership with other faith-based, non-profit voluntary organizations such as the United Methodist Committee on Relief, played a vital role in helping nearly 200,000 individuals rebuild their lives in the aftermath of Hurricane Katrina, This collaboration of non-profit voluntary agencies, known as Katrina Aid Today, established a strong partnership with FEMA and effectively administered over $70 million in federal funding to disaster victims. Additionally, we matched this federal funding with another $70 million in private dollars, providing a comprehensive continuum of care that addressed the needs of each survivor,

As you know, the Robert T. Stafford Disaster Relief and Emergency Assistance Act currently offers federal funding to ''qualified private organizations'' to provide case management services to individuals affected by major disasters, This broad language does not recognize the organizations that have provided these services efficiently in the past, such as Lutheran Disaster Response. Through the Case Management Services Improvement Act of 2007, you recognize and highlight the value of disaster-related case management services provided by mission-driven, faith-based or non-profit organizations, rather than leaving these vital responsibilities to less- experienced private companies that answer to shareholders,

Please let me know if Lutheran Disaster Response, or the other members of Katrina Aid Today, can be of any assistance as you proceed in getting this important legislation passed. Again, we appreciate the introduction of this significant bill.

Sincerely,

HEATHER FELTMAN,
Director,
Lutheran Disaster Response.

KATRINA AID TODAY,
Washington, DC, October 25, 2007.

Hon. MARY LANDRIEU,
U.S. Senate,
Washington, DC.

DEAR SENATOR LANDRIEU: I am writing to express my full support for the Case Management Services Improvement Act of 2007 on behalf of United Methodist Committee on Relief's Katrina Aid Today program. This legislation is of great importance to all individuals affected by major disasters, as it will allow them to receive case management services from the non-profit and faith-based organizations that have a long and successful history of carrying out these activities.

Katrina Aid Today (KAT) is a consortium of 10 social service and voluntary organizations, dedicated to helping survivors navigate the system as they recovered from this tragic disruption of their lives. Member organizations include Catholic Charities USA, Lutheran Disaster Response, Episcopal Relief & Development, the United Methodist Committee on Relief, and the Salvation Army, among others. Following Hurricane Katrina, KAT administered over $70 million in federal funding for disaster case management, helping nearly 200,000 individuals rebuild their lives. Additionally, the partner organizations within KAT matched this federal funding with another $70 million in private dollars, providing a comprehensive continuum of care that addressed the needs of each survivor.

Currently, the Robert T. Stafford Disaster Relief and Emergency Assistance Act overlooks the valuable work of the faith-based organizations that have effectively provided these services in the past, by broadly allowing ''qualified private organizations'' to provide case management services to individuals affected by major disasters. In the Case Management Services Improvement Act of 2007, you recognize the value in having disaster-related case management services provided by mission-driven, faith-based or non-profit organizations such as KAT, rather than leaving these vital responsibilities to less-experienced private companies that must answer to shareholders.

Please let us know if any of the members of Katrina Aid Today can be of any assistance as you proceed in passing the Case Management Services Improvement Act of 2007. Thank you for your efforts and time on this matter.

Sincerely,

JIM COX,
UMCOR,
Executive Director.

By Mrs. MURRAY (for herself and Ms. CANTWELL):

S. 2336. A bill to designate the Port Angeles Federal Building in Port Angeles, Washington, as the ''Richard B. Anderson Federal Building''; to the Committee on Environment and Public Works.

Mrs. MURRAY. 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. 2336

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

SECTION 1. RICHARD B. ANDERSON FEDERAL BUILDING.

(a) DESIGNATION.—The Federal building located at 138 West First Street, Port Angeles, Washington, shall be known and designated as the ''Richard B. Anderson Federal Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in subsection (a) shall be deemed to be a reference to the ''Richard B. Anderson Federal Building''.

By Mr. GRASSLEY (for himself, Mrs. LINCOLN, Ms. SNOWE, Ms. STABENOW, and Mr. SMITH):

S. 2337. A bill to amend the Internal Revenue Code of 1986 to allow long-term care insurance to be offered under cafeteria plans and flexible spending arrangements and to provide additional consumer protections for long-term care insurance; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, Saturday, November 10, marked the last day of Long-Term Care Awareness Week—this was a week where our Nation recognized that now more than ever, Americans need to pay attention to long-term care issues. My colleagues Senators LINCOLN, SNOWE, STABENOW, SMITH and I couldn't think of a better way to cap off the Week than by introducing the Long-Term Care Affordability and Security Act of 2007.

Our Nation is graying. Research shows that the elderly population will nearly double by 2030. By 2050, the population of those aged 85 and older will have grown by more than 300 percent. Research also shows that the average age at which individuals need long-term care services, such as home health care or a private room at a nursing home, is 75. Currently, the average annual cost for a private room at a nursing home is more than $75,000. This cost is expected to be in excess of $140,000 by 2030.

Based on these facts, we can see that our Nation needs to prepare its citizens for the challenges they may face in old age. One way to prepare for these challenges is by encouraging more Americans to obtain long-term care insurance coverage. To date, only 10 percent of seniors have long-term care insurance policies, and only 7 percent of all private-sector employees are offered long-term care insurance as a voluntary benefit.

Under current law, employees may pay for certain health-related benefits, which may include health insurance premiums, co-pays, and disability or life insurance, on a pre-tax basis under cafeteria plans and flexible spending arrangements, FSAs. Essentially, an employee may elect to reduce his or her annual salary to pay for these benefits, and the employee doesn't pay taxes on the amounts used to pay these costs. Employees, however, are explicitly prohibited from paying for the cost of long-term care insurance coverage tax-free.

Our bill would allow employers, for the first time, to offer qualified long-term care insurance to employees under FSAs and cafeteria plans. This means employees would be permitted to pay for qualified long-term care insurance premiums on a tax-free basis. This would make it easier for employees to purchase long-term care insurance, which many find unaffordable. This should also encourage younger individuals to purchase long-term care insurance. The younger the person is at the time the long-care insurance contract is purchased, the lower the insurance premium.

An aging Nation has no time to waste in preparing for long-term care, and the need to help people afford long-term care is more pressing than ever. I look forward to working with Senators LINCOLN, SNOWE, STABENOW, SMITH and

all of our Senate colleagues toward enacting the Long-Term Care Affordability and Security Act of 2007.

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. 2337

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 ''Long-Term Care Affordability and Security Act of 2007''.

SEC. 2. TREATMENT OF PREMIUMS ON QUALIFIED LONG-TERM CARE INSURANCE CONTRACTS.

(a) IN GENERAL.—

(1) CAFETERIA PLANS.—The last sentence of section 125(f) of the Internal Revenue Code of 1986 (defining qualified benefits) is amended by inserting before the period at the end ''; except that such term shall include the payment of premiums for any qualified long-term care insurance contract (as defined in section 7702B) to the extent the amount of such payment does not exceed the eligible long-term care premiums (as defined in section 213(d)(10)) for such contract''.

(2) FLEXIBLE SPENDING ARRANGEMENTS.—Section 106 of such Code (relating to contributions by an employer to accident and health plans) is amended by striking subsection (c) and redesignating subsection (d) as subsection (c).

(b) CONFORMING AMENDMENTS.—

(1) Section 6041 of such Code is amended by adding at the end the following new subsection:

''(h) FLEXIBLE SPENDING ARRANGEMENT DEFINED.—For purposes of this section, a flexible spending arrangement is a benefit program which provides employees with coverage under which—

''(1) specified incurred expenses may be reimbursed (subject to reimbursement maximums and other reasonable conditions), and

''(2) the maximum amount of reimbursement which is reasonably available to a participant for such coverage is less than 500 percent of the value of such coverage.

In the case of an insured plan, the maximum amount reasonably available shall be determined on the basis of the underlying coverage.''.

(2) The following sections of such Code are each amended by striking ''section 106(d)'' and inserting ''section 106(c)'': sections 223(b)(4)(B), 223(d)(4)(C), 223(f)(3)(B), 3231(e)(11), 3306(b)(18), 3401(a)(22), 4973(g)(1), and 4973(g)(2)(B)(i).

(3) Section 6041(f)(1) of such Code is amended by striking ''(as defined in section 106(c)(2))''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 3. ADDITIONAL CONSUMER PROTECTIONS FOR LONG-TERM CARE INSURANCE.

(a) ADDITIONAL PROTECTIONS APPLICABLE TO LONG-TERM CARE INSURANCE.—Subparagraphs (A) and (B) of section 7702B(g)(2) of the Internal Revenue Code of 1986 (relating to requirements of model regulation and Act) are amended to read as follows:

''(A) IN GENERAL.—The requirements of this paragraph are met with respect to any contract if such contract meets—

''(i) MODEL REGULATION.—The following requirements of the model regulation:

''(I) Section 6A (relating to guaranteed renewal or noncancellability), other than paragraph (5) thereof, and the requirements of section 6B of the model Act relating to such section 6A.

''(II) Section 6B (relating to prohibitions on limitations and exclusions) other than paragraph (7) thereof.

''(III) Section 6C (relating to extension of benefits).

''(IV) Section 6D (relating to continuation or conversion of coverage).

''(V) Section 6E (relating to discontinuance and replacement of policies).

''(VI) Section 7 (relating to unintentional lapse).

''(VII) Section 8 (relating to disclosure), other than sections 8F, 8G, 8H, and 8I thereof.

''(VIII) Section 11 (relating to prohibitions against post-claims underwriting).

''(IX) Section 12 (relating to minimum standards).

''(X) Section 13 (relating to requirement to offer inflation protection).

''(XI) Section 25 (relating to prohibition against preexisting conditions and probationary periods in replacement policies or certificates).

''(XII) The provisions of section 28 relating to contingent nonforfeiture benefits, if the policyholder declines the offer of a nonforfeiture provision described in paragraph (4) of this subsection.

''(ii) MODEL ACT.—The following requirements of the model Act:

''(I) Section 6C (relating to preexisting conditions).

''(II) Section 6D (relating to prior hospitalization).

''(III) The provisions of section 8 relating to contingent nonforfeiture benefits, if the policyholder declines the offer of a nonforfeiture provision described in paragraph (4) of this subsection.

''(B) DEFINITIONS.—For purposes of this paragraph—

''(i) MODEL REGULATION.—The term 'model regulation' means the long-term care insurance model regulation promulgated by the National Association of Insurance Commissioners (as adopted as of December 2006).

''(ii) MODEL ACT.—The term 'model Act' means the long-term care insurance model Act promulgated by the National Association of Insurance Commissioners (as adopted as of December 2006).

''(iii) COORDINATION.—Any provision of the model regulation or model Act listed under clause (i) or (ii) of subparagraph (A) shall be treated as including any other provision of such regulation or Act necessary to implement the provision.

''(iv) DETERMINATION.—For purposes of this section and section 4980C, the determination of whether any requirement of a model regulation or the model Act has been met shall be made by the Secretary.''.

(b) EXCISE TAX.—Paragraph (1) of section 4980C(c) of the Internal Revenue Code of 1986 (relating to requirements of model provisions) is amended to read as follows:

''(1) REQUIREMENTS OF MODEL PROVISIONS.—

''(A) MODEL REGULATION.—The following requirements of the model regulation must be met:

''(i) Section 9 (relating to required disclosure of rating practices to consumer).

''(ii) Section 14 (relating to application forms and replacement coverage).

''(iii) Section 15 (relating to reporting requirements).

''(iv) Section 22 (relating to filing requirements for marketing).

''(v) Section 23 (relating to standards for marketing), including inaccurate completion of medical histories, other than paragraphs (1), (6), and (9) of section 23C.

''(vi) Section 24 (relating to suitability).

''(vii) Section 27 (relating to the right to reduce coverage and lower premiums).

''(viii) Section 31 (relating to standard format outline of coverage).

''(ix) Section 32 (relating to requirement to deliver shopper's guide).

The requirements referred to in clause (vi) shall not include those portions of the personal worksheet described in Appendix B relating to consumer protection requirements not imposed by section 4980C or 7702B.

''(B) MODEL ACT.—The following requirements of the model Act must be met:

''(i) Section 6F (relating to right to return).

''(ii) Section 6G (relating to outline of coverage).

''(iii) Section 6H (relating to requirements for certificates under group plans).

''(iv) Section 6J (relating to policy summary).

''(v) Section 6K (relating to monthly reports on accelerated death benefits).

''(vi) Section 7 (relating to incontestability period).

''(vii) Section 9 (relating to producer training requirements).

''(C) DEFINITIONS.—For purposes of this paragraph, the terms 'model regulation' and 'model Act' have the meanings given such terms by section 7702B(g)(2)(B).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to policies issued more than 1 year after the date of the enactment of this Act.

By Mr. REID (for Mr. DODD):

S. 2338. An original bill to modernize and update the National Housing Act and enable the Federal Housing Administration to more effectively reach underserved borrowers, and for other purposes; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

Mr. DODD. Mr. President, today I come to the floor to report the FHA Modernization Act of 2007. This is vitally important legislation, and I want to take a moment to express my thanks to Senator MARTINEZ for his very close collaboration and support in putting this legislation together. This is an original bill produced by the Senate Banking Committee, and as such, the rules prohibit us from obtaining cosponsors. However, I would like to recognize Senators REED, SCHUMER, BAYH, MENENDEZ, BROWN, KERRY, MURRAY, WHITEHOUSE, MARTINEZ, VOINOVICH, CORNYN, and COLEMAN for their support of this bill and for their offers of cosponsorship.

The mortgage markets—particularly the subprime market—are in the midst of a meltdown. Historically high default and foreclosure rates generated, in significant part, by abusive and predatory lending practices, are threatening millions of American families with the loss of their most significant financial asset—their homes—at a cost of over $160 billion in home equity, according to testimony presented before the Banking Committee.

While these problems are addressed, we need to make sure that credit is available, including for subprime borrowers, on fair terms so that the people of this country have an opportunity to build wealth for the future.

A revitalized, strengthened, and modernized FHA can be and, under this legislation, will be a source of this constructive, wealth-building credit, both

for new homeowners and for people who are seeking a way out of the abusive loans in which they are currently trapped.

In short, by providing low-cost credit, without prepayment penalties, without teaser rates, and without other deceptive terms, FHA is a part of the solution to the predatory lending crisis we are experiencing.

Moreover, FHA has traditionally been an important tool for creating new minority homeowners, and for lower-, moderate-, and middle-income families to become homeowners. By modernizing FHA, we will help millions of families achieve their American Dream. FHA is in a strong position to play this role: an independent audit report indicates that FHA has a record $22 billion in capital, and a capital ratio, 6.82 percent, that is more than three times higher the mandated level of 2 percent.

The bill passed by the Committee, and which is being filed today does a number of important things: it raises FHA loan limits so that the program can reach many more people; it lowers downpayment requirements, while still ensuring that people will have a real stake in their new homes; it expands the reverse mortgage program for elderly homeowners by both raising the loan limit and removing the current cap on the number of these mortgages FHA can insure. I know Senators REED, CRAPO, and ALLARD strongly support this program; it reduces the origination fee that elderly homeowners can be charged for these mortgages by one-quarter, from 2 percent to 1.5 percent making it more affordable for seniors to take out these loans; and, it includes a major overhaul of FHA's manufactured housing program, authored by our colleagues Senators BAYH and ALLARD.

Taken together, these changes will help make FHA a more relevant and effective program. This legislation is supported by the Mortgage Bankers Association, the National Association of Home Builders, the National Association of Realtors, AARP, the Manufactured Housing Association, the Manufactured Housing Institute, and others. I urge my colleagues to support this bill.

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 placed in the RECORD, as follows:

S. 2338

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''FHA Modernization Act of 2007''.

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

TITLE I—BUILDING AMERICAN HOMEOWNERSHIP

SEC. 101. SHORT TITLE.

This title may be cited as the ''Building American Homeownership Act of 2007''.

SEC. 102. MAXIMUM PRINCIPAL LOAN OBLIGATION.

Paragraph (2) of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended—

(1) by amending subparagraphs (A) and (B) to read as follows:

''(A) not to exceed the lesser of—

''(i) in the case of a 1-family residence, the median 1-family house price in the area, as determined by the Secretary; and in the case of a 2-, 3-, or 4-family residence, the percentage of such median price that bears the same ratio to such median price as the dollar amount limitation in effect under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) for a 2-, 3-, or 4-family residence, respectively, bears to the dollar amount limitation in effect under such section for a 1-family residence; or

''(ii) the dollar amount limitation determined under such section 305(a)(2) for a residence of the applicable size;

except that the dollar amount limitation in effect for any area under this subparagraph may not be less than the greater of (I) the dollar amount limitation in effect under this section for the area on October 21, 1998, or (II) 65 percent of the dollar limitation determined under such section 305(a)(2) for a residence of the applicable size; and

''(B) not to exceed 100 percent of the appraised value of the property.''; and

(2) in the matter following subparagraph (B), by striking the second sentence (relating to a definition of ''average closing cost'') and all that follows through ''section 3103A(d) of title 38, United States Code.''.

SEC. 103. CASH INVESTMENT REQUIREMENT AND PROHIBITION OF SELLER-FUNDED DOWNPAYMENT ASSISTANCE.

Paragraph 9 of section 203(b) of the National Housing Act (12 U.S.C. 1709(b)(9)) is amended to read as follows:

''(9) CASH INVESTMENT REQUIREMENT.—

''(A) IN GENERAL.—A mortgage insured under this section shall be executed by a mortgagor who shall have paid, in cash, on account of the property an amount equal to not less than 1.5 percent of the appraised value of the property or such larger amount as the Secretary may determine.

''(B) FAMILY MEMBERS.—For purposes of this paragraph, the Secretary shall consider as cash or its equivalent any amounts borrowed from a family member (as such term is defined in section 201), subject only to the requirements that, in any case in which the repayment of such borrowed amounts is secured by a lien against the property, that—

''(i) such lien shall be subordinate to the mortgage; and

''(ii) the sum of the principal obligation of the mortgage and the obligation secured by such lien may not exceed 100 percent of the appraised value of the property.

''(C) PROHIBITED SOURCES.—In no case shall the funds required by subparagraph (A) consist, in whole or in part, of funds provided by any of the following parties before, during, or after closing of the property sale:

''(i) The seller or any other person or entity that financially benefits from the transaction.

''(ii) Any third party or entity that is reimbursed, directly or indirectly, by any of the parties described in clause (i).''.

SEC. 104. MORTGAGE INSURANCE PREMIUMS.

Section 203(c)(2) of the National Housing Act (12 U.S.C. 1709(c)(2)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''or of the General Insurance Fund'' and all that follows through ''section 234(c),,''; and

(2) in subparagraph (A)—

(A) by striking ''2.25 percent'' and inserting ''3 percent''; and

(B) by striking ''2.0 percent'' and inserting ''2.75 percent''.

SEC. 105. REHABILITATION LOANS.

Subsection (k) of section 203 of the National Housing Act (12 U.S.C. 1709(k)) is amended—

(1) in paragraph (1), by striking ''on'' and all that follows through ''1978''; and

(2) in paragraph (5)—

(A) by striking ''General Insurance Fund'' the first place it appears and inserting ''Mutual Mortgage Insurance Fund''; and

(B) in the second sentence, by striking the comma and all that follows through ''General Insurance Fund''.

SEC. 106. DISCRETIONARY ACTION.

The National Housing Act is amended—

(1) in subsection (e) of section 202 (12 U.S.C. 1708(e))—

(A) in paragraph (3)(B), by striking ''section 202(e) of the National Housing Act'' and inserting ''this subsection''; and

(B) by redesignating such subsection as subsection (f);

(2) by striking paragraph (4) of section 203(s) (12 U.S.C. 1709(s)(4)) and inserting the following new paragraph:

''(4) the Secretary of Agriculture;''; and

(3) by transferring subsection (s) of section 203 (as amended by paragraph (2) of this section) to section 202, inserting such subsection after subsection (d) of section 202,

and redesignating such subsection as subsection (e).

SEC. 107. INSURANCE OF CONDOMINIUMS.

(a) IN GENERAL.—Section 234 of the National Housing Act (12 U.S.C. 1715y) is amended—

(1) in subsection (c), in the first sentence—

(A) by striking ''and'' before ''(2)''; and

(B) by inserting before the period at the end the following: '', and (3) the project has a blanket mortgage insured by the Secretary under subsection (d)''; and

(2) in subsection (g), by striking '', except that'' and all that follows and inserting a period.

(b) DEFINITION OF MORTGAGE.—Section 201(a) of the National Housing Act (12 U.S.C. 1707(a)) is amended—

(1) before ''a first mortgage'' insert ''(A)'';

(2) by striking ''or on a leasehold (1)'' and inserting ''(B) a first mortgage on a leasehold on real estate (i)'';

(3) by striking ''or (2)'' and inserting '', or (ii)''; and

(4) by inserting before the semicolon the following: '', or (C) a first mortgage given to secure the unpaid purchase price of a fee interest in, or long-term leasehold interest in, real estate consisting of a one-family unit in a multifamily project, including a project in which the dwelling units are attached, or are manufactured housing units, semi-detached, or detached, and an undivided interest in the common areas and facilities which serve the project''.

(c) DEFINITION OF REAL ESTATE.—Section 201 of the National Housing Act (12 U.S.C. 1707) is amended by adding at the end the following new subsection:

''(g) The term 'real estate' means land and all natural resources and structures permanently affixed to the land, including residential buildings and stationary manufactured housing. The Secretary may not require, for treatment of any land or other property as real estate for purposes of this title, that such land or property be treated as real estate for purposes of State taxation.''.

SEC. 108. MUTUAL MORTGAGE INSURANCE FUND.

(a) IN GENERAL.—Subsection (a) of section 202 of the National Housing Act (12 U.S.C. 1708(a)) is amended to read as follows:

''(a) MUTUAL MORTGAGE INSURANCE FUND.—

''(1) ESTABLISHMENT.—Subject to the provisions of the Federal Credit Reform Act of 1990, there is hereby created a Mutual Mortgage Insurance Fund (in this title referred to as the 'Fund'), which shall be used by the Secretary to carry out the provisions of this title with respect to mortgages insured under section 203. The Secretary may enter into commitments to guarantee, and may guarantee, such insured mortgages.

''(2) LIMIT ON LOAN GUARANTEES.—The authority of the Secretary to enter into commitments to guarantee such insured mortgages shall be effective for any fiscal year only to the extent that the aggregate original principal loan amount under such mortgages, any part of which is guaranteed, does not exceed the amount specified in appropriations Acts for such fiscal year.

''(3) FIDUCIARY RESPONSIBILITY.—The Secretary has a responsibility to ensure that the Mutual Mortgage Insurance Fund remains financially sound.

''(4) ANNUAL INDEPENDENT ACTUARIAL STUDY.—The Secretary shall provide for an independent actuarial study of the Fund to be conducted annually, which shall analyze the financial position of the Fund. The Secretary shall submit a report annually to the Congress describing the results of such study and assessing the financial status of the Fund. The report shall recommend adjustments to underwriting standards, program participation, or premiums, if necessary, to ensure that the Fund remains financially sound.

''(5) QUARTERLY REPORTS.—During each fiscal year, the Secretary shall submit a report to the Congress for each calendar quarter, which shall specify for mortgages that are obligations of the Fund—

''(A) the cumulative volume of loan guarantee commitments that have been made during such fiscal year through the end of the quarter for which the report is submitted;

''(B) the types of loans insured, categorized by risk;

''(C) any significant changes between actual and projected claim and prepayment activity;

''(D) projected versus actual loss rates; and

''(E) updated projections of the annual subsidy rates to ensure that increases in risk to the Fund are identified and mitigated by adjustments to underwriting standards, program participation, or premiums, and the financial soundness of the Fund is maintained.

The first quarterly report under this paragraph shall be submitted on the last day of the first quarter of fiscal year 2008, or on the last day of the first full calendar quarter following the enactment of the Building American Homeownership Act of 2007, whichever is later.

''(6) ADJUSTMENT OF PREMIUMS.—If, pursuant to the independent actuarial study of the Fund required under paragraph (4), the Secretary determines that the Fund is not meeting the operational goals established under paragraph (7) or there is a substantial probability that the Fund will not maintain its established target subsidy rate, the Secretary may either make programmatic adjustments under this title as necessary to reduce the risk to the Fund, or make appropriate premium adjustments.

''(7) OPERATIONAL GOALS.—The operational goals for the Fund are—

''(A) to minimize the default risk to the Fund and to homeowners by among other actions instituting fraud prevention quality control screening not later than 18 months after the date of enactment of the Building American Homeownership Act of 2007; and

''(B) to meet the housing needs of the borrowers that the single family mortgage insurance program under this title is designed to serve.''.

(b) OBLIGATIONS OF FUND.—The National Housing Act is amended as follows:

(1) HOMEOWNERSHIP VOUCHER PROGRAM MORTGAGES.—In section 203(v) (12 U.S.C. 1709(v))—

(A) by striking ''Notwithstanding section 202 of this title, the'' and inserting ''The''; and

(B) by striking ''General Insurance Fund'' the first place such term appears and all that follows through the end of the subsection and inserting ''Mutual Mortgage Insurance Fund.''.

(2) HOME EQUITY CONVERSION MORTGAGES.—Section 255(i)(2)(A) of the National Housing Act (12 U.S.C. 1715z–20(i)(2)(A)) is amended by striking ''General Insurance Fund'' and inserting ''Mutual Mortgage Insurance Fund''.

(c) CONFORMING AMENDMENTS.—The National Housing Act is amended—

(1) in section 205 (12 U.S.C. 1711), by striking subsections (g) and (h); and

(2) in section 519(e) (12 U.S.C. 1735c(e)), by striking ''203(b)'' and all that follows through ''203(i)'' and inserting ''203, except as determined by the Secretary''.

SEC. 109. HAWAIIAN HOME LANDS AND INDIAN RESERVATIONS.

(a) HAWAIIAN HOME LANDS.—Section 247(c) of the National Housing Act (12 U.S.C. 1715z–12(c)) is amended—

(1) by striking ''General Insurance Fund established in section 519'' and inserting ''Mutual Mortgage Insurance Fund''; and

(2) in the second sentence, by striking ''(1) all references'' and all that follows through ''and (2)''.

(b) INDIAN RESERVATIONS.—Section 248(f) of the National Housing Act (12 U.S.C. 1715z–13(f)) is amended—

(1) by striking ''General Insurance Fund'' the first place it appears through ''519'' and inserting ''Mutual Mortgage Insurance Fund''; and

(2) in the second sentence, by striking ''(1) all references'' and all that follows through ''and (2)''.

SEC. 110. CONFORMING AND TECHNICAL AMENDMENTS.

(a) REPEALS.—The following provisions of the National Housing Act are repealed:

(1) Subsection (i) of section 203 (12 U.S.C. 1709(i)).

(2) Subsection (o) of section 203 (12 U.S.C. 1709(o)).

(3) Subsection (p) of section 203 (12 U.S.C. 1709(p)).

(4) Subsection (q) of section 203 (12 U.S.C. 1709(q)).

(5) Section 222 (12 U.S.C. 1715m).

(6) Section 237 (12 U.S.C. 1715z–2).

(7) Section 245 (12 U.S.C. 1715z–10).

(b) DEFINITION OF AREA.—Section 203(u)(2)(A) of the National Housing Act (12 U.S.C. 1709(u)(2)(A)) is amended by striking ''shall'' and all that follows and inserting ''means a metropolitan statistical area as established by the Office of Management and Budget;''.

(c) DEFINITION OF STATE.—Section 201(d) of the National Housing Act (12 U.S.C. 1707(d)) is amended by striking ''the Trust Territory of the Pacific Islands'' and inserting ''the Commonwealth of the Northern Mariana Islands''.

SEC. 111. INSURANCE OF MORTGAGES.

Subsection (n)(2) of section 203 of the National Housing Act (12 U.S.C. 1709(n)(2)) is amended—

(1) in subparagraph (A), by inserting ''or subordinate mortgage or'' before ''lien given''; and

(2) in subparagraph (C), by inserting ''or subordinate mortgage or'' before ''lien''.

SEC. 112. HOME EQUITY CONVERSION MORTGAGES.

(a) IN GENERAL.—Section 255 of the National Housing Act (12 U.S.C. 1715z–20) is amended—

(1) in subsection (b)(2), insert '' 'real estate,' '' after '' 'mortgagor','';

(2) in subsection (g)—

(A) by striking the first sentence; and

(B) by striking ''established under section 203(b)(2)'' and all that follows through ''located'' and inserting ''limitation established under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a 1-family residence'';

(3) in subsection (i)(1)(C), by striking ''limitations'' and inserting ''limitation''; and

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

''(o) AUTHORITY TO INSURE HOME PURCHASE MORTGAGE.—

''(1) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary may insure, upon application by a mortgagee, a home equity conversion mortgage upon such terms and conditions as the Secretary may prescribe, when the home equity conversion mortgage will be used to purchase a 1- to 4-family dwelling unit, one unit of which that the mortgagor will occupy as a primary residence, and to provide for any future payments to the mortgagor, based on available equity, as authorized under subsection (d)(9).

''(2) LIMITATION ON PRINCIPAL OBLIGATION.—A home equity conversion mortgage insured pursuant to paragraph (1) shall involve a principal obligation that does not exceed the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a 1-family residence.''.

(b) MORTGAGES FOR COOPERATIVES.—Subsection (b) of section 255 of the National Housing Act (12 U.S.C. 1715z–20(b)) is amended—

(1) in paragraph (4)—

(A) by inserting ''a first or subordinate mortgage or lien'' before ''on all stock'';

(B) by inserting ''unit'' after ''dwelling''; and

(C) by inserting ''a first mortgage or first lien'' before ''on a leasehold''; and

(2) in paragraph (5), by inserting ''a first or subordinate lien on'' before ''all stock''.

(c) LIMITATION ON ORIGINATION FEES.—Section 255 of the National Housing Act (12 U.S.C. 1715z–20), as amended by the preceding provisions of this section, is further amended—

(1) by redesignating subsections (k), (l), and (m) as subsections (l), (m), and (n), respectively; and

(2) by inserting after subsection (j) the following new subsection:

''(k) LIMITATION ON ORIGINATION FEES.—The Secretary shall establish limits on the origination fee that may be charged to a mortgagor under a mortgage insured under this section, which limitations shall—

''(1) equal 1.5 percent of the maximum claim amount of the mortgage unless adjusted thereafter on the basis of—

''(A) the costs to the mortgagor; and

''(B) the impact of such fees on the reverse mortgage market;

''(2) be subject to a minimum allowable amount;

''(3) provide that the origination fee may be fully financed with the mortgage;

''(4) include any fees paid to correspondent mortgagees approved by the Secretary; and

''(5) have the same effective date as subsection (o)(2) regarding the limitation on principal obligation.''.

(d) STUDY REGARDING PROGRAM COSTS AND CREDIT AVAILABILITY.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study regarding the costs and availability of credit under the home equity conversion mortgages for elderly homeowners program under section 255 of the National Housing Act (12 U.S.C. 1715z–20) (in this subsection referred to as the ''program'').

(2) PURPOSE.—The purpose of the study required under paragraph (1) is to help Congress analyze and determine the effects of limiting the amounts of the costs or fees under the program from the amounts charged under the program as of the date of the enactment of this Act.

(3) CONTENT OF REPORT.—The study required under paragraph (1) should focus on—

(A) the cost to mortgagors of participating in the program;

(B) the financial soundness of the program;

(C) the availability of credit under the program; and

(D) the costs to elderly homeowners participating in the program, including—

(i) mortgage insurance premiums charged under the program;

(ii) up-front fees charged under the program; and

(iii) margin rates charged under the program.

(4) TIMING OF REPORT.—Not later than 12 months after the date of the enactment of this Act, the Comptroller General shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives setting forth the results and conclusions of the study required under paragraph (1).

SEC. 113. ENERGY EFFICIENT MORTGAGES PROGRAM.

Section 106(a)(2) of the Energy Policy Act of 1992 (42 U.S.C. 12712 note) is amended—

(1) by amending subparagraph (C) to read as follows:

''(C) COSTS OF IMPROVEMENTS.—The cost of cost-effective energy efficiency improvements shall not exceed the greater of—

''(i) 5 percent of the property value (not to exceed 5 percent of the limit established under section 203(b)(2)(A)) of the National Housing Act (12 U.S.C. 1709(b)(2)(A); or

''(ii) 2 percent of the limit established under section 203(b)(2)(B) of such Act.''; and

(2) by adding at the end the following:

''(D) LIMITATION.—In any fiscal year, the aggregate number of mortgages insured pursuant to this section may not exceed 5 percent of the aggregate number of mortgages for 1- to 4-family residences insured by the Secretary of Housing and Urban Development under title II of the National Housing Act (12 U.S.C. 1707 et seq.) during the preceding fiscal year.''.

SEC. 114. PILOT PROGRAM FOR AUTOMATED PROCESS FOR BORROWERS WITHOUT SUFFICIENT CREDIT HISTORY.

(a) ESTABLISHMENT.—Title II of the National Housing Act (12 U.S.C. 1707 et seq.) is amended by adding at the end the following new section:

''SEC. 257. PILOT PROGRAM FOR AUTOMATED PROCESS FOR BORROWERS WITHOUT SUFFICIENT CREDIT HISTORY.

''(a) ESTABLISHMENT.—The Secretary shall carry out a pilot program to establish, and make available to mortgagees, an automated process for providing alternative credit rating information for mortgagors and prospective mortgagors under mortgages on 1- to 4-family residences to be insured under this title who have insufficient credit histories for determining their creditworthiness. Such alternative credit rating information may include rent, utilities, and insurance payment histories, and such other information as the Secretary considers appropriate.

''(b) SCOPE.—The Secretary may carry out the pilot program under this section on a limited basis or scope, and may consider limiting the program to first-time homebuyers.

''(c) LIMITATION.—In any fiscal year, the aggregate number of mortgages insured pursuant to the automated process established under this section may not exceed 5 percent of the aggregate number of mortgages for 1- to 4-family residences insured by the Secretary under this title during the preceding fiscal year.

''(d) SUNSET.—After the expiration of the 5-year period beginning on the date of the enactment of the Building American Homeownership Act of 2007, the Secretary may not enter into any new commitment to insure any mortgage, or newly insure any mortgage, pursuant to the automated process established under this section.''.

(b) GAO REPORT.—Not later than the expiration of the two-year period beginning on the date of the enactment of this title, the Comptroller General of the United States shall submit to the Congress a report identifying the number of additional mortgagors served using the automated process established pursuant to section 257 of the National Housing Act (as added by the amendment made by subsection (a) of this section) and the impact of such process and the insurance of mortgages pursuant to such process on the safety and soundness of the insurance funds under the National Housing Act of which such mortgages are obligations.

SEC. 115. HOMEOWNERSHIP PRESERVATION.

The Secretary of Housing and Urban Development and the Commissioner of the Federal Housing Administration, in consultation with industry, the Neighborhood Reinvestment Corporation, and other entities involved in foreclosure prevention activities, shall—

(1) develop and implement a plan to improve the Federal Housing Administration's loss mitigation process; and

(2) report such plan to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

SEC. 116. USE OF FHA SAVINGS FOR IMPROVEMENTS IN FHA TECHNOLOGIES, PROCEDURES, PROCESSES, PROGRAM PERFORMANCE, STAFFING, AND SALARIES.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for each of fiscal years 2008 through 2012, $25,000,000, from negative credit subsidy for the mortgage insurance programs under title II of the National Housing Act, to the Secretary of Housing and Urban Development for increasing funding for the purpose of improving technology, processes, program performance, eliminating fraud, and for providing appropriate staffing in connection with the mortgage insurance programs under title II of the National Housing Act.

(b) CERTIFICATION.—The authorization under subsection (a) shall not be effective for a fiscal year unless the Secretary of Housing and Urban Development has, by rulemaking in accordance with section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section), made a determination that—

(1) premiums being, or to be, charged during such fiscal year for mortgage insurance under title II of the National Housing Act are established at the minimum amount sufficient to—

(A) comply with the requirements of section 205(f) of such Act (relating to required capital ratio for the Mutual Mortgage Insurance Fund); and

(B) ensure the safety and soundness of the other mortgage insurance funds under such Act; and

(2) any negative credit subsidy for such fiscal year resulting from such mortgage insurance programs adequately ensures the efficient delivery and availability of such programs.

(c) STUDY AND REPORT.—The Secretary of Housing and Urban Development shall conduct a study to obtain recommendations from participants in the private residential (both single family and multifamily) mortgage lending business and the secondary market for such mortgages on how best to update and upgrade processes and technologies for the mortgage insurance programs under title II of the National Housing Act so that the procedures for originating, insuring, and servicing of such mortgages conform with those customarily used by secondary market purchasers of residential mortgage loans. Not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, the Secretary shall submit a report to the Congress describing the progress made and to be made toward updating and upgrading such processes and technology, and providing appropriate staffing for such mortgage insurance programs.

SEC. 117. POST-PURCHASE HOUSING COUNSELING ELIGIBILITY IMPROVEMENTS.

Section 106(c)(4) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(4)) is amended:

(1) in subparagraph (C)—

(A) in clause (i), by striking ''; or'' and inserting a semicolon;

(B) in clause (ii), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

''(iii) a significant reduction in the income of the household due to divorce or death; or

''(iv) a significant increase in basic expenses of the homeowner or an immediate family member of the homeowner (including the spouse, child, or parent for whom the homeowner provides substantial care or financial assistance) due to—

''(I) an unexpected or significant increase in medical expenses;

''(II) a divorce;

''(III) unexpected and significant damage to the property, the repair of which will not be covered by private or public insurance; or

''(IV) a large property-tax increase; or'';

(2) by striking the matter that follows subparagraph (C); and

(3) by adding at the end the following:

''(D) the Secretary of Housing and Urban Development determines that the annual income of the homeowner is no greater than the annual income established by the Secretary as being of low- or moderate-income.''.

SEC. 118. PRE-PURCHASE HOMEOWNERSHIP COUNSELING DEMONSTRATION.

(a) ESTABLISHMENT OF PROGRAM.—For the period beginning on the date of enactment of this Act and ending on the date that is 3 years after such date of enactment, the Secretary of Housing and Urban Development shall establish and conduct a demonstration program to test the effectiveness of alternative forms of pre-purchase homeownership counseling for eligible homebuyers.

(b) FORMS OF COUNSELING.—The Secretary of Housing and Urban Development shall provide to eligible homebuyers pre-purchase homeownership counseling under this section in the form of —

(1) telephone counseling;

(2) individualized in-person counseling;

(3) web-based counseling;

(4) counseling classes; or

(5) any other form or type of counseling that the Secretary may, in his discretion, determine appropriate.

(c) SIZE OF PROGRAM.—The Secretary shall make available the pre-purchase homeownership counseling described in subsection (b) to not more than 3,000 eligible homebuyers in any given year.

(d) INCENTIVE TO PARTICIPATE.—The Secretary of Housing and Urban Development may provide incentives to eligible homebuyers to participate in the demonstration program established under subsection (a). Such incentives may include the reduction of any insurance premium charges owed by the eligible homebuyer to the Secretary.

(e) ELIGIBLE HOMEBUYER DEFINED.—For purposes of this section an ''eligible homebuyer'' means a first-time homebuyer who has been approved for a home loan with a loan-to-value ratio between 97 percent and 98.5 percent.

(f) REPORT TO CONGRESS.—The Secretary of Housing and Urban Development shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representative—

(1) on an annual basis, on the progress and results of the demonstration program established under subsection (a); and

(2) for the period beginning on the date of enactment of this Act and ending on the date that is 5 years after such date of enactment, on the payment history and delinquency rates of eligible homebuyers who participated in the demonstration program.

SEC. 119. FRAUD PREVENTION.

Section 1014 of title 18, United States Code, is amended in the first sentence—

(1) by inserting ''the Federal Housing Administration'' before ''the Farm Credit Administration''; and

(2) by striking ''commitment, or loan'' and inserting ''commitment, loan, or insurance agreement or application for insurance or a guarantee''.

SEC. 120. LIMITATION ON MORTGAGE INSURANCE PREMIUM INCREASES.

(a) IN GENERAL.—Notwithstanding any other provision of law, including any provision of this Act and any amendment made by this Act—

(1) for the period beginning on the date of the enactment of this Act and ending on October 1, 2009, the premiums charged for mortgage insurance under multifamily housing programs under the National Housing Act may not be increased above the premium amounts in effect under such program on October 1, 2006, unless the Secretary of Housing and Urban Development determines that, absent such increase, insurance of additional mortgages under such program would, under the Federal Credit Reform Act of 1990, require the appropriation of new budget authority to cover the costs (as such term is defined in section 502 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a) of such insurance; and

(2) a premium increase pursuant to paragraph (1) may be made only if not less than 30 days prior to such increase taking effect, the Secretary of Housing and Urban Development—

(A) notifies the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives of such increase; and

(B) publishes notice of such increase in the Federal Register.

(b) WAIVER.—The Secretary of Housing and Urban Development may waive the 30-day notice requirement under subsection (a)(2), if the Secretary determines that waiting 30-days before increasing premiums would cause substantial damage to the solvency of multifamily housing programs under the National Housing Act.

SEC. 121. SAVINGS PROVISION.

Any mortgage insured under title II of the National Housing Act before the date of enactment of this title shall continue to be governed by the laws, regulations, orders, and terms and conditions to which it was subject on the day before the date of the enactment of this title.

SEC. 122. IMPLEMENTATION.

The Secretary of Housing and Urban Development shall by notice establish any additional requirements that may be necessary to immediately carry out the provisions of this title. The notice shall take effect upon issuance.

TITLE II—MANUFACTURED HOUSING LOAN MODERNIZATION

SEC. 201. SHORT TITLE.

This title may be cited as the ''FHA Manufactured Housing Loan Modernization Act of 2007''.

SEC. 202. PURPOSES.

The purposes of this title are—

(1) to provide adequate funding for FHA-insured manufactured housing loans for low- and moderate-income homebuyers during all economic cycles in the manufactured housing industry;

(2) to modernize the FHA title I insurance program for manufactured housing loans to enhance participation by Ginnie Mae and the private lending markets; and

(3) to adjust the low loan limits for title I manufactured home loan insurance to reflect the increase in costs since such limits were last increased in 1992 and to index the limits to inflation.

SEC. 203. EXCEPTION TO LIMITATION ON FINANCIAL INSTITUTION PORTFOLIO.

The second sentence of section 2(a) of the National Housing Act (12 U.S.C. 1703(a)) is amended—

(1) by striking ''In no case'' and inserting ''Other than in connection with a manufactured home or a lot on which to place such a home (or both), in no case''; and

(2) by striking '': *Provided*, That with'' and inserting ''. With''.

SEC. 204. INSURANCE BENEFITS.

(a) IN GENERAL.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), is amended by adding at the end the following new paragraph:

''(8) INSURANCE BENEFITS FOR MANUFACTURED HOUSING LOANS.—Any contract of insurance with respect to loans, advances of credit, or purchases in connection with a manufactured home or a lot on which to place a manufactured home (or both) for a financial institution that is executed under this title after the date of the enactment of the FHA Manufactured Housing Loan Modernization Act of 2007 by the Secretary shall be conclusive evidence of the eligibility of such financial institution for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of the bearer from the date of the execution of such contract, except for fraud or misrepresentation on the part of such institution.''.

(b) APPLICABILITY.—The amendment made by subsection (a) shall only apply to loans that are registered or endorsed for insurance after the date of the enactment of this Act.

SEC. 205. MAXIMUM LOAN LIMITS.

(a) DOLLAR AMOUNTS.—Paragraph (1) of section 2(b) of the National Housing Act (12 U.S.C. 1703(b)(1)) is amended—

(1) in clause (ii) of subparagraph (A), by striking ''$17,500'' and inserting ''$25,090'';

(2) in subparagraph (C) by striking ''$48,600'' and inserting ''$69,678'';

(3) in subparagraph (D) by striking ''$64,800'' and inserting ''$92,904'';

(4) in subparagraph (E) by striking ''$16,200'' and inserting ''$23,226''; and

(5) by realigning subparagraphs (C), (D), and (E) 2 ems to the left so that the left margins of such subparagraphs are aligned with the margins of subparagraphs (A) and (B).

(b) ANNUAL INDEXING.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

''(9) ANNUAL INDEXING OF MANUFACTURED HOUSING LOANS.—The Secretary shall develop a method of indexing in order to annually adjust the loan limits established in subparagraphs (A)(ii), (C), (D), and (E) of this subsection. Such index shall be based on the manufactured housing price data collected by the United States Census Bureau. The Secretary shall establish such index no later than 1 year after the date of the enactment of the FHA Manufactured Housing Loan Modernization Act of 2007.''

(c) TECHNICAL AND CONFORMING CHANGES.—Paragraph (1) of section 2(b) of the National Housing Act (12 U.S.C. 1703(b)(1)) is amended—

(1) by striking ''No'' and inserting ''Except as provided in the last sentence of this paragraph, no''; and

(2) by adding after and below subparagraph (G) the following:

''The Secretary shall, by regulation, annually increase the dollar amount limitations in subparagraphs (A)(ii), (C), (D), and (E) (as such limitations may have been previously adjusted under this sentence) in accordance with the index established pursuant to paragraph (9).''.

SEC. 206. INSURANCE PREMIUMS.

Subsection (f) of section 2 of the National Housing Act (12 U.S.C. 1703(f)) is amended—

(1) by inserting ''(1) PREMIUM CHARGES.—'' after ''(f)''; and

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

''(2) MANUFACTURED HOME LOANS.—Notwithstanding paragraph (1), in the case of a loan, advance of credit, or purchase in connection with a manufactured home or a lot on which to place such a home (or both), the premium charge for the insurance granted under this section shall be paid by the borrower under the loan or advance of credit, as follows:

''(A) At the time of the making of the loan, advance of credit, or purchase, a single premium payment in an amount not to exceed 2.25 percent of the amount of the original insured principal obligation.

''(B) In addition to the premium under subparagraph (A), annual premium payments during the term of the loan, advance, or obligation purchased in an amount not exceeding 1.0 percent of the remaining insured principal balance (excluding the portion of the remaining balance attributable to the premium collected under subparagraph (A) and without taking into account delinquent payments or prepayments).

''(C) Premium charges under this paragraph shall be established in amounts that are sufficient, but do not exceed the minimum amounts necessary, to maintain a negative credit subsidy for the program under this section for insurance of loans, advances of credit, or purchases in connection with a manufactured home or a lot on which to place such a home (or both), as determined based upon risk to the Federal Government under existing underwriting requirements.

''(D) The Secretary may increase the limitations on premium payments to percentages above those set forth in subparagraphs (A) and (B), but only if necessary, and not in excess of the minimum increase necessary, to maintain a negative credit subsidy as described in subparagraph (C).''.

SEC. 207. TECHNICAL CORRECTIONS.

(a) DATES.—Subsection (a) of section 2 of the National Housing Act (12 U.S.C. 1703(a)) is amended—

(1) by striking ''on and after July 1, 1939,'' each place such term appears; and

(2) by striking ''made after the effective date of the Housing Act of 1954''.

(b) AUTHORITY OF SECRETARY.—Subsection (c) of section 2 of the National Housing Act (12 U.S.C. 1703(c)) is amended to read as follows:

''(c) HANDLING AND DISPOSAL OF PROPERTY.—

''(1) AUTHORITY OF SECRETARY.—Notwithstanding any other provision of law, the Secretary may—

''(A) deal with, complete, rent, renovate, modernize, insure, or assign or sell at public or private sale, or otherwise dispose of, for cash or credit in the Secretary's discretion, and upon such terms and conditions and for such consideration as the Secretary shall determine to be reasonable, any real or personal property conveyed to or otherwise acquired by the Secretary, in connection with the payment of insurance heretofore or hereafter granted under this title, including any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of insurance heretofore or hereafter granted under this section; and

''(B) pursue to final collection, by way of compromise or otherwise, all claims assigned to or held by the Secretary and all legal or equitable rights accruing to the Secretary in connection with the payment of such insurance, including unpaid insurance premiums owed in connection with insurance made available by this title.

''(2) ADVERTISEMENTS FOR PROPOSALS.—Section 3709 of the Revised Statutes shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of such property if the amount thereof does not exceed $25,000.

''(3) DELEGATION OF AUTHORITY.—The power to convey and to execute in the name of the Secretary, deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein heretofore or hereafter acquired by the Secretary pursuant to the provisions of this title may be exercised by an officer appointed by the Secretary without the execution of any express delegation of power or power of attorney. Nothing in this subsection shall be construed to prevent the Secretary from delegating such power by order or by power of attorney, in the Secretary's discretion, to any officer or agent the Secretary may appoint.''.

SEC. 208. REVISION OF UNDERWRITING CRITERIA.

(a) IN GENERAL.—Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

''(10) FINANCIAL SOUNDNESS OF MANUFACTURED HOUSING PROGRAM.—The Secretary shall establish such underwriting criteria for loans and advances of credit in connection with a manufactured home or a lot on which to place a manufactured home (or both), including such loans and advances represented by obligations purchased by financial institutions, as may be necessary to ensure that the program under this title for insurance for financial institutions against losses from such loans, advances of credit, and purchases is financially sound.''.

(b) TIMING.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall revise the existing underwriting criteria for the program referred to in paragraph (10) of section 2(b) of the National Housing Act (as added by subsection (a) of this section) in accordance with the requirements of such paragraph.

SEC. 209. PROHIBITION AGAINST KICKBACKS AND UNEARNED FEES.

Title I of the National Housing Act is amended by adding at the end of section 9 the following new section:

''SEC. 10. PROHIBITION AGAINST KICKBACKS AND UNEARNED FEES.

''(a) IN GENERAL.—Except as provided in subsection (b), the provisions of sections 3, 8, 16, 17, 18, and 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) shall apply to each sale of a manufactured home financed with an FHA-insured loan or extension of credit, as well as to services rendered in connection with such transactions.

''(b) AUTHORITY OF THE SECRETARY.—The Secretary is authorized to determine the manner and extent to which the provisions of sections 3, 8, 16, 17, 18, and 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) may reasonably be applied to the transactions described in subsection (a), and to grant such exemptions as may be necessary to achieve the purposes of this section.

''(c) DEFINITIONS.—For purposes of this section—

''(1) the term 'federally related mortgage loan' as used in sections 3, 8, 16, 17, 18, and 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) shall include an FHA-insured loan or extension of credit made to a borrower for the purpose of purchasing a manufactured home that the borrower intends to occupy as a personal residence; and

''(2) the term 'real estate settlement service' as used in sections 3, 8, 16, 17, 18, and 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) shall include any service rendered in connection with a loan or extension of credit insured by the Federal Housing Administration for the purchase of a manufactured home.

''(d) UNFAIR AND DECEPTIVE PRACTICES.—In connection with the purchase of a manufactured home financed with a loan or extension of credit insured by the Federal Housing Administration under this title, the Secretary shall prohibit acts or practices in connection with loans or extensions of credit that the Secretary finds to be unfair, deceptive, or otherwise not in the interests of the borrower.''.

SEC. 210. LEASEHOLD REQUIREMENTS.

Subsection (b) of section 2 of the National Housing Act (12 U.S.C. 1703(b)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

''(11) LEASEHOLD REQUIREMENTS.—No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it, made for the purposes of financing a manufactured home which is intended to be situated in a manufactured home community pursuant to a lease, unless such lease—

''(A) expires not less than 3 years after the origination date of the obligation;

''(B) is renewable upon the expiration of the original 3 year term by successive 1 year terms; and

''(C) requires the lessor to provide the lessee written notice of termination of the lease not less than 180 days prior to the expiration of the current lease term in the event the lessee is required to move due to the closing of the manufactured home community, and further provides that failure to provide such notice to the mortgagor in a timely manner will cause the lease term, at its expiration, to automatically renew for an additional 1 year term.''.

By Mr. MCCONNELL (for himself and Mr. STEVENS):

S. 2340. A bill making emergency supplemental appropriations for the Department of Defense for the fiscal year ending September 30, 2008, and for other purposes; read the first time.

Mr. MCCONNELL. 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 placed in the RECORD, as follows:

S. 2340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2008.

TITLE I

MILIARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for ''Military Personnel, Army'', $6,158,778,000.

MILITARY PERSONNEL, NAVY

For an additional amount for ''Military Personnel, Navy'', $395,839,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for ''Military Personnel, Marine Corps'', $895,011,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for ''Military Personnel, Air Force'', $707,945,000.

REVERSE PERSONNEL, ARMY

For an additional amount for ''Reserve Personnel, Army'', $115,150,000.

RESERVE PERSONNEL, NAVY

For an additional amount for ''Reserve Personnel, Navy'', $35,000,000.

RESERVE PERSONNEL, MARINE CORPS

For an additional amount for ''Reserve Personnel, Marine Corps'', $7,710,000.

RESERVE PERSONNEL, AIR FORCE

For an additional amount for ''Reserve Personnel, Air Force'', $1,500,000.

NATIONAL GUARD PERSONNEL, ARMY

For an additional amount for ''National Guard Personnel, Army'', $334,000,000.

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for ''Operation and Maintenance, Army'', $27,853,000,000.

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for ''Operation and Maintenance, Navy'', $2,664,000,000: *Provided*, That up to $98,000,000 shall be transferred to the Coast Guard ''Operating Expenses'' account.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for ''Operation and Maintenance, Marine Corps'', $2,649,807,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for ''Operation and Maintenance, Air Force'', $4,778,000,000.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for ''Operation and Maintenance, Defense-Wide'', $1,836,318,000, of which up to $300,000,000, to remain available until expended, may be used for payments to reimburse Pakistan, Jordan, and other key cooperating nations, for logistical, military, and other support provided, or to be provided, to United States military operations, notwithstanding any other provision of law: *Provided*, That such payments may be made in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State, and in consultation with the Director of the Office of Management and Budget, may determine, in his discretion, based on documentation determined by the Secretary of Defense to adequately account for the support provided, and such determination is final and conclusive upon the accounting officers of the United States, and 15 days following notification to the appropriate congressional committees: *Provided further*, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees on the use of funds provided in this paragraph.

OPERATION AND MAINTENANCE, ARMY RESERVE

For an additional amount for ''Operation and Maintenance, Army Reserve'', $77,736,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for ''Operation and Maintenance, Navy Reserve'', $41,657,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For an additional amount for ''Operation and Maintenance, Marine Corps Reserve'', $46,153,000.

OPERATIONS AND MAINTENANCE, AIR FORCE RESERVE

For an additional amount for ''Operation and Maintenance, Air Force Reserve'', $12,133,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for ''Operation and Maintenance, Army National Guard'', $327,000,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For an additional amount for ''Operation and Maintenance, Air National Guard'', $51,634,000.

IRAQ FREEDOM FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for ''Iraq Freedom Fund'', $3,747,327,000, to remain available for transfer until September 30, 2009, only to support operations in Iraq or Afghanistan: *Provided*, That the Secretary of Defense may transfer the funds provided herein to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and working capital funds: *Provided further*, That funds transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation or fund to which transferred: *Provided further*, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further*, That the Secretary of Defense shall, not fewer than 5 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer: *Provided further*, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

AFGHANISTAN SECURITY FORCES FUND

(INCLUDING TRANSFER OF FUNDS)

For the ''Afghanistan Security Forces Fund'', $1,350,000,000, to remain available until September 30, 2009: *Provided*, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Office of Security Cooperation–Afghanistan, or the Secretary's designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Afghanistan, including the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction, and funding: *Provided further*, That the authority to provide assistance under this heading is in addition to any other authority to provide assistance to foreign nations: *Provided further*, That the Secretary of Defense may transfer such funds to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purposes provided herein: *Provided further*, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further*, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund, and used for such purposes: *Provided further*, That the Secretary shall notify the congressional defense committees in writing upon the receipt and upon the transfer of any contribution delineating the sources and amounts of the funds received and the specific use of such contributions: *Provided further*, That the Secretary of Defense shall, not fewer than five days prior to making transfers from this appropriation account, notify the congressional defense committees in writing of the details of any such transfer: *Provided further*, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

IRAQ SECURITY FORCES FUND

(INCLUDING TRANSFER OF FUNDS)

For the ''Iraq Security Forces Fund'', $1,500,000,000, to remain available until September 30, 2009: *Provided*, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Commander, Multi-National Security Transition Command–Iraq, or the Secretary's designee, to provide assistance, with the concurrence of the Secretary of State, to the security forces of Iraq, including the provision of equipment, supplies, services, training, facility and infrastructure repair, renovation, and construction, and funding: *Provided further*, That the authority to provide assistance under this heading is in addition to any other authority to provide assistance to foreign nations: *Provided further*, That the Secretary of Defense may transfer such funds to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purposes provided herein: *Provided further*, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further*, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization may be credited to this Fund, and used for such purposes: *Provided further*, That the Secretary shall notify the congressional defense committees in writing upon the receipt and upon the transfer of any contribution delineating the sources and amounts of the funds received and the specific use of such contributions: *Provided further*, That the Secretary of Defense shall, not fewer than five days prior to making transfers from this appropriation account, notify the congressional defense committees in writing of the details of any such transfer: *Provided further*, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT FUND

(INCLUDING TRANSFER OF FUNDS)

For the ''Joint Improvised Explosive Device Defeat Fund'', $2,264,500,000, to remain available until September 30, 2010: *Provided*, That such funds shall be available to the Secretary of Defense, notwithstanding any other provision of law, for the purpose of allowing the Director of the Joint Improvised

Explosive Device Defeat Organization to investigate, develop and provide equipment, supplies, services, training, facilities, personnel and funds to assist United States forces in the defeat of improvised explosive devices: *Provided further*, That within 60 days of the enactment of this Act, a plan for the intended management and use of the Fund is provided to the congressional defense committees: *Provided further*, That the Secretary of Defense shall submit a report not later than 30 days after the end of each fiscal quarter to the congressional defense committees providing assessments of the evolving threats, individual service requirements to counter the threats, the current strategy for predeployment training of members of the Armed Forces on improvised explosive devices, and details on the execution of this Fund: *Provided further*, That the Secretary of Defense may transfer funds provided herein to appropriations for military personnel; operation and maintenance; procurement; research, development, test and evaluation; and defense working capital funds to accomplish the purpose provided herein: *Provided further*, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That upon determination that all or part of the funds so transferred from this appropriation are not necessary for the purpose provided herein, such amounts may be transferred back to this appropriation: *Provided further*, That the Secretary of Defense shall, not fewer than 5 days prior to making transfers from this appropriation, notify the congressional defense committees in writing of the details of any such transfer.

TITLE III

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For an additional amount for ''Aircraft Procurement, Army'', $1,300,503,000, to remain available for obligation until September 30, 2010.

MISSILE PROCUREMENT, ARMY

For an additional amount for ''Missile Procurement, Army'', $133,621,000, to remain available for obligation until September 30, 2010.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for ''Procurement of Weapons and Tracked Combat Vehicles, Army'', $4,512,566,000, to remain available for obligation until September 30, 2010.

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for ''Procurement of Ammunition, Army'', $154,000,000, to remain available for obligation until September 30, 2010.

OTHER PROCUREMENT, ARMY

For an additional amount for ''Other Procurement, Army'', $2,300,942,000, to remain available for obligation until September 30, 2010.

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for ''Aircraft Procurement, Navy'', $45,900,000, to remain available for obligation until September 30, 2010.

WEAPONS PROCUREMENT, NAVY

For an additional amount for ''Weapons Procurement, Navy'', $159,141,000, to remain available for obligation until September 30, 2010.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For an additional amount for ''Procurement of Ammunition, Navy and Marine Corps'', $304,945,000, to remain available for obligation until September 30, 2010.

OTHER PROCUREMENT, NAVY

For an additional amount for ''Other Procurement, Navy'', $140,061,000, to remain available for obligation until September 30, 2010.

PROCUREMENT, MARINE CORPS

For an additional amount for ''Procurement, Marine Corps'', $733,550,000, to remain available for obligation until September 30, 2010.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for ''Aircraft Procurement, Air Force'', $133,500,000, to remain available for obligation until September 30, 2010.

PROCUREMENT OF AMMUNITION, AIR FORCE

For an additional amount for ''Procurement of Ammunition, Air Force'', $52,203,000, to remain available for obligation until September 30, 2010.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for ''Other Procurement, Air Force'', $199,617,000, to remain available for obligation until September 30, 2010.

PROCUREMENT, DEFENSE-WIDE

For an additional amount for ''Procurement, Defense-Wide'', $274,743,000, to remain available for obligation until September 30, 2010.

TITLE IV

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For an additional amount of ''Defense Working Capital Funds'', $1,000,000,000, to remain available for obligation until September 30, 2010.

TITLE V

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for ''Defense Health Program'', $575,701,000 for Operation and maintenance.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

For an additional amount for ''Drug Interdiction and Counter-Drug Activities, Defense'', $128,809,000.

TITLE VI

GENERAL PROVISIONS

SEC. 601. Appropriations provided in this Act are available for obligation until September 30, 2008, unless otherwise so provided in this Act.

SEC. 602. Notwithstanding any other provision of law or of this Act, funds made available in this Act are in addition to amounts appropriated or otherwise made available for the Department of Defense for fiscal year 2008.

(TRANSFER OF FUNDS)

SEC. 603. Upon the determination of the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer between appropriations up to $3,000,000,000 of the funds made available to the Department of Defense in this Act: *Provided*, That the Secretary shall notify the Congress promptly of each transfer made pursuant to the authority in this section: *Provided further*, That the authority provided in this section is in addition to any other transfer authority available to the Department of Defense.

SEC. 604. Funds appropriated in this Act, or made available by the transfer of funds in or pursuant to this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 605. None of the funds provided in this Act may be used to finance programs or activities denied by Congress in fiscal years 2007 or 2008 appropriations to the Department of Defense or to initiate a procurement or research, development, test and evaluation new start program without prior written notification to the congressional defense committees.

SEC. 606. (a) AVAILABILITY OF FUNDS FOR CERP.—From funds made available in this Act to the Department of Defense, not to exceed $500,000,000 may be used, notwithstanding any other provision of law, to fund the Commander's Emergency Response Program, for the purpose of enabling military commanders in Iraq to respond to urgent humanitarian relief and reconstruction requirements within their areas of responsibility by carrying out programs that will immediately assist the Iraqi people, and to fund a similar program to assist the people of Afghanistan.

(b) QUARTERLY REPORTS.—Not later than 15 days after the end of each fiscal year quarter (beginning with the first quarter of fiscal year 2008), the Secretary of Defense shall submit to the congressional defense committees a report regarding the source of funds and the allocation and use of funds during that quarter that were made available pursuant to the authority provided in this section or under any other provision of law for the purposes of the programs under subsection (a).

SEC. 607. During the current fiscal year, funds available to the Department of Defense for operation and maintenance may be used, notwithstanding any other provision of law, to provide supplies, services, transportation, including airlift and sealift, and other logistical support to coalition forces supporting military and stability operations in Iraq and Afghanistan: *Provided*, That the Secretary of Defense shall provide quarterly reports to the congressional defense committees regarding support provided under this section.

SEC. 608. During fiscal year 2008, supervision and administration costs associated with projects carried out with funds appropriated to ''Afghanistan Security Forces Fund'' or ''Iraq Security Forces Fund'' in this Act may be obligated at the time a construction contract is awarded: *Provided*, That for the purpose of this section, supervision and administration costs include all in-house Government costs.

SEC. 609. (a) REPORTS ON PROGRESS TOWARD STABILITY IN IRAQ.—Not later than 60 days after the date of the enactment of this Act and every 90 days thereafter through the end of fiscal year 2008, the Secretary of Defense shall set forth in a report to Congress a comprehensive set of performance indicators and measures for progress toward military and political stability in Iraq.

(b) SCOPE OF REPORTS.—Each report shall include performance standards and goals for security, economic, and security force training objectives in Iraq together with a notional timetable for achieving these goals.

(c) SPECIFIC ELEMENTS.—In specific, each report shall require, at a minimum, the following:

(1) With respect to stability and security in Iraq, the following:

(A) Key measures of political stability, including the important political milestones that must be achieved over the next several years.

(B) The primary indicators of a stable security environment in Iraq, such as number of engagements per day, numbers of trained Iraqi forces, and trends relating to numbers and types of ethnic and religious-based hostile encounters.

(C) An assessment of the estimated strength of the insurgency in Iraq and the

extent to which it is composed of non-Iraqi fighters.

(D) A description of all militias operating in Iraq, including the number, size, equipment strength, military effectiveness, sources of support, legal status, and efforts to disarm or reintegrate each militia.

(E) Key indicators of economic activity that should be considered the most important for determining the prospects of stability in Iraq, including—

(i) unemployment levels;

(ii) electricity, water, and oil production rates; and

(iii) hunger and poverty levels.

(F) The criteria the Administration will use to determine when it is safe to begin withdrawing United States forces from Iraq.

(2) With respect to the training and performance of security forces in Iraq, the following:

(A) The training provided Iraqi military and other Ministry of Defense forces and the equipment used by such forces.

(B) Key criteria for assessing the capabilities and readiness of the Iraqi military and other Ministry of Defense forces, goals for achieving certain capability and readiness levels (as well as for recruiting, training, and equipping these forces), and the milestones and notional timetable for achieving these goals.

(C) The operational readiness status of the Iraqi military forces, including the type, number, size, and organizational structure of Iraqi battalions that are—

(i) capable of conducting counter-insurgency operations independently;

(ii) capable of conducting counter-insurgency operations with the support of United States or coalition forces; or

(iii) not ready to conduct counter-insurgency operations.

(D) The rates of absenteeism in the Iraqi military forces and the extent to which insurgents have infiltrated such forces.

(E) The training provided Iraqi police and other Ministry of Interior forces and the equipment used by such forces.

(F) Key criteria for assessing the capabilities and readiness of the Iraqi police and other Ministry of Interior forces, goals for achieving certain capability and readiness levels (as well as for recruiting, training, and equipping), and the milestones and notional timetable for achieving these goals, including—

(i) the number of police recruits that have received classroom training and the duration of such instruction;

(ii) the number of veteran police officers who have received classroom instruction and the duration of such instruction;

(iii) the number of police candidates screened by the Iraqi Police Screening Service, the number of candidates derived from other entry procedures, and the success rates of those groups of candidates;

(iv) the number of Iraqi police forces who have received field training by international police trainers and the duration of such instruction; and

(v) attrition rates and measures of absenteeism and infiltration by insurgents.

(G) The estimated total number of Iraqi battalions needed for the Iraqi security forces to perform duties now being undertaken by coalition forces, including defending the borders of Iraq and providing adequate levels of law and order throughout Iraq.

(H) The effectiveness of the Iraqi military and police officer cadres and the chain of command.

(I) The number of United States and coalition advisors needed to support the Iraqi security forces and associated ministries.

(J) An assessment, in a classified annex if necessary, of United States military requirements, including planned force rotations, through the end of calendar year 2008.

SEC. 610. Each amount appropriated or otherwise made available in this Act is designated as an emergency requirement and necessary to meet emergency needs pursuant to subsections (a) and (b) of section 204 of S. Con. Res. 21 (110th Congress), the concurrent resolution on the budget for fiscal year 2008.

SEC. 611. None of the funds appropriated or otherwise made available by this Act may be obligated or expended to provide award fees to any defense contractor for performance that does not meet the requirements of the contract.

SEC. 612. No funds appropriated or otherwise made available by this Act may be used by the Government of the United States to enter into an agreement with the Government of Iraq that would subject members of the Armed Forces of the United States to the jurisdiction of Iraq criminal courts or punishment under Iraq law.

SEC. 613. Notwithstanding any other provision of law, the Secretary of the Army may reimburse a member for expenses incurred by the member or family member when such expenses are otherwise not reimbursable under law: *Provided,* That such expenses must have been incurred in good faith as a direct consequence of reasonable preparation for, or execution of, military orders: *Provided further,* That reimbursement under this section shall be allowed only in situations wherein other authorities are insufficient to remedy a hardship determined by the Secretary, and only when the Secretary determines that reimbursement of the expense is in the best interest of the member and the United States.

SEC. 614. In this Act, the term ''congressional defense committees'' means—

(1) the Committees on Armed Services and Appropriations of the Senate; and

(2) the Committees on Armed Services and Appropriations of the House of Representatives.

SEC. 615. This Act may be cited as the ''Emergency Supplemental Appropriations Act for Defense, 2008''.

By Mr. REID (for Mrs. CLINTON (for herself, Mr. ROCKEFELLER, and Ms. LANDRIEU)):

S. 2341. A bill to provide Individual Development Accounts to support foster youths who are transitioning from the foster care system; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, youth aging out of foster care constitute one of our Nation's most vulnerable populations. Not only do these young people carry wih them histories of child abuse and neglect, but they are also often unsupported in their transition from foster care to independent living. Today, I am pleased to introduce the Focusing Investments and Resources for a Safe Transition Act or FIRST Act, a piece of legislation that will offer much needed financial assistance to young adults as they exit the child welfare system.

Research shows that youth aging out of foster care fare worse than their counterparts in the general population on a variety of social, educational, and health indicators. These youth report significantly lower levels of education and are more likely to be unemployed or homeless. Research also shows that, as they prepare to exit foster care, these young adults do not receive the independent living services necessary to support them through their transition. When it comes to guidance on educational opportunities and employment, money management and housing, resources for foster youth are simply inadequate.

These young people need our help, and they need it now. According to the most recent Federal data, over 20,000 youth age out of the foster care system each year. We must intervene in order to prevent them from experiencing the unfavorable outcomes described in the research. The FIRST Act meets this task head on by addressing the financial status of youth exiting foster care. Specifically, the legislation supports states in setting up Individual Development Accounts, or IDAs, for those preparing to age out of the child welfare system. The accounts will contain a Federal deposit on behalf of foster youth matched by public and private community partners.

Upon transitioning from foster care, and after completing money management training, the legislation permits youths to withdraw their savings to pay for necessities such as educational opportunities, vocational training, and housing—elements critical to achieving self-sufficiency. In short, with these funds, youth aging out of the child welfare system will have a financial base on which they can build self-sustaining, goal-oriented, independent lives.

A similar program is currently being piloted in my State of New York. This summer, Mayor Mike Bloomberg announced that 450 New York City foster youths will be provided IDAs through a program called Youth Financial Empowerment. Similarly, the Jim Casey Youth Opportunities Passport program has experienced success in offering IDAs to foster youth in several cities.

For years I have been encouraging Congress to take action regarding the needs of foster youth. In 2002 I introduced the Opportunity Passport Act, which, among other provisions, called for the establishment of IDAs for those aging out of the child welfare system. Since that time we have failed to make progress on this issue while youth continue to exit foster care without the resources they need. It is under these circumstances that I come forward again today to present the needs of this vulnerable group of young people. It is my hope that you will join me in putting foster youth FIRST and support this important legislation.

By Mr. REED:

S. 2343. A bill to amend the Real Estate Settlement Procedures Act to require mortgage originators to make their fees more transparent; to the Committee on Banking, Housing, and Urban Affairs.

Mr. REED. Mr. President, today I introduce the Real Estate Transparency Act of 2007. This bill would amend the

Real Estate Settlement Practices Act of 1974 to improve the early loan disclosures given to those applying for a mortgage, ensure binding and transparent payment agreements between mortgage originators and borrowers, and require that a borrower be given a copy of their final settlement statement at least one business day before settlement so that it can be thoroughly examined before closing.

As we are all too aware, current Good Faith Estimates do not provide enough useful information to help borrowers truly make informed lending decisions. We have heard too many stories of borrowers not understanding the terms of their loan or not being told about unexpectedly high settlement fees until they are at the closing table. This lack of early and appropriate disclosures regarding the terms of a mortgage loan and the costs of closing on that loan hinders a family's ability to shop for the best loan product for the purchase of a home, and also has allowed families to be taken advantage of by unscrupulous brokers and lenders.

First and foremost, the Real Estate Transparency Act would replace the current Good Faith Estimate with an early written settlement statement of all of the costs to be charged to that person at or before settlement of the loan. It would require that this early settlement statement be in the same form as the final settlement statement, currently known as the HUD 1. The borrower would not be liable for any fees which are not disclosed on this early settlement statement, except for third party fees within 10 percent of the cost listed on the early settlement statement, or fees for bona fide and reasonable expenses not anticipated by the mortgage originator for an inspection, appraisal, survey, or flood certification. This early written settlement statement should allow consumers to compare the costs associated with different loan products from different mortgage originators and shop around for the best product for them early in the process.

Second, this legislation would require for the first time that the HUD 1 or final settlement statement be provided to the borrower at least one business day before settlement. If this final settlement statement is not provided to the borrower, then lenders will be subject to statutory damages.

Third, this bill would require mortgage originators to provide borrowers with a written agreement itemizing all of the fees they may charge the borrower, including any origination fees, underwriting fees, broker fees, or other fees to be charged at or before settlement of such loan to be paid to the lender, the broker, or affiliates of the lender or broker. In addition, this written agreement would have to set out and explain three possible methods of payment for such fees: payment in cash before or at settlement; adding such fees into the loan amount to be borrowed; and increasing the interest rate of the loan. The borrower also could choose to both pay in cash and incorporate some of the fees into the loan amount. This written agreement regarding mortgage origination fees would have to be provided to the borrower within three days of application and be signed before the borrower is obligated to pay any of these fees. Not only should this provide greater transparency regarding what fees are going to be charged by the mortgage originator, consumers also can decide not to sign on the dotted line if they do not like the costs associated with the loan.

Finally, the bill subjects mortgage originators to statutory damages for violations of these disclosure provisions equal to the sum of the borrower's actual damages plus $5,000 for each instance such instance of noncompliance.

Congress needs to take many steps to address the subprime mortgage crisis and to reinstate confidence among our nation's homeowners and those we hope will become homeowners. I believe that giving consumers the information they need regarding their loan costs is a vital part of improving this complicated and often overwhelming process. Borrowers need to better understand the financial ramifications of choosing a certain loan product from a certain mortgage originator early in this process, and before they actually consummate the loan. I hope my colleagues will join with me in supporting this legislation that I believe will greatly improve mortgage loan disclosures.

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. 2343

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 ''Real Estate Transparency Act of 2007''.

SEC. 2. GREATER TRANSPARENCY OF SETTLEMENT FEES.

(a) IN GENERAL.—Section 4 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2603) is amended—

(1) in subsection (a), in the first sentence, by striking ''The Secretary,'' and inserting ''PROVISION OF SETTLEMENT STATEMENT.—The Secretary,'';

(2) in subsection (b)—

(A) in the first sentence—

(i) by striking ''The form'' and inserting ''ADVANCE INSPECTION OF SETTLEMENT STATEMENT.—The form''; and

(ii) by striking '', except'' and all that follows through ''available at such time''; and

(B) in the second sentence—

(i) by striking ''Upon the request of the borrower to inspect the form prescribed under this section during the'' and inserting ''At least 1'';

(ii) by striking ''shall permit the'' and inserting ''shall provide a completed, written copy of the settlement statement to the''; and

(iii) by striking ''to inspect those'' and all that follows through ''preceding day''; and

(3) by adding at the end the following:

''(c) AGREEMENT FOR ORIGINATOR FEES.—

''(1) NOTICE OF FEES.—Not later than 3 days after a person applies for a federally related mortgage loan, the mortgage originator of such loan shall provide to that person a written agreement itemizing all of the fees that person may be charged by the mortgage originator, including any origination fees, underwriting fees, broker fees, and any other fees to be charged at or before the settlement of such loan to be paid to the mortgage originator. Bona fide discount points payable by such person to reduce the interest rate of such loan need not be included on any originator fees agreement under this paragraph.

''(2) METHOD OF PAYMENT.—

''(A) IN GENERAL.—Each originator fee agreement under paragraph (1) shall set out the following 3 methods for the payment of the fees described in any such agreement:

''(i) Payment in cash before or at settlement.

''(ii) Adding such fees into the total loan amount to be borrowed.

''(iii) Increasing the interest rate of the loan.

''(B) BORROWER'S CHOICE OF PAYMENT METHOD.—Each applicant for a federally related mortgage loan, in determining how to pay any of the fees described in an originator fees agreement under paragraph (1), shall choose one of the payment methods described under subparagraph (A), except that the applicant may choose to combine the payment methods described under clauses (i) and (ii) of subparagraph (A).

''(C) REQUIRED EXPLANATION.—

''(i) WRITTEN.—Each originator fee agreement under paragraph (1) shall include a written explanation of each of the payment options listed in subparagraph (A), along with a clear and concise illustration of the effect of each option on the amount borrowed, the interest rate, the payments required on the loan, and any other loan terms which might be affected by such option.

''(ii) ORAL.—Each mortgage originator of a federally related mortgage loan shall explain to each applicant for such a loan each of the payment options listed in subparagraph (A) before accepting any payment from that person.

''(D) REQUIRED SIGNATURE.—Before any applicant for a federally related mortgage loan is obligated to pay any of the fees described in the originator fees agreement under paragraph (1), the person shall have—

''(i) agreed to and signed the originator fees agreement described under paragraph (1); and

''(ii) exercised the option for determining the method of payment for such fees.

''(d) EARLY SETTLEMENT STATEMENT.—

''(1) IN GENERAL.—Not later than 3 days after a person applies for a federally related mortgage loan, the mortgage originator of such loan shall provide to that person a written early settlement statement of all of the settlement costs to be charged to that person at or before settlement. The early settlement statement shall be in the same or a similar form as the statement of settlement costs provided to the person pursuant to subsection (a).

''(2) REQUIRED INCLUSIONS.—Each early settlement statement under this subsection shall include an itemization of the following:

''(A) All fees agreed to by the applicant of a federally related mortgage loan pursuant to the originator fees agreement described under subsection (c)(1).

''(B) All fees to be charged to that applicant by independent third parties, including government agencies at or before settlement of the loan, plus all escrows reserves which may be required of that person.

''(e) BORROWER LIABILITY FOR FEES.—No borrower shall be liable for any fees which are not disclosed on an early settlement statement, except that the borrower is liable for such fees if—

''(1) the total amount charged for fees imposed by independent third parties is—

''(A) not more than 10 percent greater than that stated in the early settlement statement; or

''(B) greater than that allowed under subparagraph (A) because bona fide and reasonable expenses were incurred by such third parties for unanticipated inspection, appraisal, survey, or flood certification of the home which was the subject of such loan;

''(2) the mortgage originator provides a reasonable explanation of the circumstances surrounding the settlement of the loan of the borrower which were different than anticipated by the mortgage originator when the statement was provided; and

''(3) the mortgage originator does not engage in a pattern or practice of providing early settlement statements which disclose individual fees of independent third parties in different amounts than actually charged at settlement.

''(f) LIABILITY FOR FAILURE TO COMPLY.—

''(1) IN GENERAL.—Whoever fails to comply with any provision of this section shall be liable to the borrower for an amount equal to the sum of—

''(A) any actual damages to the borrower as a result of the failure; and

''(B) $5,000 for each such instance of noncompliance.

''(2) COURT COSTS.—In addition to any amount under paragraph (1), in the case of any successful action brought by a borrower under this subsection, such borrower shall be reimbursed for the costs of the action, together with any attorneys fees incurred in connection with such action as the court may determine to be reasonable under the circumstances.

''(g) DEFINITION.—As used in this section, the term 'mortgage originator'—

''(1) means any person who, for direct or indirect compensation or gain, or in the expectation of direct or indirect compensation or gain—

''(A) takes a residential mortgage loan application; or

''(B) assists a consumer in obtaining or applying to obtain a residential mortgage loan; and

''(2) includes any person who makes loans directly or brokers loans for others.''.

(b) CONFORMING AMENDMENT.—Section 5(c) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604(c)) is hereby repealed.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 375—AMENDING SENATE RESOLUTION 400, 94TH CONGRESS, AND SENATE RESOLUTION 445, 108TH CONGRESS, TO IMPROVE CONGRESSIONAL OVERSIGHT OF THE INTELLIGENCE ACTIVITIES OF THE UNITED STATES, TO PROVIDE A STRONG, STABLE, AND CAPABLE CONGRESSIONAL COMMITTEE STRUCTURE TO PROVIDE THE INTELLIGENCE COMMUNITY APPROPRIATE OVERSIGHT, SUPPORT, AND LEADERSHIP, AND TO IMPLEMENT A KEY RECOMMENDATION OF THE NATIONAL COMMISSION ON TERRORIST ATTACKS UPON THE UNITED STATES

Mr. BURR (for himself, Mr. BAYH, Mr. SUNUNU, Ms. SNOWE, Mr. FEINGOLD, Mr. MCCAIN, and Mr. HAGEL) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 375

Whereas the National Commission on Terrorist Attacks Upon the United States (referred to in this Resolution as the ''9/11 Commission'') conducted a lengthy review of the facts and circumstances relating to the terrorist attacks of September 11, 2001, including those relating to the intelligence community, law enforcement agencies, and the role of congressional oversight and resource allocation;

Whereas in its final report, the 9/11 Commission found that congressional oversight of the intelligence activities of the United States is dysfunctional;

Whereas in its final report, the 9/11 Commission further found that under the rules of the Senate and the House of Representatives in effect at the time the report was completed, the committees of Congress charged with oversight of the intelligence activities lacked the power, influence, and sustained capability to meet the daunting challenges faced by the intelligence community of the United States;

Whereas in its final report, the 9/11 Commission further found that as long as such oversight is governed by such rules of the Senate and the House of Representatives, the people of the United States will not get the security they want and need;

Whereas in its final report, the 9/11 Commission further found that a strong, stable, and capable congressional committee structure is needed to give the intelligence community of the United States appropriate oversight, support, and leadership;

Whereas in its final report, the 9/11 Commission further found that the reforms recommended by the 9/11 Commission in its final report will not succeed if congressional oversight of the intelligence community in the United States is not changed;

Whereas the 9/11 Commission recommended structural changes to Congress to improve the oversight of intelligence activities;

Whereas the 9/11 Commission recommended that the authorizing authorities and appropriating authorities with respect to intelligence activities in each house of Congress be combined into a single committee in each house of Congress;

Whereas Congress has enacted some of the recommendations made by the 9/11 Commission and is considering implementing additional recommendations of the 9/11 Commission; and

Whereas the Senate adopted Senate Resolution 445 in the 108th Congress to address some of the intelligence oversight recommendations of the 9/11 Commission by abolishing term limits for the members of the Select Committee on Intelligence, clarifying jurisdiction for intelligence-related nominations, and streamlining procedures for the referral of intelligence-related legislation, but other aspects of the 9/11 Commission recommendations regarding intelligence oversight have not been implemented: Now, therefore, be it

Resolved,

SECTION 1. PURPOSES.

The purposes of this resolution are—

(1) to improve congressional oversight of the intelligence activities of the United States;

(2) to provide a strong, stable, and capable congressional committee structure to provide the intelligence community appropriate oversight, support, and leadership;

(3) to implement a key recommendation of the National Commission on Terrorist Attacks Upon the United States (the ''9/11 Commission'') that structural changes be made to Congress to improve the oversight of intelligence activities; and

(4) to provide vigilant legislative oversight over the intelligence activities of the United States to assure that such activities are in conformity with the Constitution and laws of the United States.

SEC. 2. INTELLIGENCE OVERSIGHT.

(a) AUTHORITY OF THE SELECT COMMITTEE ON INTELLIGENCE.—Paragraph (5) of section 3(a) of Senate Resolution 400, 94th Congress, agreed to May 19, 1976, is amended in that matter preceding subparagraph (A) by striking the comma following ''authorizations for appropriations'' and inserting ''and appropriations,''.

(b) ABOLISHMENT OF THE SUBCOMMITTEE ON INTELLIGENCE.—Senate Resolution 445, 108th Congress, agreed to October 9, 2004, is amended by striking section 402.

SENATE RESOLUTION 376—PROVIDING THE SENSE OF THE SENATE THAT THE SECRETARY OF COMMERCE SHOULD DECLARE A COMMERCIAL FISHERY FAILURE FOR THE GROUNDFISH FISHERY FOR MASSACHUSETS, MAINE, NEW HAMPSHIRE, AND RHODE ISLAND AND IMMEDIATELY PROPOSE REGULATIONS TO IMPLEMENT SECTION 312(a) OF THE MAGNUSON-STEVENS FISHERY CONSERVATION AND MANAGEMENT ACT

Mr. KERRY (for himself, Mr. KENNEDY, Ms. SNOWE, Mr. GREGG, Mr. SUNUNU, Mr. REED, and Ms. COLLINS) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. RES. 376

Whereas the Secretary of Commerce may provide fishery disaster assistance under section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(a)) if the Secretary determines that there is a commercial fishery failure due to a fishery resource disaster as a result of natural causes, man-made causes beyond the control of fishery managers to mitigate through conservation and management measures, including regulatory restrictions

imposed to protect human health or the marine environment, or undetermined causes;

Whereas the Secretary of Commerce has not proposed or promulgated regulations to implement such section 312(a);

Whereas during 2007, the Governors of each of the Commonwealth of Massachusetts, the State of Maine, and the State of Rhode Island requested that the Secretary of Commerce declare a commercial fishery failure for the groundfish fishery under such section 312(a) and the Governor of the State of New Hampshire has indicated his intention of submitting a similar request;

Whereas since 1996, the Secretary of Commerce has had regulations in place that require significant restrictions and reductions on the catch and days-at-sea of New England fishermen in the groundfish fishery;

Whereas New England fishermen in the groundfish fishery have endured additional restrictions and reductions under Framework 42, which has resulted in many fishermen having just 24 days to fish during a season;

Whereas Framework 42 and other Federal fishing restrictions have had a great impact on small-boat fishermen, many of whom cannot safely fish beyond the inshore areas;

Whereas, as of the date of the enactment of this Act, each day-at-sea a fisherman spends in an inshore area reduces that fisherman's number of available days-at-sea by 2 days;

Whereas the Commonwealth of Massachusetts has provided information to the Secretary of Commerce demonstrating that between 1994 and 2006, overall conditions of groundfish stocks have not improved and that spawning stock biomass is near record lows for most major groundfish stocks;

Whereas the Commonwealth of Maine has provided additional information to the Secretary that between 2005 and 2006, total Massachusetts commercial groundfish vessel revenues (landings) decreased by 18 percent and there was a loss for related industries and communities estimated at $22,000,000;

Whereas the State of Maine has provided information to the Secretary of Commerce indicating that since 1994, the impact of groundfish regulations have eliminated 50 percent of Maine's groundfish fleet, leaving just 110 active groundfish fishermen;

Whereas the State of Maine has provided additional information to the Secretary indicating that between 1996 and 2006, there was a 58 percent drop in groundfish landings in Maine and a 45 percent drop in groundfish revenue from approximately $27,000,000 to $15,000,000 and that between 2005 and 2006, groundfish revenues decreased 25 percent;

Whereas the State of Rhode Island has provided information to the Secretary of Commerce indicating that, since 1994, there has been a 66 percent drop in Rhode Island's groundfish fishery landings and, between 1995 and 2007, groundfish revenue decreased 20 percent from approximately $7,500,000 to $6,000,000;

Whereas the Secretary of Commerce rejected requests from Massachusetts, Maine, and Rhode Island to declare a commercial fishery failure prior to establishing any appropriate standard to implement section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act; and

Whereas for centuries, growth in New England's commercial fishing industry has been intertwined with the history and economic growth of the New England States and has created thousands of jobs in both fishing and fishing-related industries for generations of New England residents: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Secretary of Commerce should—

(1) reconsider the October 22, 2007 decision to deny the requests of the Commonwealth of Massachusetts, the State of Maine, and the State of Rhode Island for a groundfish fishery failure declaration;

(2) look favorably upon the request of the State of New Hampshire for a groundfish fishery failure declaration; and

(3) immediately propose regulations to implement section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(a)).

SENATE RESOLUTION 377—RECOGNIZING AND CELEBRATING THE CENTENNIAL OF OKLAHOMA STATEHOOD.

Mr. INHOFE (for himself and Mr. COBURN) submitted the following resolution; which was considered and agreed to:

S. RES. 377

Whereas, on November 16, 1907, Oklahoma officially became the 46th State of the Union;

Whereas the State of Oklahoma is known as the Sooner State;

Whereas the State of Oklahoma has become a national leader in agriculture, natural resource industries, technology, and manufacturing;

Whereas the people of Oklahoma have harvested the natural abundance of the State to produce a wealth which has enabled the building of cities, educational institutions, an unhurried pace of life, and a rich culture, while maintaining the pristine ecology;

Whereas the beautiful mountains, rivers, lakes, trees, plains, and fields of the State of Oklahoma are appreciated and preserved, and the quality of life is unsurpassed; and

Whereas, on November 16, 2007, the State of Oklahoma will begin a new century of statehood: Now, therefore, be it

Resolved, That the Senate recognizes and celebrates the centennial of Oklahoma statehood.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3597. Mr. LOTT submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table.

SA 3598. Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3599. Mr. FEINGOLD (for himself and Mr. SANDERS) submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3600. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3601. Ms. MURKOWSKI submitted an amendment intended to be proposed by her to the bill S. 901, to amend the Public Health Service Act to provide additional authorizations of appropriations for the health centers program under section 330 of such Act; which was referred to the Committee on Health, Education, Labor, and Pensions.

SA 3602. Mr. DORGAN (for himself, Mr. ENZI, Mr. CONRAD, Ms. CANTWELL, Mr. JOHNSON, Mr. TESTER, Mr. BARRASSO, and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table.

SA 3603. Mrs. BOXER (for herself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3604. Mr. KERRY (for himself, Ms. SNOWE, Ms. LANDRIEU, and Mr. VITTER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3605. Mr. SMITH (for himself and Mr. ROCKEFELLER) submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3606. Mr. COBURN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3607. Mr. MENENDEZ submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3608. Mr. MENENDEZ (for himself, Mr. REED, Mr. CARDIN, Mr. KENNEDY, Mr. KERRY, Mr. DODD, Mr . LIEBERMAN, Mr. WHITEHOUSE, Mr. LAUTENBERG, and Mr. SCHUMER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3609. Mr. CASEY (for himself and Mr. CARDIN) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3610. Mr. CASEY submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3611. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3612. Mr. BOND submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3613. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3614. Mr. DOMENICI (for himself and Mr. THUNE) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3615. Mr. GREGG (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3616. Mr. SALAZAR (for himself, Mr. KERRY, Ms. STABENOW, and Mr. SCHUMER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3617. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3618. Mr. BUNNING submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3619. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3620. Mr. LOTT submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3621. Mr. COLEMAN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3622. Mr. SALAZAR (for himself and Mr. ALLARD) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3623. Mrs. BOXER (for herself, Mr. SMITH, Mrs. FEINSTEIN, Mr. SESSIONS, Mr. NELSON of Florida, Mr. MARTINEZ, and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3624. Mrs. BOXER (for herself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3625. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3626. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3627. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3628. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3629. Mrs. DOLE submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3630. Mrs. DOLE submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3631. Mr. GRASSLEY (for himself and Mr. KOHL) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3632. Mr. COBURN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3633. Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3634. Ms. CANTWELL (for herself, Mrs. MURRAY, Mr. WYDEN, Ms. STABENOW, Mr. CRAIG, and Mr. CASEY) submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3635. Ms. CANTWELL (for herself and Mrs. MURRAY) submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3636. Mrs. MURRAY (for herself, Ms. CANTWELL, Mr. SCHUMER, and Mr. WYDEN) submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3637. Mrs. MURRAY (for herself and Ms. CANTWELL) submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3638. Mrs. MURRAY (for herself and Ms. CANTWELL) submitted an amendment intended to be proposed by her to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3639. Mr. HARKIN (for himself and Ms. MURKOWSKI) submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3640. Mr. CRAIG (for himself, Mr. BROWNBACK, and Mr. ALLARD) submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3641. Mr. ALLARD (for himself and Mr. SALAZAR) submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3642. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3643. Mr. CORNYN (for himself and Mr. GREGG) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3644. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3645. Mr. ENSIGN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3646. Mr. INOUYE (for himself, Mr. ROBERTS, Mr. LOTT, Mr. LAUTENBERG, Mr. SMITH, and Mr. VITTER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3647. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3648. Mr. FEINGOLD (for himself and Mr. KOHL) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3649. Mr. KERRY (for himself, Mr. KENNEDY, Ms. SNOWE, Mr. GREGG, Mr. SUNUNU, Mr. REED, and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3650. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3651. Mr. CORKER (for himself and Mr. ALEXANDER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3652. Mr. LAUTENBERG (for himself, Mrs. DOLE, and Mr. SMITH) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

SA 3653. Mr. COBURN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3597. Mr. LOTT submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of chapter 4 of subtitle D of title II, add the following:

SEC. 2399A. MISSISSIPPI RIVER/GULF OF MEXICO NUTRIENT TASK FORCE ACTION PLAN FOR REDUCING, MITIGATING, AND CONTROLLING HYPOXIA IN THE NORTHERN GULF OF MEXICO WATERSHED.

Notwithstanding any other provision of this Act, the Secretary shall ensure that, for each of fiscal years 2008 through 2012, the amount spent for the fiscal year in accordance with this Act to implement the action plan of the Mississippi River/Gulf of Mexico Nutrient Task Force for reducing, mitigating, and controlling hypoxia in the Northern Gulf of Mexico watershed is an amount equal to 10 percent more than the amount spent to implement the action plan during the preceding fiscal year.

SA 3598. Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 245, between lines 22 and 23, insert the following:

(b) ELIGIBILITY.—Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) is amended by striking subsection (e) and inserting the following:

''(e) PLAN REQUIREMENTS.—

''(1) IN GENERAL.—The State plan shall identify the lead agency charged with the responsibility for carrying out the plan and indicate how the grant funds will be used to enhance the competitiveness of specialty crops.

''(2) REPRESENTATION OF CERTAIN INDIVIDUALS.—To the maximum extent practicable and appropriate, the State plan shall be developed taking into consideration the opinions and expertise of beginning farmers or ranchers (as defined in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)) and socially disadvantaged farmers or ranchers (as defined in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))).''.

(c) AUDIT AND PLAN REQUIREMENTS.—Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) is amended by striking subsection (h) and inserting the following:

''(h) AUDIT AND PLAN REQUIREMENTS.—

''(1) IN GENERAL.—For each year that a State receives a grant under this section, the State shall conduct an audit of the expenditures of grant funds by the State.

''(2) SUBMISSION OF AUDIT AND DESCRIPTION.—Not later than 30 days after the date of completion of an audit under paragraph (1), the State shall submit to the Secretary of Agriculture—

''(A) a copy of the audit;

''(B) a description of the ways in which the State is complying with the requirement under subsection (e); and

''(C) such additional information as the Secretary may request to ensure, to the maximum extent practicable, that the State is complying with that requirement.''.

On page 245, line 23, strike ''(b)'' and insert ''(d)''.

On page 246, line 11, strike ''(c)'' and insert ''(e)''.

On page 247, line 11, strike ''(d)'' and insert ''(f)''.

On page 247, line 19, strike ''(e)'' and insert ''(g)''.

SA 3599. Mr. FEINGOLD (for himself and Mr. SANDERS) submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title XI, insert the following:

SEC. 11_____. OFFICE OF SMALL FARMS AND BEGINNING FARMERS AND RANCHERS.

(a) IN GENERAL.—Subtitle B of title II of the Department of Agriculture Reorganization Act of 1994 (as amended by section 11059(a)) is amended by inserting after section 226B the following:

''SEC. 226C. OFFICE OF SMALL FARMS AND BEGINNING FARMERS AND RANCHERS.

''(a) ESTABLISHMENT.—Not less than 180 days after the date of enactment of this section, the Secretary shall establish and maintain within the executive operations of the Department an office, to be known as the 'Office of Small Farms and Beginning Farmers and Ranchers' (referred to in this section as the 'Office').

''(b) PURPOSES.—The purposes of the Office are—

''(1) to ensure coordination across all agencies of the Department—

''(A) to improve use of the programs and services of the Department; and

''(B) to enhance the viability of small, beginning, and socially disadvantaged farmers and ranchers and others, as the Secretary determines to be necessary;

''(2) to ensure small, beginning, and socially disadvantaged farmers and ranchers access to, and equitable participation in, commodity, credit, risk management and disaster protection, conservation, marketing, nutrition, value-added, rural development, and other programs and services of the Department;

''(3) to ensure that the number and economic contributions of small, limited-resource, beginning, and socially disadvantaged farmers and ranchers are accurately reflected in the Census of Agriculture and in other reports; and

''(4) to assess and enhance the effectiveness of outreach and programs of the Department—

''(A) to reduce barriers to program participation;

''(B) to improve service provided through programs of the Department to small, beginning, and socially disadvantaged farmers and ranchers; and

''(C) by suggesting to the Secretary new initiatives and programs to better serve the needs of small, socially disadvantaged, and beginning farmers and ranchers.

''(c) DIRECTOR.—

''(1) IN GENERAL.—The Office shall be headed by a Director.

''(2) ASSUMPTION OF DUTIES.—Effective on the date of establishment of the Office under subsection (a), the Director shall assume the duties and personnel of the Director of Small Farms Coordination, as in existence on the day before the date of enactment of this section.

''(d) DUTIES.—The Office shall—

''(1) in collaboration with such other agencies and offices of the Department as the Secretary determines to be necessary, develop and implement a plan to coordinate the activities established under Departmental Regulation 9700–1 (August 3, 2006), including activities of the Small and Beginning Farmers and Ranchers Council and services provided by the Department to small farms and beginning farmers and ranchers;

''(2) coordinate with the Office of Outreach to provide consultation, training, and liaison activities with eligible entities (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 7 U.S.C. 2279(e));

''(3) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms and of beginning farmers and ranchers;

''(4) establish cross-cutting and strategic departmental goals and objectives for small farms and beginning farmers and ranchers and for each associated program;

''(5) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms and of beginning farmers and ranchers are represented;

''(6) measure outcomes of all small farm programs and beginning farmer and rancher programs and track progress made in achieving the goals of the programs;

''(7) supervise data collection by agencies and offices of the Department regarding characteristics of small farms and beginning farmers and ranchers to ensure that the goals and objectives, and measures carried out to achieve those goals and objectives, can be measured and evaluated; and

''(8) carry out any other related duties that the Secretary determines to be appropriate.

''(e) OUTREACH.—The Office shall establish and maintain an Internet website—

''(1) to share information with interested producers; and

''(2) to collect and respond to comments from small and beginning farmers and ranchers, including comments of the Small and Beginning Farmers and Ranchers Council.

''(f) RESOURCES.—Using funds made available to the Secretary in appropriations Acts, the Secretary shall provide to the Office such human and capital resources as are sufficient to allow the Office to carry out the duties of the Office under this section in a timely and efficient manner.

''(g) ANNUAL REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate annual reports that describe actions taken by the Office during the preceding calendar year to advance the interests of small farms and beginning farmers and ranchers.''.

(b) CONFORMING AMENDMENT.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended—

(1) in paragraph (6) (as added by section 7401(c)(1)), by striking ''or'' at the end;

(2) in paragraph (7) (as added by section 11059(b)), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(8) the authority of the Secretary to establish in the Department the Office of Small Farms and Beginning Farmers and Ranchers in accordance with section 226C.''.

SA 3600. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1362, between lines 19 and 20, insert the following:

SEC. 110_____. USDA PROGRAM GOALS.

(a) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes—

(1) each program of the Department of Agriculture that has received a Program Assessment Rating Tool (referred to in this section as ''PART'') score of ''results not demonstrated''; and

(2) for each such program, the steps being taken by the Secretary to develop acceptable and quantifiable performance goals to determine whether the program is performing as Congress intended.

(b) ANNUAL BUDGET.—

(1) IN GENERAL.—The Secretary shall include in the annual submission to Congress of the budget for the Department of Agriculture a report that identifies each program within the Department of Agriculture that has, as of the date of the report, a PART score of ''results not demonstrated'' or ''ineffective''.

(2) FUNDING.—If a program of the Department of Agriculture receives a PART score described in paragraph (1) for 2 or more consecutive years, the amount made available to the Secretary to carry out the program for each subsequent fiscal year shall be not more than the amount made available to carry out the program for the preceding fiscal year until such time as the program receives a PART score of at least ''adequate''.

(c) REDUCTION OF DEBT.—For each fiscal year for which a program of the Department

of Agriculture receives funding as described in subsection (b)(2), an amount equal to the amount of funding withheld from the Department of Agriculture for that program shall be deposited in the account established under section 3113(d) of title 31, United States Code, for use in reducing the Federal debt.

SA 3601. Ms. MURKOWSKI submitted an amendment intended to be proposed by her to the bill S. 901, to amend the Public Health Service Act to provide additional authorizations of appropriations for the health centers program under section 330 of such Act; which was referred to the Committee on Health, Education, Labor, and Pensions; as follows:

At the appropriate place in section 2, insert the following:

SEC. ___. GRANTS TO EXPAND MEDICAL RESIDENCY TRAINING PROGRAMS AND INCREASE PROVIDER RETENTION RATES IN RURAL AND UNDERSERVED AREAS.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by inserting after section 340G the following:

"Subpart XI—Medical Residency Training Programs and Provider Retention

"SEC. 340H. GRANTS TO EXPAND MEDICAL RESIDENCY TRAINING PROGRAMS AND INCREASE PROVIDER RETENTION RATES IN RURAL AND UNDERSERVED AREAS.

''(a) PROGRAM AUTHORIZED.—The Secretary may make grants to community health centers—

''(1) to establish, at the centers, new or alternative-campus accredited medical residency training programs affiliated with a hospital or other health care facility; or

''(2) to fund new residency positions within existing accredited medical residency training programs at the centers and their affiliated partners.

''(b) USE OF FUNDS.—Amounts from a grant under this section shall be used to cover the costs of establishing or expanding a medical residency training program described in subsection (a), including costs associated with—

''(1) curriculum development;

''(2) equipment acquisition;

''(3) recruitment, training, and retention of residents and faculty; and

''(4) residency stipends.

''(c) APPLICATIONS.—A community health center seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(d) PREFERENCE.—In selecting recipients for a grant under this section, the Secretary shall give preference to funding medical residency training programs focusing on primary health care.

''(e) DEFINITIONS.—In this section:

''(1) The term 'accredited', as applied to a new or alternative-campus medical residency training program, means a program that is accredited by a recognized body or bodies approved for such purpose by the Accreditation Council for Graduate Medical Education, except that a new medical residency training program that, by reason of an insufficient period of operation, is not eligible for accreditation on or before the date of submission of an application under subsection (c) shall be deemed accredited if the Accreditation Council for Graduate Medical Education finds, after consultation with the appropriate accreditation body or bodies, that there is substantial assurance that the program will meet the accreditation standards of such body or bodies prior to the date of graduation of the first entering class in that program.

''(2) The term 'community health center' means a health center as defined in section 330.''.

SA 3602. Mr. DORGAN (for himself, Mr. ENZI, Mr. CONRAD, Ms. CANTWELL, Mr. JOHNSON, Mr. TESTER, Mr. BARRASSO, and Mr. WYDEN) submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title X, add the following:

SEC. 103___. DISAPPROVAL OF RULE.

Congress disapproves the rule submitted by the Secretary relating to bovine spongiform encephalopathy, minimal-risk regions, and importation of live bovines and products derived from bovines (72 Fed. Reg. 53314 (2007)), and such rule shall have no force or effect.

SA 3603. Mrs. BOXER (for herself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 392, strike line 25 and insert the following:

as determined by the Secretary.

''(i) AIR QUALITY IMPROVEMENT.—

''(1) IN GENERAL.—Under the environmental quality section of the program established under this chapter, the Secretary shall promote air quality by providing cost-share payments and incentive payments to individual producers for use in addressing air quality concerns associated with agriculture.

''(2) ELIGIBLE PRACTICES, COST-SHARE.—

''(A) REDUCTION OF EMISSIONS OF AIR POLLUTANTS AND PRECURSORS OF AIR POLLUTANTS.—In addition to practices eligible for cost-share payments under the environmental quality section of the program established under this chapter, the Secretary shall provide cost-share payments to producers under this section for mobile or stationary equipment (including engines) used in an agricultural operation that would reduce emissions and precursors of air pollutants.

''(B) CONSIDERATIONS.—In evaluating applications for cost-share assistance for equipment described in subparagraph (A), the Secretary shall prioritize assistance for equipment that—

''(i) is the most cost-effective in addressing air quality concerns; and

''(ii) would assist producers in meeting Federal, State, or local regulatory requirements relating to air quality.

''(3) LOCATIONS.—To receive a payment for a project under this subsection, a producer shall carry out the project in a county—

''(A) that is in nonattainment with respect to ambient air quality standards;

''(B) in which there is air quality degradation, recognized by a State or local agency, to which agricultural emissions significantly contribute; or

''(C) in which the Secretary determines that pesticide drift is a priority concern.

''(4) PRIORITY.—The Secretary shall give priority to projects that—

''(A) involve multiple producers implementing eligible conservation activities in a coordinated manner to promote air quality; or

''(B) are designed to encourage broad adoption of innovative approaches, including approaches involving the use of innovative technologies and integrated pest management, on the condition that the technologies do not have the unintended consequence of compromising other environmental goals.''.

SA 3604. Mr. KERRY (for himself, Ms. SNOWE, Ms. LANDRIEU, and Mr. VITTER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1362, between lines 19 and 20, insert the following:

Subtitle C—Disaster Loan Program

SEC. 11101. SHORT TITLE.

This subtitle may be cited as the ''Small Business Disaster Response and Loan Improvements Act of 2007''.

SEC. 11102. DEFINITIONS.

In this subtitle—

(1) the terms ''Administration'' and ''Administrator'' mean the Small Business Administration and the Administrator thereof, respectively;

(2) the term ''catastrophic national disaster'' means a catastrophic national disaster declared under section 7(b)(11) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act;

(3) the term ''declared disaster'' means a major disaster or a catastrophic national disaster;

(4) the term ''disaster area'' means an area affected by a natural or other disaster, as determined for purposes of paragraph (1) or (2) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), during the period of such declaration;

(5) the term ''disaster loan program of the Administration'' means assistance under section 7(b) of the Small Business Act (15 U.S.C. 636(b));

(6) the term ''disaster update period'' means the period beginning on the date on which the President declares a major disaster or a catastrophic national disaster and ending on the date on which such declaration terminates;

(7) the term ''major disaster'' has the meaning given that term in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122);

(8) the term ''small business concern'' has the same meaning as in section 3 of the Small Business Act (15 U.S.C. 632); and

(9) the term ''State'' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and any territory or possession of the United States.

PART I—DISASTER PLANNING AND RESPONSE

SEC. 11121. DISASTER LOANS TO NONPROFITS.

Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (3) the following:

''(4) LOANS TO NONPROFITS.—In addition to any other loan authorized by this subsection, the Administrator may make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administrator determines appropriate to a nonprofit organization located or operating in an area affected by a natural or other disaster, as determined

under paragraph (1) or (2), or providing services to persons who have evacuated from any such area.''.

SEC. 11122. DISASTER LOAN AMOUNTS.

(a) INCREASED LOAN CAPS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (4), as added by this Act, the following:

''(5) INCREASED LOAN CAPS.—

''(A) AGGREGATE LOAN AMOUNTS.—Except as provided in subparagraph (B), and notwithstanding any other provision of law, the aggregate loan amount outstanding and committed to a borrower under this subsection may not exceed $2,000,000.

''(B) WAIVER AUTHORITY.—The Administrator may, at the discretion of the Administrator, increase the aggregate loan amount under subparagraph (A) for loans relating to a disaster to a level established by the Administrator, based on appropriate economic indicators for the region in which that disaster occurred.''.

(b) DISASTER MITIGATION.—

(1) IN GENERAL.—Section 7(b)(1)(A) of the Small Business Act (15 U.S.C. 636(b)(1)(A)) is amended by inserting ''of the aggregate costs of such damage or destruction (whether or not compensated for by insurance or otherwise)'' after ''20 per centum''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to a loan or guarantee made after the date of enactment of this Act.

(c) TECHNICAL AMENDMENTS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended—

(1) in the matter preceding paragraph (1), by striking ''the, Administration'' and inserting ''the Administration'';

(2) in paragraph (2)(A), by striking ''Disaster Relief and Emergency Assistance Act'' and inserting ''Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) (in this subsection referred to as a 'major disaster')''; and

(3) in the undesignated matter at the end—

(A) by striking '', (2), and (4)'' and inserting ''and (2)''; and

(B) by striking '', (2), or (4)'' and inserting ''(2)''.

SEC. 11123. SMALL BUSINESS DEVELOPMENT CENTER PORTABILITY GRANTS.

Section 21(a)(4)(C)(viii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(viii)) is amended—

(1) in the first sentence, by striking ''as a result of a business or government facility down sizing or closing, which has resulted in the loss of jobs or small business instability'' and inserting ''due to events that have resulted or will result in, business or government facility downsizing or closing''; and

(2) by adding at the end ''At the discretion of the Administrator, the Administrator may make an award greater than $100,000 to a recipient to accommodate extraordinary occurrences having a catastrophic impact on the small business concerns in a community.''.

SEC. 11124. ASSISTANCE TO OUT-OF-STATE BUSINESSES.

Section 21(b)(3) of the Small Business Act (15 U.S.C. 648(b)(3)) is amended—

(1) by striking ''At the discretion'' and inserting the following: ''SMALL BUSINESS DEVELOPMENT CENTERS.—

''(A) IN GENERAL.—At the discretion''; and

(2) by adding at the end the following:

''(B) DURING DISASTERS.—

''(i) IN GENERAL.—At the discretion of the Administrator, the Administrator may authorize a small business development center to provide such assistance to small business concerns located outside of the State, without regard to geographic proximity, if the small business concerns are located in a disaster area declared under section 7(b)(2)(A).

''(ii) CONTINUITY OF SERVICES.—A small business development center that provides counselors to an area described in clause (i) shall, to the maximum extent practicable, ensure continuity of services in any State in which such small business development center otherwise provides services.

''(iii) ACCESS TO DISASTER RECOVERY FACILITIES.—For purposes of providing disaster recovery assistance under this subparagraph, the Administrator shall, to the maximum extent practicable, permit small business development center personnel to use any site or facility designated by the Administrator for use to provide disaster recovery assistance.''.

SEC. 11125. OUTREACH PROGRAMS.

(a) IN GENERAL.—Not later than 30 days after the date of the declaration of a disaster area, the Administrator may establish a contracting outreach and technical assistance program for small business concerns which have had a primary place of business in, or other significant presence in, such disaster area.

(b) ADMINISTRATOR ACTION.—The Administrator may carry out subsection (a) by acting through—

(1) the Administration;

(2) the Federal agency small business officials designated under section 15(k)(1) of the Small Business Act (15 U.S.C. 644(k)(1)); or

(3) any Federal, State, or local government entity, higher education institution, procurement technical assistance center, or private nonprofit organization that the Administrator may determine appropriate, upon conclusion of a memorandum of understanding or assistance agreement, as appropriate, with the Administrator.

SEC. 11126. SMALL BUSINESS BONDING THRESHOLD.

(a) IN GENERAL.—Except as provided in subsection (b), and notwithstanding any other provision of law, for any procurement related to a major disaster, the Administrator may, upon such terms and conditions as the Administrator may prescribe, guarantee and enter into commitments to guarantee any surety against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by a principal on any total work order or contract amount at the time of bond execution that does not exceed $5,000,000.

(b) INCREASE OF AMOUNT.—Upon request of the head of any Federal agency other than the Administration involved in reconstruction efforts in response to a major disaster, the Administrator may guarantee and enter into a commitment to guarantee any security against loss under subsection (a) on any total work order or contract amount at the time of bond execution that does not exceed $10,000,000.

SEC. 11127. TERMINATION OF PROGRAM.

Section 711(c) of the Small Business Competitive Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by inserting after ''January 1, 1989'' the following: '', and shall terminate on the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007''.

SEC. 11128. INCREASING COLLATERAL REQUIREMENTS.

Section 7(c)(6) of the Small Business Act (15 U.S.C. 636(c)(6)) is amended by striking ''$10,000 or less'' and inserting ''$14,000 or less (or such higher amount as the Administrator determines appropriate in the event of a catastrophic national disaster declared under subsection (b)(11))''.

SEC. 11129. PUBLIC AWARENESS OF DISASTER DECLARATION AND APPLICATION PERIODS.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (5), as added by this Act, the following:

''(6) COORDINATION WITH FEMA.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, for any disaster (including a catastrophic national disaster) declared under this subsection or major disaster, the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, shall ensure, to the maximum extent practicable, that all application periods for disaster relief under this Act correspond with application deadlines established under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), or as extended by the President.

''(B) DEADLINES.—Notwithstanding any other provision of law, not later than 10 days before the closing date of an application period for a major disaster (including a catastrophic national disaster), the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that includes—

''(i) the deadline for submitting applications for assistance under this Act relating to that major disaster;

''(ii) information regarding the number of loan applications and disbursements processed by the Administrator relating to that major disaster for each day during the period beginning on the date on which that major disaster was declared and ending on the date of that report; and

''(iii) an estimate of the number of potential applicants that have not submitted an application relating to that major disaster.

''(7) PUBLIC AWARENESS OF DISASTERS.—If a disaster (including a catastrophic national disaster) is declared under this subsection, the Administrator shall make every effort to communicate through radio, television, print, and web-based outlets, all relevant information needed by disaster loan applicants, including—

''(A) the date of such declaration;

''(B) cities and towns within the area of such declaration;

''(C) loan application deadlines related to such disaster;

''(D) all relevant contact information for victim services available through the Administration (including links to small business development center websites);

''(E) links to relevant Federal and State disaster assistance websites, including links to websites providing information regarding assistance available from the Federal Emergency Management Agency;

''(F) information on eligibility criteria for Administration loan programs, including where such applications can be found; and

''(G) application materials that clearly state the function of the Administration as the Federal source of disaster loans for homeowners and renters.''.

(b) MARKETING AND OUTREACH.—Not later than 90 days after the date of enactment of this Act, the Administrator shall create a marketing and outreach plan that—

(1) encourages a proactive approach to the disaster relief efforts of the Administration;

(2) makes clear the services provided by the Administration, including contact information, application information, and timelines for submitting applications, the review of applications, and the disbursement of funds;

(3) describes the different disaster loan programs of the Administration, including how they are made available and the eligibility requirements for each loan program;

(4) provides for regional marketing, focusing on disasters occurring in each region before the date of enactment of this Act, and likely scenarios for disasters in each such region; and

(5) ensures that the marketing plan is made available at small business development centers and on the website of the Administration.

SEC. 11130. CONSISTENCY BETWEEN ADMINISTRATION REGULATIONS AND STANDARD OPERATING PROCEDURES.

(a) IN GENERAL.—The Administrator shall, promptly following the date of enactment of this Act, conduct a study of whether the standard operating procedures of the Administration for loans offered under section 7(b) of the Small Business Act (15 U.S.C. 636(b)) are consistent with the regulations of the Administration for administering the disaster loan program.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Administration shall submit to Congress a report containing all findings and recommendations of the study conducted under subsection (a).

SEC. 11131. PROCESSING DISASTER LOANS.

(a) AUTHORITY FOR QUALIFIED PRIVATE CONTRACTORS TO PROCESS DISASTER LOANS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (7), as added by this Act, the following:

''(8) AUTHORITY FOR QUALIFIED PRIVATE CONTRACTORS.—

''(A) DISASTER LOAN PROCESSING.—The Administrator may enter into an agreement with a qualified private contractor, as determined by the Administrator, to process loans under this subsection in the event of a major disaster or a catastrophic national disaster declared under paragraph (11), under which the Administrator shall pay the contractor a fee for each loan processed.

''(B) LOAN LOSS VERIFICATION SERVICES.—The Administrator may enter into an agreement with a qualified lender or loss verification professional, as determined by the Administrator, to verify losses for loans under this subsection in the event of a major disaster or a catastrophic national disaster declared under paragraph (11), under which the Administrator shall pay the lender or verification professional a fee for each loan for which such lender or verification professional verifies losses.''.

(b) COORDINATION OF EFFORTS BETWEEN THE ADMINISTRATOR AND THE INTERNAL REVENUE SERVICE TO EXPEDITE LOAN PROCESSING.—The Administrator and the Commissioner of Internal Revenue shall, to the maximum extent practicable, ensure that all relevant and allowable tax records for loan approval are shared with loan processors in an expedited manner, upon request by the Administrator.

SEC. 11132. DEVELOPMENT AND IMPLEMENTATION OF MAJOR DISASTER RESPONSE PLAN.

(a) IN GENERAL.—Not later than 3 months after the date of enactment of this Act, the Administrator shall—

(1) by rule, amend the 2006 Atlantic hurricane season disaster response plan of the Administration (in this section referred to as the ''disaster response plan'') to apply to major disasters; and

(2) submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives detailing the amendments to the disaster response plan.

(b) CONTENTS.—The report required under subsection (a)(2) shall include—

(1) any updates or modifications made to the disaster response plan since the report regarding the disaster response plan submitted to Congress on July 14, 2006;

(2) a description of how the Administrator plans to utilize and integrate District Office personnel of the Administration in the response to a major disaster, including information on the utilization of personnel for loan processing and loan disbursement;

(3) a description of the disaster scalability model of the Administration and on what basis or function the plan is scaled;

(4) a description of how the agency-wide Disaster Oversight Council is structured, which offices comprise its membership, and whether the Associate Deputy Administrator for Entrepreneurial Development of the Administration is a member;

(5) a description of how the Administrator plans to coordinate the disaster efforts of the Administration with State and local government officials, including recommendations on how to better incorporate State initiatives or programs, such as State-administered bridge loan programs, into the disaster response of the Administration;

(6) recommendations, if any, on how the Administration can better coordinate its disaster response operations with the operations of other Federal, State, and local entities;

(7) any surge plan for the disaster loan program of the Administration in effect on or after August 29, 2005 (including surge plans for loss verification, loan processing, mailroom, customer service or call center operations, and a continuity of operations plan);

(8) the number of full-time equivalent employees and job descriptions for the planning and disaster response staff of the Administration;

(9) the in-service and preservice training procedures for disaster response staff of the Administration;

(10) information on the logistical support plans of the Administration (including equipment and staffing needs, and detailed information on how such plans will be scalable depending on the size and scope of the major disaster;

(11) a description of the findings and recommendations of the Administrator, if any, based on a review of the response of the Administration to Hurricane Katrina of 2005, Hurricane Rita of 2005, and Hurricane Wilma of 2005; and

(12) a plan for how the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, will coordinate the provision of accommodations and necessary resources for disaster assistance personnel to effectively perform their responsibilities in the aftermath of a major disaster.

(c) EXERCISES.—Not later than 6 months after the date of the submission of the report under subsection (a)(2), the Administrator shall develop and execute simulation exercises to demonstrate the effectiveness of the amended disaster response plan required under this section.

SEC. 11133. DISASTER PLANNING RESPONSIBILITIES.

(a) ASSIGNMENT OF SMALL BUSINESS ADMINISTRATION DISASTER PLANNING RESPONSIBILITIES.—The Administrator shall specifically assign the disaster planning responsibilities described in subsection (b) to an employee of the Administration who—

(1) is not an employee of the Office of Disaster Assistance of the Administration;

(2) shall report directly to the Administrator; and

(3) has a background and expertise demonstrating significant experience in the area of disaster planning.

(b) RESPONSIBILITIES.—The responsibilities described in this subsection are—

(1) creating and maintaining the comprehensive disaster response plan of the Administration;

(2) ensuring in-service and pre-service training procedures for the disaster response staff of the Administration;

(3) coordinating and directing Administration training exercises, including mock disaster responses, with other Federal agencies; and

(4) other responsibilities, as determined by the Administrator.

(c) REPORT.—Not later than 30 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—

(1) a description of the actions of the Administrator to assign an employee under subsection (a);

(2) information detailing the background and expertise of the employee assigned under subsection (a); and

(3) information on the status of the implementation of the responsibilities described in subsection (b).

SEC. 11134. ADDITIONAL AUTHORITY FOR DISTRICT OFFICES OF THE ADMINISTRATION.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (8), as added by this Act, the following:

''(9) USE OF DISTRICT OFFICES.—In the event of a major disaster, the Administrator may authorize a district office of the Administration to process loans under paragraph (1) or (2).''.

(b) DESIGNATION.—

(1) IN GENERAL.—The Administrator may designate an employee in each district office of the Administration to act as a disaster loan liaison between the disaster processing center and applicants under the disaster loan program of the Administration.

(2) RESPONSIBILITIES.—Each employee designated under paragraph (1) shall—

(A) be responsible for coordinating and facilitating communications between applicants under the disaster loan program of the Administration and disaster loan processing staff regarding documentation and information required for completion of an application; and

(B) provide information to applicants under the disaster loan program of the Administration regarding additional services and benefits that may be available to such applicants to assist with recovery.

(3) OUTREACH.—In providing outreach to disaster victims following a declared disaster, the Administrator shall make disaster victims aware of—

(A) any relevant employee designated under paragraph (1); and

(B) how to contact that employee.

SEC. 11135. ASSIGNMENT OF EMPLOYEES OF THE OFFICE OF DISASTER ASSISTANCE AND DISASTER CADRE.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (9), as added by this Act, the following:

''(10) DISASTER ASSISTANCE EMPLOYEES.—

''(A) IN GENERAL.—In carrying out this section, the Administrator may, where practicable, ensure that the number of full-time equivalent employees—

''(i) in the Office of the Disaster Assistance is not fewer than 800; and

''(ii) in the Disaster Cadre of the Administration is not fewer than 750.

''(B) REPORT.—In carrying out this subsection, if the number of full-time employees for either the Office of Disaster Assistance or the Disaster Cadre of the Administration is

below the level described in subparagraph (A) for that office, not later than 21 days after the date on which that staffing level decreased below the level described in subparagraph (A), the Administrator shall submit to the Committee on Appropriations and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Appropriations and Committee on Small Business of the House of Representatives, a report—

''(i) detailing staffing levels on that date;

''(ii) requesting, if practicable and determined appropriate by the Administrator, additional funds for additional employees; and

''(iii) containing such additional information, as determined appropriate by the Administrator.''.

PART II—DISASTER LENDING

SEC. 11141. CATASTROPHIC NATIONAL DISASTER DECLARATION.

Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (10), as added by this Act, the following:

''(11) CATASTROPHIC NATIONAL DISASTERS.—

''(A) IN GENERAL.—The President may make a catastrophic national disaster declaration in accordance with this paragraph.

''(B) PROMULGATION OF RULES.—

''(i) IN GENERAL.—Not later than 6 months after the date of enactment of this paragraph, the Administrator, with the concurrence of the Secretary of Homeland Security and the Administrator of the Federal Emergency Management Agency, shall promulgate regulations establishing a threshold for a catastrophic national disaster declaration.

''(ii) CONSIDERATIONS.—In promulgating the regulations required under clause (i), the Administrator shall establish a threshold that—

''(I) is similar in size and scope to the events relating to the terrorist attacks of September 11, 2001, and Hurricane Katrina of 2005;

''(II) requires that the President declares a major disaster before making a catastrophic national disaster declaration under this paragraph;

''(III) requires consideration of—

''(aa) the dollar amount per capita of damage to the State, its political subdivisions, or a region;

''(bb) the number of small business concerns damaged, physically or economically, as a direct result of the event;

''(cc) the number of individuals and households displaced from their predisaster residences by the event;

''(dd) the severity of the impact on employment rates in the State, its political subdivisions, or a region;

''(ee) the anticipated length and difficulty of the recovery process;

''(ff) whether the events leading to the relevant major disaster declaration are of an unusually large and calamitous nature that is orders of magnitude larger than for an average major disaster; and

''(gg) any other factor determined relevant by the Administrator.

''(C) AUTHORIZATION.—If the President makes a catastrophic national disaster declaration under this paragraph, the Administrator may make such loans under this paragraph (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administrator determines appropriate to small business concerns located anywhere in the United States that are economically adversely impacted as a result of that catastrophic national disaster.

''(D) LOAN TERMS.—A loan under this paragraph shall be made on the same terms as a loan under paragraph (2).''.

SEC. 11142. PRIVATE DISASTER LOANS.

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

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

''(c) PRIVATE DISASTER LOANS.—

''(1) DEFINITIONS.—In this subsection—

''(A) the term 'disaster area' means any area for which the President declared a major disaster (as that term is defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) that subsequently results in the President making a catastrophic national disaster declaration under subsection (b)(11);

''(B) the term 'eligible small business concern' means a business concern that is—

''(i) a small business concern, as defined in this Act; or

''(ii) a small business concern, as defined in section 103 of the Small Business Investment Act of 1958; and

''(C) the term 'qualified private lender' means any privately-owned bank or other lending institution that the Administrator determines meets the criteria established under paragraph (9).

''(2) AUTHORIZATION.—The Administrator may guarantee timely payment of principal and interest, as scheduled on any loan issued by a qualified private lender to an eligible small business concern located in a disaster area.

''(3) USE OF LOANS.—A loan guaranteed by the Administrator under this subsection may be used for any purpose authorized under subsection (b).

''(4) ONLINE APPLICATIONS.—

''(A) ESTABLISHMENT.—The Administrator may establish, directly or through an agreement with another entity, an online application process for loans guaranteed under this subsection.

''(B) OTHER FEDERAL ASSISTANCE.—The Administrator may coordinate with the head of any other appropriate Federal agency so that any application submitted through an online application process established under this paragraph may be considered for any other Federal assistance program for disaster relief.

''(C) CONSULTATION.—In establishing an online application process under this paragraph, the Administrator shall consult with appropriate persons from the public and private sectors, including private lenders.

''(5) MAXIMUM AMOUNTS.—

''(A) GUARANTEE PERCENTAGE.—The Administrator may guarantee not more than 85 percent of a loan under this subsection.

''(B) LOAN AMOUNTS.—The maximum amount of a loan guaranteed under this subsection shall be $2,000,000.

''(6) LOAN TERM.—The longest term of a loan for a loan guaranteed under this subsection shall be—

''(A) 15 years for any loan that is issued without collateral; and

''(B) 25 years for any loan that is issued with collateral.

''(7) FEES.—

''(A) IN GENERAL.—The Administrator may not collect a guarantee fee under this subsection.

''(B) ORIGINATION FEE.—The Administrator may pay a qualified private lender an origination fee for a loan guaranteed under this subsection in an amount agreed upon in advance between the qualified private lender and the Administrator.

''(8) DOCUMENTATION.—A qualified private lender may use its own loan documentation for a loan guaranteed by the Administrator, to the extent authorized by the Administrator. The ability of a lender to use its own loan documentation for a loan guaranteed under this subsection shall not be considered part of the criteria for becoming a qualified private lender under the regulations promulgated under paragraph (9).

''(9) IMPLEMENTATION REGULATIONS.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007, the Administrator shall issue final regulations establishing permanent criteria for qualified private lenders.

''(B) REPORT TO CONGRESS.—Not later than 6 months after the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007, the Administrator shall submit a report on the progress of the regulations required by subparagraph (A) to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives.

''(10) AUTHORIZATION OF APPROPRIATIONS.—

''(A) IN GENERAL.—Amounts necessary to carry out this subsection shall be made available from amounts appropriated to the Administration to carry out subsection (b).

''(B) AUTHORITY TO REDUCE INTEREST RATES.—Funds appropriated to the Administration to carry out this subsection, may be used by the Administrator, to the extent available, to reduce the rate of interest for any loan guaranteed under this subsection by not more than 3 percentage points.

''(11) PURCHASE OF LOANS.—The Administrator may enter into an agreement with a qualified private lender to purchase any loan issued under this subsection.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to disasters declared under section 7(b)(2) of the Small Business Act (631 U.S.C. 636(b)(2)) before, on, or after the date of enactment of this Act.

SEC. 11143. TECHNICAL AND CONFORMING AMENDMENTS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) in section 4(c)—

(A) in paragraph (1), by striking ''7(c)(2)'' and inserting ''7(d)(2)''; and

(B) in paragraph (2)—

(i) by striking ''7(c)(2)'' and inserting ''7(d)(2)''; and

(ii) by striking ''7(e),''; and

(2) in section 7(b), in the undesignated matter following paragraph (3)—

(A) by striking ''That the provisions of paragraph (1) of subsection (c)'' and inserting ''That the provisions of paragraph (1) of subsection (d)''; and

(B) by striking ''Notwithstanding the provisions of any other law the interest rate on the Administration's share of any loan made under subsection (b) except as provided in subsection (c),'' and inserting ''Notwithstanding any other provision of law, and except as provided in subsection (d), the interest rate on the Administration's share of any loan made under subsection (b)''.

SEC. 11144. EXPEDITED DISASTER ASSISTANCE LOAN PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term ''immediate disaster assistance'' means assistance provided during the period beginning on the date on which the President makes a catastrophic disaster declaration under paragraph (11) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act, and ending on the date that an impacted small business concern is able to secure funding through insurance claims, Federal assistance programs, or other sources; and

(2) the term ''program'' means the expedited disaster assistance business loan program established under subsection (b).

(b) CREATION OF PROGRAM.—The Administrator shall take such administrative action

as is necessary to establish and implement an expedited disaster assistance business loan program to provide small business concerns with immediate disaster assistance under paragraph (11) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act.

(c) CONSULTATION REQUIRED.—In establishing the program, the Administrator shall consult with—

(1) appropriate personnel of the Administration (including District Office personnel of the Administration);

(2) appropriate technical assistance providers (including small business development centers);

(3) appropriate lenders and credit unions;

(4) the Committee on Small Business and Entrepreneurship of the Senate; and

(5) the Committee on Small Business of the House of Representatives.

(d) RULES.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator shall issue rules in final form establishing and implementing the program in accordance with this section. Such rules shall apply as provided for in this section, beginning 90 days after their issuance in final form.

(2) CONTENTS.—The rules promulgated under paragraph (1) shall—

(A) identify whether appropriate uses of funds under the program may include—

(i) paying employees;

(ii) paying bills and other financial obligations;

(iii) making repairs;

(iv) purchasing inventory;

(v) restarting or operating a small business concern in the community in which it was conducting operations prior to the declared disaster, or to a neighboring area, county, or parish in the disaster area; or

(vi) covering additional costs until the small business concern is able to obtain funding through insurance claims, Federal assistance programs, or other sources; and

(B) set the terms and conditions of any loan made under the program, subject to paragraph (3).

(3) TERMS AND CONDITIONS.—A loan made by the Administration under this section—

(A) shall be for not more than $150,000;

(B) shall be a short-term loan, not to exceed 180 days, except that the Administrator may extend such term as the Administrator determines necessary or appropriate on a case-by-case basis;

(C) shall have an interest rate not to exceed 1 percentage point above the prime rate of interest that a private lender may charge;

(D) shall have no prepayment penalty;

(E) may only be made to a borrower that meets the requirements for a loan under section 7(b) of the Small Business Act (15 U.S.C. 636(b));

(F) may be refinanced as part of any subsequent disaster assistance provided under section 7(b) of the Small Business Act;

(G) may receive expedited loss verification and loan processing, if the applicant is—

(i) a major source of employment in the disaster area (which shall be determined in the same manner as under section 7(b)(3)(B) of the Small Business Act (15 U.S.C. 636(b)(3)(B))); or

(ii) vital to recovery efforts in the region (including providing debris removal services, manufactured housing, or building materials); and

(H) shall be subject to such additional terms as the Administrator determines necessary or appropriate.

(e) REPORT TO CONGRESS.—Not later than 5 months after the date of enactment of this Act, the Administrator shall report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on the progress of the Administrator in establishing the program.

(f) AUTHORIZATION.—There are authorized to be appropriated to the Administrator such sums as are necessary to carry out this section.

SEC. 11145. HUBZONES.

(a) IN GENERAL.—Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (D), by striking ''or'';

(B) in subparagraph (E), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

''(F) areas in which the President has declared a major disaster (as that term is defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) as a result of Hurricane Katrina of August 2005 or Hurricane Rita of September 2005, during the time period described in paragraph (8); or

''(G) catastrophic national disaster areas.'';

(2) in paragraph (4), by adding at the end the following:

''(E) CATASTROPHIC NATIONAL DISASTER AREA.—

''(i) IN GENERAL.—The term 'catastrophic national disaster area' means an area—

''(I) affected by a catastrophic national disaster declared under section 7(b)(11), during the time period described in clause (ii); and

''(II) for which the Administrator determines that designation as a HUBZone would substantially contribute to the reconstruction and recovery effort in that area.

''(ii) TIME PERIOD.—The time period for the purposes of clause (i)—

''(I) shall be the 2-year period beginning on the date that the applicable catastrophic national disaster was declared under section 7(b)(11); and

''(II) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the date described in subclause (I).''; and

(3) by adding at the end the following:

''(8) TIME PERIOD.—The time period for the purposes of paragraph (1)(F)—

''(A) shall be the 2-year period beginning on the later of the date of enactment of this paragraph and August 29, 2007; and

''(B) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the later of the date of enactment of this paragraph and August 29, 2007.''.

(b) TOLLING OF GRADUATION.—Section 7(j)(10)(C) of the Small Business Act (15 U.S.C. 636(j)(10)(C)) is amended by adding at the end the following:

''(iii)(I) For purposes of this subparagraph, if the Administrator designates an area as a HUBZone under section 3(p)(4)(E)(i)(II), the Administrator shall not count the time period described in subclause (II) of this clause for any small business concern—

''(aa) that is participating in any program, activity, or contract under section 8(a); and

''(bb) the principal place of business of which is located in that area.

''(II) The time period for purposes of subclause (I)—

''(aa) shall be the 2-year period beginning on the date that the applicable catastrophic national disaster was declared under section 7(b)(11); and

''(bb) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the date described in item (aa).''.

(c) STUDY OF HUBZONE DISASTER AREAS.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives evaluating the designation by the Administrator of catastrophic national disaster areas, as that term is defined in section 3(p)(4)(E) of the Small Business Act (as added by this Act), as HUBZones.

PART III—DISASTER ASSISTANCE OVERSIGHT

SEC. 11161. CONGRESSIONAL OVERSIGHT.

(a) MONTHLY ACCOUNTING REPORT TO CONGRESS.—

(1) REPORTING REQUIREMENTS.—Not later than the fifth business day of each month during the applicable period for a major disaster, the Administrator shall provide to the Committee on Small Business and Entrepreneurship and the Committee on Appropriations of the Senate and to the Committee on Small Business and the Committee on Appropriations of the House of Representatives a report on the operation of the disaster loan program authorized under section 7 of the Small Business Act (15 U.S.C. 636) for that major disaster during the preceding month.

(2) CONTENTS.—Each report under paragraph (1) shall include—

(A) the daily average lending volume, in number of loans and dollars, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(B) the weekly average lending volume, in number of loans and dollars, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(C) the amount of funding spent over the month for loans, both in appropriations and program level, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(D) the amount of funding available for loans, both in appropriations and program level, and the percent by which each category has increased or decreased since the previous report under paragraph (1), noting the source of any additional funding;

(E) an estimate of how long the available funding for such loans will last, based on the spending rate;

(F) the amount of funding spent over the month for staff, along with the number of staff, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(G) the amount of funding spent over the month for administrative costs, and the percent by which such spending has increased or decreased since the previous report under paragraph (1);

(H) the amount of funding available for salaries and expenses combined, and the percent by which such funding has increased or decreased since the previous report under paragraph (1), noting the source of any additional funding; and

(I) an estimate of how long the available funding for salaries and expenses will last, based on the spending rate.

(b) DAILY DISASTER UPDATES TO CONGRESS FOR PRESIDENTIALLY DECLARED DISASTERS.—

(1) IN GENERAL.—Each day during a disaster update period, excluding Federal holidays and weekends, the Administration shall provide to the Committee on Small Business and Entrepreneurship of the Senate and to the Committee on Small Business of the House of Representatives a report on the operation of the disaster loan program of the Administration for the area in which the President declared a major disaster.

(2) CONTENTS.—Each report under paragraph (1) shall include—

(A) the number of Administration staff performing loan processing, field inspection, and other duties for the declared disaster, and the allocations of such staff in the disaster field offices, disaster recovery centers, workshops, and other Administration offices nationwide;

(B) the daily number of applications received from applicants in the relevant area, as well as a breakdown of such figures by State;

(C) the daily number of applications pending application entry from applicants in the relevant area, as well as a breakdown of such figures by State;

(D) the daily number of applications withdrawn by applicants in the relevant area, as well as a breakdown of such figures by State;

(E) the daily number of applications summarily declined by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(F) the daily number of applications declined by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(G) the daily number of applications in process from applicants in the relevant area, as well as a breakdown of such figures by State;

(H) the daily number of applications approved by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(I) the daily dollar amount of applications approved by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(J) the daily amount of loans dispersed, both partially and fully, by the Administration to applicants in the relevant area, as well as a breakdown of such figures by State;

(K) the daily dollar amount of loans disbursed, both partially and fully, from the relevant area, as well as a breakdown of such figures by State;

(L) the number of applications approved, including dollar amount approved, as well as applications partially and fully disbursed, including dollar amounts, since the last report under paragraph (1); and

(M) the declaration date, physical damage closing date, economic injury closing date, and number of counties included in the declaration of a major disaster.

(c) NOTICE OF THE NEED FOR SUPPLEMENTAL FUNDS.—On the same date that the Administrator notifies any committee of the Senate or the House of Representatives that supplemental funding is necessary for the disaster loan program of the Administration in any fiscal year, the Administrator shall notify in writing the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the need for supplemental funds for that loan program.

(d) REPORT ON CONTRACTING.—

(1) IN GENERAL.—Not later than 6 months after the date on which the President declares a major disaster, and every 6 months thereafter until the date that is 18 months after the date on which the major disaster was declared, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and to the Committee on Small Business of the House of Representatives regarding Federal contracts awarded as a result of that major disaster.

(2) CONTENTS.—Each report submitted under paragraph (1) shall include—

(A) the total number of contracts awarded as a result of that major disaster;

(B) the total number of contracts awarded to small business concerns as a result of that major disaster;

(C) the total number of contracts awarded to women and minority-owned businesses as a result of that major disaster; and

(D) the total number of contracts awarded to local businesses as a result of that major disaster.

(e) REPORT ON LOAN APPROVAL RATE.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives detailing how the Administration can improve the processing of applications under the disaster loan program of the Administration.

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

(A) recommendations, if any, regarding—

(i) staffing levels during a major disaster;

(ii) how to improve the process for processing, approving, and disbursing loans under the disaster loan program of the Administration, to ensure that the maximum assistance is provided to victims in a timely manner;

(iii) the viability of using alternative methods for assessing the ability of an applicant to repay a loan, including the credit score of the applicant on the day before the date on which the disaster for which the applicant is seeking assistance was declared;

(iv) methods, if any, for the Administration to expedite loss verification and loan processing of disaster loans during a major disaster for businesses affected by, and located in the area for which the President declared, the major disaster that are a major source of employment in the area or are vital to recovery efforts in the region (including providing debris removal services, manufactured housing, or building materials);

(v) legislative changes, if any, needed to implement findings from the Accelerated Disaster Response Initiative of the Administration; and

(vi) a description of how the Administration plans to integrate and coordinate the response to a major disaster with the technical assistance programs of the Administration; and

(B) the plans of the Administrator for implementing any recommendation made under subparagraph (A).

SA 3605. Mr. SMITH (for himself and Mr. ROCKEFELLER) submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 12____. CLASSIFICATION OF AUTOMATIC FIRE SPRINKLER SYSTEMS.

(a) FINDINGS.—The Congress finds that—

(1) the publication of the original study and comprehensive list of recommendations in America Burning, written in 1974, requesting advances in fire prevention through the installation of automatic sprinkler systems in existing buildings have yet to be fully implemented;

(2) fire departments responded to approximately 1,600,000 fires in 2005;

(3) there were 3,675 non-terrorist related deaths in the United States and almost 17,925 civilian injuries resulting from fire in 2005;

(4) 87 firefighters were killed in 2005;

(5) fire caused $10,672,000,000 in direct property damage in 2005, and sprinklers are responsible for a 70 percent reduction in property damage from fires in public assembly, educational, residential, commercial, industrial and manufacturing buildings;

(6) fire departments respond to a fire every 20 seconds, a fire breaks out in a structure every 61 seconds and in a residential structure every 79 seconds in the United States;

(7) the Station Nightclub in West Warwick, Rhode Island, did not contain an automated sprinkler system and burned down, killing 99 people on February 20, 2003;

(8) due to an automated sprinkler system, not a single person was injured from a fire beginning in the Fine Line Music Café in Minneapolis after the use of pyrotechnics on February 17, 2003;

(9) the National Fire Protection Association has no record of a fire killing more than 2 people in a completely sprinklered public assembly, educational, institutional or residential building where the system was properly installed and fully operational;

(10) sprinkler systems dramatically improve the chances of survival of those who cannot save themselves, specifically older adults, young children and people with disabilities;

(11) the financial cost of upgrading fire counter measures in buildings built prior to fire safety codes is prohibitive for most property owners;

(12) many State and local governments lack any requirements for older structures to contain automatic sprinkler systems;

(13) under the present straight-line method of depreciation, there is a disincentive for building safety improvements due to an extremely low rate of return on investment; and

(14) the Nation is in need of incentives for the voluntary installation and retrofitting of buildings with automated sprinkler systems to save the lives of countless individuals and responding firefighters as well as drastically reduce the costs from property damage.

(b) IN GENERAL.—Subparagraph (B) of section 168(e)(3) (relating to 5-year property), as amended by this Act, is amended by striking ''and'' at the end of clause (vi), by striking the period at the end of clause (vii) and inserting '', and'', and by inserting after clause (vii) the following:

''(viii) any automatic fire sprinkler system placed in service after the date of the enactment of this clause in a building structure which was placed in service before such date of enactment.''.

(c) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) (relating to special rule for certain property assigned to classes), as amended by this Act, is amended by inserting after the item relating to subparagraph (B)(vii) the following:

''(B)(vii) ..... 7''.

(d) DEFINITION OF AUTOMATIC FIRE SPRINKLER SYSTEM.—Subsection (i) of section 168 is amended by adding at the end the following:

''(18) AUTOMATED FIRE SPRINKLER SYSTEM.—The term 'automated fire sprinkler system' means those sprinkler systems classified under one or more of the following publications of the National Fire Protection Association—

''(A) NFPA 13, Installation of Sprinkler Systems,

''(B) NFPA 13 D, Installation of Sprinkler Systems in One and Two Family Dwellings and Manufactured Homes, and

''(C) NFPA 13 R, Installation of Sprinkler Systems in Residential Occupancies up to and Including Four Stories in Height.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SA 3606. Mr. COBURN submitted an amendment intended to be proposed to

amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 994, strike lines 7 through 17 and insert the following:

SEC. 7312. NATIONAL ARBORETUM.

The Act of March 4, 1927 (20 U.S.C. 191 et seq.), is amended by adding at the end the following:

''SEC. 7. CONSTRUCTION OF A CHINESE GARDEN AT NATIONAL ARBORETUM.

''(a) IN GENERAL.—A Chinese Garden may be constructed at the National Arboretum established under this Act with—

''(1) funds accepted under section 5; and

''(2) authorities provided to the Secretary of Agriculture under section 6.

''(b) REPORT.—Each year the Secretary of Agriculture shall submit to Congress, and post on the public website of the National Arboretum, an itemized budget that shall describe, for the preceding year—

''(1) the total costs of the National Arboretum;

''(2) the costs of—

''(A) operation and maintenance;

''(B) horticulture and grounds;

''(C) visitor services; and

''(D) supplies and materials;

''(3) indirect costs of the Agricultural Research Service relating to the National Arboretum; and

''(4) the total number of visitors to the National Arboretum.

''(c) LIMITATION.—No Federal funds shall be used for the construction of the Chinese Garden authorized under subsection (a).''.

SA 3607. Mr. MENENDEZ submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1362, between lines 19 and 20, insert the following:

SEC. 110___. STUDY OF IMPACTS OF LOCAL FOOD SYSTEMS AND COMMERCE.

(a) STUDY.—The Secretary shall conduct a study on the impacts of local food systems and commerce that shall, at a minimum—

(1) develop a working definition of local food systems and commerce; and

(2) identify indicators, and include an assessment of—

(A) the market share of local food systems and commerce throughout the United States and by region;

(B) the potential community, economic, health and nutrition, environmental, food safety, and food security impacts of advancing local food systems and commerce;

(C) the potential energy, transportation, water resource, and climate change impacts of local food systems and commerce;

(D) the structure of agricultural considerations and impacts throughout the United States and by region;

(E) the interest of agricultural producers in diversifying to access local markets and the barriers and opportunities confronted by agricultural producers in the process of diversification;

(F) the current availability and present and future need of independent processing plants that cater to local food commerce, including difficulty in meeting regulatory requirements;

(G) the key gaps in food processing, distribution, marketing, and economic development, including regional differences in infrastructure gaps and other barriers;

(H) the role of public and private institutions and institutional and governmental buying systems and procurement policies in purchasing products through local food systems;

(I) the benefits and challenges for children and families in the most vulnerable rural and urban sectors of the United States; and

(J) the challenges that prevent local foods from comprising a larger share of the per capita food consumption in the United States, and existing and potential strategies, policies, and programs to address those challenges.

(b) COLLABORATION.—

(1) IN GENERAL.—The Secretary shall appoint a collaborative study team to oversee and conduct the research necessary to conduct the study described in subsection (a) and the case studies described in subsection (c).

(2) MEMBERSHIP.—The study team shall include representatives of—

(A) the Economic Research Service, Agricultural Marketing Service, and other appropriate agencies of the Department of Agriculture or other Federal agencies;

(B) the Environmental Protection Agency;

(C) institutions of higher education, including at least 1 institution of higher education representative from each of the regions studied;

(D) small farmers;

(E) nongovernmental organizations with appropriate expertise; and

(F) State and local governments.

(c) CASE STUDIES.—

(1) IN GENERAL.—The study team appointed by the Secretary under subsection (b) shall carry out case studies in representative production and marketing regions in the United States to address the issues being studied under subsection (a).

(2) REQUIREMENTS.—In carrying out case studies, the study team shall—

(A) identify opportunities for primary research; and

(B) to the maximum extent practicable, use existing surveys, data, and research.

(3) COMPONENTS.—Each case study shall—

(A) identify and, to the maximum extent practicable, evaluate the success of relevant Federal, State, and local policies that are intended to induce local food purchasing and commerce;

(B) examine the agricultural structure in each region to account for the impact of farm size and type of production on local economies and barriers to accessing local markets;

(C) determine regional market trends and the share of the market supplied by current agricultural producers in the region; and

(D) assess the potential for local food system value chains and supply networks and map the supply chain factors in each region involved in agricultural production, processing, and distribution of locally grown produce, meat, dairy, and other products.

(d) REPORTS.—Not later than 2 years after the date of enactment of this Act, and thereafter as the Secretary considers appropriate, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

(1) describes the results of the study conducted under subsection (a) and the case studies under subsection (c); and

(2) includes such recommendations for legislative action as the Secretary considers appropriate.

SA 3608. Mr. MENENDEZ (for himself, Mr. REED, Mr. CARDIN, Mr. KENNEDY, Mr. KERRY, Mr. DODD, Mr. LIEBERMAN, Mr. WHITEHOUSE, Mr. LAUTENBERG, and Mr. SCHUMER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 774, strike line 10 and all that follows through page 776, line 19, and insert the following:

(a) RURAL AREA.—

(1) DEFINITION.—Section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)) is amended by striking subparagraph (A) and inserting the following:

''(A) IN GENERAL.—The terms 'rural' and 'rural area' mean—

''(i) any area other than a city or town that has a population of greater than 50,000 inhabitants, except that, for all activities under programs in the rural development mission area within the areas of the County of Honolulu, Hawaii, and the Commonwealth of Puerto Rico, the Secretary may designate any portion of the areas as a rural area or eligible rural community that the Secretary determines is not urban in character, other than any area included in the Honolulu Census Designated Place or the San Juan Census Designated Place; and

''(ii) any urbanized area contiguous and adjacent to such a city or town.''.

(2) REPORT.—Not later than 60 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

(A) assesses the various definitions of the term ''rural'' that are used with respect to programs administered by the Secretary;

(B) describes the effects that the variations in those definitions have on those programs; and

(C) makes recommendations for ways to better target funds provided through rural development programs.

SA 3609. Mr. CASEY (for himself and Mr. CARDIN) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 272, between lines 2 and 3, insert the following:

SEC. 19___. ENTERPRISE AND WHOLE FARM UNITS.

Section 508(e) of Federal Crop Insurance Act (7 U.S.C. 1508(e)) is amended by adding at the end the following:

''(6) ENTERPRISE AND WHOLE FARM UNITS.—

''(A) IN GENERAL.—The Corporation may carry out a pilot program under which the Corporation pays a portion of the premiums for plans or policies of insurance for which the insurable unit is defined on a whole farm

or enterprise unit basis that is higher than would otherwise be paid in accordance with paragraph (2) for policyholders that convert from a plan or policy of insurance for which the insurable unit is defined on optional or basic unit basis.

''(B) ELIGIBILITY.—To be eligible to participate in a pilot program established under this paragraph, a policyholder shall—

''(i) have purchased additional coverage for the 2005 crop on an optional or basic unit basis for at least 90 percent of the acreage to be covered by enterprise or whole farm unit policy for the current crop; and

''(ii) purchase the enterprise or whole farm unit policy at not less than the highest coverage level that was purchased for the acreage for the 2005 crop.

''(C) AMOUNT.—

''(i) IN GENERAL.—The amount of the premium per acre paid by the Corporation to a policyholder for a policy with an enterprise and whole farm unit under this paragraph shall be, the maximum extent practicable, equal to the average dollar amount of subsidy per acre paid by the Corporation under paragraph (2) for a basic or optional unit.

''(ii) LIMITATION.—The amount of the premium paid by the Corporation under this paragraph may not exceed the total premium for the enterprise or whole farm unit policy.

''(D) CONVERSION OF PILOT TO A PERMANENT PROGRAM.—Not earlier than 180 days after the date of enactment of this paragraph, the Corporation may convert the pilot program described in this paragraph to a permanent program if the Corporation has—

''(i) carried out the pilot program;

''(ii) analyzed the results of the pilot program; and

''(iii) submitted to Congress a report describing the results of the analysis.''.

SA 3610. Mr. CASEY submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 2371 and insert the following:

SEC. 2371. FARM AND RANCHLAND PROTECTION PROGRAM.

Subchapter B of chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838h et seq.) is amended to read as follows:

''Subchapter B—Farm and Ranchland Protection Program

''SEC. 1238H. DEFINITIONS.

''In this subchapter:

''(1) ELIGIBLE ENTITY.—The term 'eligible entity' means any of the following:

''(A) An agency of a State or local government or an Indian tribe (including a farmland protection board or land resource council established under State law).

''(B) An organization that is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clause (i), (ii), (iii), or (iv) of section 170(h)(4)(A) of the Internal Revenue Code of 1986.

''(C) An organization described in section 501(c)(3) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of that Code.

''(D) An organization described in section 509(a)(2) of the Internal Revenue Code of 1986.

''(E) An organization described in section 509(a)(3) of the Internal Revenue Code of 1986 that is controlled by an organization described in section 509(a)(2), of that Code.

''(2) ELIGIBLE LAND.—The term 'eligible land' means land on a farm or ranch that—

''(A) is cropland;

''(B) is rangeland;

''(C) is grassland;

''(D) is pasture land;

''(E) is forest land that is an incidental part of an agricultural operation, as determined by the Secretary; or

''(F) contains historical or archaeological resources.

''(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) PROGRAM.—The term 'program' means the farm and ranchland protection program established under section 1238I(a).

''(5) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

''SEC. 1238I. FARM AND RANCHLAND PROTECTION PROGRAM.

''(a) ESTABLISHMENT.—

''(1) ESTABLISHMENT AND PURPOSE.—The Secretary shall establish and carry out a farm and ranchland protection program under which the Secretary shall facilitate and provide funding for the purchase of conservation easements or other interests in eligible land that is subject to a pending offer from a certified State or eligible entity for the purpose of protecting the agricultural use and related conservation values of the land by limiting incompatible nonagricultural uses of the land.

''(2) PRIORITY.—In carrying out the program, the Secretary shall give the highest priority—

''(A) to protecting farm and ranchland with prime, unique or other productive soils that are at risk of non-agricultural development; or

''(B) to projects that further a State or local policy consistent with the purposes of the program.

''(b) GRANTS TO CERTIFIED STATES.—The Secretary shall make grants to States certified by the Secretary under subsection (c). Such grants shall be made based on demonstrated need for farm and ranch land protection. Grants may be made for multiple transactions so long as all funds provided under the program are used to purchase conservation easements or other interests in land in a timely and effective manner. A State receiving a grant under this subsection may use up to 10 percent of the grant funds for reasonable costs of purchasing and enforcing conservation easements.

''(c) CERTIFICATION OF STATES FOR GRANTS.—

''(1) CERTIFICATION PROCESS.—The Secretary shall implement a process, to be published in the Federal Register, for certifying States as eligible to participate in the program. The Secretary may provide a reasonable transitional period, not to extend past September 30, 2008, in order to allow continued operation of the program for such time as needed for the Secretary to implement the certification process.

''(2) CERTIFICATION REQUIREMENTS.—To be certified under the process implemented under paragraph (1), a State shall demonstrate, at a minimum, the following:

''(A) A legislative or organizational purpose consistent with the purposes of the program.

''(B) The necessary authority and the resources and technical ability to monitor and enforce the terms of conservation easements or other interests in land or to require the holder of such easements or other interests in land acquired with the use of funding under the program to monitor and enforce the terms of such easements or other interests in land.

''(C) The capacity to provide the necessary matching funds from non-Federal sources for projects undertaken under the program and to use program funds in a timely and effective manner.

''(D) Policies and procedures to ensure that, on average, the purchase price of conservation easements or other interests in land purchased with program funds do not exceed the fair market value of the easements or other interests in land.

''(E) Policies and procedures that ensure that conservation easements or other interests in land purchased with program funds will continue to protect the agricultural use and related conservation values of the land.

''(F) Provision for continued stewardship of the conservation easements or other interest in land purchased with program funds in the event the State loses its certification under the program.

''(G) A determination of its own criteria and priorities for purchasing conservation easements and other interests in land under the program.

''(d) AGREEMENTS WITH ELIGIBLE ENTITIES.—

''(1) AGREEMENTS AUTHORIZED.—The Secretary may enter into an agreement with an eligible entity, under which the entity may purchase conservation easements using a combination of its own funds and funds distributed by the Secretary under the program.

''(2) TERMS AND CONDITIONS.—An agreement under this subsection shall stipulate the terms and conditions under which the eligible entity shall use funds provided by the Secretary under the program. The eligible entity shall be authorized to use its own terms and conditions for conservation easements and other purchases of interests in land, so long as—

''(A) such terms and conditions are consistent with the purposes of the program and permit effective enforcement of the conservation purposes of such easements or other interests;

''(B) the eligible entity has in place a requirement consistent with agricultural activities regarding the impervious surfaces to be allowed for any conservation easement or other interest in land purchased using grant funds provided under the program; and

''(C) the eligible entity requires use of a conservation plan for any highly erodible cropland for which a conservation easement or other interest in land has been purchased using grant funds provided under the program.

''(e) FEDERAL CONTINGENT RIGHT OF ENFORCEMENT.—The Secretary may require the inclusion of a Federal contingent right of enforcement or executory limitation in a conservation easement or other interest in land for conservation purposes purchased with Federal funds provided under the program, in order to preserve the easement as a party of last resort. The inclusion of such a right or interest shall not be considered to be the Federal acquisition of real property and the Federal standards and procedures for land acquisition shall not apply to the inclusion of the right or interest

''(f) REVIEW; REVOCATION.—

''(1) REVIEW.—Every 3 years, the Secretary shall review the certification of States under subsection (c) and the performance of eligible entities in meeting the terms and conditions of an agreement under subsection (d).

''(2) REVOCATION.—If, in the determination of the Secretary, a State no longer meets the qualifications described in subsection (c)(2) or an eligible entity is not meeting the terms and conditions of an agreement under subsection (d), the Secretary may—

''(A) revoke the certification of the State or terminate the agreement with the eligible entity; or

''(B) allow the State or eligible entity a specified period of time in which to take such actions as may be necessary to retain its certification or to meet the terms and conditions of the agreement, as the case may be.

''(g) CONSERVATION PLAN.—Any highly erodible cropland for which a conservation easement or other interest is purchased under this subchapter shall be subject to the requirements of a conservation plan. In the case of an easement or other interest in land that is perpetual in duration, the Secretary may not require the conversion of the cropland to less intensive uses if, under such plan, soil erosion can be reduced to 'T' or below.

''(h) COST SHARING.—The share of the cost provided under this section for purchasing a conservation easement or other interest in land shall not exceed 50 percent of the appraised fair market value of the conservation easement or other interest in eligible land. Fair market value shall be determined on the basis of an appraisal of the conservation easement or other interest in eligible land using an industry-approved methodology determined by the entity.''.

SA 3611. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 182, between lines 16 and 17, insert the following:

SEC. 1610. ADDITIONAL MANDATORY DAIRY REPORTING.

Subsection (b) of section 273 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637b) (as redesignated by section 1609(2)) is amended—

(1) in paragraph (3)—

(A) by striking ''shall take such actions'' and inserting ''shall—

''(A) take such actions'';

(B) in subparagraph (A) (as designated by subparagraph (A)), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(B) include regular audits and comparisons with other related dairy market statistics collected by other Federal agencies or private entities on at least a monthly basis.''; and

(2) in paragraph (4)(A)—

(A) by striking ''subtitle to willfully fail'' and inserting ''subtitle—

''(i) to willfully fail'';

(B) in clause (i) (as designated by subparagraph (A)), by striking the period at the end and inserting '', including provision or reporting of erroneous prices (including prices for sales covered by fixed price contracts with terms of more than 30 days); and''; and

(C) by adding at the end the following:

''(ii) to manipulate spot market prices or other markets to provide a false price signal to the market and influence prices reported under this subtitle.''.

On page 1243, between lines 13 and 14, insert the following:

SEC. 10309. COORDINATION OF DAIRY OVERSIGHT.

(a) IN GENERAL.—The Secretary shall select an official within the Department of Agriculture to coordinate the sharing of information on oversight of the dairy industry to ensure fair competition.

(b) DUTIES.—The official selected under subsection (a) shall—

(1) serve as a liaison among the Agricultural Marketing Service, Farm Service Agency, and National Agricultural Statistics Service;

(2) coordinate with the Commodity Futures Trading Commission, the Department of Justice, and the Federal Trade Commission, as appropriate;

(3) maintain informal communication among the Federal agencies specified in paragraphs (1) and (2) and other Federal agencies, as necessary;

(4) hold at least 1 formal annual meeting during each calendar year; and

(5) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and make available to the public, an annual report that describes issues of concern in the dairy industry, including—

(A) concentration among cooperatives or processors;

(B) the farm-retail price spread (including flat pricing);

(C) an examination of the competition implications of cooperative and processor joint ventures; and

(D) statistics on volumes of dairy products traded on dairy markets and reported through mandatory price reporting relative to the overall market.

SA 3612. Mr. BOND submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 973, strike lines 21 through 24 and inset the following:

(a) FUNDING.—

(1) MANDATORY FUNDING.—

(A) IN GENERAL.—Section 401(b) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(b)) is amended by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—Not later than 30 days after the date of enactment of the Food and Energy Security Act of 2007, on October 1, 2008, and each October 1 thereafter through October 1, 2011, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Account the amount that the Secretary estimates will be made available for the applicable fiscal year as a result of the enactment of section 7201(a)(1)(B) of that Act.''.

(B) OFFSET.—Notwithstanding title I or any amendment made by title I, a person or legal entity shall not be eligible for, and the Secretary shall not make to any person or legal entity, any individual payment under subtitles A through E of title I or an amendment made by those titles in an amount that is less than $25.

(2) DISCRETIONARY FUNDING.—Section 401(b) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(b)) is amended by striking paragraph (3) and inserting the following:

SA 3613. Mr. STEVENS submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 883, line 2, strike the closing quotation marks and the semicolon.

On page 883, between lines 2 and 3, insert the following:

''(6) ONLINE SAFETY REQUIREMENT FOR SCHOOLS.—An elementary or secondary school may not receive assistance under paragraph (1)(E) for computers with Internet access unless the school, school board, local educational agency, or other authority with responsibility for administration of the school certifies to the Administrator that the school has an Internet safety policy that includes educating minors about age-appropriate online behavior, including interaction with other individuals on social net-working websites and in chat rooms, and cyber-bullying awareness and response.''.

At the appropriate place, insert the following:

TITLE —PROTECTING CHILDREN IN THE 21ST CENTURY

SEC. —001. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the ''Protecting Children in the 21st Century Act''.

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

TITLE I—PROMOTING A SAFE INTERNET FOR CHILDREN

SEC. 101. INTERNET SAFETY.

For the purposes of this subtitle, the issue of Internet safety includes issues regarding the use of the Internet in a manner that promotes safe online activity for children, protects children from cybercrimes, including crimes by online predators, and helps parents shield their children from material that is inappropriate for minors.

SEC. 102. PUBLIC AWARENESS CAMPAIGN.

The Federal Trade Commission shall carry out a nationwide program to increase public awareness and provide education regarding strategies to promote the safe use of the Internet by children. The program shall utilize existing resources and efforts of the Federal Government, State and local governments, nonprofit organizations, private technology and financial companies, Internet service providers, World Wide Web-based resources, and other appropriate entities, that includes—

(1) identifying, promoting, and encouraging best practices for Internet safety;

(2) establishing and carrying out a national outreach and education campaign regarding Internet safety utilizing various media and Internet-based resources;

(3) facilitating access to, and the exchange of, information regarding Internet safety to promote up-to-date knowledge regarding current issues; and

(4) facilitating access to Internet safety education and public awareness efforts the Commission considers appropriate by States, units of local government, schools, police departments, nonprofit organizations, and other appropriate entities.

SEC. 103. ANNUAL REPORTS.

The Commission shall submit a report to the Senate Committee on Commerce, Science, and Transportation not later than March 31 of each year that describes the activities carried out under section —102 by the Commission during the preceding calendar year.

SEC. 104. AUTHORIZATION OF APPROPRIATIONS.

For carrying out the public awareness campaign under section —102, there are authorized to be appropriated to the Commission $5,000,000 for each of fiscal years 2008 and 2009.

SEC. 105. ONLINE SAFETY AND TECHNOLOGY WORKING GROUP.

(a) ESTABLISHMENT.—Within 90 days after the date of enactment of this Act, the Assistant Secretary of Commerce for Communications and Information shall establish an Online Safety and Technology working group comprised of representatives of relevant sectors of the business community, public interest groups, and other appropriate groups and Federal agencies to review and evaluate—

(1) the status of industry efforts to promote online safety through educational efforts, parental control technology, blocking and filtering software, age-appropriate labels for content or other technologies or initiatives designed to promote a safe online environment for children;

(2) the status of industry efforts to promote online safety among providers of electronic communications services and remote computing services by reporting apparent child pornography under section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032), including amendments made by this subtitle with respect to the content of such reports and any obstacles to such reporting;

(3) the practices of electronic communications service providers and remote computing service providers related to record retention in connection with crimes against children; and

(4) the development of technologies to help parents shield their children from inappropriate material on the Internet.

(b) REPORT.—Within 1 year after the working group is first convened, it shall submit a report to the Assistant Secretary and the Senate Committee on Commerce, Science, and Transportation that—

(1) describes in detail its findings, including any information related to the effectiveness of such strategies and technologies and any information about the prevalence within industry of educational campaigns, parental control technologies, blocking and filtering software, labeling, or other technologies to assist parents; and

(2) includes recommendations as to what types of incentives could be used or developed to increase the effectiveness and implementation of such strategies and technologies.

(c) FACA NOT TO APPLY TO WORKING GROUP.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the working group.

SEC. 106. PROMOTING ONLINE SAFETY IN SCHOOLS.

Section 254(h)(5)(B) of the Communications Act of 1934 (47 U.S.C. 254(h)(5)(b)) is amended—

(1) by striking ''and'' after the semicolon in clause (i);

(2) by striking ''minors.'' in clause (ii) and inserting ''minors; and''; and

(3) by adding at the end the following:

''(iii) as part of its Internet safety policy is educating minors about appropriate online behavior, including interacting with other individuals on social networking websites and in chat rooms and cyberbullying awareness and response.''.

SEC. 107. DEFINITIONS.

In this subtitle:

(1) COMMISSION.—The term ''Commission'' means the Federal Trade Commission.

(2) INTERNET.—The term ''Internet'' means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor successor protocols to such protocol, to communicate information of all kinds by wire or radio.

TITLE II—ENHANCING CHILD PORNOGRAPHY ENFORCEMENT

SEC. 201. CHILD PORNOGRAPHY PREVENTION; FORFEITURES RELATED TO CHILD PORNOGRAPHY VIOLATIONS.

(a) IN GENERAL.—Section 503(b)(1) of the Communications Act of 1934 (47 U.S.C. 503(b)(1)) is amended—

(1) by striking ''or'' after the semicolon in subparagraph (C);

(2) by striking ''or 1464'' in subparagraph (D) and inserting ''1464, or 2252'';

(3) by inserting ''or'' after the semicolon in subparagraph (D); and

(4) by inserting after subparagraph (D) the following:

''(E) violated any provision of section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032);''.

SEC. 202. ADDITIONAL CHILD PORNOGRAPHY AMENDMENTS.

(a) INCREASE IN FINE FOR FAILURE TO REPORT.—Section 227(b)(4) of the Crime Control Act of 1990 (42 U.S.C. 13032(b)(4)) is amended—

(1) by striking ''$50,000;'' in subparagraph (A) and inserting ''$150,000;''; and

(2) by striking ''$100,000.'' in subparagraph (B) and inserting ''$300,000.''.

(b) INTERNATIONAL INFORMATION SHARING.—Section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032) is amended—

(1) by striking ''a law enforcement agency or'' in subsection (b)(1) and inserting ''appropriate Federal, State, or foreign law enforcement agencies'';

(2) by inserting ''Federal, State, or foreign'' after ''designate the'' in subsection (b)(2);

(3) by striking ''law.'' in subsection (b)(3) and inserting ''law, or appropriate officials of foreign law enforcement agencies designated by the Attorney General for the purpose of enforcing State or Federal laws of the United States.'';

(4) by redesignating paragraphs (3) and (4) of subsection (b) as paragraphs (4) and (5), respectively, and inserting after paragraph (2) the following:

''(3) CONTENTS OF REPORT.—To the extent this information is reasonably available to an electronic communication service provider or a remote computing service provider, each report under paragraph (1) shall include—

''(A) information relating to the Internet identity of any individual who appears to have violated any section of title 18, United States Code, referenced in paragraph (1), including any relevant user ID or other online identifier, electronic mail addresses, website address, uniform resource locator, or other identifying information;

''(B) information relating to when any apparent child pornography was uploaded, transmitted, reported to, or discovered by the electronic communication service provider or a remote computing service provider, as the case may be, including a date and time stamp and time zone.

''(C) information relating to geographic location of the involved individual or reported content, including the hosting website, uniform resource locator, street address, zip code, area code, telephone number, or Internet Protocol address;

''(D) any image of any apparent child pornography relating to the incident, and any images commingled with images of apparent child pornography, such report is regarding; and

''(E) accurate contact information for the electronic communication service provider or remote computing service provider making the report, including the address, telephone number, facsimile number, electronic mail address of, and individual point of contact for such electronic communication service provider or remote computing service provider.'';

(5) by inserting ''section 404 of the Missing Children's Assistance Act (42 U.S.C. 5773),'' after ''section,'' in subsection (g)(1); and

(6) by adding at the end thereof the following:

''(h) USE OF INFORMATION TO COMBAT CHILD PORNOGRAPHY.—The National Center for Missing and Exploited Children is authorized to provide elements relating to any image1 or other relevant information reported to its Cyber Tip Line to an electronic communication service provider or a remote computing service provider for the sole and exclusive purpose of permitting that electronic communication service provider or remote computing service provider to stop the further transmission of images and develop anti-child pornography technologies and related industry best practices. Any electronic communication service provider or remote computing service provider that receives information from the National Center for Missing and Exploited Children under this subsection may use such information only for the purposes described in this subsection.''.

SA 3614. Mr. DOMENICI (for himself and Mr. THUNE) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

Subtitle B—Biofuels for Energy Security and Transportation

SEC. 9101. SHORT TITLE.

This subtitle may be cited as the ''Biofuels for Energy Security and Transportation Act of 2007''.

SEC. 9102. DEFINITIONS.

In this subtitle:

(1) ADVANCED BIOFUEL.—

(A) IN GENERAL.—The term ''advanced biofuel'' means fuel derived from renewable biomass other than corn starch.

(B) INCLUSIONS.—The term ''advanced biofuel'' includes—

(i) ethanol derived from cellulose, hemicellulose, or lignin;

(ii) ethanol derived from sugar or starch, other than ethanol derived from corn starch;

(iii) ethanol derived from waste material, including crop residue, other vegetative waste material, animal waste, and food waste and yard waste;

(iv) diesel-equivalent fuel derived from renewable biomass, including vegetable oil and animal fat;

(v) biogas (including landfill gas and sewage waste treatment gas) produced through the conversion of organic matter from renewable biomass;

(vi) butanol or other alcohols produced through the conversion of organic matter from renewable biomass; and

(vii) other fuel derived from cellulosic biomass.

(2) CELLULOSIC BIOMASS ETHANOL.—The term ''cellulosic biomass ethanol'' means ethanol derived from any cellulose, hemicellulose, or lignin that is derived from renewable biomass.

(3) CONVENTIONAL BIOFUEL.—The term ''conventional biofuel'' means ethanol derived from corn starch.

(4) RENEWABLE BIOMASS.—The term ''renewable biomass'' means—

(A) nonmerchantable materials or precommercial thinnings that—

(i) are byproducts of preventive treatments, such as trees, wood, brush, thinnings, chips, and slash, that are removed—

(I) to reduce hazardous fuels;

(II) to reduce or contain disease or insect infestation; or

(III) to restore forest health;

(ii) would not otherwise be used for higher-value products; and

(iii) are harvested from 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))—

(I) where permitted by law; and

(II) in accordance with—

(aa) applicable land management plans; and

(bb) the requirements for old-growth maintenance, restoration, and management direction of paragraphs (2), (3), and (4) of subsection (e) and the requirements for large-tree retention of subsection (f) of section 102 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6512); or

(B) any organic matter that is available on a renewable or recurring basis from non-Federal land or from land belonging to an Indian tribe, or an Indian individual, that is held in trust by the United States or subject to a restriction against alienation imposed by the United States, including—

(i) renewable plant material, including—

(I) feed grains;

(II) other agricultural commodities;

(III) other plants and trees; and

(IV) algae; and

(ii) waste material, including—

(I) crop residue;

(II) other vegetative waste material (including wood waste and wood residues);

(III) animal waste and byproducts (including fats, oils, greases, and manure); and

(IV) food waste and yard waste.

(5) RENEWABLE FUEL.—

(A) IN GENERAL.—The term ''renewable fuel'' means motor vehicle fuel or home heating fuel that is—

(i) produced from renewable biomass; and

(ii) used to replace or reduce the quantity of fossil fuel present in a fuel or fuel mixture used to operate a motor vehicle or furnace.

(B) INCLUSION.—The term ''renewable fuel'' includes—

(i) conventional biofuel; and

(ii) advanced biofuel.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of Energy

(7) SMALL REFINERY.—The term ''small refinery'' means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 barrels.

PART I—RENEWABLE FUEL STANDARD

SEC. 9111. RENEWABLE FUEL STANDARD.

(a) RENEWABLE FUEL PROGRAM.—

(1) REGULATIONS.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the President shall promulgate regulations to ensure that motor vehicle fuel and home heating oil sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains the applicable volume of renewable fuel determined in accordance with paragraph (2).

(B) PROVISIONS OF REGULATIONS.—Regardless of the date of promulgation, the regulations promulgated under subparagraph (A)—

(i) shall contain compliance provisions applicable to refineries, blenders, distributors, and importers, as appropriate, to ensure that—

(I) the requirements of this subsection are met; and

(II) renewable fuels produced from facilities that commence operations after the date of enactment of this Act achieve at least a 20 percent reduction in life cycle greenhouse gas emissions compared to gasoline; but

(ii) shall not—

(I) restrict geographic areas in the contiguous United States in which renewable fuel may be used; or

(II) impose any per-gallon obligation for the use of renewable fuel.

(C) RELATIONSHIP TO OTHER REGULATIONS.—Regulations promulgated under this paragraph shall, to the maximum extent practicable, incorporate the program structure, compliance, and reporting requirements established under the final regulations promulgated to implement the renewable fuel program established by the amendment made by section 1501(a)(2) of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 1067).

(2) APPLICABLE VOLUME.—

(A) CALENDAR YEARS 2008 THROUGH 2022.—

(i) RENEWABLE FUEL.—For the purpose of paragraph (1), subject to clause (ii), the applicable volume for any of calendar years 2008 through 2022 shall be determined in accordance with the following table:

Calendar year:	Applicable volume of renewable fuel (in billions of gallons):
2008	8.5
2009	10.5
2010	12.0
2011	12.6
2012	13.2
2013	13.8
2014	14.4
2015	15.0
2016	18.0
2017	21.0
2018	24.0
2019	27.0
2020	30.0
2021	33.0
2022	36.0.

(ii) ADVANCED BIOFUELS.—For the purpose of paragraph (1), of the volume of renewable fuel required under clause (i), the applicable volume for any of calendar years 2016 through 2022 for advanced biofuels shall be determined in accordance with the following table:

Calendar year:	Applicable volume of advanced biofuels (in billions of gallons):
2016	3.0
2017	6.0
2018	9.0
2019	12.0
2020	15.0
2021	18.0
2022	21.0.

(B) CALENDAR YEAR 2023 AND THEREAFTER.—Subject to subparagraph (C), for the purposes of paragraph (1), the applicable volume for calendar year 2023 and each calendar year thereafter shall be determined by the President, in coordination with the Secretary of Energy, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, based on a review of the implementation of the program during calendar years 2007 through 2022, including a review of—

(i) the impact of renewable fuels on the energy security of the United States;

(ii) the expected annual rate of future production of renewable fuels, including advanced biofuels;

(iii) the impact of renewable fuels on the infrastructure of the United States, including deliverability of materials, goods, and products other than renewable fuel, and the sufficiency of infrastructure to deliver renewable fuel; and

(iv) the impact of the use of renewable fuels on other factors, including job creation, the price and supply of agricultural commodities, rural economic development, and the environment.

(C) MINIMUM APPLICABLE VOLUME.—Subject to subparagraph (D), for the purpose of paragraph (1), the applicable volume for calendar year 2023 and each calendar year thereafter shall be equal to the product obtained by multiplying—

(i) the number of gallons of gasoline that the President estimates will be sold or introduced into commerce in the calendar year; and

(ii) the ratio that—

(I) 36,000,000,000 gallons of renewable fuel; bears to

(II) the number of gallons of gasoline sold or introduced into commerce in calendar year 2022.

(D) MINIMUM PERCENTAGE OF ADVANCED BIOFUEL.—For the purpose of paragraph (1) and subparagraph (C), at least 60 percent of the minimum applicable volume for calendar year 2023 and each calendar year thereafter shall be advanced biofuel.

(b) APPLICABLE PERCENTAGES.—

(1) PROVISION OF ESTIMATE OF VOLUMES OF GASOLINE SALES.—Not later than October 31 of each of calendar years 2008 through 2021, the Administrator of the Energy Information Administration shall provide to the President an estimate, with respect to the following calendar year, of the volumes of gasoline projected to be sold or introduced into commerce in the United States.

(2) DETERMINATION OF APPLICABLE PERCENTAGES.—

(A) IN GENERAL.—Not later than November 30 of each of calendar years 2008 through 2022, based on the estimate provided under paragraph (1), the President shall determine and publish in the Federal Register, with respect to the following calendar year, the renewable fuel obligation that ensures that the requirements of subsection (a) are met.

(B) REQUIRED ELEMENTS.—The renewable fuel obligation determined for a calendar year under subparagraph (A) shall—

(i) be applicable to refineries, blenders, and importers, as appropriate;

(ii) be expressed in terms of a volume percentage of gasoline sold or introduced into commerce in the United States; and

(iii) subject to paragraph (3)(A), consist of a single applicable percentage that applies to all categories of persons specified in clause (i).

(3) ADJUSTMENTS.—In determining the applicable percentage for a calendar year, the President shall make adjustments—

(A) to prevent the imposition of redundant obligations on any person specified in paragraph (2)(B)(i); and

(B) to account for the use of renewable fuel during the previous calendar year by small refineries that are exempt under subsection (g).

(c) VOLUME CONVERSION FACTORS FOR RENEWABLE FUELS BASED ON ENERGY CONTENT OR REQUIREMENTS.—

(1) IN GENERAL.—For the purpose of subsection (a), the President shall assign values to specific types of advanced biofuels for the purpose of satisfying the fuel volume requirements of subsection (a)(2) in accordance with this subsection.

(2) ENERGY CONTENT RELATIVE TO ETHANOL.—For advanced biofuel, 1 gallon of the advanced biofuel shall be considered to be the equivalent of 1 gallon of renewable fuel multiplied by the ratio that—

(A) the number of British thermal units of energy produced by the combustion of 1 gallon of the advanced biofuel (as measured under conditions determined by the Secretary); bears to

(B) the number of British thermal units of energy produced by the combustion of 1 gallon of pure ethanol (as measured under conditions determined by the Secretary to be comparable to conditions described in subparagraph (A)).

(3) TRANSITIONAL ENERGY-RELATED CONVERSION FACTORS FOR CELLULOSIC BIOMASS ETHANOL.—For any of calendar years 2008 through 2015, 1 gallon of cellulosic biomass ethanol shall be considered to be the equivalent of 2.5 gallons of renewable fuel.

(d) CREDIT PROGRAM.—

(1) IN GENERAL.—The President, in consultation with the Secretary and the Administrator of the Environmental Protection Agency, shall implement a credit program to manage the renewable fuel requirement of this section in a manner consistent with the credit program established by the amendment made by section 1501(a)(2) of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 1067).

(2) MARKET TRANSPARENCY.—In carrying out the credit program under this subsection, the President shall facilitate price transparency in markets for the sale and trade of credits, with due regard for the public interest, the integrity of those markets, fair competition, and the protection of consumers and agricultural producers.

(e) SEASONAL VARIATIONS IN RENEWABLE FUEL USE.—

(1) STUDY.—For each of calendar years 2008 through 2022, the Administrator of the Energy Information Administration shall conduct a study of renewable fuel blending to determine whether there are excessive seasonal variations in the use of renewable fuel.

(2) REGULATION OF EXCESSIVE SEASONAL VARIATIONS.—If, for any calendar year, the Administrator of the Energy Information Administration, based on the study under paragraph (1), makes the determinations specified in paragraph (3), the President shall promulgate regulations to ensure that 25 percent or more of the quantity of renewable fuel necessary to meet the requirements of subsection (a) is used during each of the 2 periods specified in paragraph (4) of each subsequent calendar year.

(3) DETERMINATIONS.—The determinations referred to in paragraph (2) are that—

(A) less than 25 percent of the quantity of renewable fuel necessary to meet the requirements of subsection (a) has been used during 1 of the 2 periods specified in paragraph (4) of the calendar year;

(B) a pattern of excessive seasonal variation described in subparagraph (A) will continue in subsequent calendar years; and

(C) promulgating regulations or other requirements to impose a 25 percent or more seasonal use of renewable fuels will not significantly—

(i) increase the price of motor fuels to the consumer; or

(ii) prevent or interfere with the attainment of national ambient air quality standards.

(4) PERIODS.—The 2 periods referred to in this subsection are—

(A) April through September; and

(B) January through March and October through December.

(f) WAIVERS.—

(1) IN GENERAL.—The President, in consultation with the Secretary of Energy, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, may waive the requirements of subsection (a) in whole or in part on petition by one or more States by reducing the national quantity of renewable fuel required under subsection (a), based on a determination by the President (after public notice and opportunity for comment), that—

(A) implementation of the requirement would severely harm the economy or environment of a State, a region, or the United States; or

(B) extreme and unusual circumstances exist that prevent distribution of an adequate supply of domestically-produced renewable fuel to consumers in the United States.

(2) PETITIONS FOR WAIVERS.—The President, in consultation with the Secretary of Energy, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, shall approve or disapprove a State petition for a waiver of the requirements of subsection (a) within 30 days after the date on which the petition is received by the President.

(3) TERMINATION OF WAIVERS.—A waiver granted under paragraph (1) shall terminate after 1 year, but may be renewed by the President after consultation with the Secretary of Energy, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency.

(g) SMALL REFINERIES.—

(1) TEMPORARY EXEMPTION.—

(A) IN GENERAL.—The requirements of subsection (a) shall not apply to—

(i) small refineries (other than a small refinery described in clause (ii)) until calendar year 2013; and

(ii) small refineries owned by a small business refiner (as defined in section 45H(c) of the Internal Revenue Code of 1986) until calendar year 2015.

(B) EXTENSION OF EXEMPTION.—

(i) STUDY BY SECRETARY.—Not later than December 31, 2008, the Secretary shall submit to the President and Congress a report describing the results of a study to determine whether compliance with the requirements of subsection (a) would impose a disproportionate economic hardship on small refineries.

(ii) EXTENSION OF EXEMPTION.—In the case of a small refinery that the Secretary determines under clause (i) would be subject to a disproportionate economic hardship if required to comply with subsection (a), the President shall extend the exemption under subparagraph (A) for the small refinery for a period of not less than 2 additional years.

(2) PETITIONS BASED ON DISPROPORTIONATE ECONOMIC HARDSHIP.—

(A) EXTENSION OF EXEMPTION.—A small refinery may at any time petition the President for an extension of the exemption under paragraph (1) for the reason of disproportionate economic hardship.

(B) EVALUATION OF PETITIONS.—In evaluating a petition under subparagraph (A), the President, in consultation with the Secretary, shall consider the findings of the study under paragraph (1)(B) and other economic factors.

(C) DEADLINE FOR ACTION ON PETITIONS.—The President shall act on any petition submitted by a small refinery for a hardship exemption not later than 90 days after the date of receipt of the petition.

(3) OPT-IN FOR SMALL REFINERIES.—A small refinery shall be subject to the requirements of subsection (a) if the small refinery notifies the President that the small refinery waives the exemption under paragraph (1).

(h) PENALTIES AND ENFORCEMENT.—

(1) CIVIL PENALTIES.—

(A) IN GENERAL.—Any person that violates a regulation promulgated under subsection (a), or that fails to furnish any information required under such a regulation, shall be liable to the United States for a civil penalty of not more than the total of—

(i) $25,000 for each day of the violation; and

(ii) the amount of economic benefit or savings received by the person resulting from the violation, as determined by the President.

(B) COLLECTION.—Civil penalties under subparagraph (A) shall be assessed by, and collected in a civil action brought by, the Secretary or such other officer of the United States as is designated by the President.

(2) INJUNCTIVE AUTHORITY.—

(A) IN GENERAL.—The district courts of the United States shall have jurisdiction to—

(i) restrain a violation of a regulation promulgated under subsection (a);

(ii) award other appropriate relief; and

(iii) compel the furnishing of information required under the regulation.

(B) ACTIONS.—An action to restrain such violations and compel such actions shall be brought by and in the name of the United States.

(C) SUBPOENAS.—In the action, a subpoena for a witness who is required to attend a district court in any district may apply in any other district.

(i) VOLUNTARY LABELING PROGRAM.—

(1) IN GENERAL.—The President shall establish criteria for a system of voluntary labeling of renewable fuels based on life cycle greenhouse gas emissions.

(2) CONSUMER EDUCATION.—The President shall ensure that the labeling system under this subsection provides useful information to consumers making fuel purchases.

(3) FLEXIBILITY.—In carrying out this subsection, the President may establish more than 1 label, as appropriate.

(j) STUDY OF IMPACT OF RENEWABLE FUEL STANDARD.—

(1) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy shall conduct a study to assess the impact of the requirements described in subsection (a)(2) on each industry relating to the production of feed grains, livestock, food, and energy.

(2) PARTICIPATION.—In conducting the study under paragraph (1), the National Academy of Sciences shall seek the participation, and consider the input, of—

(A) producers of feed grains;

(B) producers of livestock, poultry, and pork products;

(C) producers of food and food products;

(D) producers of energy;

(E) individuals and entities interested in issues relating to conservation, the environment, and nutrition; and

(F) users of renewable fuels.

(3) CONSIDERATIONS.—In conducting the study, the National Academy of Sciences shall consider—

(A) the likely impact on domestic animal agriculture feedstocks that, in any crop year, are significantly below current projections; and

(B) policy options to alleviate the impact on domestic animal agriculture feedstocks

that are significantly below current projections.

(4) COMPONENTS.—The study shall include—

(A) a description of the conditions under which the requirements described in subsection (a)(2) should be suspended or reduced to prevent adverse impacts to domestic animal agriculture feedstocks described in paragraph (3)(B); and

(B) recommendations for the means by which the Federal Government could prevent or minimize adverse economic hardships and impacts.

(5) DEADLINE FOR COMPLETION OF STUDY.—Not later than 270 days after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study.

(6) PERIODIC REVIEWS.—

(A) IN GENERAL.—To allow for the appropriate adjustment of the requirements described in subsection (a)(2), the Secretary shall conduct periodic reviews of—

(i) existing technologies;

(ii) the feasibility of achieving compliance with the requirements; and

(iii) the impacts of the requirements described in subsection (a)(2) on each individual and entity described in paragraph (2).

(k) EFFECTIVE DATE.—Except as otherwise specifically provided in this section, this section takes effect on the date on which the National Academies of Science completes the study under subsection (j).

SEC. 9112. PRODUCTION OF RENEWABLE FUEL USING RENEWABLE ENERGY.

(a) DEFINITIONS.—In this section:

(1) FACILITY.—The term ''facility'' means a facility used for the production of renewable fuel.

(2) RENEWABLE ENERGY.—

(A) IN GENERAL.—The term ''renewable energy'' has the meaning given the term in section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b)).

(B) INCLUSION.—The term ''renewable energy'' includes biogas produced through the conversion of organic matter from renewable biomass.

(b) ADDITIONAL CREDIT.—

(1) IN GENERAL.—The President shall provide a credit under the program established under section 9111(d) to the owner of a facility that uses renewable energy to displace more than 90 percent of the fossil fuel normally used in the production of renewable fuel.

(2) CREDIT AMOUNT.—The President may provide the credit in a quantity that is not more than the equivalent of 1.5 gallons of renewable fuel for each gallon of renewable fuel produced in a facility described in paragraph (1).

SEC. 9113. SENSE OF CONGRESS RELATING TO THE USE OF RENEWABLE RESOURCES TO GENERATE ENERGY.

(a) FINDINGS.—Congress finds that—

(1) the United States has a quantity of renewable energy resources that is sufficient to supply a significant portion of the energy needs of the United States;

(2) the agricultural, forestry, and working land of the United States can help ensure a sustainable domestic energy system;

(3) accelerated development and use of renewable energy technologies provide numerous benefits to the United States, including improved national security, improved balance of payments, healthier rural economies, improved environmental quality, and abundant, reliable, and affordable energy for all citizens of the United States;

(4) the production of transportation fuels from renewable energy would help the United States meet rapidly growing domestic and global energy demands, reduce the dependence of the United States on energy imported from volatile regions of the world that are politically unstable, stabilize the cost and availability of energy, and safeguard the economy and security of the United States;

(5) increased energy production from domestic renewable resources would attract substantial new investments in energy infrastructure, create economic growth, develop new jobs for the citizens of the United States, and increase the income for farm, ranch, and forestry jobs in the rural regions of the United States;

(6) increased use of renewable energy is practical and can be cost effective with the implementation of supportive policies and proper incentives to stimulate markets and infrastructure; and

(7) public policies aimed at enhancing renewable energy production and accelerating technological improvements will further reduce energy costs over time and increase market demand.

(b) SENSE OF CONGRESS.—It is the sense of Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should—

(1) provide from renewable resources not less than 25 percent of the total energy consumed in the United States; and

(2) continue to produce safe, abundant, and affordable food, feed, and fiber.

PART II—RENEWABLE FUELS INFRASTRUCTURE

SEC. 9121. INFRASTRUCTURE PILOT PROGRAM FOR RENEWABLE FUELS.

(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall establish a competitive grant pilot program (referred to in this section as the ''pilot program''), to be administered through the Vehicle Technology Deployment Program of the Department of Energy, to provide not more than 10 geographically-dispersed project grants to State governments, Indian tribal governments, local governments, metropolitan transportation authorities, or partnerships of those entities to carry out 1 or more projects for the purposes described in subsection (b).

(b) GRANT PURPOSES.—A grant under this section shall be used for the establishment of refueling infrastructure corridors, as designated by the Secretary, for gasoline blends that contain not less than 11 percent, and not more than 85 percent, renewable fuel or diesel fuel that contains at least 10 percent renewable fuel, including—

(1) installation of infrastructure and equipment necessary to ensure adequate distribution of renewable fuels within the corridor;

(2) installation of infrastructure and equipment necessary to directly support vehicles powered by renewable fuels; and

(3) operation and maintenance of infrastructure and equipment installed as part of a project funded by the grant.

(c) APPLICATIONS.—

(1) REQUIREMENTS.—

(A) IN GENERAL.—Subject to subparagraph (B), not later than 90 days after the date of enactment of this Act, the Secretary shall issue requirements for use in applying for grants under the pilot program.

(B) MINIMUM REQUIREMENTS.—At a minimum, the Secretary shall require that an application for a grant under this section—

(i) be submitted by—

(I) the head of a State, tribal, or local government or a metropolitan transportation authority, or any combination of those entities; and

(II) a registered participant in the Vehicle Technology Deployment Program of the Department of Energy; and

(ii) include—

(I) a description of the project proposed in the application, including the ways in which the project meets the requirements of this section;

(II) an estimate of the degree of use of the project, including the estimated size of fleet of vehicles operated with renewable fuel available within the geographic region of the corridor, measured as a total quantity and a percentage;

(III) an estimate of the potential petroleum displaced as a result of the project (measured as a total quantity and a percentage), and a plan to collect and disseminate petroleum displacement and other relevant data relating to the project to be funded under the grant, over the expected life of the project;

(IV) a description of the means by which the project will be sustainable without Federal assistance after the completion of the term of the grant;

(V) a complete description of the costs of the project, including acquisition, construction, operation, and maintenance costs over the expected life of the project; and

(VI) a description of which costs of the project will be supported by Federal assistance under this subsection.

(2) PARTNERS.—An applicant under paragraph (1) may carry out a project under the pilot program in partnership with public and private entities.

(d) SELECTION CRITERIA.—In evaluating applications under the pilot program, the Secretary shall—

(1) consider the experience of each applicant with previous, similar projects; and

(2) give priority consideration to applications that—

(A) are most likely to maximize displacement of petroleum consumption, measured as a total quantity and a percentage;

(B) are best able to incorporate existing infrastructure while maximizing, to the extent practicable, the use of advanced biofuels;

(C) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained or expanded after Federal assistance under this subsection is completed;

(D) represent a partnership of public and private entities; and

(E) exceed the minimum requirements of subsection (c)(1)(B).

(e) PILOT PROJECT REQUIREMENTS.—

(1) MAXIMUM AMOUNT.—The Secretary shall provide not more than $20,000,000 in Federal assistance under the pilot program to any applicant.

(2) COST SHARING.—The non-Federal share of the cost of any activity relating to renewable fuel infrastructure development carried out using funds from a grant under this section shall be not less than 20 percent.

(3) MAXIMUM PERIOD OF GRANTS.—The Secretary shall not provide funds to any applicant under the pilot program for more than 2 years.

(4) DEPLOYMENT AND DISTRIBUTION.—The Secretary shall seek, to the maximum extent practicable, to ensure a broad geographic distribution of project sites funded by grants under this section.

(5) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(f) SCHEDULE.—

(1) INITIAL GRANTS.—

(A) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the

Secretary shall publish in the Federal Register, Commerce Business Daily, and such other publications as the Secretary considers to be appropriate, a notice and request for applications to carry out projects under the pilot program.

(B) DEADLINE.—An application described in subparagraph (A) shall be submitted to the Secretary by not later than 180 days after the date of publication of the notice under that subparagraph.

(C) INITIAL SELECTION.—Not later than 90 days after the date by which applications for grants are due under subparagraph (B), the Secretary shall select by competitive, peer-reviewed proposal up to 5 applications for projects to be awarded a grant under the pilot program.

(2) ADDITIONAL GRANTS.—

(A) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary shall publish in the Federal Register, Commerce Business Daily, and such other publications as the Secretary considers to be appropriate, a notice and request for additional applications to carry out projects under the pilot program that incorporate the information and knowledge obtained through the implementation of the first round of projects authorized under the pilot program.

(B) DEADLINE.—An application described in subparagraph (A) shall be submitted to the Secretary by not later than 180 days after the date of publication of the notice under that subparagraph.

(C) INITIAL SELECTION.—Not later than 90 days after the date by which applications for grants are due under subparagraph (B), the Secretary shall select by competitive, peer-reviewed proposal such additional applications for projects to be awarded a grant under the pilot program as the Secretary determines to be appropriate.

(g) REPORTS TO CONGRESS.—

(1) INITIAL REPORT.—Not later than 60 days after the date on which grants are awarded under this section, the Secretary shall submit to Congress a report containing—

(A) an identification of the grant recipients and a description of the projects to be funded under the pilot program;

(B) an identification of other applicants that submitted applications for the pilot program but to which funding was not provided; and

(C) a description of the mechanisms used by the Secretary to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(2) EVALUATION.—Not later than 2 years after the date of enactment of this Act, and annually thereafter until the termination of the pilot program, the Secretary shall submit to Congress a report containing an evaluation of the effectiveness of the pilot program, including an assessment of the petroleum displacement and benefits to the environment derived from the projects included in the pilot program.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $200,000,000, to remain available until expended.

SEC. 9122. BIOENERGY RESEARCH AND DEVELOPMENT.

Section 931(c) of the Energy Policy Act of 2005 (42 U.S.C. 16231(c)) is amended—

(1) in paragraph (2), by striking ''$251,000,000'' and inserting ''$377,000,000''; and

(2) in paragraph (3), by striking ''$274,000,000'' and inserting ''$398,000,000''.

SEC. 9123. BIORESEARCH CENTERS FOR SYSTEMS BIOLOGY PROGRAM.

Section 977(a)(1) of the Energy Policy Act of 2005 (42 U.S.C. 16317(a)(1)) is amended by inserting before the period at the end the following: '', including the establishment of at least 11 bioresearch centers of varying sizes, as appropriate, that focus on biofuels, of which at least 2 centers shall be located in each of the 4 Petroleum Administration for Defense Districts with no subdistricts and 1 center shall be located in each of the subdistricts of the Petroleum Administration for Defense District with subdistricts''.

SEC. 9124. GRANTS FOR RENEWABLE FUEL PRODUCTION RESEARCH AND DEVELOPMENT IN CERTAIN STATES.

(a) IN GENERAL.—The Secretary shall provide grants to eligible entities to conduct research into, and develop and implement, renewable fuel production technologies in States with low rates of ethanol production, including low rates of production of cellulosic biomass ethanol, as determined by the Secretary.

(b) ELIGIBILITY.—To be eligible to receive a grant under the section, an entity shall—

(1)(A) be an institution of higher education (as defined in section 2 of the Energy Policy Act of 2005 (42 U.S.C. 15801)) located in a State described in subsection (a);

(B) be an institution—

(i) referred to in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (Public Law 103–382; 7 U.S.C. 301 note);

(ii) that is eligible for a grant under the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.), including Diné College; or

(iii) that is eligible for a grant under the Navajo Community College Act (25 U.S.C. 640a et seq.); or

(C) be a consortium of such institutions of higher education, industry, State agencies, Indian tribal agencies, or local government agencies located in the State; and

(2) have proven experience and capabilities with relevant technologies.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2008 through 2010.

SEC. 9125. GRANTS FOR INFRASTRUCTURE FOR TRANSPORTATION OF BIOMASS TO LOCAL BIOREFINERIES.

(a) IN GENERAL.—The Secretary shall conduct a program under which the Secretary shall provide grants to Indian tribal and local governments and other eligible entities (as determined by the Secretary) (referred to in this section as ''eligible entities'') to promote the development of infrastructure to support the separation, production, processing, and transportation of biomass to local biorefineries, including by portable processing equipment.

(b) PHASES.—The Secretary shall conduct the program in the following phases:

(1) DEVELOPMENT.—In the first phase of the program, the Secretary shall make grants to eligible entities to assist the eligible entities in the development of local projects to promote the development of infrastructure to support the separation, production, processing, and transportation of biomass to local biorefineries, including by portable processing equipment.

(2) IMPLEMENTATION.—In the second phase of the program, the Secretary shall make competitive grants to eligible entities to implement projects developed under paragraph (1).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 9126. BIOREFINERY INFORMATION CENTER.

(a) IN GENERAL.—The Secretary, in cooperation with the Secretary of Agriculture, shall establish a biorefinery information center to make available to interested parties information on—

(1) renewable fuel resources, including information on programs and incentives for renewable fuels;

(2) renewable fuel producers;

(3) renewable fuel users; and

(4) potential renewable fuel users.

(b) ADMINISTRATION.—In administering the biorefinery information center, the Secretary shall—

(1) continually update information provided by the center;

(2) make information available to interested parties on the process for establishing a biorefinery; and

(3) make information and assistance provided by the center available through a toll-free telephone number and website.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 9127. ALTERNATIVE FUEL DATABASE AND MATERIALS.

The Secretary and the Director of the National Institute of Standards and Technology shall jointly establish and make available to the public—

(1) a database that describes the physical properties of different types of alternative fuel; and

(2) standard reference materials for different types of alternative fuel.

SEC. 9128. FUEL TANK CAP LABELING REQUIREMENT.

Section 406(a) of the Energy Policy Act of 1992 (42 U.S.C. 13232(a)) is amended—

(1) by striking ''The Federal Trade Commission'' and inserting the following:

''(1) IN GENERAL.—The Federal Trade Commission''; and

(2) by adding at the end the following:

''(2) FUEL TANK CAP LABELING REQUIREMENT.—Beginning with model year 2010, the fuel tank cap of each alternative fueled vehicle manufactured for sale in the United States shall be clearly labeled to inform consumers that such vehicle can operate on alternative fuel.''.

SEC. 9129. BIODIESEL.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a report on any research and development challenges inherent in increasing to 5 percent the proportion of diesel fuel sold in the United States that is biodiesel (as defined in section 757 of the Energy Policy Act of 2005 (42 U.S.C. 16105)).

(b) REGULATIONS.—The President shall promulgate regulations providing for the uniform labeling of biodiesel blends that are certified to meet applicable standards published by the American Society for Testing and Materials.

(c) NATIONAL BIODIESEL FUEL QUALITY STANDARD.—

(1) QUALITY REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the President shall promulgate regulations to ensure that each diesel-equivalent fuel derived from renewable biomass and introduced into interstate commerce is tested and certified to comply with applicable standards of the American Society for Testing and Materials.

(2) ENFORCEMENT.—The President shall ensure that all biodiesel entering interstate commerce meets the requirements of paragraph (1).

(3) FUNDING.—There are authorized to be appropriated to the President to carry out this section:

(A) $3,000,000 for fiscal year 2008.

(B) $3,000,000 for fiscal year 2009.

(C) $3,000,000 for fiscal year 2010.

SEC. 9130. TRANSITIONAL ASSISTANCE FOR FARMERS WHO PLANT DEDICATED ENERGY CROPS FOR A LOCAL CELLULOSIC REFINERY.

(a) DEFINITIONS.—In this section:

(1) CELLULOSIC CROP.—The term ''cellulosic crop'' means a tree or grass that is grown specifically—

(A) to provide raw materials (including feedstocks) for conversion to liquid transportation fuels or chemicals through biochemical or thermochemical processes; or

(B) for energy generation through combustion, pyrolysis, or cofiring.

(2) CELLULOSIC REFINER.—The term ''cellulosic refiner'' means the owner or operator of a cellulosic refinery.

(3) CELLULOSIC REFINERY.—The term ''cellulosic refinery'' means a refinery that processes a cellulosic crop.

(4) QUALIFIED CELLULOSIC CROP.—The term ''qualified cellulosic crop'' means, with respect to an agricultural producer, a cellulosic crop that is—

(A) the subject of a contract or memorandum of understanding between the producer and a cellulosic refiner, under which the producer is obligated to sell the crop to the cellulosic refiner by a certain date; and

(B) produced not more than 70 miles from a cellulosic refinery owned or operated by the cellulosic refiner.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(b) TRANSITIONAL ASSISTANCE PAYMENTS.—The Secretary shall make transitional assistance payments to an agricultural producer during the first year in which the producer devotes land to the production of a qualified cellulosic crop.

(c) AMOUNT OF PAYMENT.—

(1) DETERMINED BY FORMULA.—Subject to paragraph (2), the Secretary shall devise a formula to be used to calculate the amount of a payment to be made to an agricultural producer under this section, based on the opportunity cost (as determined in accordance with such standard as the Secretary may establish, taking into consideration land rental rates and other applicable costs) incurred by the producer during the first year in which the producer devotes land to the production of the qualified cellulosic crop.

(2) LIMITATION.—The total of the amount paid to a producer under this section shall not exceed an amount equal to 25 percent of the amounts made available under subsection (e) for the applicable fiscal year.

(d) REGULATIONS.—The Secretary shall promulgate such regulations as the Secretary determines to be necessary to carry out this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $4,088,000 for each of fiscal years 2008 through 2012, to remain available until expended.

SEC. 9131. RESEARCH AND DEVELOPMENT IN SUPPORT OF LOW-CARBON FUELS.

(a) DECLARATION OF POLICY.—Congress declares that, in order to achieve maximum reductions in greenhouse gas emissions, enhance national security, and ensure the protection of wildlife habitat, biodiversity, water quality, air quality, and rural and regional economies throughout the lifecycle of each low-carbon fuel, it is necessary and desirable to undertake a combination of basic and applied research, as well as technology development and demonstration, involving the colleges and universities of the United States, in partnership with the Federal Government, State governments, and the private sector.

(b) PURPOSE.—The purpose of this section is to provide for research support to facilitate the development of sustainable markets and technologies to produce and use woody biomass and other low-carbon fuels for the production of thermal and electric energy, biofuels, and bioproducts.

(c) DEFINITION OF FUEL EMISSION BASELINE.—In this section, the term ''fuel emission baseline'' means the average lifecycle greenhouse gas emissions per unit of energy of the fossil fuel component of conventional transportation fuels in commerce in the United States in calendar year 2008, as determined by the President.

(d) GRANT PROGRAM.—The President shall establish a program to provide to eligible entities (as identified by the President) grants for use in—

(1) providing financial support for not more than 4 nor less than 6 demonstration facilities that—

(A) use woody biomass to deploy advanced technologies for production of thermal and electric energy, biofuels, and bioproducts; and

(B) are targeted at regional feedstocks and markets;

(2) conducting targeted research for the development of cellulosic ethanol and other liquid fuels from woody or other biomass that may be used in transportation or stationary applications, such as industrial processes or industrial, commercial, and residential heating;

(3) conducting research into the best scientifically-based and periodically-updated methods of assessing and certifying the impacts of each low-carbon fuel with respect to—

(A) the reduction in lifecycle greenhouse gas emissions of each fuel as compared to—

(i) the fuel emission baseline; and

(ii) the greenhouse gas emissions of other sectors, such as the agricultural, industrial, and manufacturing sectors;

(B) the contribution of the fuel toward enhancing the energy security of the United States by displacing imported petroleum and petroleum products;

(C) any impacts of the fuel on wildlife habitat, biodiversity, water quality, and air quality; and

(D) any effect of the fuel with respect to rural and regional economies;

(4) conducting research to determine to what extent the use of low-carbon fuels in the transportation sector would impact greenhouse gas emissions in other sectors, such as the agricultural, industrial, and manufacturing sectors;

(5) conducting research for the development of the supply infrastructure that may provide renewable biomass feedstocks in a consistent, predictable, and environmentally-sustainable manner;

(6) conducting research for the development of supply infrastructure that may provide renewable low-carbon fuels in a consistent, predictable, and environmentally-sustainable manner; and

(7) conducting policy research on the global movement of low-carbon fuels in a consistent, predictable, and environmentally-sustainable manner.

(e) AUTHORIZATION OF APPROPRIATIONS.—Of the funding authorized under section 9122, there are authorized to be appropriated to carry out this section—

(1) $45,000,000 for fiscal year 2009;
(2) $50,000,000 for fiscal year 2010;
(3) $55,000,000 for fiscal year 2011;
(4) $60,000,000 for fiscal year 2012; and
(5) $65,000,000 for fiscal year 2013.

PART III—STUDIES

SEC. 9141. STUDY OF ADVANCED BIOFUELS TECHNOLOGIES.

(a) IN GENERAL.—Not later than October 1, 2012, the Secretary shall offer to enter into a contract with the National Academy of Sciences under which the Academy shall conduct a study of technologies relating to the production, transportation, and distribution of advanced biofuels.

(b) SCOPE.—In conducting the study, the Academy shall—

(1) include an assessment of the maturity of advanced biofuels technologies;

(2) consider whether the rate of development of those technologies will be sufficient to meet the advanced biofuel standards required under section 9111;

(3) consider the effectiveness of the research and development programs and activities of the Department of Energy relating to advanced biofuel technologies; and

(4) make policy recommendations to accelerate the development of those technologies to commercial viability, as appropriate.

(c) REPORT.—Not later than November 30, 2014, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the results of the study conducted under this section.

SEC. 9142. STUDY OF INCREASED CONSUMPTION OF ETHANOL-BLENDED GASOLINE WITH HIGHER LEVELS OF ETHANOL.

(a) IN GENERAL.—The Secretary, in cooperation with the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the Secretary of Transportation, and after providing notice and an opportunity for public comment, shall conduct a study of the feasibility of increasing consumption in the United States of ethanol-blended gasoline with levels of ethanol that are not less than 10 percent and not more than 40 percent.

(b) STUDY.—The study under subsection (a) shall include—

(1) a review of production and infrastructure constraints on increasing consumption of ethanol;

(2) an evaluation of the economic, market, and energy-related impacts of State and regional differences in ethanol blends;

(3) an evaluation of the economic, market, and energy-related impacts on gasoline retailers and consumers of separate and distinctly labeled fuel storage facilities and dispensers;

(4) an evaluation of the environmental impacts of mid-level ethanol blends on evaporative and exhaust emissions from on-road, off-road, and marine engines, recreational boats, vehicles, and equipment;

(5) an evaluation of the impacts of mid-level ethanol blends on the operation, durability, and performance of on-road, off-road, and marine engines, recreational boats, vehicles, and equipment; and

(6) an evaluation of the safety impacts of mid-level ethanol blends on consumers that own and operate off-road and marine engines, recreational boats, vehicles, or equipment.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study conducted under this section.

SEC. 9143. PIPELINE FEASIBILITY STUDY.

(a) IN GENERAL.—The Secretary, in coordination with the Secretary of Agriculture and the Secretary of Transportation, shall conduct a study of the feasibility of the construction of dedicated ethanol pipelines.

(b) FACTORS.—In conducting the study, the Secretary shall consider—

(1) the quantity of ethanol production that would make dedicated pipelines economically viable;

(2) existing or potential barriers to dedicated ethanol pipelines, including technical, siting, financing, and regulatory barriers;

(3) market risk (including throughput risk) and means of mitigating the risk;

(4) regulatory, financing, and siting options that would mitigate risk in those areas and help ensure the construction of 1 or more dedicated ethanol pipelines;

(5) financial incentives that may be necessary for the construction of dedicated ethanol pipelines, including the return on equity that sponsors of the initial dedicated ethanol pipelines will require to invest in the pipelines;

(6) technical factors that may compromise the safe transportation of ethanol in pipelines, identifying remedial and preventative measures to ensure pipeline integrity; and

(7) such other factors as the Secretary considers appropriate.

(c) REPORT.—Not later than 15 months after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study conducted under this section.

SEC. 9144. STUDY OF OPTIMIZATION OF FLEXIBLE FUELED VEHICLES TO USE E–85 FUEL.

(a) IN GENERAL.—The Secretary shall conduct a study of methods of increasing the fuel efficiency of flexible fueled vehicles by optimizing flexible fueled vehicles to operate using E–85 fuel.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary 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 that describes the results of the study, including any recommendations of the Secretary.

SEC. 9145. STUDY OF CREDITS FOR USE OF RENEWABLE ELECTRICITY IN ELECTRIC VEHICLES.

(a) DEFINITION OF ELECTRIC VEHICLE.—In this section, the term ''electric vehicle'' means an electric motor vehicle (as defined in section 601 of the Energy Policy Act of 1992 (42 U.S.C. 13271)) for which the rechargeable storage battery—

(1) receives a charge directly from a source of electric current that is external to the vehicle; and

(2) provides a minimum of 80 percent of the motive power of the vehicle.

(b) STUDY.—The Secretary shall conduct a study on the feasibility of issuing credits under the program established under section 9111(d) to electric vehicles powered by electricity produced from renewable energy sources.

(c) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that describes the results of the study, including a description of—

(1) existing programs and studies on the use of renewable electricity as a means of powering electric vehicles; and

(2) alternatives for—

(A) designing a pilot program to determine the feasibility of using renewable electricity to power electric vehicles as an adjunct to a renewable fuels mandate;

(B) allowing the use, under the pilot program designed under subparagraph (A), of electricity generated from nuclear energy as an additional source of supply;

(C) identifying the source of electricity used to power electric vehicles; and

(D) equating specific quantities of electricity to quantities of renewable fuel under section 9111(d).

SEC. 9146. STUDY OF ENGINE DURABILITY ASSOCIATED WITH THE USE OF BIODIESEL.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary shall initiate a study on the effects of the use of biodiesel on engine durability.

(b) COMPONENTS.—The study under this section shall include—

(1) an assessment of whether the use of biodiesel in conventional diesel engines lessens engine durability; and

(2) an assessment of the effects referred to in subsection (a) with respect to biodiesel blends at varying concentrations, including—

(A) B5;

(B) B10;

(C) B20; and

(D) B30.

SEC. 9147. STUDY OF INCENTIVES FOR RENEWABLE FUELS.

(a) STUDY.—The President shall conduct a study of the renewable fuels industry and markets in the United States, including—

(1) the costs to produce conventional and advanced biofuels;

(2) the factors affecting the future market prices for those biofuels, including world oil prices; and

(3) the financial incentives necessary to enhance, to the maximum extent practicable, the biofuels industry of the United States to reduce the dependence of the United States on foreign oil during calendar years 2011 through 2030.

(b) GOALS.—The study shall include an analysis of the options for financial incentives and the advantage and disadvantages of each option.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the President shall submit to Congress a report that describes the results of the study.

SEC. 9148. STUDY OF STREAMLINED LIFECYCLE ANALYSIS TOOLS FOR THE EVALUATION OF RENEWABLE CARBON CONTENT OF BIOFUELS.

(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Agriculture and the Administrator of the Environmental Protection Agency, shall conduct a study of—

(1) published methods for evaluating the lifecycle fossil and renewable carbon content of fuels, including conventional and advanced biofuels; and

(2) methods for performing simplified, streamlined lifecycle analyses of the fossil and renewable carbon content of biofuels.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that describes the results of the study under subsection (a), including recommendations for a method for performing a simplified, streamlined lifecycle analysis of the fossil and renewable carbon content of biofuels that includes—

(1) carbon inputs to feedstock production; and

(2) carbon inputs to the biofuel production process, including the carbon associated with electrical and thermal energy inputs.

SEC. 9149. STUDY OF EFFECTS OF ETHANOL-BLENDED GASOLINE ON OFF-ROAD VEHICLES.

(a) STUDY.—

(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall conduct a study to determine the effects of ethanol-blended gasoline on off-road vehicles and recreational boats.

(2) EVALUATION.—The study shall include an evaluation of the operational, safety, durability, and environmental impacts of ethanol-blended gasoline on off-road and marine engines, recreational boats, and related equipment.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study.

SEC. 9150. STUDY OF OFFSHORE WIND RESOURCES.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION.—The term ''eligible institution'' means a college or university that—

(A) as of the date of enactment of this Act, has an offshore wind power research program; and

(B) is located in a region of the United States that is in reasonable proximity to the eastern outer Continental Shelf, as determined by the Secretary.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Director of the Minerals Management Service.

(b) STUDY.—The Secretary, in cooperation with an eligible institution, as selected by the Secretary, shall conduct a study to assess each offshore wind resource located in the region of the eastern outer Continental Shelf.

(c) REPORT.—Upon completion of the study under subsection (b), the Secretary shall submit to Congress a report that includes—

(1) a description of—

(A) the locations and total power generation resources of the best offshore wind resources located in the region of the eastern outer Continental Shelf, as determined by the Secretary;

(B) based on conflicting zones relating to any infrastructure that, as of the date of enactment of this Act, is located in close proximity to any offshore wind resource, the likely exclusion zones of each offshore wind resource described in subparagraph (A);

(C) the relationship of the temporal variation of each offshore wind resource described in subparagraph (A) with—

(i) any other offshore wind resource; and

(ii) with loads and corresponding system operator markets;

(D) the geological compatibility of each offshore wind resource described in subparagraph (A) with any potential technology relating to sea floor towers; and

(E) with respect to each area in which an offshore wind resource described in subparagraph (A) is located, the relationship of the authority under any coastal management plan of the State in which the area is located with the Federal Government; and

(2) recommendations on the manner by which to handle offshore wind intermittence.

(d) INCORPORATION OF STUDY.—Effective beginning on the date on which the Secretary completes the study under subsection (b), the Secretary shall incorporate the findings included in the report under subsection (c) into the planning process documents for any wind energy lease sale—

(1) relating to any offshore wind resource located in any appropriate area of the outer Continental Shelf, as determined by the Secretary; and

(2) that is completed on or after the date of enactment of this Act.

(e) EFFECT.—Nothing in this section—

(1) delays any final regulation to be promulgated by the Secretary of the Interior to carry out section 8(p) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(p)); or

(2) limits the authority of the Secretary to lease any offshore wind resource located in any appropriate area of the outer Continental Shelf, as determined by the Secretary.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000, to remain available until expended.

PART IV—ENVIRONMENTAL SAFEGUARDS

SEC. 9161. GRANTS FOR PRODUCTION OF ADVANCED BIOFUELS.

(a) IN GENERAL.—The Secretary shall establish a grant program to encourage the production of advanced biofuels.

(b) REQUIREMENTS AND PRIORITY.—In making grants under this section, the Secretary—

(1) shall make awards to the proposals for advanced biofuels with the greatest reduction in lifecycle greenhouse gas emissions compared to the comparable motor vehicle fuel lifecycle emissions during calendar year 2007; and

(2) shall not make an award to a project that does not achieve at least a 50-percent reduction in such lifecycle greenhouse gas emissions.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $500,000,000 for the period of fiscal years 2008 through 2015.

SEC. 9162. STUDIES OF EFFECTS OF RENEWABLE FUEL USE.

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended by adding at the end the following:

''(t) STUDIES OF EFFECTS OF RENEWABLE FUEL USE.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Administrator shall offer to enter into appropriate arrangements with the National Academy of Sciences and any other independent research institute determined to be appropriate by the Administrator, in consultation with appropriate Federal agencies, to conduct 2 studies on the effects of increased domestic use of renewable fuels under the Renewable Fuels, Consumer Protection, and Energy Efficiency Act of 2007.

''(2) MATTERS TO BE STUDIED.—

''(A) IN GENERAL.—The studies under this subsection shall assess, quantify, and recommend analytical methodologies in relation to environmental changes associated with the increased domestic use of renewable fuels under the Renewable Fuels, Consumer Protection, and Energy Efficiency Act of 2007, including production, handling, transportation, and use of the fuels.

''(B) SPECIFIC MATTERS.—The studies shall include an assessment and quantification, to the maximum extent practicable, of significant changes—

''(i) in air and water quality and the quality of other natural resources;

''(ii) in land use patterns;

''(iii) in the rate of deforestation in the United States and globally;

''(iv) to greenhouse gas emissions;

''(v) to significant geographic areas and habitats with high biodiversity values (including species richness, the presence of species that are exclusively native to a place, or the presence of endangered species); or

''(vi) in the long-term capacity of the United States to produce biomass feedstocks.

''(C) BASELINE COMPARISON.—In making an assessment or quantifying effects of increased use of renewable fuels, the studies shall use an appropriate baseline involving increased use of the conventional transportation fuels, if displacement by use of renewable fuels had not occurred.

''(3) REPORTS TO CONGRESS.—The Administrator shall submit to Congress a report summarizing the assessments and findings of—

''(A) the first study, along with any recommendations by the Administrator to mitigate adverse effects identified by the study, not later than 3 years after the date of enactment of this subsection; and

''(B) the second study, along with any recommendations by the Administrator to mitigate adverse effects identified by the study, not later December 31, 2015.''.

SEC. 9163. INTEGRATED CONSIDERATION OF WATER QUALITY IN DETERMINATIONS ON FUELS AND FUEL ADDITIVES.

Section 211(c)(1) of the Clean Air Act (42 U.S.C. 7545(c)(1)) is amended—

(1) by striking ''nonroad vehicle (A) if in the judgment of the Administrator'' and inserting ''nonroad vehicle—

''(A) if, in the judgment of the Administrator, any fuel or fuel additive or'';

(2) in subparagraph (A), by striking ''air pollution which'' and inserting ''air pollution or water pollution (including any degradation in the quality of groundwater) that''; and

(3) by striking '', or (B) if'' and inserting the following: ''; or

''(B) if''.

SEC. 9164. ANTI-BACKSLIDING.

Section 211 of the Clean Air Act (42 U.S.C. 7545) (as amended by section 9162) is amended by adding at the end the following:

''(u) PREVENTION OF AIR QUALITY DETERIORATION.—

''(1) STUDY.—

''(A) IN GENERAL.—Not later than 18 months after the date of enactment of the Renewable Fuels, Consumer Protection, and Energy Efficiency Act of 2007, the Administrator shall complete a study to determine whether the renewable fuel volumes required by that Act will adversely impact air quality as a result of changes in vehicle and engine emissions of air pollutants regulated under this Act.

''(B) CONSIDERATIONS.—The study shall include consideration of—

''(i) different blend levels, types of renewable fuels, and available vehicle technologies; and

''(ii) appropriate national, regional, and local air quality control measures.

''(2) REGULATIONS.—Not later than 3 years after the date of enactment of the Renewable Fuels, Consumer Protection, and Energy Efficiency Act of 2007, the Administrator shall—

''(A) promulgate regulations to implement appropriate measures to mitigate, to the greatest extent achievable, considering the results of the study under paragraph (1), any adverse impacts on air quality, as the result of the renewable volumes required by that Act; or

''(B) make a determination that no such measures are necessary.

''(3) OTHER REQUIREMENTS.—Nothing in the Renewable Fuels, Consumer Protection, and Energy Efficiency Act of 2007 supercedes or otherwise affects any Federal or State requirement under any other provision of law that is more stringent than any requirement of this title.''.

SA 3615. Mr. GREGG (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title XI, insert the following:

Subtitle ____—Public Safety Officers

SEC. ____1. SHORT TITLE.

This subtitle may be cited as the ''Public Safety Employer-Employee Cooperation Act of 2007''.

SEC. ____2. DECLARATION OF PURPOSE AND POLICY.

The Congress declares that the following is the policy of the United States:

(1) Labor-management relationships and partnerships are based on trust, mutual respect, open communication, bilateral consensual problem solving, and shared accountability. Labor-management cooperation fully utilizes the strengths of both parties to best serve the interests of the public, operating as a team, to carry out the public safety mission in a quality work environment. In many public safety agencies it is the union that provides the institutional stability as elected leaders and appointees come and go.

(2) State and local public safety officers play an essential role in the efforts of the United States to detect, prevent, and respond to terrorist attacks, and to respond to natural disasters, hazardous materials, and other mass casualty incidents. State and local public safety officers, as first responders, are a component of our Nation's National Incident Management System, developed by the Department of Homeland Security to coordinate response to and recovery from terrorism, major natural disasters, and other major emergencies. Public safety employer-employee cooperation is essential in meeting these needs and is, therefore, in the National interest.

(3) The Federal Government needs to encourage conciliation, mediation, and voluntary arbitration to aid and encourage employers and the representatives of their employees to reach and maintain agreements concerning rates of pay, hours, and working conditions, and to make all reasonable efforts through negotiations to settle their differences by mutual agreement reached through collective bargaining or by such methods as may be provided for in any applicable agreement for the settlement of disputes.

(4) The absence of adequate cooperation between public safety employers and employees has implications for the security of employees and can affect interstate and intrastate commerce. The lack of such labor-management cooperation can detrimentally impact the upgrading of police and fire services of local communities, the health and well-being of public safety officers, and the morale of the fire and police departments. Additionally, these factors could have significant commercial repercussions. Moreover, providing minimal standards for collective bargaining negotiations in the public safety sector can prevent industrial strife between labor and management that interferes with the normal flow of commerce.

SEC. ____3. DEFINITIONS.

In this subtitle:

(1) AUTHORITY.—The term ''Authority'' means the Federal Labor Relations Authority.

(2) EMERGENCY MEDICAL SERVICES PERSONNEL.—The term ''emergency medical services personnel'' means an individual who provides out-of-hospital emergency medical care, including an emergency medical technician, paramedic, or first responder.

(3) EMPLOYER; PUBLIC SAFETY AGENCY.—The terms ''employer'' and ''public safety agency'' mean any State, or political subdivision of a State, that employs public safety officers.

(4) FIREFIGHTER.—The term ''firefighter'' has the meaning given the term ''employee engaged in fire protection activities'' in section 3(y) of the Fair Labor Standards Act (29 U.S.C. 203(y)).

(5) LABOR ORGANIZATION.—The term ''labor organization'' means an organization composed in whole or in part of employees, in which employees participate, and which represents such employees before public safety

agencies concerning grievances, conditions of employment, and related matters.

(6) LAW ENFORCEMENT OFFICER.—The term ''law enforcement officer'' has the meaning given such term in section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b).

(7) MANAGEMENT EMPLOYEE.—The term ''management employee'' has the meaning given such term under applicable State law in effect on the date of enactment of this subtitle. If no such State law is in effect, the term means an individual employed by a public safety employer in a position that requires or authorizes the individual to formulate, determine, or influence the policies of the employer.

(8) PERSON.—The term ''person'' means an individual or a labor organization.

(9) PUBLIC SAFETY OFFICER.—The term ''public safety officer''—

(A) means an employee of a public safety agency who is a law enforcement officer, a firefighter, or an emergency medical services personnel;

(B) includes an individual who is temporarily transferred to a supervisory or management position; and

(C) does not include a permanent supervisory or management employee.

(10) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, and any territory or possession of the United States.

(11) SUBSTANTIALLY PROVIDES.—The term ''substantially provides'' means compliance with the essential requirements of this subtitle, specifically, the right to form and join a labor organization, the right to bargain over wages, hours, and conditions of employment, the right to sign an enforceable contract, and availability of some form of mechanism to break an impasse, such as arbitration, mediation, or fact-finding.

(12) SUPERVISORY EMPLOYEE.—The term ''supervisory employee'' has the meaning given such term under applicable State law in effect on the date of enactment of this subtitle. If no such State law is in effect, the term means an individual, employed by a public safety employer, who—

(A) has the authority in the interest of the employer to hire, direct, assign, promote, reward, transfer, furlough, lay off, recall, suspend, discipline, or remove public safety officers, to adjust their grievances, or to effectively recommend such action, if the exercise of the authority is not merely routine or clerical in nature but requires the consistent exercise of independent judgment; and

(B) devotes a majority of time at work exercising such authority.

SEC. _____4. DETERMINATION OF RIGHTS AND RESPONSIBILITIES.

(a) DETERMINATION.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this subtitle, the Authority shall make a determination as to whether a State substantially provides for the rights and responsibilities described in subsection (b). In making such determinations, the Authority shall consider and give weight, to the maximum extent practicable, to the opinion of affected parties.

(2) SUBSEQUENT DETERMINATIONS.—

(A) IN GENERAL.—A determination made pursuant to paragraph (1) shall remain in effect unless and until the Authority issues a subsequent determination, in accordance with the procedures set forth in subparagraph (B).

(B) PROCEDURES FOR SUBSEQUENT DETERMINATIONS.—Upon establishing that a material change in State law or its interpretation has occurred, an employer or a labor organization may submit a written request for a subsequent determination. If satisfied that a material change in State law or its interpretation has occurred, the Authority shall issue a subsequent determination not later than 30 days after receipt of such request.

(3) JUDICIAL REVIEW.—Any person or employer aggrieved by a determination of the Authority under this section may, during the 60-day period beginning on the date on which the determination was made, petition any United States Court of Appeals in the circuit in which the person or employer resides or transacts business or in the District of Columbia circuit, for judicial review. In any judicial review of a determination by the Authority, the procedures contained in subsections (c) and (d) of section 7123 of title 5, United States Code, shall be followed.

(b) RIGHTS AND RESPONSIBILITIES.—In making a determination described in subsection (a), the Authority shall consider whether State law provides rights and responsibilities comparable to or greater than the following:

(1) Granting public safety officers the right to form and join a labor organization, which may exclude management employees and supervisory employees, that is, or seeks to be, recognized as the exclusive bargaining representative of such employees.

(2) Requiring public safety employers to recognize the employees' labor organization (freely chosen by a majority of the employees), to agree to bargain with the labor organization, and to commit any agreements to writing in a contract or memorandum of understanding.

(3) Permitting bargaining over hours, wages, and terms and conditions of employment.

(4) Making available an interest impasse resolution mechanism, such as fact-finding, mediation, arbitration, or comparable procedures.

(5) Requiring enforcement through State courts of—

(A) all rights, responsibilities, and protections provided by State law and enumerated in this section; and

(B) any written contract or memorandum of understanding.

(c) FAILURE TO MEET REQUIREMENTS.—

(1) IN GENERAL.—If the Authority determines, acting pursuant to its authority under subsection (a), that a State does not substantially provide for the rights and responsibilities described in subsection (b), such State shall be subject to the regulations and procedures described in section _____5.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect on the date that is 2 years after the date of enactment of this subtitle.

SEC. _____5. ROLE OF FEDERAL LABOR RELATIONS AUTHORITY.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this subtitle, the Authority shall issue regulations in accordance with the rights and responsibilities described in section _____4(b) establishing collective bargaining procedures for employers and public safety officers in States which the Authority has determined, acting pursuant to section _____4(a), do not substantially provide for such rights and responsibilities.

(b) ROLE OF THE FEDERAL LABOR RELATIONS AUTHORITY.—The Authority, to the extent provided in this subtitle and in accordance with regulations prescribed by the Authority, shall—

(1) determine the appropriateness of units for labor organization representation;

(2) supervise or conduct elections to determine whether a labor organization has been selected as an exclusive representative by a voting majority of the employees in an appropriate unit;

(3) resolve issues relating to the duty to bargain in good faith;

(4) conduct hearings and resolve complaints of unfair labor practices;

(5) resolve exceptions to the awards of arbitrators;

(6) protect the right of each employee to form, join, or assist any labor organization, or to refrain from any such activity, freely and without fear of penalty or reprisal, and protect each employee in the exercise of such right; and

(7) take such other actions as are necessary and appropriate to effectively administer this subtitle, including issuing subpoenas requiring the attendance and testimony of witnesses and the production of documentary or other evidence from any place in the United States, and administering oaths, taking or ordering the taking of depositions, ordering responses to written interrogatories, and receiving and examining witnesses.

(c) ENFORCEMENT.—

(1) AUTHORITY TO PETITION COURT.—The Authority may petition any United States Court of Appeals with jurisdiction over the parties, or the United States Court of Appeals for the District of Columbia Circuit, to enforce any final orders under this section, and for appropriate temporary relief or a restraining order. Any petition under this section shall be conducted in accordance with subsections (c) and (d) of section 7123 of title 5, United States Code.

(2) PRIVATE RIGHT OF ACTION.—Unless the Authority has filed a petition for enforcement as provided in paragraph (1), any party has the right to file suit in a State court of competent jurisdiction to enforce compliance with the regulations issued by the Authority pursuant to subsection (b), and to enforce compliance with any order issued by the Authority pursuant to this section. The right provided by this subsection to bring a suit to enforce compliance with any order issued by the Authority pursuant to this section shall terminate upon the filing of a petition seeking the same relief by the Authority.

SEC. _____6. STRIKES AND LOCKOUTS PROHIBITED.

(a) PROHIBITION.—An employer, public safety officer, or labor organization may not engage in a lockout, sickout, work slowdown, strike, or any other action that will measurably disrupt the delivery of emergency services and is designed to compel an employer, public safety officer, or labor organization to agree to the terms of a proposed contract.

(b) MANDATORY TERMS AND CONDITIONS.—It shall not be a violation of subsection (a) for a public safety officer or labor organization to refuse to carry out services that are not required under the mandatory terms and conditions of employment applicable to the public safety officer or labor organization.

SEC. _____7. EXISTING COLLECTIVE BARGAINING UNITS AND AGREEMENTS.

A certification, recognition, election-held, collective bargaining agreement or memorandum of understanding which has been issued, approved, or ratified by any public employee relations board or commission or by any State or political subdivision or its agents (management officials) and is in effect on the day before the date of enactment of this subtitle shall not be invalidated by the enactment of this subtitle.

SEC. _____8. CONSTRUCTION AND COMPLIANCE.

(a) CONSTRUCTION.—Nothing in this subtitle shall be construed—

(1) to preempt or limit the remedies, rights, and procedures of any law of any State or political subdivision of any State or jurisdiction that provides greater or comparable rights and responsibilities than the rights and responsibilities described in section _____4(b);

(2) to prevent a State from enforcing a right-to-work law that prohibits employers

and labor organizations from negotiating provisions in a labor agreement that require union membership or payment of union fees as a condition of employment;

(3) to preempt or limit any State law in effect on the date of enactment of this subtitle that provides for the rights and responsibilities described in section _____4(b) solely because such State law permits an employee to appear on the employee's own behalf with respect to the employee's employment relations with the public safety agency involved;

(4) to preempt or limit any State law in effect on the date of enactment of this subtitle that provides for the rights and responsibilities described in section _____4(b) solely because such State law excludes from its coverage employees of a State militia or national guard;

(5) to permit parties in States subject to the regulations and procedures described in section _____5 to negotiate provisions that would prohibit an employee from engaging in part-time employment or volunteer activities during off-duty hours;

(6) to prohibit a State from exempting from coverage under this subtitle a political subdivision of the State that has a population of less than 5,000 or that employs less than 25 full-time employees; or

(7) to preempt or limit the laws or ordinances of any State or political subdivision of a State that provide for the rights and responsibilities described in section _____4(b) solely because such law does not require bargaining with respect to pension, retirement, or health benefits.

For purposes of paragraph (6), the term ''employee'' includes each and every individual employed by the political subdivision except any individual elected by popular vote or appointed to serve on a board or commission.

(b) COMPLIANCE.—

(1) ACTIONS OF STATES.—Nothing in this subtitle or the regulations promulgated under this subtitle shall be construed to require a State to rescind or preempt the laws or ordinances of any of its political subdivisions if such laws provide rights and responsibilities for public safety officers that are comparable to or greater than the rights and responsibilities described in section _____4(b).

(2) ACTIONS OF THE AUTHORITY.—Nothing in this subtitle or the regulations promulgated under this subtitle shall be construed to preempt—

(A) the laws or ordinances of any State or political subdivision of a State, if such laws provide collective bargaining rights for public safety officers that are comparable to or greater than the rights enumerated in section _____4(b);

(B) the laws or ordinance of any State or political subdivision of a State that provide for the rights and responsibilities described in section _____4(b) with respect to certain categories of public safety officers covered by this subtitle solely because such rights and responsibilities have not been extended to other categories of public safety officers covered by this subtitle; or

(C) the laws or ordinances of any State or political subdivision of a State that provides for the rights and responsibilities described in section _____4(b), solely because such laws or ordinances provide that a contract or memorandum of understanding between a public safety employer and a labor organization must be presented to a legislative body as part of the process for approving such contract or memorandum of understanding.

(3) LIMITED ENFORCEMENT POWER.—In the case of a law described in paragraph (2)(B), the Authority shall only exercise the powers provided in section _____5 with respect to those categories of public safety officers who have not been afforded the rights and responsibilities described in section _____4(b).

(4) EXCLUSIVE ENFORCEMENT PROVISION.—Notwithstanding any other provision of this subtitle, and in the absence of a waiver of a State's sovereign immunity, the Authority shall have the exclusive power to enforce the provisions of this subtitle with respect to employees of a State or political subdivision of a State.

SEC. _____9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subtitle.

SA 3616. Mr. SALAZAR (for himself, Mr. KERRY, Ms. STABENOW, and Mr. SCHUMER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 1472, line 1, strike all through page 1480, line 3, and insert the following:

PART II—ALCOHOL AND OTHER FUELS

SEC. 12311. EXPANSION OF SPECIAL ALLOWANCE TO CELLULOSIC BIOFUEL PLANT PROPERTY.

(a) IN GENERAL.—Paragraph (3) of section 168(l) (relating to special allowance for cellulosic biomass ethanol plant property) is amended to read as follows:

''(3) CELLULOSIC BIOFUEL.—For purposes of this subsection, the term 'cellulosic biofuel' means any alcohol, ether, ester, or hydrocarbon produced from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis.''.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (l) of section 168 is amended by striking ''cellulosic biomass ethanol'' each place it appears and inserting ''cellulosic biofuel''.

(2) The heading of section 168(l) is amended by striking ''CELLULOSIC BIOMASS ETHANOL'' and inserting ''CELLULOSIC BIOFUEL''.

(3) The heading of paragraph (2) of section 168(l) is amended by striking ''CELLULOSIC BIOMASS ETHANOL'' and inserting ''CELLULOSIC BIOFUEL''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 12312. CREDIT FOR PRODUCTION OF CELLULOSIC BIOFUEL.

(a) IN GENERAL.—Subsection (a) of section 40 (relating to alcohol used as fuel) is amended by striking ''plus'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', plus'', and by adding at the end the following new paragraph:

''(4) the small cellulosic biofuel producer credit.''.

(b) SMALL CELLULOSIC BIOFUEL PRODUCER CREDIT.—

(1) IN GENERAL.—Subsection (b) of section 40 is amended by adding at the end the following new paragraph:

''(6) SMALL CELLULOSIC BIOFUEL PRODUCER CREDIT.—

''(A) IN GENERAL.—In addition to any other credit allowed under this section, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the applicable amount for each gallon of not more than 60,000,000 gallons of qualified cellulosic biofuel production.

''(B) APPLICABLE AMOUNT.—For purposes of subparagraph (A), the applicable amount means the excess of—

''(i) $1.28, over

''(ii) the sum of—

''(I) the amount of the credit in effect for alcohol which is ethanol under subsection (b)(1) (without regard to subsection (b)(3)) at the time of the qualified cellulosic biofuel production, plus

''(II) the amount of the credit in effect under subsection (b)(4) at the time of such production.

''(C) QUALIFIED CELLULOSIC BIOFUEL PRODUCTION.—For purposes of this section, the term 'qualified cellulosic biofuel production' means any cellulosic biofuel which is produced by an eligible small cellulosic biofuel producer and which during the taxable year—

''(i) is sold by the taxpayer to another person—

''(I) for use by such other person in the production of a qualified cellulosic biofuel mixture in such other person's trade or business (other than casual off-farm production),

''(II) for use by such other person as a fuel in a trade or business, or

''(III) who sells such cellulosic biofuel at retail to another person and places such cellulosic biofuel in the fuel tank of such other person, or

''(ii) is used or sold by the taxpayer for any purpose described in clause (i).

''(D) QUALIFIED CELLULOSIC BIOFUEL MIXTURE.—For purposes of this paragraph, the term 'qualified cellulosic biofuel mixture' means a mixture of cellulosic biofuel and any petroleum fuel product which—

''(i) is sold by the person producing such mixture to any person for use as a fuel, or

''(ii) is used as a fuel by the person producing such mixture.

''(E) ADDITIONAL DISTILLATION EXCLUDED.—The qualified cellulosic biofuel production of any taxpayer for any taxable year shall not include any alcohol which is purchased by the taxpayer and with respect to which such producer increases the proof of the alcohol by additional distillation.

''(F) APPLICATION OF PARAGRAPH.—This paragraph shall apply with respect to qualified cellulosic biofuel production after December 31, 2007, and before April 1, 2015.''.

(2) TERMINATION DATE NOT TO APPLY.—Subsection (e) of section 40 (relating to termination) is amended—

(A) by inserting ''or subsection (b)(6)(E)'' after ''by reason of paragraph (1)'' in paragraph (2), and

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

''(3) EXCEPTION FOR SMALL CELLULOSIC BIOFUEL PRODUCER CREDIT.—Paragraph (1) shall not apply to the portion of the credit allowed under this section by reason of subsection (a)(4).''.

(c) ELIGIBLE SMALL CELLULOSIC BIOFUEL PRODUCER.—Section 40 is amended by adding at the end the following new subsection:

''(i) DEFINITIONS AND SPECIAL RULES FOR SMALL CELLULOSIC BIOFUEL PRODUCER.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible small cellulosic biofuel producer' means a person, who at all times during the taxable year, has a productive capacity for cellulosic biofuel not in excess of 60,000,000 gallons.

''(2) CELLULOSIC BIOFUEL.—

''(A) IN GENERAL.—The term 'cellulosic biofuel' has the meaning given such term under section 168(l)(3), but does not include any alcohol with a proof of less than 150.

''(B) DETERMINATION OF PROOF.—The determination of the proof of any alcohol shall be made without regard to any added denaturants.

''(3) AGGREGATION RULE.—For purposes of the 60,000,000 gallon limitation under paragraph (1) and subsection (b)(6)(A), 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.

''(4) PARTNERSHIP, S CORPORATIONS, AND OTHER PASS-THRU ENTITIES.—In the case of a partnership, trust, S corporation, or other pass-thru entity, the limitation contained in paragraph (1) shall be applied at the entity level and at the partner or similar level.

''(5) ALLOCATION.—For purposes of this subsection, in the case of a facility in which more than 1 person has an interest, productive capacity shall be allocated among such persons in such manner as the Secretary may prescribe.

''(6) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary to prevent the credit provided for in subsection (a)(4) from directly or indirectly benefitting any person with a direct or indirect productive capacity of more than 60,000,000 gallons of cellulosic biofuel during the taxable year.

''(7) ALLOCATION OF SMALL CELLULOSIC PRODUCER CREDIT TO PATRONS OF COOPERATIVE.—Rules similar to the rules under subsection (g)(6) shall apply for purposes of this subsection.''.

(d) CELLULOSIC BIOFUEL NOT USED AS A FUEL, ETC.—

(1) IN GENERAL.—Paragraph (3) of section 40(d) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

''(D) SMALL CELLULOSIC BIOFUEL PRODUCER CREDIT.—If—

''(i) any credit is allowed under subsection (a)(4), and

''(ii) any person does not use such fuel for a purpose described in subsection (b)(6)(C),

then there is hereby imposed on such person a tax equal to the applicable amount for each gallon of such cellulosic biofuel.''.

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (C) of section 40(d)(3) is amended by striking ''PRODUCER'' in the heading and inserting ''SMALL ETHANOL PRODUCER''.

(B) Subparagraph (E) of section 40(d)(3), as redesignated by paragraph (1), is amended by striking ''or (C)'' and inserting ''(C), or (D)''.

(e) BIOFUEL PRODUCED IN THE UNITED STATES.—Section 40(d), as amended by this section, is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR SMALL CELLULOSIC BIOFUEL PRODUCERS.—No small cellulosic biofuel producer credit shall be determined under subsection (a) with respect to any biofuel unless such biofuel is produced in the United States.''.

(f) WAIVER OF CREDIT LIMIT FOR CELLULOSIC BIOFUEL PRODUCTION BY SMALL ETHANOL PRODUCERS.—Section 40(b)(4)(C) is amended by inserting ''(determined without regard to any qualified cellulosic biofuel production'' after ''15,000,000 gallons''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel produced after December 31, 2007.

SA 3617. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 750, line 21, insert before the period at the end the following: '', of which not less than $25,000,000 shall be for use at hospitals in rural areas with not more than 50 acute beds''.

SA 3618. Mr. BUNNING submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 1363, strike line 7 and all that follows through page 1395, line 19.

Beginning on page 1564, strike line 16 and all that follows through page 1565, line 6.

SA 3619. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title III, add the following:

SEC. 32___. IMPORTATION OF LIVE DOGS.

(a) IN GENERAL.—The Animal Welfare Act is amended by adding after section 17 (7 U.S.C. 2147) the following:

''SEC. 18. IMPORTATION OF LIVE DOGS.

''(a) DEFINITIONS.—In this section:

''(1) IMPORTER.—The term 'importer' means any person who, for purposes of resale, transports into the United States puppies from a foreign country.

''(2) RESALE.—The term 'resale' includes any transfer of ownership or control of an imported dog of less than 6 months of age to another person, for more than de minimis consideration.

''(b) REQUIREMENTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no person shall import a dog into the United States for purposes of resale unless, as determined by the Secretary, the dog—

''(A) is in good health;

''(B) has received all necessary vaccinations; and

''(C) is at least 6 months of age, if imported for resale.

''(2) EXCEPTION.—The Secretary, by regulation, shall provide an exception to any requirement under paragraph (1) in any case in which a dog is imported for—

''(A) research purposes; or

''(B) veterinary treatment.

''(c) IMPLEMENTATION AND REGULATIONS.—The Secretary, the Secretary of Health and Human Services, the Secretary of Commerce, and the Secretary of Homeland Security shall promulgate such regulations as the Secretaries determine to be necessary to implement and enforce this section.

''(d) ENFORCEMENT.—An importer that fails to comply with this section shall—

''(1) be subject to penalties under section 19; and

''(2) provide for the care (including appropriate veterinary care), forfeiture, and adoption of each applicable dog, at the expense of the importer.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the date of enactment of this Act.

SA 3620. Mr. LOTT submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1587, after line 18, add the following:

Subtitle G—Repeal of Individual AMT

SEC. 12701. REPEAL OF INDIVIDUAL ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Section 55(a) (relating to alternative minimum tax imposed) is amended by adding at the end the following new flush sentence:

''For purposes of this title, the tentative minimum tax on any taxpayer other than a corporation for any taxable year beginning after December 31, 2006, shall be zero.''.

(b) MODIFICATION OF LIMITATION ON USE OF CREDIT FOR PRIOR YEAR MINIMUM TAX LIABILITY.—Subsection (c) of section 53 (relating to credit for prior year minimum tax liability) is amended to read as follows:

''(c) LIMITATION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

''(A) the regular tax liability of the taxpayer for such taxable year reduced by the sum of the credits allowable under subparts A, B, D, E, and F of this part, over

''(B) the tentative minimum tax for the taxable year.

''(2) TAXABLE YEARS BEGINNING AFTER 2006.—In the case of any taxable year beginning after 2006, the credit allowable under subsection (a) to a taxpayer other than a corporation for any taxable year shall not exceed 90 percent of the regular tax liability of the taxpayer for such taxable year reduced by the sum of the credits allowable under subparts A, B, D, E, and F of this part.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

Subtitle H—One-Year Extenders

SEC. 12801. RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) (relating to qualified clinical testing expenses) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2007.

SEC. 12802. INDIAN EMPLOYMENT CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12803. NEW MARKETS TAX CREDIT.

Subparagraph (D) of section 45D(f)(1) (relating to national limitation on amount of investments designated) is amended by striking ''and 2008'' and inserting ''2008, and 2009''.

SEC. 12804. RAILROAD TRACK MAINTENANCE.

(a) IN GENERAL.—Subsection (f) of section 45G (relating to application of section) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred during taxable years beginning after December 31, 2007.

SEC. 12805. MORTGAGE INSURANCE PREMIUMS TREATED AS INTEREST.

(a) IN GENERAL.—Subclause (I) of section 163(h)(3)(E)(iv) (relating to termination) is

amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or accrued after December 31, 2007.

SEC. 12806. DEDUCTION FOR STATE AND LOCAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12807. FIFTEEN-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT PROPERTY.

(a) IN GENERAL.—Clauses (iv) and (v) of section 168(e)(3)(E) (relating to 15-year property) are each amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2007.

SEC. 12808. SEVEN-YEAR COST RECOVERY PERIOD FOR MOTORSPORTS RACING TRACK FACILITY.

(a) IN GENERAL.—Subparagraph (D) of section 168(i)(15) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007.

SEC. 12809. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATION.

(a) IN GENERAL.—Paragraph (8) of section 168(j) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007.

SEC. 12810. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2007.

SEC. 12811. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) IN GENERAL.—Subparagraph (C) of section 199(d)(8) (relating to termination) is amended—

(1) by striking ''first 2 taxable years'' and inserting ''first 3 taxable years'', and

(2) by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12812. DEDUCTION OF QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12813. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2007.

SEC. 12814. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) INTEREST-RELATED DIVIDENDS.—Subparagraph (C) of section 871(k)(1) (defining interest-related dividend) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) SHORT-TERM CAPITAL GAIN DIVIDENDS.—Subparagraph (C) of section 871(k)(2) (defining short-term capital gain dividend) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to dividends with respect to taxable years of regulated investment companies beginning after December 31, 2007.

SEC. 12815. EXTENSION AND MODIFICATION OF CREDIT TO HOLDERS OF QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Subsection (e) of section 1397E (relating to limitation on amount of bonds designated) is amended by striking ''1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, and 2007'' and inserting ''each of calendar years 1998 through 2008''.

(b) MODIFICATION OF ARBITRAGE RULES.—

(1) IN GENERAL.—Subsection (g) of section 1397E (relating to special rules relating to arbitrage) is amended to read as follows:

''(g) SPECIAL RULES RELATING TO ARBITRAGE.—

''(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

''(2) SPECIAL RULE FOR INVESTMENTS DURING EXPENDITURE PERIOD.—An issue shall not be treated as failing to meet the requirements of paragraph (1) by reason of any investment of available project proceeds during the 5-year period described in subsection (f)(1)(A) (including any extension of such period under subsection (f)(2)).

''(3) SPECIAL RULE FOR RESERVE FUNDS.—An issue shall not be treated as failing to meet the requirements of paragraph (1) by reason of any fund which is expected to be used to repay such issue if—

''(A) such fund is funded at a rate not more rapid than equal annual installments,

''(B) such fund is funded in a manner that such fund will not exceed the amount necessary to repay the issue if invested at the maximum rate permitted under subparagraph (C), and

''(C) the yield on such fund is not greater than the discount rate determined under subsection (d)(3) with respect to the issue.''.

(2) APPLICATION OF AVAILABLE PROJECT PROCEEDS TO OTHER REQUIREMENTS.—Subsections (d)(1)(A), (d)(2)(A), (f)(1)(A), (f)(1)(B), (f)(1)(C), and (f)(3) of section 1397E are each amended by striking ''proceeds'' and inserting ''available project proceeds''

(3) AVAILABLE PROJECT PROCEEDS DEFINED.—Subsection (i) of section 1397E (relating to definitions) is amended by adding at the end the following new paragraph:

''(4) AVAILABLE PROJECT PROCEEDS.—The term 'available project proceeds' means—

''(A) the excess of—

''(i) the proceeds from the sale of an issue, over

''(ii) the issuance costs financed by the issue (to the extent that such costs do not exceed 2 percent of such proceeds), and

''(B) the proceeds from any investment of the excess described in subparagraph (A).''.

(c) EFFECTIVE DATE.—

(1) EXTENSION.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 2007.

(2) MODIFICATION OF ARBITRAGE RULES.—The amendments made by subsection (b) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 12816. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) DESIGNATION OF ZONE.—

(1) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''2007'' both places it appears and inserting ''2008''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods beginning after December 31, 2007.

(b) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—

(1) IN GENERAL.—Subsection (b) of section 1400A is amended by striking ''2007'' and inserting ''2008''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to bonds issued after December 31, 2007.

(c) ZERO PERCENT CAPITAL GAINS RATE.—

(1) IN GENERAL.—Subsection (b) of section 1400B is amended by striking ''2008'' each place it appears and inserting ''2009''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1400B(e)(2) is amended—

(i) by striking ''2012'' and inserting ''2013'', and

(ii) by striking ''2012'' in the heading thereof and inserting ''2013''.

(B) Section 1400B(g)(2) is amended by striking ''2012'' and inserting ''2013''.

(C) Section 1400F(d) is amended by striking ''2012'' and inserting ''2013''.

(3) EFFECTIVE DATES.—

(A) EXTENSION.—The amendments made by paragraph (1) shall apply to acquisitions after December 31, 2007.

(B) CONFORMING AMENDMENTS.—The amendments made by paragraph (2) shall take effect on the date of the enactment of this Act.

(d) FIRST-TIME HOMEBUYER CREDIT.—

(1) IN GENERAL.—Subsection (i) of section 1400C is amended by striking ''2008'' and inserting ''2009''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property purchased after December 31, 2007.

SEC. 12817. DISCLOSURE FOR COMBINED EMPLOYMENT TAX REPORTING.

(a) IN GENERAL.—Subparagraph (B) of section 6103(d)(5) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to disclosures after December 31, 2007.

SEC. 12818. DISCLOSURE OF RETURN INFORMATION TO APPRISE APPROPRIATE OFFICIALS OF TERRORIST ACTIVITIES.

(a) IN GENERAL.—Clause (iv) of section 6103(i)(3)(C) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to disclosures after December 31, 2007.

SEC. 12819. DISCLOSURE UPON REQUEST OF INFORMATION RELATING TO TERRORIST ACTIVITIES.

(a) IN GENERAL.—Subparagraph (E) of section 6103(i)(7) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to disclosures after December 31, 2007.

SEC. 12820. DISCLOSURE OF RETURN INFORMATION TO CARRY OUT INCOME CONTINGENT REPAYMENT OF STUDENT LOANS.

(a) IN GENERAL.—Subparagraph (D) of section 6103(l)(13) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests made after December 31, 2007.

SEC. 12821. AUTHORITY FOR UNDERCOVER OPERATIONS.

(a) IN GENERAL.—Paragraph (6) of section 7608(c) (relating to application of section) is

amended by striking ''January 1, 2008'' each place it appears and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on January 1, 2008.

SEC. 12822. INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAX TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2007.

SEC. 12823. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Paragraph (3) of section 9812(f) (relating to application of section) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to benefits for services furnished after December 31, 2007.

SEC. 12824. EXTENSION OF ECONOMIC DEVELOPMENT CREDIT FOR AMERICAN SAMOA.

(a) IN GENERAL.—Subsection (d) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended—

(1) by striking ''first two taxable years'' and inserting ''first 3 taxable years'', and

(2) by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12825. QUALIFIED CONSERVATION CONTRIBUTIONS.

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2007.

SEC. 12826. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2007.

SEC. 12827. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORY TO PUBLIC SCHOOLS.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(D) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2007.

SEC. 12828. ENHANCED DEDUCTION FOR QUALIFIED COMPUTER CONTRIBUTIONS.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made during taxable years beginning after December 31, 2007.

SEC. 12829. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2007.

SEC. 12830. BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—The last sentence of section 1367(a)(2) (relating to decreases in basis) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) TECHNICAL AMENDMENT RELATED TO SECTION 1203 OF THE PENSION PROTECTION ACT OF 2006.—Subsection (d) of section 1366 is amended by adding at the end the following new paragraph:

''(4) APPLICATION OF LIMITATION ON CHARITABLE CONTRIBUTIONS.—In the case of any charitable contribution of property to which the second sentence of section 1367(a)(2) applies, paragraph (1) shall not apply to the extent of the excess (if any) of—

''(A) the shareholder's pro rata share of such contribution, over

''(B) the shareholder's pro rata share of the adjusted basis of such property.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2007.

(2) TECHNICAL AMENDMENT.—The amendment made by subsection (b)shall take effect as if included in the provision of the Pension Protection Act of 2006 to which it relates.

SEC. 12831. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain expenses of elementary and secondary school teachers) is amended by striking ''or 2007'' and inserting ''2007, or 2008''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

SEC. 12832. ELECTION TO INCLUDE COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME TAX CREDIT.

(a) IN GENERAL.—Subclause (II) of section 32(c)(2)(B)(vi) (defining earned income) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after December 31, 2007.

SEC. 12833. MODIFICATION OF MORTGAGE REVENUE BONDS FOR VETERANS.

(a) QUALIFIED MORTGAGE BONDS USED TO FINANCE RESIDENCES FOR VETERANS WITHOUT REGARD TO FIRST-TIME HOMEBUYER REQUIREMENT.—Subparagraph (D) of section 143(d)(2) (relating to exceptions) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2007.

SEC. 12834. DISTRIBUTIONS FROM RETIREMENT PLANS TO INDIVIDUALS CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Clause (iv) of section 72(t)(2)(G) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals ordered or called to active duty on or after December 31, 2007.

SEC. 12835. STOCK IN RIC FOR PURPOSES OF DETERMINING ESTATES OF NONRESIDENTS NOT CITIZENS.

(a) IN GENERAL.—Paragraph (3) of section 2105(d) (relating to stock in a RIC) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to decedents dying after December 31, 2007.

SEC. 12836. QUALIFIED INVESTMENT ENTITIES.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2008.

SEC. 12837. DISCLOSURE OF RETURN INFORMATION FOR CERTAIN VETERANS PROGRAMS.

(a) IN GENERAL.—The last sentence of paragraph (7) of section 6103(l) is amended by striking ''September 30, 2008'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to requests made after September 30, 2008.

SA 3621. Mr. COLEMAN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 210, line 25, strike ''crop year'' and insert ''crop or fiscal year, as appropriate,''.

On page 211, line 12, strike ''crop years'' and insert ''crop or fiscal years, as appropriate,''.

On page 211, line 23, strike ''crop year'' and insert ''fiscal year''.

On page 212, between lines 19 and 20, insert the following:

''(iv) A payment under the environmental quality incentives program established under chapter 4 of subtitle D of title XII.

On page 212, line 23, insert ''(other than the environmental quality incentives program)'' before the semicolon at the end.

SA 3622. Mr. SALAZAR (for himself and Mr. ALLARD) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title VIII, add the following:

SEC. 8203. DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001.

Section 331 of the Department of the Interior and Related Agencies Appropriations Act, 2001 (114 Stat. 996; 118 Stat. 3102), is amended by striking subsection (e).

SA 3623. Mrs. BOXER (for herself, Mr. SMITH, Mrs. FEINSTEIN, Mr. SESSIONS, Mr. NELSON of Florida, Mr. MARTINEZ, and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 471, strike line 22 and insert the following:

''(iv) IDENTIFICATION OF WATER QUALITY AND WATER QUANTITY PRIORITY AREAS.—

''(I) IN GENERAL.—Subject to subclause (II), the Secretary shall identify areas in which protecting or improving water quality or water quantity is a priority.

''(II) MANDATORY INCLUSIONS.—The Secretary shall include in any identification of areas under subclause (I)—

''(aa) the Chesapeake Bay;

''(bb) the Upper Mississippi River basin;

''(cc) the greater Everglades ecosystem;

''(dd) the Klamath River basin;

''(ee) the Sacramento/San Joaquin River watershed; and

''(ff) the Mobile River Basin.

''(III) FUNDING.—The Secretary shall reserve for use in areas identified under this clause not more than 50 percent of amounts made available for regional water enhancement activities under this paragraph.

''(v) DURATION.—

SA 3624. Mrs. BOXER (for herself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 408, strike line 17 and insert the following: through 2012.

''SEC. 1240L. AIR QUALITY IMPROVEMENT.

''(a) IN GENERAL.—Under the environmental quality incentives program established under this chapter, the Secretary shall promote air quality by providing cost-share payments and incentive payments to individual producers for use in addressing air quality concerns associated with agriculture.

''(b) ELIGIBLE PRACTICES, COST-SHARE.—

''(1) REDUCTION OF EMISSIONS OF AIR POLLUTANTS AND PRECURSORS OF AIR POLLUTANTS.—In addition to practices eligible for cost-share payments under the environmental quality incentives program established under this chapter, the Secretary shall provide cost-share payments to producers under this section for mobile or stationary equipment (including engines) used in an agricultural operation that would reduce emissions and precursors of air pollutants.

''(2) CONSIDERATIONS.—In evaluating applications for cost-share assistance for equipment described in paragraph (1), the Secretary shall prioritize assistance for equipment that—

''(A) is the most cost-effective in addressing air quality concerns; and

''(B) would assist producers in meeting Federal, State, or local regulatory requirements relating to air quality.

''(c) LOCATIONS.—To receive a payment for a project under this section, a producer shall carry out the project in a county—

''(1) that is in nonattainment with respect to ambient air quality standards; or

''(2) in which there is air quality degradation, recognized by a State or local agency, to which agricultural emissions significantly contribute.

''(d) PRIORITY.—The Secretary shall give priority to projects that—

''(1) involve multiple producers implementing eligible conservation activities in a coordinated manner to promote air quality; or

''(2) are designed to encourage broad adoption of innovative approaches, including approaches involving the use of innovative technologies and integrated pest management, on the condition that the technologies do not have the unintended consequence of compromising other environmental goals.''.

SA 3625. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ———. BROADBAND PILOT PROGRAM FOR RURAL, LOW-INCOME HOUSEHOLDS.

(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish a pilot program, to be known as the ''Improving Broadband in Rural America for the Nation's Children'' or the ''iBRANCH program'', that will provide grants on a competitive basis to eligible entities for the purpose of assisting low-income student households in eligible rural communities overcome barriers related to the use of broadband services in the home, including barriers related to—

(1) computer and broadband literacy;

(2) computer and software ownership; and

(3) access to affordable broadband service.

(b) GRANT REQUIREMENTS.—To be eligible for a grant under this program, an eligible entity shall demonstrate to the satisfaction of the Secretary that it—

(1) has the managerial and technical skills to carry out the project successfully;

(2) will provide support to low income student households on a portable and competitively neutral basis;

(3) will utilize an acceptable approach to preparing low-income students and households to improve the student educational experience with broadband and to providing Internet safety awareness; and

(4) meets any other necessary or appropriate conditions, standards, or requirements imposed by the Secretary.

(c) MAXIMUM AMOUNT.—The Secretary may not provide more than $1,000,000 in Federal assistance under the pilot program to any applicant per fiscal year.

(d) COST SHARING.—The Secretary may not provide more than 50 percent of the cost, incurred during the period of the grant, of any project funded under the pilot program.

(e) DISTRIBUTION OF GRANTS.—The Secretary shall seek to ensure a broad geographic distribution of project sites to the maximum extent practicable.

(f) ADMINISTRATIVE COSTS.—The recipient of a grant awarded under this section may not use more than 5 percent of the grant amount to pay administrative costs associated with activities funded by the grant. The Secretary shall use no more than 5 percent of the amount available for grants under this Act in any fiscal year for administrative costs of the program.

(g) FCC ASSISTANCE.—The Federal Communications Commission may provide such assistance in carrying out the provisions of this section as may be requested by the Secretary. The Secretary shall provide for close coordination with the Commission in the administration of the Secretary's functions under this section which are of interest to or affect the functions of the Commission.

(h) ADMINISTRATIVE PROVISIONS.—

(1) ANNUAL SUMMARY AND EVALUATION REQUIRED.—The Secretary shall require that the recipient of a grant under this section submit a summary and evaluation of the results of the project funded by such a grant at least annually for each year in which funds are received under this section.

(2) BOOKS AND RECORDS.—Each recipient of assistance under this section shall keep such records as may be reasonably necessary to enable the Secretary to carry out the Secretary's functions under this section, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(3) AUDIT AND EXAMINATION.—The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purposes of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this section.

(i) REGULATIONS.—The Secretary may make such rules and regulations as may be necessary to carry out this section, including regulations relating to the order of priority in approving applications for projects under this section or to determining the amounts of grants for such projects.

(j) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term 'eligible entity' means a nonprofit organization that is designated by a State to work in partnership with State agencies, representatives of the eligible rural community, and other interested parties in administering grant funds.

(2) ELIGIBLE RURAL COMMUNITY.—The term 'eligible rural community' means any county (or other appropriate political subdivision where no counties exist) with a population of 20,000 or less.

(3) LOW-INCOME STUDENT HOUSEHOLD.—The term 'low-income student household' means any residential household—

(A) with a student enrolled in grades 6 through 10 during the first school year following the date of the grant award; and

(B) that is eligible for the Federal free lunch program.

(4) NONPROFIT ORGANIZATION.—The term 'nonprofit organization' means an organization—

(A) described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code;

(B) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(C) that has an established competency and proven record of working with public and private sectors; and

(D) that has a board of directors a majority of whom are not employed by a broadband service provider or any company in which a broadband service provider owns a controlling or attributable interest.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $10,000,000 for each of the fiscal years 2008 through 2012 to carry out this section.

SA 3626. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes, which was ordered to lie on the table; as follows:

On page 1362, between lines 19 and 20, insert the following:

SEC. 11072. SOUTHWEST REGIONAL DAIRY, ENVIRONMENT, AND PRIVATE LAND PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION OF HIGHER EDUCATION.—The term ''eligible institution of higher education'' means an institution of higher education that—

(A) is located in—
(i) the State of Arizona;
(ii) the State of Colorado;
(iii) the State of New Mexico;
(iv) the State of Oklahoma; and
(v) the State of Texas;
(B) has facilities that are necessary for the facilitation of research on issues relating to the dairy industry in a practical setting;
(C) has a dairy research program and an institution for applied environmental research;
(D) has a university laboratory that is—
(i) located on the campus of the institution of higher education; and
(ii) accredited by the National Environmental Laboratory Accreditation Council to ensure the quality of any proposed research activities;
(E) has the capability to enter into a partnership with representatives of the dairy industry and other public and private entities and institutions of higher education;
(F) has experience in conducting watershed modeling (including the conduct of cost-benefit analyses, policy applications, and long-term watershed monitoring); and
(G) works with—
(i) producer-run advocacy groups (including Industry-Led Solutions); and
(ii) private land coalitions.
(2) PROGRAM.—The term ''program'' means the Southwest regional dairy, environment, and private land program established under subsection (b).
(b) ESTABLISHMENT.—
(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall establish a Southwest regional dairy, environment, and private land program.
(2) REQUIRED ACTIVITIES.—In carrying out the program, the Secretary shall—
(A) identify challenges and develop solutions to enhance the economic and environmental sustainability, growth, and expansion of the dairy industry in the Southwest region of the United States;
(B) research, develop, and implement programs—
(i) to recover energy and other useful products from dairy waste;
(ii) to identify best management practices; and
(iii) to assist the dairy industry in ensuring that animal waste emissions and discharges of the dairy industry are maintained at levels below applicable regulatory standards;
(C) offer technical assistance (including research activities conducted by a university laboratory that is accredited by the National Environmental Laboratory Accreditation Council), training, applied research, and watershed water quality programs monitoring to applicable entities;
(D) develop—
(i) watershed modeling through the development of innovative modeling tools and data mining to develop cost-efficient and environmentally effective programs in the dairy industry; and
(ii) an international modeling application clearinghouse to coordinate watershed modeling tools in the United States and in other countries, to be carried out by the Secretary; and
(E) collaborate with a private land coalition to use input gathered from landowners in the United States through a program of industry led solutions to work with the Federal Government (including Federal agencies) in the development of conservation, environmental credit trading, and watershed programs to help private landowners and agricultural producers meet applicable water quality standards.
(c) CONTRACTS.—
(1) IN GENERAL.—In carrying out the program, the Secretary shall offer to enter into contracts with eligible institutions of higher education.
(2) APPLICATION.—
(A) SUBMISSION OF APPLICATION.—To enter into a contract with the Secretary under paragraph (1), an eligible institution of higher education shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.
(B) GUIDELINES.—As soon as practicable after the date of enactment of this Act, the Secretary shall promulgate guidelines describing each requirement of the Secretary with respect to the application requirements described in subparagraph (A).
(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012, to remain available until expended.

SA 3627. Mrs. HUTCHINSON submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 920, between lines 5 and 6, insert the following:

SEC. 70___. INDIRECT COST RECOVERY.

Section 1473A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319a) is amended in the second sentence by striking ''not exceeding 10 percent of the direct cost'' and inserting ''not exceeding the amount permitted under the Negotiated Indirect Cost Recovery Agreement established by the Office of Management and Budget Circular A-21''.

SA 3628. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 408, between lines 17 and 18, insert the following:

SEC. 2362. RIO GRANDE BASIN MANAGEMENT PROJECT.

The Food Security Act of 1985 is amended by inserting after section 1240K (as added by section 2361) the following:

''SEC. 1240L. RIO GRANDE BASIN MANAGEMENT PROJECT.

''(a) DEFINITION OF RIO GRANDE BASIN.—In this section, the term 'Rio Grande Basin' includes all tributaries, backwaters, and side channels (including watersheds) of the United States that drain into the Rio Grande River.
''(b) ESTABLISHMENT.—The Secretary, in conjunction with partnerships of institutions of higher education working with farmers, ranchers, and other rural landowners, shall establish a program under which the Secretary shall provide grants to the partnerships to benefit the Rio Grande Basin by—
''(1) restoring water flow and the riparian habitat;
''(2) improving usage;
''(3) addressing demand for drinking water;
''(4) providing technical assistance to agricultural and municipal water systems; and
''(5) reducing biological and chemical hazards through alternative treatment of water and wastewater.
''(c) USE OF FUNDS.—
''(1) IN GENERAL.—A grant provided under this section may be used by a partnership for the costs of carrying out an activity described in subsection (b), including the costs of—
''(A) direct labor;
''(B) appropriate travel;
''(C) equipment;
''(D) instrumentation;
''(E) analytical laboratory work;
''(F) subcontracting;
''(G) cooperative research agreements; and
''(H) similar related expenses and costs.
''(2) LIMITATION.—A grant provided under this section shall not be used to purchase or construct any building.
''(d) REPORTS.—A partnership that receives a grant under this subsection shall submit to the Secretary annual reports describing—
''(1) the expenses of the partnership during the preceding calendar year; and
''(2) such other financial information as the Secretary may require.
''(e) FUNDING.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012, to remain available until expended.''.

SA 3629. Mrs. DOLE submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. CREDIT FOR TRANSPORTATION OF FOOD FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding at the end the following new section:

''SEC. 30G. CREDIT FOR TRANSPORTATION OF FOOD FOR CHARITABLE PURPOSES.

''(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 cents for each mile for which the taxpayer uses a qualified truck for a qualified charitable purpose during the taxable year.
''(b) QUALIFIED CHARITABLE PURPOSE.—For purposes of this section, the term 'qualified charitable purpose' means the transportation of food in connection with the hunger relief efforts of an organization which is described in section 501(c)(3) and is exempt from taxation under section 501(a) (other than a private foundation, as defined in section 509(a), which is not an operating foundation, as defined in section 4942(j)(3)).
''(c) QUALIFIED TRUCK.—For purposes of this section, the term 'qualified truck' means a truck which—
''(1) has a capacity of not less than 1,760 cubic square feet,
''(2) is owned, leased, or operated by the taxpayer, and
''(3) is ordinarily used for hauling property in the course of a business.
''(d) OTHER RULES.—
''(1) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section with respect to any amount for which a deduction is allowed under any other provision of this chapter.
''(2) NO CREDIT WHERE TAXPAYER IS COMPENSATED.—No credit shall be allowed under this section if the taxpayer receives compensation in connection with the use of the

qualified truck for the qualified charitable purpose.

''(3) CAPACITY REQUIREMENT.—No credit shall be allowed under this section unless at least 50 percent of the hauling capacity of the qualified truck (measured in cubic square feet) is used for the qualified charitable purpose.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding at the end the following new item:

''Sec. 30G. Credit for transportation of food for charitable purposes.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 2007.

(d) OFFSET.—

(1) IN GENERAL.—Except as provided in paragraph (2) and notwithstanding any other provision of this Act or an amendment made by this Act, for the period beginning on October 1, 2007, and ending on September 30, 2011—

(A) each amount provided to carry out a program under subtitle D of title I or an amendment made by that subtitle is reduced by an amount necessary to achieve a total reduction of $25,000,000; and

(B) the Secretary shall adjust the amount of each payment, loan, gain, or other assistance provided under each program described in subparagraph (A) by such amount as is necessary to achieve the reduction required under that subparagraph, as determined by the Secretary.

(2) APPLICATION.—This section does not apply to a payment, loan, gain, or other assistance provided under a contract entered into by the Secretary before the date of enactment of this Act.

SA 3630. Mrs. DOLE submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. CREDIT FOR TRANSPORTATION OF FOOD FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding at the end the following new section:

''SEC. 30G. CREDIT FOR TRANSPORTATION OF FOOD FOR CHARITABLE PURPOSES.

''(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 25 cents for each mile for which the taxpayer uses a qualified truck for a qualified charitable purpose during the taxable year.

''(b) QUALIFIED CHARITABLE PURPOSE.—For purposes of this section, the term 'qualified charitable purpose' means the transportation of food in connection with the hunger relief efforts of an organization which is described in section 501(c)(3) and is exempt from taxation under section 501(a) (other than a private foundation, as defined in section 509(a), which is not an operating foundation, as defined in section 4942(j)(3)).

''(c) QUALIFIED TRUCK.—For purposes of this section, the term 'qualified truck' means a truck which—

''(1) has a capacity of not less than 1,760 cubic square feet,

''(2) is owned, leased, or operated by the taxpayer, and

''(3) is ordinarily used for hauling property in the course of a business.

''(d) OTHER RULES.—

''(1) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under this section with respect to any amount for which a deduction is allowed under any other provision of this chapter.

''(2) NO CREDIT WHERE TAXPAYER IS COMPENSATED.—No credit shall be allowed under this section if the taxpayer receives compensation in connection with the use of the qualified truck for the qualified charitable purpose.

''(3) CAPACITY REQUIREMENT.—No credit shall be allowed under this section unless at least 50 percent of the hauling capacity of the qualified truck (measured in cubic square feet) is used for the qualified charitable purpose.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding at the end the following new item:

''Sec. 30G. Credit for transportation of food for charitable purposes.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 2007.

SA 3631. Mr. GRASSLEY (for himself and Mr. KOHL) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes, which was ordered to lie on the table; as follows:

Strike section 10201 and insert the following:

SEC. 10201. SPECIAL COUNSEL FOR AGRICULTURAL COMPETITION.

(a) DEFINITIONS.—In this section:

(1) AGRICULTURAL COMMODITY.—The term ''agricultural commodity''—

(A) has the meaning given that term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602); and

(B) does not include biofuels.

(2) AGRICULTURAL COOPERATIVE.—The term ''agricultural cooperative'' means an association of persons that meets the requirements of the Capper-Volstead Act (7 U.S.C. 291 et seq.).

(3) AGRICULTURAL INDUSTRY.—The term ''agricultural industry''—

(A) means any dealer, processor, commission merchant, or broker involved in the buying or selling of agricultural commodities; and

(B) does not include sale or marketing at the retail level.

(4) ANTITRUST LAWS.—The term ''antitrust laws'' has the meaning given that term in the first section of the Clayton Act (15 U.S.C. 12).

(5) ASSISTANT ATTORNEY GENERAL.—The term ''Assistant Attorney General'' means the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice.

(6) BIOFUEL.—The term ''biofuel'' has the meaning given that term in section 9001 of the Farm Security and Rural Investment Act of 2002, as amended by section 9001 of this Act.

(7) BROKER.—The term ''broker'' means any person (excluding an agricultural cooperative) engaged in the business of negotiating sales and purchases of any agricultural commodity in commerce for or on behalf of the vendor or the purchaser.

(8) CHAIRMAN.—The term ''Chairman'' means the Chairman of the Federal Trade Commission.

(9) COMMISSION MERCHANT.—The term ''commission merchant'' means any person (excluding an agricultural cooperative) engaged in the business of receiving in commerce any agricultural commodity for sale, on commission, or for or on behalf of another.

(10) DEALER.—The term ''dealer'' means any person (excluding an agricultural cooperative) engaged in the business of buying, selling, or marketing agricultural commodities in commerce, except that no person shall be considered a dealer with respect to sales or marketing of any agricultural commodity produced by that person.

(11) PROCESSOR.—The term ''processor'' means any person (excluding an agricultural cooperative) engaged in the business of handling, preparing, or manufacturing (including slaughtering) an agricultural commodity, or the products of such agricultural commodity, for sale or marketing in commerce for human consumption (excluding sale or marketing at the retail level).

(12) SPECIAL COUNSEL.—The term ''Special Counsel'' means the Special Counsel for Agricultural Competition of the Department of Agriculture established under section 11 of the Packers and Stockyards Act, 1921, as added by this Act.

(13) TASK FORCE.—The term ''Task Force'' means the Agriculture Competition Task Force established under subsection (c).

(b) DEPUTY ASSISTANT ATTORNEY GENERAL FOR AGRICULTURAL ANTITRUST MATTERS.—There is in the Antitrust Division of the Department of Justice a Deputy Assistant Attorney General for Agricultural Antitrust Matters, who shall—

(1) be responsible for oversight and coordination of antitrust and related matters which affect agriculture, directly or indirectly; and

(2) work in coordination with the Task Force and the Department of Agriculture on all agricultural competition matters.

(c) AGRICULTURE COMPETITION TASK FORCE.—

(1) ESTABLISHMENT.—There is established, under the authority of the Attorney General, the Agriculture Competition Task Force, to examine problems in agricultural competition.

(2) MEMBERSHIP.—The Task Force shall consist of—

(A) the Deputy Assistant Attorney General for Agricultural Antitrust Matters, who shall serve as chairperson of the Task Force;

(B) the Special Counsel;

(C) a representative from the Federal Trade Commission;

(D) a representative from the Department of Agriculture, Office of Packers and Stockyards;

(E) 1 representative selected jointly by the attorneys general of States desiring to participate in the Task Force;

(F) 1 representative selected jointly by the heads of the departments of agriculture (or similar such agency) of States desiring to participate in the Task Force;

(G) 8 individuals who represent the interests of small family farmers, ranchers, independent producers, packers, processors, and other components of the agricultural industry—

(i) 2 of whom shall be selected by the Majority Leader of the Senate;

(ii) 2 of whom shall be selected by the Minority Leader of the Senate;

(iii) 2 of whom shall be selected by the Speaker of the House of Representatives; and

(iv) 2 of whom shall be selected by the Minority Leader of the House of Representatives; and

(H) 4 academics or other independent experts working in the field of agriculture, agricultural law, antitrust law, or economics—

(i) 1 of whom shall be selected by the Majority Leader of the Senate;

(ii) 1 of whom shall be selected by the Minority Leader of the Senate;

(iii) 1 of whom shall be selected by the Speaker of the House of Representatives; and

(iv) 1 of whom shall be selected by the Minority Leader of the House of Representatives.

(3) DUTIES.—The Task Force shall—

(A) study problems in competition in the agricultural industry;

(B) define and focus the national public interest in preserving an independent family farm and ranch sector;

(C) coordinate Federal and State activities to address unfair and deceptive practices and concentration in the agricultural industry;

(D) work with representatives from agriculture and rural communities to identify abusive practices in the agricultural industry;

(E) submit to Congress such reports as the Task Force determines appropriate on the state of family farmers and ranchers, and the impact of agricultural concentration and unfair business practices on rural communities in the United States; and

(F) make such recommendations to Congress as the Task Force determines appropriate on agricultural competition issues, which shall include any additional or dissenting views of the members of the Task Force.

(4) WORKING GROUP.—

(A) IN GENERAL.—The Task Force shall establish a working group on buyer power to—

(i) study the effects of concentration, monopsony, and oligopsony in agriculture, make recommendations to the Assistant Attorney General and the Chairman, and assist the Assistant Attorney General and the Chairman in drafting agricultural guidelines under subsection (e)(2); and

(ii) select certain agricultural mergers and acquisitions that were consummated during the 10-year period ending on the date of enactment of this Act, review the effects of such mergers and acquisitions on competition in agricultural commodities markets, and make recommendations to the Assistant Attorney General, the Chairman, and the Secretary.

(B) MEMBERS.—The working group shall include any member of the Task Force selected under paragraph (2)(H).

(5) MEETINGS.—

(A) FIRST MEETING.—The Task Force shall hold its initial meeting not later than the later of—

(i) 90 days after the date of enactment of this Act; and

(ii) 30 days after the date of enactment of an Act making appropriations to carry out this subsection.

(B) MINIMUM NUMBER.—The Task Force shall meet not less than once each year, at the call of the chairperson.

(6) COMPENSATION.—

(A) IN GENERAL.—The members of the Task Force shall serve without compensation.

(B) TRAVEL EXPENSES.—Members of the Task Force shall receive travel expenses, including per diem in lieu of subsistence, in accordance with subchapter I of chapter 57 of title 5, United States Code.

(7) STAFF OF TASK FORCE; EXPERTS AND CONSULTANTS.—

(A) STAFF.—

(i) APPOINTMENT.—The chairperson of the Task Force may, without regard to the provisions of chapter 51 of title 5, United States Code (relating to appointments in the competitive service), appoint and terminate an executive director and such other staff as are necessary to enable the Task Force to perform its duties. The appointment of an executive director shall be subject to approval by the Task Force.

(ii) COMPENSATION.—The chairperson of the Task Force may fix the compensation of the executive director and other staff without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code (relating to classification of positions and General Schedule pay rates), except that the rate of pay for the executive director and other staff may not exceed the rate of basic pay payable for level V of the Executive Schedule under section 5315 of title 5, United States Code, as in effect from time to time.

(B) EXPERTS AND CONSULTANTS.—The Task Force may procure temporary and intermittent services of experts and consultants in accordance with section 3109(b) of title 5, United States Code.

(8) POWERS OF THE TASK FORCE.—

(A) HEARINGS AND MEETINGS.—The Task Force, or a member of the Task Force if authorized by the Task Force, may hold such hearings, sit and act at such time and places, take such testimony, receive such evidence, and administer such oaths or affirmations as the Task Force considers to be appropriate.

(B) OFFICIAL DATA.—The Task Force may obtain directly from any executive agency (as defined in section 105 of title 5, United States Code) or court information necessary to enable it to carry out its duties under this subsection. On the request of the chairperson of the Task Force, and consistent with any other law, the head of an executive agency or of a Federal court shall provide such information to the Task Force.

(C) FACILITIES AND SUPPORT SERVICES.—The Administrator of General Services shall provide to the Task Force on a reimbursable basis such facilities and support services as the Task Force may request. On request of the Task Force, the head of an executive agency may make any of the facilities or services of such agency available to the Task Force, on a reimbursable or nonreimbursable basis, to assist the Task Force in carrying out its duties under this subsection.

(D) EXPENDITURES AND CONTRACTS.—The Task Force or, on authorization of the Task Force, a member of the Task Force may make expenditures and enter into contracts for the procurement of such supplies, services, and property as the Task Force or such member considers to be appropriate for the purpose of carrying out the duties of the Task Force. Such expenditures and contracts may be made only to such extent or in such amounts as are provided in advance in appropriation Acts.

(E) MAILS.—The Task Force may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(F) GIFTS, BEQUESTS, AND DEVISES.—The Task Force may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Task Force. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Task Force.

(9) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection $1,000,000 for each of fiscal years 2008, 2009, and 2010.

(d) AUTHORIZATION FOR ADDITIONAL STAFF AND FUNDING.—There are authorized to be appropriated such sums as are necessary to hire additional employees (including agricultural law and economics experts) for the Transportation, Energy, and Agriculture Section of the Antitrust Division of the Department of Justice, to enhance the review of agricultural transactions and monitor, investigate, and prosecute unfair and deceptive practices in the agricultural industry.

(e) ENSURING FULL AND FREE COMPETITION IN AGRICULTURE.—

(1) BURDEN OF PROOF.—Section 7 of the Clayton Act (15 U.S.C. 18) is amended by adding at the end the following:

''In this paragraph, the term 'covered civil action' means a civil action brought against any person for violating this section in which the plaintiff alleges that the effect of a merger, acquisition, or other transaction affecting commerce may be to substantially lessen competition, or to tend to create a monopoly, in the business of procuring agricultural products from, or selling products to, agricultural producers in one or more geographic areas, and establishes that a merger, acquisition, or other transaction affecting commerce is between or involves persons competing in the business of procuring agricultural products from, or selling products to, agricultural producers. In any covered civil action—

''(A) if the plaintiff is the Federal Government or a State government, the burden of proof shall be on the defendant or defendants to establish by a preponderance of the evidence that the merger, acquisition, or transaction at issue will not—

''(i) substantially lessen competition; or

''(ii) tend to create a monopoly in 1 or more geographic markets; and

''(B) for any other plaintiff, if the plaintiff demonstrates that the parties to the merger, acquisition, or other transaction have a combined market share of not less than 20 percent in any relevant market, the burden of proof shall be on the defendant or defendants to establish by a preponderance of the evidence that the merger, acquisition, or transaction at issue will not—

''(i) substantially lessen competition; or

''(ii) tend to create a monopoly in 1 or more geographic markets.''.

(2) AGRICULTURAL GUIDELINES.—

(A) FINDINGS.—Congress finds the following:

(i) The effective enforcement of the antitrust laws in agriculture requires that the antitrust enforcement agencies have guidelines with respect to mergers and other anticompetitive conduct that are properly adapted to the special circumstances of agricultural commodity markets.

(ii) There has been a substantial increase in concentration in the markets in which agricultural commodities are sold, with the result that buyers of agricultural commodities often possess regional dominance in the form of oligopsony or monopsony relative to sellers of such commodities. A substantial part of this increase in market concentration is the direct result of mergers and acquisitions that the antitrust enforcement agencies did not challenge, in large part because of the lack of appropriate guidelines identifying particular structural characteristics in the agricultural industry and the adverse competitive effects that such acquisitions and mergers would create.

(iii) The cost of transportation, impact on quality, and delay in sales of agricultural commodities if they are to be transported to more distant buyers result in narrow geographic markets with respect to buyer power.

(iv) Buyers have no economic incentive to bid up the price of agricultural commodities in the absence of effective competition. Further, the nature of buying makes it feasible for larger numbers of buyers to engage in tacit or overt collusion to restrain price competition.

(v) Buyers with oligopsonistic or monopsonistic power have incentives to engage in unfair, exploitive, discriminatory,

and exclusionary acts that cause producers of agricultural commodities to receive less than a competitive price for their goods, transfer economic risks to sellers without reasonable compensation, and exclude sellers from access to the market.

(vi) Markets for agricultural commodities often involve contexts in which many producers have relatively limited information and no bargaining power with respect to the sale of their commodities. These conditions invite buyers with significant oligopsonistic or monopsonistic power to exercise that power in ways that involve discrimination, exploitation, and undue differentiation among sellers.

(vii) Some Federal courts have incorrectly required a plaintiff to show harm to competition generally, in addition to harm to the producer of agricultural commodities when making a determination that an unfair, unjustly discriminatory, deceptive, or preferential act exists. Those same courts have also incorrectly held that it is a complete defense if a defendant can show any nonharmful justification for an act or practice, even though such conduct was not essential to the business activities of the defendant or there were less harmful ways to achieve a reasonably comparable result with respect to the legitimate and necessary interests of the defendant.

(B) ISSUANCE OF GUIDELINES.—The Assistant Attorney General and the Chairman, in consultation with the Special Counsel, shall issue agricultural guidelines informed and guided by the findings under subparagraph (A) that—

(i) facilitate a fair, open, accessible, transparent, and efficient market system for agricultural products;

(ii) reflect the national public interest in preserving a substantial and diverse family farm and ranch sector;

(iii) recognize that increasing competition in the purchase of agricultural products by highly concentrated firms from a sector in perfect competition is entirely consistent with the objective of the antitrust laws to protect consumers and enhance consumer benefits from competition; and

(iv) prevent any merger or acquisition in the agricultural industry, if the effect of that merger or acquisition may be to substantially lessen competition or tend to create a monopoly.

(C) CONTENTS.—The agricultural guidelines issued under subparagraph (B) shall consist of merger guidelines relating to existing and potential competition and vertical integration that—

(i) establish appropriate methodologies for determining the geographic and product markets for mergers affecting agricultural commodity markets;

(ii) establish thresholds of increased concentration that raise a presumption that the merger will have an adverse effect on competition in the affected agricultural commodities markets;

(iii) identify potential adverse competitive effects of mergers in agricultural commodities markets in a nonexclusive manner; and

(iv) identify the factors that would permit an enforcement agency to determine when a merger in the agricultural commodities market might avoid liability because it is not likely to have an adverse effect on competition.

(3) AGRICULTURE COMPETITION TASK FORCE WORKING GROUP ON BUYING POWER.—

(A) IN GENERAL.—In issuing agricultural guidelines under this subsection, the Chairman and the Assistant Attorney General shall consult with the working group on buyer power of the Task Force established under subsection (c)(4) and may incorporate and implement the recommendations of that working group.

(B) EXPLANATION.—If the Chairman and the Assistant Attorney General do not incorporate any recommendation of the working group on buyer power of the Task Force established under subsection (c)(4) in the agricultural guidelines issued under this subsection, the Chairman and the Assistant Attorney General shall submit to Congress a report regarding the reasons for not adopting that recommendation.

(4) COMPLETION.—Not later than 2 years after the date of enactment of this Act, the Chairman and the Assistant Attorney General shall—

(A) issue agricultural guidelines under this subsection; and

(B) submit to Congress the agricultural guidelines issued under this subsection.

(5) REPORT.—Not later than 30 months after the date of enactment of this Act, the Chairman and the Assistant Attorney General shall jointly submit a report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives regarding the issuing of agricultural guidelines under this subsection.

(f) POST-MERGER REVIEW OF AGRICULTURAL TRANSACTIONS.—

(1) IN GENERAL.—Not later than 5 years after the date of a covered merger or acquisition, the Assistant Attorney General or the Chairman, as the case may be, shall conduct a post-merger review to determine whether the effect of that covered merger or acquisition tended to substantially reduce competition in the agricultural industry.

(2) SHARING OF RESULTS.—

(A) IN GENERAL.—The Assistant Attorney General and the Chairman shall each submit to Congress an annual report regarding the results of any post-merger review under paragraph (1), for its consideration in examining problems in agricultural competition.

(B) PROTECTION OF INFORMATION.—The Assistant Attorney General or the Chairman, as the case may be, shall ensure that confidential or proprietary information is adequately protected in submitting each report required under subparagraph (A).

(3) DEFINITION.—In this subsection, the term ''covered merger or acquisition'' means a merger or acquisition—

(A) in the agricultural industry;

(B) that is subject to the notification requirements under section 7A of the Clayton Act (15 U.S.C. 18a);

(C) for which the Assistant Attorney General or the Chairman, as the case may be, required the submission of additional information or documentary material under section 7A(e)(1)(A) of the Clayton Act (15 U.S.C. 18a(e)(1)(A)); and

(D) for which, after review under that section, the Assistant Attorney General or the Chairman, as the case may be—

(i) did not institute a proceeding or action under the antitrust laws; or

(ii) instituted a proceeding or action under the antitrust laws that was resolved through a settlement agreement or consent decree.

(g) SPECIAL COUNSEL FOR AGRICULTURAL COMPETITION.—

(1) IN GENERAL.—The Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) is amended—

(A) by striking the title I heading and all that follows through ''This Act'' and inserting the following:

''TITLE I—GENERAL PROVISIONS

''Subtitle A—Definitions

''SEC. 1. SHORT TITLE.

''This Act''; and

(B) by inserting after section 2 (7 U.S.C. 183) the following:

''Subtitle B—Special Counsel for Agricultural Competition

''SEC. 11. SPECIAL COUNSEL FOR AGRICULTURAL COMPETITION.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—There is established within the Department of Agriculture an office to be known as the 'Office of Special Counsel for Agricultural Competition' (referred to in this section as the 'Office').

''(2) DUTIES.—The Office shall—

''(A) have responsibility for all duties and functions of the Packers and Stockyards programs of the Department of Agriculture;

''(B) investigate and prosecute violations of this Act and the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.);

''(C) analyze mergers within the food and agricultural sectors, in consultation with the Chief Economist of the Department of Agriculture, the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, and the Chairman of the Federal Trade Commission, as required under section 10201(h) of the Food and Energy Security Act of 2007;

''(D) serve as a liaison between, and act in consultation with, the Department of Agriculture, the Department of Justice, and the Federal Trade Commission with respect to competition and trade practices in the food and agricultural sector; and

''(E) maintain sufficient employees (including antitrust and litigation attorneys, economists, investigators, and other professionals with the appropriate expertise) to appropriately carry out the responsibilities of the Office.

''(b) SPECIAL COUNSEL FOR AGRICULTURAL COMPETITION.—

''(1) IN GENERAL.—The Office shall be headed by the Special Counsel for Agricultural Competition (referred to in this section as the 'Special Counsel'), who shall be appointed by the President, by and with the advice and consent of the Senate.

''(2) INDEPENDENCE OF SPECIAL AUTHORITY.—

''(A) IN GENERAL.—The Special Counsel shall report to and be under the general supervision of the Secretary.

''(B) DIRECTION, CONTROL, AND SUPPORT.—The Special Counsel shall be free from the direction and control of any person in the Department of Agriculture other than the Secretary.

''(C) PROHIBITION ON DELEGATION.—The Secretary may not delegate any duty described in subsection (a)(2) to any other officer or employee of the Department other than the Special Counsel.

''(D) REPORTING REQUIREMENT.—

''(i) IN GENERAL.—Twice each year, the Special Counsel shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that shall include, for the relevant reporting period, a description of—

''(I) the number of complaints that the Special Counsel has received and closed;

''(II)(aa) the number of investigations and civil and administrative actions that the Special Counsel has initiated, carried out, and completed, including the number of notices given to regulated entities for violations of this Act or the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.);

''(bb) the number and types of decisions agreed to; and

''(cc) the number of stipulation agreements; and

''(III) the number of investigations and civil and administrative actions that the Secretary objected to or prohibited from being carried out, and the stated purpose of the Secretary for each objection or prohibition.

''(ii) REQUIREMENT.—The basis for each complaint, investigation, or civil or administrative action described in a report under clause (i) shall—

''(I) be organized by species; and

''(II) indicate if the complaint, investigation, or civil or administration action was for anti-competitive, unfair, or deceptive practices under this Act or was a violation of the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.).

''(E) REMOVAL.—

''(i) IN GENERAL.—The Special Counsel may be removed from office by the President.

''(ii) COMMUNICATION.—The President shall communicate the reasons for any such removal to both Houses of Congress.

''(3) PROSECUTORIAL AUTHORITY.—Subject to paragraph (4), the Special Counsel may commence, defend, or intervene in, and supervise the litigation of, any civil or administrative action authorized under this Act or the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.).

''(4) PROCEDURE FOR EXERCISE OF AUTHORITY TO LITIGATE OR APPEAL.—

''(A) IN GENERAL.—Prior to commencing, defending, or intervening in any civil action under this Act or the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.), the Special Counsel shall give written notification to, and attempt to consult with, the Attorney General with respect to the proposed action.

''(B) FAILURE TO RESPOND.—If, not later than 45 days after the date of provision of notification under subparagraph (A), the Attorney General has failed to commence, defend, or intervene in the proposed action, the Special Counsel may commence, defend, or intervene in, and supervise the litigation of, the action and any appeal of the action in the name of the Special Counsel.

''(C) AUTHORITY OF ATTORNEY GENERAL TO INTERVENE.—Nothing in this paragraph precludes the Attorney General from intervening on behalf of the United States in any civil action under this Act or the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.), or in any appeal of such action, as may be otherwise provided by law.

''(c) RELATIONSHIP TO OTHER PROVISIONS.—Nothing in this section modifies or otherwise effects subsections (a) and (b) of section 406.

''(d) AUTHORIZATION.—There are authorized to be appropriated such sums as are necessary to carry out subsection (a)(2)(E).''.

(2) CONFORMING AMENDMENT.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

''Special Counsel for Agricultural Competition.''.

(h) AGRIBUSINESS MERGER REVIEW AND ENFORCEMENT BY THE DEPARTMENT OF AGRICULTURE.—

(1) NOTICE.—The Assistant Attorney General or the Commissioner, as appropriate, shall notify the Secretary of any filing under section 7A of the Clayton Act (15 U.S.C. 18a) involving a merger or acquisition in the agricultural industry, and shall give the Secretary the opportunity to participate in the review proceedings.

(2) REVIEW.—

(A) IN GENERAL.—After receiving notice of a merger or acquisition under paragraph (1), the Secretary may submit to the Assistant Attorney General or the Commissioner, as appropriate, and publish the comments of the Secretary regarding that merger or acquisition, including a determination regarding whether the merger or acquisition may have a substantial adverse impact on rural communities or the family farm and ranch sector, such that further review by the Assistant Attorney General or the Commissioner, as appropriate, is warranted.

(B) SECOND REQUESTS.—For any merger or acquisition described in paragraph (1), if the Assistant Attorney General or the Chairman, as the case may be, requires the submission of additional information or documentary material under section 7A(e)(1)(A) of the Clayton Act (15 U.S.C. 18a(e)(1)(A))—

(i) copies of any materials provided in response to such a request shall be made available to the Secretary; and

(ii) the Secretary—

(I) shall submit to the Assistant Attorney General or the Chairman such additional comments as the Secretary determines appropriate; and

(II) shall publish a summary of any comments submitted under subclause (I).

(3) REPORT.—

(A) IN GENERAL.—The Secretary shall submit an annual report to Congress regarding the review of mergers and acquisitions described in paragraph (1).

(B) CONTENTS.—Each report submitted under subparagraph (A) shall provide a description of each merger or acquisition described in paragraph (1) that was reviewed by the Secretary during the year before the date that report is submitted, including—

(i) the name and total resources of each entity involved in that merger or acquisition;

(ii) a statement of the views of the Secretary regarding the competitive effects of that merger or acquisition on—

(I) agricultural markets; and

(II) rural communities and small, independent producers; and

(iii) a statement indicating whether the Assistant Attorney General or the Chairman, as the case may be, instituted a proceeding or action under the antitrust laws, and if so, the status of that proceeding or action.

(i) AUTHORIZATION FOR ADDITIONAL STAFF AND FUNDING FOR THE GRAIN INSPECTION, PACKERS, AND STOCKYARDS ADMINISTRATION.—There are authorized to be appropriated such sums as are necessary to enhance the capability of the Grain Inspection, Packers, and Stockyards Administration to monitor, investigate, and pursue the competitive implications of structural changes in the meat packing and poultry industries by hiring litigating attorneys to allow the Grain Inspection, Packers, and Stockyards Administration to more comprehensively and effectively pursue its enforcement activities.

SA 3632. Mr. COBURN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 394, after line 25, add the following:

(d) INCOME REQUIREMENT.—Section 1240B of the Food Security Act of 1985 (16 U.S.C. 3839aa–2) (as amended by subsection (c)) is amended by adding at the end the following:

''(i) INCOME REQUIREMENT.—A producer shall not be eligible to receive any payment under this section unless not less than 66.66 percent of the average adjusted gross income of the producer is derived from farming, ranching, or forestry operations, as determined by the Secretary.''.

SA 3633. Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. H–2B NONIMMIGRANTS.

(a) SHORT TITLE.—This section may be cited as the ''Save Our Small and Seasonal Businesses Act of 2007''.

(b) EXTENSION OF RETURNING WORKER EXEMPTION TO H–2B NUMERICAL LIMITATION.—Section 214(g)(9)(A) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(9)(A) is amended, by striking ''an alien who has already been counted toward the numerical limitation of paragraph (1)(B) during fiscal year 2004, 2005, or 2006 shall not again be counted toward such limitation during fiscal year 2007.'' and inserting ''an alien who has been present in the United States as an H–2B nonimmigrant during any 1 of the 3 fiscal years immediately preceding the fiscal year of the approved start date of a petition for a nonimmigrant worker described in section 101(a)(15)(H)(ii)(b) shall not be counted toward such limitation for the fiscal year in which the petition is approved.''.

(c) EFFECTIVE DATE.—The amendment made by this section shall be effective during the 5-year period beginning on October 1, 2007.

SA 3634. Ms. CANTWELL (for herself, Mrs. MURRAY, Mr. WYDEN, Ms. STABENOW, Mr. CRAIG, and Mr. CASEY) submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 1378, strike line 17 and all that follows through page 1380, line 14, and insert the following:

''(e) TREE ASSISTANCE PROGRAM.—

''(1) DEFINITIONS.—In this subsection:

''(A) ELIGIBLE ORCHARDIST.—The term 'eligible orchardist' means a person that produces annual crops from trees for commercial purposes.

''(B) NATURAL DISASTER.—The term 'natural disaster' means plant disease, insect infestation, drought, fire, freeze, flood, earthquake, lightning, or other occurrence, as determined by the Secretary.

''(C) NURSERY TREE GROWER.—The term 'nursery tree grower' means a person who produces nursery, ornamental, fruit, nut, or Christmas trees for commercial sale, as determined by the Secretary.

''(D) TREE.—The term 'tree' includes a tree, bush, and vine.

''(2) ELIGIBILITY.—

''(A) LOSS.—Subject to subparagraph (B), the Secretary shall provide assistance under paragraph (3) to eligible orchardists and nursery tree growers that planted trees for commercial purposes but lost the trees as a result of a natural disaster, as determined by the Secretary.

''(B) LIMITATION.—An eligible orchardist shall qualify for assistance under subparagraph (A) only if the tree mortality of the eligible orchardist or nursery tree grower, as a result of damaging weather or related condition, exceeds 15 percent (adjusted for normal mortality).

''(3) ASSISTANCE.—Subject to paragraph (4), the assistance provided by the Secretary to eligible orchardists and nursery tree growers for losses described in paragraph (2) shall consist of—

''(A)(i) reimbursement of 75 percent of the cost of replanting trees lost due to a natural disaster, as determined by the Secretary, in excess of 15 percent mortality (adjusted for normal mortality); or

''(ii) at the option of the Secretary, sufficient seedlings to reestablish a stand; and

''(B) reimbursement of 50 percent of the cost of pruning, removal, and other costs incurred by an eligible orchardist or nursery tree grower to salvage existing trees or, in the case of tree mortality, to prepare the land to replant trees as a result of damage or tree mortality due to a natural disaster, as determined by the Secretary, in excess of 15 percent damage or mortality (adjusted for normal tree damage and mortality).

''(4) LIMITATIONS ON ASSISTANCE.—

''(A) AMOUNT.—The total amount of payments that a person shall be entitled to receive under this subsection may not exceed $100,000 per year, or an equivalent value in tree seedlings.

''(B) ACRES.—The total quantity of acres planted to trees or tree seedlings for which a person shall be entitled to receive payments under this subsection may not exceed 500 acres.

''(C) REGULATIONS.—The Secretary shall promulgate —

''(i) regulations defining the term 'person' for the purposes of this subsection, which shall conform, to the maximum extent practicable, to the regulations defining the term 'person' promulgated under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308); and

''(ii) such regulations as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this paragraph.''.

On page 1390, between lines 9 and 10, insert the following:

''(5) EXCEPTION.—Paragraph (1) does not apply to eligible orchardists and nursery tree growers described in subsection (e).''.

On page 1391, line 11, before the period at the end insert ''(other than subsection (e))''.

SA 3635. Ms. CANTWELL (for herself and Mrs. MURRAY) submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

Section 1841 is amended by striking subsection (b) and inserting the following:

(b) AVAILABILITY OF FUNDS.—Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465) is amended by striking subsection (i) and inserting the following:

''(i) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make grants under this section, using—

''(1) $85,000,000 for fiscal year 2008;

''(2) $90,000,000 for fiscal year 2009;

''(3) $95,000,000 for fiscal year 2010;

''(4) $95,000,000 for fiscal year 2011; and

''(5) $0 for fiscal year 2012.''.

At the end of title I, add the following:

Subtitle H—Reduction in Funds

SEC. 19___. REDUCTION IN FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b) and notwithstanding any other provision of this Act or an amendment made by this Act, for the period beginning on October 1, 2007, and ending on September 30, 2011—

(1) each amount provided to carry out administration for a program under this Act or an amendment made by this Act is reduced by an amount necessary to achieve a total reduction of $95,000,000; and

(2) the Secretary shall adjust the amount of each payment, loan, gain, or other assistance provided under each program described in paragraph (1) by such amount as is necessary to achieve the reduction required under that paragraph, as determined by the Secretary.

(b) APPLICATION.—This section does not apply to a payment, loan, gain, or other assistance provided under a contract entered into by the Secretary before the date of enactment of this Act.

SA 3636. Mrs. MURRAY (for herself, Ms. CANTWELL, Mr. SCHUMER, and Mr. WYDEN) submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 243, strike lines 2 through 12 and insert the following:

''(1) IN GENERAL.—The Secretary shall make available to carry out the program under this section—

''(A) $9,000,000 of funds of, or an equal value of commodities owned by, the Commodity Credit Corporation for each of fiscal years 2008 through 2011; and

''(B) $2,000,000 of funds of, or an equal value of commodities owned by, the Commodity Credit Corporation for fiscal year 2012 and each subsequent fiscal year.''.

On page 299, between lines 15 and 16, insert the following:

Subtitle H—Reduction in Funds

SEC. 19___. REDUCTION IN FUNDS.

Notwithstanding any other provision of this Act or an amendment made by this Act, for the period beginning on October 1, 2007, and ending on September 30, 2011, each amount provided to carry out administration for a program under this Act or an amendment made by this Act is reduced by an amount necessary to achieve a total reduction of $8,800,000.

SA 3637. Mrs. MURRAY (for herself and Ms. CANTWELL) submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

After section 2613, insert the following:

SEC. 26___. COMPREHENSIVE CONSERVATION PLANNING FOR PUGET SOUND AREA.

(a) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary shall carry out a competitive grant program for the Puget Sound area to provide comprehensive conservation planning to address water quality.

(2) COOPERATIVE AGREEMENTS.—The Secretary shall enter into cooperative agreements with State and local governments, Indian tribes, or nongovernmental entities with a history of working with agricultural producers to carry out projects under the program.

(b) ASSISTANCE.—In carrying out the program, the Secretary may—

(1) provide project demonstration grants and technical assistance and carry out information and education programs to improve water quality in the Puget Sound area by reducing soil erosion and improving sediment control; and

(2) provide a priority for projects and activities that directly reduce soil erosion or improve water quality.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary $5,000,000 for each of fiscal years 2008 through 2012 to carry out the program.

SA 3638. Mrs. MURRAY (for herself and Ms. CANTWELL) submitted an amendment intended to be proposed by her to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 309, strike lines 7 through 22 and insert the following:

''(D) EXCEPTIONS.—The Secretary may exceed the limitations limitation in subparagraph (A) if the Secretary determines that—

''(i)(I) the action would not adversely affect the local economy of a county; and

''(II) operators in the county are having difficulties complying with conservation plans implemented under section 1212;

''(ii)(I) the acreage to be enrolled could not be used for an agricultural purpose as a result of a State or local law, order, or regulation prohibiting water use for agricultural production; and

''(II) enrollment in the program would benefit the acreage enrolled or land adjacent to the acreage enrolled; or

''(iii)(I) the acreage to be enrolled is considered to be essential by Federal or State plans for a sustainable wildlife habitat; and

''(II) enrollment in the program would assist the producer in meeting environmental goals in the Federal or State plans.''.

SA 3639. Mr. HARKIN (for himself and Ms. MURKOWSKI) submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

After section 4402, insert the following:

SEC. ___. NUTRITION STANDARDS FOR FOODS AND BEVERAGES SOLD IN SCHOOLS.

(a) IN GENERAL.—Section 10 of the Child Nutrition Act of 1966 (42 U.S.C. 1779) is amended to read as follows:

''SEC. 10. NUTRITION STANDARDS FOR FOODS AND BEVERAGES SOLD IN SCHOOLS.

''(a) DEFINITIONS.—In this section:

''(1) APPLICABLE.—

''(A) IN GENERAL.—The term 'applicable' means, with respect to a food or beverage, a food or beverage that is offered for sale—

''(i) on the school campus; and

''(ii) at any time during the extended school day, when events are primarily under the control of the school or a third party on behalf of the school.

''(B) EXCLUSIONS.—The term 'applicable' does not include, with respect to a food or beverage, a food or beverage when the food or beverage is sold as a part of a meal or meal supplement that is eligible for reimbursement under this Act or the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

''(2) EXTENDED SCHOOL DAY.—The term 'extended school day' means—

''(A) the official school day; and

''(B) the time before and after the official school day that includes activities, such as clubs, yearbook, band and choir practice, student government, drama, and childcare or latchkey programs.

''(b) REQUIREMENT.—

''(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), each applicable food and beverage that is offered for sale in an elementary school, middle school, or high school during the extended school day shall meet the requirements established under this section with respect to each serving or package as offered for sale.

''(2) EXCEPTION.—Paragraph (1) shall not apply to or affect—

''(A) a food or beverage that is sold for the purpose of a school-sponsored or school-related bona fide fundraising activity that does not take place—

''(i) on school grounds; or

''(ii) in transit to or from school;

''(B) a food or beverage that is sold at, or immediately before or after, a school-related event at which parents and other adults comprise a significant part of an audience; or

''(C) a fundraiser (other than fundraising through vending machines, school stores, snack bars, a la carte sales, and any other exclusions determined by the Secretary), if the fundraiser is—

''(i) approved by the school; and

''(ii) infrequent within the school.

''(3) A LA CARTE MAIN DISH ITEMS.—

''(A) IN GENERAL.—The Secretary shall promulgate regulations establishing nutrition standards for main dish items covered by paragraph (1) that are offered for sale a la carte.

''(B) CONSIDERATIONS.—In establishing the standards, the Secretary shall consider both the positive and negative contribution of nutrients, ingredients, and foods in a la carte items (including calories, portion size, saturated fat, trans fat, sodium, added sugars, and under-consumed food groups and nutrients) to the diets of children and adolescents.

''(C) REGULATIONS.—Regulations promulgated under this paragraph shall be—

''(i) in accordance with rulemaking under section 553 of title 5, United States Code; and

''(ii) subject to review by the Office of Management and Budget.

''(4) STATEWIDE NUTRITION STANDARDS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), any State that participates in a food-service program under this Act or the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) may not establish or continue in effect any statewide nutrition standards relating to applicable foods and beverages that are different than the standards established under this section.

''(B) EXCEPTION.—Subparagraph (A) does not apply to or affect—

''(i) any Federal or State law relating to consumer protection, unfair or deceptive practices, unfair competition, or marketing;

''(ii) any additional nutrition standard relating to applicable foods and beverages that is established by any political subdivision of a State; or

''(iii) any additional nutrition standard for an a la carte main dish item that is established by any State or political subdivision.

''(c) APPLICABLE BEVERAGES.—

''(1) ELEMENTARY SCHOOLS AND MIDDLE SCHOOLS.—

''(A) PACKAGE SIZES.—Except as provided in subparagraph (B)(ii), the package of any applicable beverage that is offered for sale in an elementary school or middle school shall be not more than 8 fluid ounces.

''(B) WATER.—Water offered for sale in an elementary school or middle school may—

''(i) only be water without flavoring, sweeteners, or carbonation; and

''(ii) be sold in a package size of more than 8 fluid ounces.

''(C) MILK.—Milk offered for sale in an elementary school or middle school—

''(i) shall be low-fat or non-fat; and

''(ii) shall contain not more than 170 calories per 8 fluid ounce serving.

''(D) FLUID MILK SUBSTITUTES.—An elementary or middle school may offer for sale a fluid milk substitute that—

''(i) is consistent with the nutrition standards for fluid milk substitutes that are established by the Secretary for use under this Act or the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); and

''(ii) contains not more than 170 calories per 8 fluid ounce serving.

''(E) JUICE.—Juice offered for sale in an elementary school or middle school may contain—

''(i) only juice, with or without added micronutrients or natural flavors—

''(I) with no added sweeteners; and

''(II) with or without water or carbonated water; and

''(ii) not more than 170 calories per 8 fluid ounce serving.

''(2) HIGH SCHOOLS.—

''(A) PACKAGE SIZES.—Except as provided in subparagraphs (B)(ii) and (F)(iii), the package of any applicable beverage offered for sale in a high school shall be not more than 12 fluid ounces.

''(B) WATER.—Water offered for sale in a high school may—

''(i) be water with or without flavoring, noncaloric sweeteners, or carbonation; and

''(ii) be sold in a package size of more than 12 ounces.

''(C) MILK.—Milk offered for sale in a high school shall—

''(i) be low-fat or nonfat; and

''(ii) contain not more than 170 calories per 8 fluid ounce serving.

''(D) FLUID MILK SUBSTITUTES.—A high school may offer for sale a fluid milk substitute that—

''(i) is consistent with the nutrition standards for fluid milk substitutes that are established by the Secretary for use under this Act or the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); and

''(ii) contains not more than 170 calories per 8 fluid ounce serving.

''(E) JUICE.—Juice offered for sale in a high school may only contain juice, with or without added micronutrients or natural flavors—

''(i)(I) with no added sweeteners; or

''(II) with or without water or carbonated water with no added caloric sweeteners; and

''(ii) that contains not more than 170 calories per 8 fluid ounce serving.

''(F) OTHER BEVERAGES.—

''(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), any beverage offered for sale in a high school other than a beverage identified in subparagraph (B), (C), (D), or (E), shall contain—

''(I) during the period beginning on the effective date described in subsection (j) and ending on June 30, 2013, not more than 66 calories per 8 fluid ounce serving; and

''(II) effective beginning on July 1, 2013, not more than 25 calories per 8 fluid ounce serving.

''(ii) EXCEPTION.—Effective beginning on July 1, 2013, beverages that are mixtures of water, carbohydrates, and electrolytes (with or without other ingredients) that are useful for providing energy and hydration for sustained and vigorous physical activity with not more than 66 calories per 8 fluid ounces may be offered for sale in packages of not more than 12 fluid ounces in or immediately adjacent to an area of the high school in which students participate in a school-sponsored sport or other vigorous and sustained physical activity, subject to the requirement that such an adjacent area shall not be within the general movement of students between classes or into or out of the school campus.

''(iii) VERY LOW CALORIE EXCEPTION.—Any beverage that contains between 0 and 10 calories per 8 fluid ounce serving may be offered for sale in a high school in a package of not more than 20 fluid ounces.

''(d) APPLICABLE FOOD.—

''(1) STANDARDS.—

''(A) FATS.—An applicable food shall contain—

''(i) not more than 35 percent of total calories from fat, except for—

''(I) seeds, nuts, nut butters, and nut-based products containing 40 percent or more nuts by weight; and

''(II) reduced-fat and part skim cheese packaged for individual sale;

''(ii) not more than 10 percent of total calories from saturated fat, except for reduced-fat and part skim cheese packaged for individual sale; and

''(iii) less than 0.5 grams of trans fats.

''(B) SUGARS.—An applicable food shall consist of not more than 35 percent sugars by weight, excluding sugar from whole fruit.

''(C) SODIUM.—An applicable food shall contain, per package or serving as offered for sale—

''(i) in the case of chips, crackers, French fries, vegetables, baked goods, yogurt (including drinkable yogurt and yogurt smoothies), and other side dishes or snack items, not more than 230 milligrams of sodium per serving; and

''(ii) in the case of pastas that are side dishes, cereals, meats, and soups, not more than 480 milligrams of sodium per serving.

''(2) REQUIRED CONTENTS.—Each applicable food that is offered for sale in an elementary school, middle school, or high school shall contain 1 or more of the following:

''(A) 10 percent of the daily recommended value of 1 or more of the following:

''(i) Vitamin A, E, or C.

''(ii) Calcium.

''(iii) Magnesium.

''(iv) Potassium.

''(v) Fiber.

''(B) ¼ cup of a fruit or vegetable, as provided prior to processing.

''(C) 51 percent or more by weight whole grain ingredients or have a whole grain as the first ingredient.

''(3) CALORIES.—

''(A) ELEMENTARY SCHOOLS AND MIDDLE SCHOOLS.—An applicable food that is offered for sale in an elementary school or middle school shall contain not more than 180 calories per package or serving as offered for sale.

''(B) HIGH SCHOOLS.—An applicable food that is offered for sale in a high school shall contain not more than 200 calories per package or serving as offered for sale.

''(e) SHARED SCHOOL FACILITIES.—Notwithstanding subsection (c)(1) or (d)(3)(A), if elementary school or middle school students have shared access to areas in common buildings with high school students, the local educational authority may elect whether to apply in those areas the applicable beverage provisions in paragraph (1) or (2) of subsection (c) or the applicable food provisions in subparagraph (A) or (B) of subsection (d)(3).

''(f) APPROVAL OF NEW PRODUCTS.—The Secretary may approve for sale in schools a new food or beverage that does not satisfy the applicable food and beverage requirements of this section if the Secretary (based on a rulemaking conducted under section 553 of title 5, United States Code, prior to approval)—

''(1) determines that the sale of the new food or beverage does not undermine the purposes of this section; and

''(2) provides scientific justification for the approval.

''(g) UPDATING STANDARDS AND REQUIREMENTS.—

''(1) IN GENERAL.—As soon as practicable after the date of publication by the Department of Agriculture and the Department of Health and Human Services of a new edition of the Dietary Guidelines for Americans under section 301 of the National Nutrition Monitoring and Related Research Act of 1990

(7 U.S.C. 5341), beginning with the 2015 edition, the Secretary shall review and update as necessary the school nutrition standards and requirements established under this section.

''(2) REQUIREMENTS.—In reviewing or updating the nutrition standards and requirements under this section, the Secretary shall take into consideration—

''(A) the positive and negative contributions of nutrients, ingredients, and foods (including calories, vitamins, minerals, portion size, saturated fat, trans fat, sodium, added sugars, and underconsumed food groups and nutrients) to the diets of children and adolescents;

''(B) evidence concerning the relationship between consumption of certain nutrients, ingredients, and foods with respect to the prevention of overweight, obesity, and other chronic illnesses;

''(C) recommendations made by authoritative scientific sources concerning—

''(i) appropriate nutrition standards for foods sold outside the reimbursable meal programs in schools; and

''(ii) the most effective manner in which to teach children and adolescents how to improve dietary habits; and

''(D) the practicality and feasibility of implementation of potential modifications to the nutrition standards and requirements.

''(3) LIMITATION ON AUTHORITY.—The Secretary may update or otherwise modify nutrition standards and requirements under this section only—

''(A) in accordance with rulemaking under section 553 of title 5, United States Code; and

''(B) subject to review by the Office of Management and Budget.

''(4) EFFECT OF UPDATED STANDARDS.—Updated school nutrition standards and requirements under this subsection shall supersede any other school nutrition standards or requirements in effect on the date on which the updated standards and requirements are implemented.

''(h) SCHOOL FOOD AND BEVERAGE ADVISORY COMMITTEE.—

''(1) IN GENERAL.—The Secretary may establish an advisory committee, to be known as the 'School Food and Beverage Advisory Committee' (in this subsection referred to as the 'Advisory Committee'), to advise the Secretary on updating the school nutrition standards and requirements under this section.

''(2) MEMBERSHIP.—The members of the Advisory Committee shall be appointed by the Secretary and shall include—

''(A) registered dietitians and certified nutritionists;

''(B) school officials, such as school food service directors, principals, or school board members;

''(C) public health professionals, including physicians and dentists;

''(D) members of parent or consumer advocacy groups;

''(E) representatives of industry stakeholders that produce food and beverages offered for sale in schools; and

''(F) other individuals with relevant expertise in child health and nutrition.

''(3) DUTIES.—

''(A) IN GENERAL.—The Advisory Committee shall provide advice, information, and recommendations to the Secretary on implementation of this section and on other child health and nutrition issues related to the provision of foods and beverages in schools, as requested by the Secretary.

''(B) SCIENTIFIC JUSTIFICATION.—The Advisory Committee shall provide—

''(i) scientific justification for any recommended modification to the provisions regarding applicable foods and beverages under this section; and

''(ii) anticipated nutrition and health benefits if the recommended modification is adopted.

''(i) GUIDANCE.—

''(1) IN GENERAL.—The Secretary shall develop guidance to help local educational authorities and school food authorities identify beverage and food products that meet the nutrition standards established by this section.

''(2) LIST OF BEVERAGES.—In issuing guidance to carry out this section, and at any time not later than 60 days after receipt of an applicable request, the Secretary shall identify and maintain a list of beverages allowable under subsection (c)(2)(F)(ii).

''(j) EFFECTIVE DATE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), nutrition standards and requirements established under this section take effect on the first day of the first school year beginning on or after July 1, 2011.

''(2) EXCEPTION.—Standards for a la carte main dish items established under subsection (b)(3) take effect on the later of—

''(A) the date on which final regulations under subsection (b)(3) are promulgated; or

''(B) July 1, 2011.''.

(b) IMPLEMENTATION, REGULATIONS, AND ENFORCEMENT.—

(1) IMPLEMENTATION.—The Secretary shall implement section 10 of the Child Nutrition Act of 1966 (as amended by subsection (a)) (other than subsections (b)(3)(C) and (g) of that section) through the issuance of guidance, which shall be considered a ''significant guidance document'' under Executive Order 12866 (5 U.S.C. 601 note; relating to regulatory planning and review), as amended by Executive Order 13422 (72 Fed. Reg. 2763).

(2) REGULATIONS.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate—

(i) regulations to eliminate any conflicting provisions regarding competitive foods and foods of minimal nutritional value; and

(ii) such other regulations as are necessary to carry out the amendment made by subsection (a).

(B) PROCEDURE.—The promulgation of the regulations under subparagraph (A) shall be made without regard to—

(i) the notice and comment provisions of section 553 of title 5, United States Code;

(ii) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(iii) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'').

(C) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this paragraph, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(3) ENFORCEMENT.—The Secretary shall enforce this section and the amendments made by this section (including regulations) in accordance with requirements established by the Secretary.

SA 3640. Mr. CRAIG (for himself, Mr. BROWNBACK, and Mr. ALLARD) submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. FARMLAND AND GRAZING LAND PRESERVATION.

(a) DEFINITIONS.—In this section:

(1) FARMLAND OR GRAZING LAND.—The term ''farmland or grazing land'' means—

(A) farmland (as defined in section 1540(c) of the Farmland Protection Policy Act (7 U.S.C. 4201(c)));

(B) land that is used for any part of the year as pasture land for the grazing of livestock;

(C) land that is assessed as agricultural land for purposes of State or local property taxes; and

(D) land that is enrolled in—

(i) the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.); or

(ii) any other program authorized under—

(I) subtitle D of title XII of that Act; or

(II) the Food and Energy Security Act of 2007.

(2) FEDERAL FUNDS OR FINANCIAL ASSISTANCE.—The term ''Federal funds or financial assistance'' means—

(A) Federal financial assistance (as defined in section 101 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); and

(B) any other Federal funds that are appropriated through an Act of Congress or otherwise expended from the Treasury.

(3) PROHIBITED CONDUCT.—

(A) IN GENERAL.—The term ''prohibited conduct'' means the exercise of eminent domain authority to acquire real property that is farmland or grazing land for the purpose of a park, recreation, open space, conservation, preservation view, scenic vista, or similar purpose.

(B) EXCEPTIONS.—The term ''prohibited conduct'' does not include a transfer of farmland or grazing land for—

(i) use by a public utility;

(ii) a road or other right of way or means, open to the public or common carriers, for transportation;

(iii) an aqueduct, pipeline, or similar use;

(iv) a prison or hospital; or

(v) any use during and in relation to a national emergency or national disaster declared by the President under other law.

(4) RELEVANT ENTITY.—The term ''relevant entity'' means—

(A) a State or unit of local government that engages in prohibited conduct;

(B) a State or unit of local government that gives authority for an entity to engage in prohibited conduct; and

(C) in the case of extraterritorial prohibited conduct—

(i) the entity that engages in prohibited conduct; and

(ii) the State or unit of local government that allows the prohibited conduct to take place within the jurisdiction of the State or local government.

(5) STATE.—The term ''State'' means—

(A) each of the several States of the United States;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico;

(D) Guam;

(E) American Samoa;

(F) the Commonwealth of the Northern Mariana Islands;

(G) the Federated States of Micronesia;

(H) the Republic of the Marshall Islands;

(I) the Republic of Palau; and

(J) the United States Virgin Islands.

(b) PROHIBITIONS.—

(1) IN GENERAL.—If a relevant entity engages in prohibited conduct, no officer or employee of the Federal Government with responsibility over Federal funds or financial assistance may make the Federal funds or assistance available to the relevant entity during the period described in paragraph (2).

(2) DURATION OF PROHIBITION.—The period referred to in paragraph (1) is the period that

begins on the date that an officer or employee of the Federal Government determines that a relevant entity has engaged in prohibited conduct and ends on the earlier of—

(A) the date that is 5 years after the date on which the period began; or

(B) the date on which the farmland or grazing land is returned to the person from whom the property was acquired, in the same condition in which the property was originally acquired.

(3) FEDERAL PROHIBITION.—No agency of the Federal Government may engage in prohibited conduct.

(c) PRIVATE RIGHT OF ACTION.—The owner of any real property acquired by prohibited conduct that results in the prohibition under this section of Federal funds or financial assistance may, in a civil action, obtain injunctive and declaratory relief to enforce that prohibition.

(d) APPLICABILITY.—This section applies to any prohibited conduct—

(1) that takes place on or after the date of enactment of this section; or

(2)(A) that is in process on the date of enactment of this section; and

(B) for which title has not yet passed to the relevant entity.

SA 3641. Mr. ALLARD (for himself and Mr. SALAZAR) submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1055, strike lines 6 through 8 and insert the following:

''(A) incorporates any forest management plan of the State in existence on the date of enactment of this section (including community wildfire protection plans);

SA 3642. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1587, after line 18, add the following:

Subtitle G—AMT Relief

SEC. 12701. EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) (relating to special rule for taxable years 2000 through 2006) is amended—

(1) by striking ''or 2006'' and inserting ''2006, or 2007'', and

(2) by striking ''2006'' in the heading thereof and inserting ''2007''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 12702. EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.

(a) IN GENERAL.—Paragraph (1) of section 55(d) (relating to exemption amount) is amended—

(1) by striking ''($62,550 in the case of taxable years beginning in 2006)'' in subparagraph (A) and inserting ''($66,250 in the case of taxable years beginning in 2007)'', and

(2) by striking ''($42,500 in the case of taxable years beginning in 2006)'' in subparagraph (B) and inserting ''($44,350 in the case of taxable years beginning in 2007)''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 12703. INCREASE OF AMT REFUNDABLE CREDIT AMOUNT FOR INDIVIDUALS WITH LONG-TERM UNUSED CREDITS FOR PRIOR YEAR MINIMUM TAX LIABILITY, ETC.

(a) IN GENERAL.—Paragraph (2) of section 53(e) of the Internal Revenue Code of 1986 is amended to read as follows:

''(2) AMT REFUNDABLE CREDIT AMOUNT.—For purposes of paragraph (1), the term 'AMT refundable credit amount' means, with respect to any taxable year, the amount (not in excess of the long-term unused minimum tax credit for such taxable year) equal to the greater of—

''(A) 50 percent of the long-term unused minimum tax credit for such taxable year, or

''(B) the amount (if any) of the AMT refundable credit amount determined under this paragraph for the taxpayer's preceding taxable year.''.

(b) TREATMENT OF CERTAIN UNDERPAYMENTS, INTEREST, AND PENALTIES ATTRIBUTABLE TO THE TREATMENT OF INCENTIVE STOCK OPTIONS.—Section 53 of such Code is amended by adding at the end the following new subsection:

''(f) TREATMENT OF CERTAIN UNDERPAYMENTS, INTEREST, AND PENALTIES ATTRIBUTABLE TO THE TREATMENT OF INCENTIVE STOCK OPTIONS.—

''(1) ABATEMENT.—Any underpayment of tax outstanding on the date of the enactment of this subsection which is attributable to the application of section 56(b)(3) for any taxable year ending before January 1, 2007 (and any interest or penalty with respect to such underpayment which is outstanding on such date of enactment), is hereby abated. No credit shall be allowed under this section with respect to any amount abated under this paragraph.

''(2) INCREASE IN CREDIT FOR CERTAIN INTEREST AND PENALTIES ALREADY PAID.—Any interest or penalty paid before the date of the enactment of this subsection which would (but for such payment) have been abated under paragraph (1) shall be treated for purposes of this section as an amount of adjusted net minimum tax imposed for the taxable year of the underpayment to which such interest or penalty relates.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to taxable years beginning after December 31, 2006.

(2) ABATEMENT.—Section 53(f)(1) of the Internal Revenue Code of 1986, as added by subsection (b), shall take effect on the date of the enactment of this Act.

Subtitle H—Additional Individual Tax Relief

SEC. 12751. REFUNDABLE CHILD CREDIT.

(a) MODIFICATION OF THRESHOLD AMOUNT.—Clause (i) of section 24(d)(1)(B) is amended by inserting ''($8,500 in the case of taxable years beginning in 2008)'' after ''$10,000''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

SEC. 12752. ADDITIONAL STANDARD DEDUCTION FOR REAL PROPERTY TAXES FOR NONITEMIZERS.

(a) IN GENERAL.—Section 63(c)(1) (defining standard deduction) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) in the case of any taxable year beginning in 2008, the real property tax deduction.''.

(b) DEFINITION.—Section 63(c) is amended by adding at the end the following new paragraph:

''(8) REAL PROPERTY TAX DEDUCTION.—For purposes of paragraph (1), the real property tax deduction is so much of the amount of State and local real property taxes (within the meaning of section 164) paid or accrued by the taxpayer during the taxable year which do not exceed $350 ($700 in the case of a joint return).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

Subtitle I—One-Year Extenders

PART I—EXTENDERS PRIMARILY AFFECTING INDIVIDUALS

SEC. 12801. DEDUCTION FOR STATE AND LOCAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12802. DEDUCTION OF QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12803. TREATMENT OF CERTAIN DIVIDENDS OF REGULATED INVESTMENT COMPANIES.

(a) INTEREST-RELATED DIVIDENDS.—Subparagraph (C) of section 871(k)(1) (defining interest-related dividend) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) SHORT-TERM CAPITAL GAIN DIVIDENDS.—Subparagraph (C) of section 871(k)(2) (defining short-term capital gain dividend) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to dividends with respect to taxable years of regulated investment companies beginning after December 31, 2007.

SEC. 12804. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Paragraph (3) of section 9812(f) (relating to application of section) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to benefits for services furnished after December 31, 2007.

SEC. 12805. QUALIFIED CONSERVATION CONTRIBUTIONS.

(a) IN GENERAL.—Clause (vi) of section 170(b)(1)(E) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made in taxable years beginning after December 31, 2007.

SEC. 12806. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLANS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subparagraph (F) of section 408(d)(8) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made in taxable years beginning after December 31, 2007.

SEC. 12807. DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain expenses of elementary and secondary school teachers) is amended by striking ''or 2007'' and inserting ''2007, or 2008''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

SEC. 12808. ELECTION TO INCLUDE COMBAT PAY AS EARNED INCOME FOR PURPOSES OF EARNED INCOME TAX CREDIT.

(a) IN GENERAL.—Subclause (II) of section 32(c)(2)(B)(vi) (defining earned income) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after December 31, 2007.

SEC. 12809. MODIFICATION OF MORTGAGE REVENUE BONDS FOR VETERANS.

(a) QUALIFIED MORTGAGE BONDS USED TO FINANCE RESIDENCES FOR VETERANS WITHOUT REGARD TO FIRST-TIME HOMEBUYER REQUIREMENT.—Subparagraph (D) of section 143(d)(2) (relating to exceptions) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to bonds issued after December 31, 2007.

SEC. 12810. DISTRIBUTIONS FROM RETIREMENT PLANS TO INDIVIDUALS CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Clause (iv) of section 72(t)(2)(G) is amended by striking ''December 31, 2007'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to individuals ordered or called to active duty on or after December 31, 2007.

SEC. 12811. STOCK IN RIC FOR PURPOSES OF DETERMINING ESTATES OF NONRESIDENTS NOT CITIZENS.

(a) IN GENERAL.—Paragraph (3) of section 2105(d) (relating to stock in a RIC) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to decedents dying after December 31, 2007.

SEC. 12812. QUALIFIED INVESTMENT ENTITIES.

(a) IN GENERAL.—Clause (ii) of section 897(h)(4)(A) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2008.

SEC. 12813. STATE LEGISLATORS' TRAVEL EXPENSES AWAY FROM HOME.

(a) IN GENERAL.—Paragraph (2) of section 162(h) (relating to legislative days) is amended by adding at the end the following flush sentence: ''In the case of taxable years beginning in 2008, a legislature shall be treated for purposes of this paragraph as in session on any day in which it is formally called into session without regard to whether legislation was considered on such day.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2007.

PART II—EXTENDERS PRIMARILY AFFECTING BUSINESSES

SEC. 12821. RESEARCH CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 41(h)(1) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) (relating to qualified clinical testing expenses) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2007.

SEC. 12822. INDIAN EMPLOYMENT CREDIT.

(a) IN GENERAL.—Subsection (f) of section 45A (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12823. NEW MARKETS TAX CREDIT.

Subparagraph (D) of section 45D(f)(1) (relating to national limitation on amount of investments designated) is amended by striking ''and 2008'' and inserting ''2008, and 2009''.

SEC. 12824. RAILROAD TRACK MAINTENANCE.

(a) IN GENERAL.—Subsection (f) of section 45G (relating to application of section) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred during taxable years beginning after December 31, 2007.

SEC. 12825. FIFTEEN-YEAR STRAIGHT-LINE COST RECOVERY FOR QUALIFIED LEASEHOLD IMPROVEMENTS AND QUALIFIED RESTAURANT PROPERTY.

(a) IN GENERAL.—Clauses (iv) and (v) of section 168(e)(3)(E) (relating to 15-year property) are each amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2007.

SEC. 12826. SEVEN-YEAR COST RECOVERY PERIOD FOR MOTORSPORTS RACING TRACK FACILITY.

(a) IN GENERAL.—Subparagraph (D) of section 168(i)(15) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007.

SEC. 12827. ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATION.

(a) IN GENERAL.—Paragraph (8) of section 168(j) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after December 31, 2007.

SEC. 12828. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to expenditures paid or incurred after December 31, 2007.

SEC. 12829. DEDUCTION ALLOWABLE WITH RESPECT TO INCOME ATTRIBUTABLE TO DOMESTIC PRODUCTION ACTIVITIES IN PUERTO RICO.

(a) IN GENERAL.—Subparagraph (C) of section 199(d)(8) (relating to termination) is amended—

(1) by striking ''first 2 taxable years'' and inserting ''first 3 taxable years'', and

(2) by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12830. MODIFICATION OF TAX TREATMENT OF CERTAIN PAYMENTS TO CONTROLLING EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Clause (iv) of section 512(b)(13)(E) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments received or accrued after December 31, 2007.

SEC. 12831. EXTENSION AND MODIFICATION OF CREDIT TO HOLDERS OF QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Subsection (e) of section 1397E (relating to limitation on amount of bonds designated) is amended by striking ''1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, and 2007'' and inserting ''each of calendar years 1998 through 2008''.

(b) MODIFICATION OF ARBITRAGE RULES.—

(1) IN GENERAL.—Subsection (g) of section 1397E (relating to special rules relating to arbitrage) is amended to read as follows:

''(g) SPECIAL RULES RELATING TO ARBITRAGE.—

''(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

''(2) SPECIAL RULE FOR INVESTMENTS DURING EXPENDITURE PERIOD.—An issue shall not be treated as failing to meet the requirements of paragraph (1) by reason of any investment of available project proceeds during the 5-year period described in subsection (f)(1)(A) (including any extension of such period under subsection (f)(2)).

''(3) SPECIAL RULE FOR RESERVE FUNDS.—An issue shall not be treated as failing to meet the requirements of paragraph (1) by reason of any fund which is expected to be used to repay such issue if—

''(A) such fund is funded at a rate not more rapid than equal annual installments,

''(B) such fund is funded in a manner that such fund will not exceed the amount necessary to repay the issue if invested at the maximum rate permitted under subparagraph (C), and

''(C) the yield on such fund is not greater than the discount rate determined under subsection (d)(3) with respect to the issue.''.

(2) APPLICATION OF AVAILABLE PROJECT PROCEEDS TO OTHER REQUIREMENTS.—Subsections (d)(1)(A), (d)(2)(A), (f)(1)(A), (f)(1)(B), (f)(1)(C), and (f)(3) of section 1397E are each amended by striking ''proceeds'' and inserting ''available project proceeds''.

(3) AVAILABLE PROJECT PROCEEDS DEFINED.—Subsection (i) of section 1397E (relating to definitions) is amended by adding at the end the following new paragraph:

''(4) AVAILABLE PROJECT PROCEEDS.—The term 'available project proceeds' means—

''(A) the excess of—

''(i) the proceeds from the sale of an issue, over

''(ii) the issuance costs financed by the issue (to the extent that such costs do not exceed 2 percent of such proceeds), and

''(B) the proceeds from any investment of the excess described in subparagraph (A).''.

(c) EFFECTIVE DATE.—

(1) EXTENSION.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 2007.

(2) MODIFICATION OF ARBITRAGE RULES.—The amendments made by subsection (b) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 12832. TAX INCENTIVES FOR INVESTMENT IN THE DISTRICT OF COLUMBIA.

(a) DESIGNATION OF ZONE.—

(1) IN GENERAL.—Subsection (f) of section 1400 is amended by striking ''2007'' both places it appears and inserting ''2008''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods beginning after December 31, 2007.

(b) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—

(1) IN GENERAL.—Subsection (b) of section 1400A is amended by striking ''2007'' and inserting ''2008''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to bonds issued after December 31, 2007.

(c) ZERO PERCENT CAPITAL GAINS RATE.—

(1) IN GENERAL.—Subsection (b) of section 1400B is amended by striking ''2008'' each place it appears and inserting ''2009''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1400B(e)(2) is amended—

(i) by striking ''2012'' and inserting ''2013'', and

(ii) by striking ''2012'' in the heading thereof and inserting ''2013''.

(B) Section 1400B(g)(2) is amended by striking ''2012'' and inserting ''2013''.

(C) Section 1400F(d) is amended by striking ''2012'' and inserting ''2013''.

(3) EFFECTIVE DATES.—

(A) EXTENSION.—The amendments made by paragraph (1) shall apply to acquisitions after December 31, 2007.

(B) CONFORMING AMENDMENTS.—The amendments made by paragraph (2) shall take effect on the date of the enactment of this Act.

(d) FIRST-TIME HOMEBUYER CREDIT.—

(1) IN GENERAL.—Subsection (i) of section 1400C is amended by striking ''2008'' and inserting ''2009''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to property purchased after December 31, 2007.

SEC. 12833. EXTENSION OF ECONOMIC DEVELOPMENT CREDIT FOR AMERICAN SAMOA.

(a) IN GENERAL.—Subsection (d) of section 119 of division A of the Tax Relief and Health Care Act of 2006 is amended—

(1) by striking ''first two taxable years'' and inserting ''first 3 taxable years'', and

(2) by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 12834. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(C) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2007.

SEC. 12835. ENHANCED CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF BOOK INVENTORY TO PUBLIC SCHOOLS.

(a) IN GENERAL.—Clause (iv) of section 170(e)(3)(D) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 2007.

SEC. 12836. ENHANCED DEDUCTION FOR QUALIFIED COMPUTER CONTRIBUTIONS.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made during taxable years beginning after December 31, 2007.

SEC. 12837. BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.

(a) IN GENERAL.—The last sentence of section 1367(a)(2) (relating to decreases in basis) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) TECHNICAL AMENDMENT RELATED TO SECTION 1203 OF THE PENSION PROTECTION ACT OF 2006.—Subsection (d) of section 1366 is amended by adding at the end the following new paragraph:

''(4) APPLICATION OF LIMITATION ON CHARITABLE CONTRIBUTIONS.—In the case of any charitable contribution of property to which the second sentence of section 1367(a)(2) applies, paragraph (1) shall not apply to the extent of the excess (if any) of—

''(A) the shareholder's pro rata share of such contribution, over

''(B) the shareholder's pro rata share of the adjusted basis of such property.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to contributions made in taxable years beginning after December 31, 2007.

(2) TECHNICAL AMENDMENT.—The amendment made by subsection (b) shall take effect as if included in the provision of the Pension Protection Act of 2006 to which it relates.

SEC. 12838. EXTENSION OF WORK OPPORTUNITY TAX CREDIT FOR HURRICANE KATRINA EMPLOYEES.

(a) IN GENERAL.—Paragraph (1) of section 201(b) of the Katrina Emergency Tax Relief Act of 2005 is amended by striking ''2-year'' and inserting ''3-year''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals hired after August 27, 2007.

PART III—OTHER EXTENDERS

SEC. 12841. DISCLOSURE FOR COMBINED EMPLOYMENT TAX REPORTING.

(a) IN GENERAL.—Subparagraph (B) of section 6103(d)(5) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to disclosures after December 31, 2007.

SEC. 12842. DISCLOSURE OF RETURN INFORMATION TO APPRISE APPROPRIATE OFFICIALS OF TERRORIST ACTIVITIES.

(a) IN GENERAL.—Clause (iv) of section 6103(i)(3)(C) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to disclosures after December 31, 2007.

SEC. 12843. DISCLOSURE UPON REQUEST OF INFORMATION RELATING TO TERRORIST ACTIVITIES.

(a) IN GENERAL.—Subparagraph (E) of section 6103(i)(7) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to disclosures after December 31, 2007.

SEC. 12844. DISCLOSURE OF RETURN INFORMATION TO CARRY OUT INCOME CONTINGENT REPAYMENT OF STUDENT LOANS.

(a) IN GENERAL.—Subparagraph (D) of section 6103(l)(13) (relating to termination) is amended by striking ''December 31, 2007'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to requests made after December 31, 2007.

SEC. 12845. AUTHORITY FOR UNDERCOVER OPERATIONS.

(a) IN GENERAL.—Paragraph (6) of section 7608(c) (relating to application of section) is amended by striking ''January 1, 2008'' each place it appears and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on January 1, 2008.

SEC. 12846. INCREASE IN LIMIT ON COVER OVER OF RUM EXCISE TAX TO PUERTO RICO AND THE VIRGIN ISLANDS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking ''January 1, 2008'' and inserting ''January 1, 2009''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distilled spirits brought into the United States after December 31, 2007.

SEC. 12847. DISCLOSURE OF RETURN INFORMATION FOR CERTAIN VETERANS PROGRAMS.

(a) IN GENERAL.—The last sentence of paragraph (7) of section 6103(l) is amended by striking ''September 30, 2008'' and inserting ''December 31, 2008''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to requests made after September 30, 2008.

Subtitle J—Mortgage Forgiveness Debt Relief

SEC. 12851. DISCHARGES OF INDEBTEDNESS ON PRINCIPAL RESIDENCE EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Paragraph (1) of section 108(a) is amended by striking ''or'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting '', or'', and by inserting after subparagraph (D) the following new subparagraph:

''(E) the indebtedness discharged is qualified principal residence indebtedness.''.

(b) SPECIAL RULES RELATING TO QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.—Section 108 is amended by adding at the end the following new subsection:

''(h) SPECIAL RULES RELATING TO QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.—

''(1) BASIS REDUCTION.—The amount excluded from gross income by reason of subsection (a)(1)(E) shall be applied to reduce (but not below zero) the basis of the principal residence of the taxpayer.

''(2) QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.—For purposes of this section, the term 'qualified principal residence indebtedness' means acquisition indebtedness (within the meaning of section 163(h)(3)(B), applied by substituting '$2,000,000 ($1,000,000' for '$1,000,000 ($500,000' in clause (ii) thereof) with respect to the principal residence of the taxpayer.

''(3) EXCEPTION FOR CERTAIN DISCHARGES NOT RELATED TO TAXPAYER'S FINANCIAL CONDITION.—Subsection (a)(1)(E) shall not apply to the discharge of a loan if the discharge is on account of services performed for the lender or any other factor not directly related to a decline in the value of the residence or to the financial condition of the taxpayer.

''(4) ORDERING RULE.—If any loan is discharged, in whole or in part, and only a portion of such loan is qualified principal residence indebtedness, subsection (a)(1)(E) shall apply only to so much of the amount discharged as exceeds the amount of the loan (as determined immediately before such discharge) which is not qualified principal residence indebtedness.

''(5) PRINCIPAL RESIDENCE.—For purposes of this subsection, the term 'principal residence' has the same meaning as when used in section 121.''.

(c) COORDINATION.—

(1) Subparagraph (A) of section 108(a)(2) is amended by striking ''and (D)'' and inserting ''(D), and (E)''.

(2) Paragraph (2) of section 108(a) is amended by adding at the end the following new subparagraph:

''(C) PRINCIPAL RESIDENCE EXCLUSION TAKES PRECEDENCE OVER INSOLVENCY EXCLUSION UNLESS ELECTED OTHERWISE.—Paragraph (1)(B) shall not apply to a discharge to which paragraph (1)(E) applies unless the taxpayer elects to apply paragraph (1)(B) in lieu of paragraph (1)(E).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to discharges of indebtedness on or after January 1, 2007.

SEC. 12852. LONG-TERM EXTENSION OF DEDUCTION FOR MORTGAGE INSURANCE PREMIUMS.

(a) IN GENERAL.—Subparagraph (E) of section 163(h)(3) (relating to mortgage insurance premiums treated as interest) is amended by striking clauses (iii) and (iv) and inserting the following new clause:

''(iii) APPLICATION.—Clause (i) shall not apply with respect to any mortgage insurance contract issued before January 1, 2007, or after December 31, 2014.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contracts issued after December 31, 2006.

SEC. 12853. ALTERNATIVE TESTS FOR QUALIFYING AS COOPERATIVE HOUSING CORPORATION.

(a) IN GENERAL.—Subparagraph (D) of section 216(b)(1) (defining cooperative housing corporation) is amended to read as follows:

''(D) meeting 1 or more of the following requirements for the taxable year in which the taxes and interest described in subsection (a) are paid or incurred:

''(i) 80 percent or more of the corporation's gross income for such taxable year is derived from tenant-stockholders.

''(ii) At all times during such taxable year, 80 percent or more of the total square footage of the corporation's property is used or available for use by the tenant-stockholders for residential purposes or purposes ancillary to such residential use.

''(iii) 90 percent or more of the expenditures of the corporation paid or incurred during such taxable year are paid or incurred for the acquisition, construction, management, maintenance, or care of the corporation's property for the benefit of the tenant-stockholders.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 12854. GAIN FROM SALE OF PRINCIPAL RESIDENCE ALLOCATED TO NONQUALIFIED USE NOT EXCLUDED FROM INCOME.

(a) IN GENERAL.—Subsection (b) of section 121 (relating to limitations) is amended by adding at the end the following new paragraph:

''(4) EXCLUSION OF GAIN ALLOCATED TO NONQUALIFIED USE.—

''(A) IN GENERAL.—Subsection (a) shall not apply to so much of the gain from the sale or exchange of property as is allocated to periods of nonqualified use.

''(B) GAIN ALLOCATED TO PERIODS OF NONQUALIFIED USE.—For purposes of subparagraph (A), gain shall be allocated to periods of nonqualified use based on the ratio which—

''(i) the aggregate periods of nonqualified use during the period such property was owned by the taxpayer, bears to

''(ii) the period such property was owned by the taxpayer.

''(C) PERIOD OF NONQUALIFIED USE.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'period of nonqualified use' means any period (other than the portion of any period preceding January 1, 2008) during which the property is not used as the principal residence of the taxpayer or the taxpayer's spouse or former spouse.

''(ii) EXCEPTIONS.—The term 'period of nonqualified use' does not include—

''(I) any portion of the 5-year period described in subsection (a) which is after the last date that such property is used as the principal residence of the taxpayer or the taxpayer's spouse,

''(II) any period (not to exceed an aggregate period of 10 years) during which the taxpayer or the taxpayer's spouse is serving on qualified official extended duty (as defined in subsection (d)(9)(C)) described in clause (i), (ii), or (iii) of subsection (d)(9)(A), and

''(III) any other period of temporary absence (not to exceed an aggregate period of 2 years) due to change of employment, health conditions, or such other unforeseen circumstances as may be specified by the Secretary.

''(D) COORDINATION WITH RECOGNITION OF GAIN ATTRIBUTABLE TO DEPRECIATION.—For purposes of this paragraph—

''(i) subparagraph (A) shall be applied after the application of subsection (d)(6), and

''(ii) subparagraph (B) shall be applied without regard to any gain to which subsection (d)(6) applies.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales and exchanges after December 31, 2007.

Subtitle K—Administrative Provisions

SEC. 12861. REPEAL OF AUTHORITY TO ENTER INTO PRIVATE DEBT COLLECTION CONTRACTS.

(a) IN GENERAL.—Subchapter A of chapter 64 is amended by striking section 6306.

(b) CONFORMING AMENDMENTS.—

(1) Subchapter B of chapter 76 is amended by striking section 7433A.

(2) Section 7811 is amended by striking subsection (g).

(3) Section 1203 of the Internal Revenue Service Restructuring Act of 1998 is amended by striking subsection (e).

(4) The table of sections for subchapter A of chapter 64 is amended by striking the item relating to section 6306.

(5) The table of sections for subchapter B of chapter 76 is amended by striking the item relating to section 7433A.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) EXCEPTION FOR EXISTING CONTRACTS, ETC.—The amendments made by this section shall not apply to any contract which was entered into before July 18, 2007, and is not renewed or extended on or after such date.

(3) UNAUTHORIZED CONTRACTS AND EXTENSIONS TREATED AS VOID.—Any qualified tax collection contract (as defined in section 6306 of the Internal Revenue Code of 1986, as in effect before its repeal) which is entered into on or after July 18, 2007, and any extension or renewal on or after such date of any qualified tax collection contract (as so defined) shall be void.

SEC. 12862. DELAY OF APPLICATION OF WITHHOLDING REQUIREMENT ON CERTAIN GOVERNMENTAL PAYMENTS FOR GOODS AND SERVICES.

(a) IN GENERAL.—Subsection (b) of section 511 of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(b) REPORT TO CONGRESS.—Not later than 6 months after the date of the enactment of this Act, the Secretary of the Treasury shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report with respect to the withholding requirements of section 3402(t) of the Internal Revenue Code of 1986, including a detailed analysis of—

(1) the problems, if any, which are anticipated in administering and complying with such requirements,

(2) the burdens, if any, that such requirements will place on governments and businesses (taking into account such mechanisms as may be necessary to administer such requirements), and

(3) the application of such requirements to small expenditures for services and goods by governments.

SEC. 12863. CLARIFICATION OF ENTITLEMENT OF VIRGIN ISLANDS RESIDENTS TO PROTECTIONS OF LIMITATIONS ON ASSESSMENT AND COLLECTION OF TAX.

(a) IN GENERAL.—Subsection (c) of section 932 (relating to treatment of Virgin Islands residents) is amended by adding at the end the following new paragraph:

''(5) TREATMENT OF INCOME TAX RETURN FILED WITH VIRGIN ISLANDS.—An income tax return filed with the Virgin Islands by an individual claiming to be described in paragraph (1) for the taxable year shall be treated for purposes of subtitle F in the same manner as if such return were an income tax return filed with the United States for such taxable year. The preceding sentence shall not apply where such return is false or fraudulent with the intent to evade tax or otherwise is a willful attempt in any manner to defeat or evade tax.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after 1986.

SEC. 12864. REVISION OF TAX RULES ON EXPATRIATION.

(a) IN GENERAL.—Subpart A of part II of subchapter N of chapter 1 is amended by inserting after section 877 the following new section:

''SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

''(a) GENERAL RULES.—For purposes of this subtitle—

''(1) MARK TO MARKET.—All property of a covered expatriate shall be treated as sold on the day before the expatriation date for its fair market value.

''(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

''(A) notwithstanding any other provision of this title, any gain arising from such sale shall be taken into account for the taxable year of the sale, and

''(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

Proper adjustment shall be made in the amount of any gain or loss subsequently realized for gain or loss taken into account under the preceding sentence, determined without regard to paragraph (3).

''(3) EXCLUSION FOR CERTAIN GAIN.—

''(A) IN GENERAL.—The amount which would (but for this paragraph) be includible in the gross income of any individual by reason of paragraph (1) shall be reduced (but not below zero) by $600,000.

''(B) ADJUSTMENT FOR INFLATION.—

''(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2008, the dollar amount in subparagraph (A) shall 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 2007' for 'calendar year 1992' in subparagraph (B) thereof.

''(ii) ROUNDING.—If any amount as adjusted under clause (i) is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(b) ELECTION TO DEFER TAX.—

''(1) IN GENERAL.—If the taxpayer elects the application of this subsection with respect to any property treated as sold by reason of subsection (a), the time for payment of the additional tax attributable to such property shall be extended until the due date of the return for the taxable year in which such property is disposed of (or, in the case of property disposed of in a transaction in which gain is not recognized in whole or in part, until such other date as the Secretary may prescribe).

''(2) DETERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraph (1), the additional tax attributable to any property is an amount which bears the same ratio to the additional tax imposed by this chapter for the taxable year solely by reason of subsection (a) as the gain taken into account under subsection (a) with respect to such property bears to the total gain taken into account under subsection (a) with respect to all property to which subsection (a) applies.

''(3) TERMINATION OF EXTENSION.—The due date for payment of tax may not be extended under this subsection later than the due date for the return of tax imposed by this chapter for the taxable year which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

''(4) SECURITY.—

''(A) IN GENERAL.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided with respect to such property.

''(B) ADEQUATE SECURITY.—For purposes of subparagraph (A), security with respect to any property shall be treated as adequate security if—

''(i) it is a bond which is furnished to, and accepted by, the Secretary, which is conditioned on the payment of tax (and interest thereon), and which meets the requirements of section 6325, or

''(ii) it is another form of security for such payment (including letters of credit) that meets such requirements as the Secretary may prescribe.

''(5) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) unless the taxpayer makes an irrevocable waiver of any right under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

''(6) ELECTIONS.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable.

''(7) INTEREST.—For purposes of section 6601, the last date for the payment of tax shall be determined without regard to the election under this subsection.

''(c) EXCEPTION FOR CERTAIN PROPERTY.—Subsection (a) shall not apply to—

''(1) any deferred compensation item (as defined in subsection (d)(4)),

''(2) any specified tax deferred account (as defined in subsection (e)(2)), and

''(3) any interest in a nongrantor trust (as defined in subsection (f)(3)).

''(d) TREATMENT OF DEFERRED COMPENSATION ITEMS.—

''(1) WITHHOLDING ON ELIGIBLE DEFERRED COMPENSATION ITEMS.—

''(A) IN GENERAL.—In the case of any eligible deferred compensation item, the payor shall deduct and withhold from any taxable payment to a covered expatriate with respect to such item a tax equal to 30 percent thereof.

''(B) TAXABLE PAYMENT.—For purposes of subparagraph (A), the term 'taxable payment' means with respect to a covered expatriate any payment to the extent it would be includible in the gross income of the covered expatriate if such expatriate continued to be subject to tax as a citizen or resident of the United States. A deferred compensation item shall be taken into account as a payment under the preceding sentence when such item would be so includible.

''(2) OTHER DEFERRED COMPENSATION ITEMS.—In the case of any deferred compensation item which is not an eligible deferred compensation item—

''(A)(i) with respect to any deferred compensation item to which clause (ii) does not apply, an amount equal to the present value of the covered expatriate's accrued benefit shall be treated as having been received by such individual on the day before the expatriation date as a distribution under the plan, and

''(ii) with respect to any deferred compensation item referred to in paragraph (4)(D), the rights of the covered expatriate to such item shall be treated as becoming transferable and not subject to a substantial risk of forfeiture on the day before the expatriation date,

''(B) no early distribution tax shall apply by reason of such treatment, and

''(C) appropriate adjustments shall be made to subsequent distributions from the plan to reflect such treatment.

''(3) ELIGIBLE DEFERRED COMPENSATION ITEMS.—For purposes of this subsection, the term 'eligible deferred compensation item' means any deferred compensation item with respect to which—

''(A) the payor of such item is—

''(i) a United States person, or

''(ii) a person who is not a United States person but who elects to be treated as a United States person for purposes of paragraph (1) and meets such requirements as the Secretary may provide to ensure that the payor will meet the requirements of paragraph (1), and

''(B) the covered expatriate—

''(i) notifies the payor of his status as a covered expatriate, and

''(ii) makes an irrevocable waiver of any right to claim any reduction under any treaty with the United States in withholding on such item.

''(4) DEFERRED COMPENSATION ITEM.—For purposes of this subsection, the term 'deferred compensation item' means—

''(A) any interest in a plan or arrangement described in section 219(g)(5),

''(B) any interest in a foreign pension plan or similar retirement arrangement or program,

''(C) any item of deferred compensation, and

''(D) any property, or right to property, which the individual is entitled to receive in connection with the performance of services to the extent not previously taken into account under section 83 or in accordance with section 83.

''(5) EXCEPTION.—Paragraphs (1) and (2) shall not apply to any deferred compensation item which is attributable to services performed outside the United States while the covered expatriate was not a citizen or resident of the United States.

''(6) SPECIAL RULES.—

''(A) APPLICATION OF WITHHOLDING RULES.—Rules similar to the rules of subchapter B of chapter 3 shall apply for purposes of this subsection.

''(B) APPLICATION OF TAX.—Any item subject to the withholding tax imposed under paragraph (1) shall be subject to tax under section 871.

''(C) COORDINATION WITH OTHER WITHHOLDING REQUIREMENTS.—Any item subject to withholding under paragraph (1) shall not be subject to withholding under section 1441 or chapter 24.

''(e) TREATMENT OF SPECIFIED TAX DEFERRED ACCOUNTS.—

''(1) ACCOUNT TREATED AS DISTRIBUTED.—In the case of any interest in a specified tax deferred account held by a covered expatriate on the day before the expatriation date—

''(A) the covered expatriate shall be treated as receiving a distribution of his entire interest in such account on the day before the expatriation date,

''(B) no early distribution tax shall apply by reason of such treatment, and

''(C) appropriate adjustments shall be made to subsequent distributions from the account to reflect such treatment.

''(2) SPECIFIED TAX DEFERRED ACCOUNT.—For purposes of paragraph (1), the term 'specified tax deferred account' means an individual retirement plan (as defined in section 7701(a)(37)) other than any arrangement described in subsection (k) or (p) of section 408, a qualified tuition program (as defined in section 529), a Coverdell education savings account (as defined in section 530), a health savings account (as defined in section 223), and an Archer MSA (as defined in section 220).

''(f) SPECIAL RULES FOR NONGRANTOR TRUSTS.—

''(1) IN GENERAL.—In the case of a distribution (directly or indirectly) of any property from a nongrantor trust to a covered expatriate—

''(A) the trustee shall deduct and withhold from such distribution an amount equal to 30 percent of the taxable portion of the distribution, and

''(B) if the fair market value of such property exceeds its adjusted basis in the hands of the trust, gain shall be recognized to the trust as if such property were sold to the expatriate at its fair market value.

''(2) TAXABLE PORTION.—For purposes of this subsection, the term 'taxable portion' means, with respect to any distribution, that portion of the distribution which would be includible in the gross income of the covered expatriate if such expatriate continued to be subject to tax as a citizen or resident of the United States.

''(3) NONGRANTOR TRUST.—For purposes of this subsection, the term 'nongrantor trust' means the portion of any trust that the individual is not considered the owner of under subpart E of part I of subchapter J. The determination under the preceding sentence shall be made immediately before the expatriation date.

''(4) SPECIAL RULES RELATING TO WITHHOLDING.—For purposes of this subsection—

''(A) rules similar to the rules of subsection (d)(6) shall apply, and

''(B) the covered expatriate shall be treated as having waived any right to claim any reduction under any treaty with the United States in withholding on any distribution to which paragraph (1)(A) applies.

''(5) APPLICATION.—This subsection shall apply to a nongrantor trust only if the covered expatriate was a beneficiary of the trust on the day before the expatriation date.

''(g) DEFINITIONS AND SPECIAL RULES RELATING TO EXPATRIATION.—For purposes of this section—

''(1) COVERED EXPATRIATE.—

''(A) IN GENERAL.—The term 'covered expatriate' means an expatriate who meets the requirements of subparagraph (A), (B), or (C) of section 877(a)(2).

''(B) EXCEPTIONS.—An individual shall not be treated as meeting the requirements of subparagraph (A) or (B) of section 877(a)(2) if—

''(i) the individual—

''(I) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

''(II) has been a resident of the United States (as defined in section 7701(b)(1)(A)(ii)) for not more than 10 taxable years during the 15-taxable year period ending with the taxable year during which the expatriation date occurs, or

''(ii)(I) the individual's relinquishment of United States citizenship occurs before such individual attains age 18½, and

''(II) the individual has been a resident of the United States (as so defined) for not more than 10 taxable years before the date of relinquishment.

''(C) COVERED EXPATRIATES ALSO SUBJECT TO TAX AS CITIZENS OR RESIDENTS.—In the case of any covered expatriate who is subject to tax as a citizen or resident of the United States for any period beginning after the expatriation date, such individual shall not be treated as a covered expatriate during such

period for purposes of subsections (d)(1) and (f) and section 2801.

''(2) EXPATRIATE.—The term 'expatriate' means—

''(A) any United States citizen who relinquishes his citizenship, and

''(B) any long-term resident of the United States who ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)).

''(3) EXPATRIATION DATE.—The term 'expatriation date' means—

''(A) the date an individual relinquishes United States citizenship, or

''(B) in the case of a long-term resident of the United States, the date on which the individual ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)).

''(4) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing his United States citizenship on the earliest of—

''(A) the date the individual renounces his United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

''(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)–(4)),

''(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

''(D) the date a court of the United States cancels a naturalized citizen's certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the issuance to the individual of a certificate of loss of nationality by the United States Department of State.

''(5) LONG-TERM RESIDENT.—The term 'long-term resident' has the meaning given to such term by section 877(e)(2).

''(6) EARLY DISTRIBUTION TAX.—The term 'early distribution tax' means any increase in tax imposed under section 72(t), 220(e)(4), 223(f)(4), 409A(a)(1)(B), 529(c)(6), or 530(d)(4).

''(h) OTHER RULES.—

''(1) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—

''(A) any time period for acquiring property which would result in the reduction in the amount of gain recognized with respect to property disposed of by the taxpayer shall terminate on the day before the expatriation date, and

''(B) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

''(2) STEP-UP IN BASIS.—Solely for purposes of determining any tax imposed by reason of subsection (a), property which was held by an individual on the date the individual first became a resident of the United States (within the meaning of section 7701(b)) shall be treated as having a basis on such date of not less than the fair market value of such property on such date. The preceding sentence shall not apply if the individual elects not to have such sentence apply. Such an election, once made, shall be irrevocable.

''(3) COORDINATION WITH SECTION 684.—If the expatriation of any individual would result in the recognition of gain under section 684, this section shall be applied after the application of section 684.

''(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

(b) TAX ON GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—

(1) IN GENERAL.—Subtitle B (relating to estate and gift taxes) is amended by inserting after chapter 14 the following new chapter:

''CHAPTER 15—GIFTS AND BEQUESTS FROM EXPATRIATES

''Sec. 2801. Imposition of tax.

''SEC. 2801. IMPOSITION OF TAX.

''(a) IN GENERAL.—If, during any calendar year, any United States citizen or resident receives any covered gift or bequest, there is hereby imposed a tax equal to the product of—

''(1) the highest rate of tax specified in the table contained in section 2001(c) as in effect on the date of such receipt (or, if greater, the highest rate of tax specified in the table applicable under section 2502(a) as in effect on the date), and

''(2) the value of such covered gift or bequest.

''(b) TAX TO BE PAID BY RECIPIENT.—The tax imposed by subsection (a) on any covered gift or bequest shall be paid by the person receiving such gift or bequest.

''(c) EXCEPTION FOR CERTAIN GIFTS.—Subsection (a) shall apply only to the extent that the value of covered gifts and bequests received by any person during the calendar year exceeds $10,000.

''(d) TAX REDUCED BY FOREIGN GIFT OR ESTATE TAX.—The tax imposed by subsection (a) on any covered gift or bequest shall be reduced by the amount of any gift or estate tax paid to a foreign country with respect to such covered gift or bequest.

''(e) COVERED GIFT OR BEQUEST.—

''(1) IN GENERAL.—For purposes of this chapter, the term 'covered gift or bequest' means—

''(A) any property acquired by gift directly or indirectly from an individual who, at the time of such acquisition, is a covered expatriate, and

''(B) any property acquired directly or indirectly by reason of the death of an individual who, immediately before such death, was a covered expatriate.

''(2) EXCEPTIONS FOR TRANSFERS OTHERWISE SUBJECT TO ESTATE OR GIFT TAX.—Such term shall not include—

''(A) any property shown on a timely filed return of tax imposed by chapter 12 which is a taxable gift by the covered expatriate, and

''(B) any property included in the gross estate of the covered expatriate for purposes of chapter 11 and shown on a timely filed return of tax imposed by chapter 11 of the estate of the covered expatriate.

''(3) TRANSFERS IN TRUST.—

''(A) DOMESTIC TRUSTS.—In the case of a covered gift or bequest made to a domestic trust—

''(i) subsection (a) shall apply in the same manner as if such trust were a United States citizen, and

''(ii) the tax imposed by subsection (a) on such gift or bequest shall be paid by such trust.

''(B) FOREIGN TRUSTS.—

''(i) IN GENERAL.—In the case of a covered gift or bequest made to a foreign trust, subsection (a) shall apply to any distribution attributable to such gift or bequest from such trust (whether from income or corpus) to a United States citizen or resident in the same manner as if such distribution were a covered gift or bequest.

''(ii) DEDUCTION FOR TAX PAID BY RECIPIENT.—There shall be allowed as a deduction under section 164 the amount of tax imposed by this section which is paid or accrued by a United States citizen or resident by reason of a distribution from a foreign trust, but only to the extent such tax is imposed on the portion of such distribution which is included in the gross income of such citizen or resident.

''(iii) ELECTION TO BE TREATED AS DOMESTIC TRUST.—Solely for purposes of this section, a foreign trust may elect to be treated as a domestic trust. Such an election may be revoked with the consent of the Secretary.

''(f) COVERED EXPATRIATE.—For purposes of this section, the term 'covered expatriate' has the meaning given to such term by section 877A(g)(1).''.

(2) CLERICAL AMENDMENT.—The table of chapters for subtitle B is amended by inserting after the item relating to chapter 14 the following new item:

''CHAPTER 15. GIFTS AND BEQUESTS FROM EXPATRIATES.''.

(c) DEFINITION OF TERMINATION OF UNITED STATES CITIZENSHIP.—

(1) IN GENERAL.—Section 7701(a) is amended by adding at the end the following new paragraph:

''(50) TERMINATION OF UNITED STATES CITIZENSHIP.—

''(A) IN GENERAL.—An individual shall not cease to be treated as a United States citizen before the date on which the individual's citizenship is treated as relinquished under section 877A(g)(4).

''(B) DUAL CITIZENS.—Under regulations prescribed by the Secretary, subparagraph (A) shall not apply to an individual who became at birth a citizen of the United States and a citizen of another country.''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 877(e) is amended to read as follows:

''(1) IN GENERAL.—Any long-term resident of the United States who ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)) shall be treated for purposes of this section and sections 2107, 2501, and 6039G in the same manner as if such resident were a citizen of the United States who lost United States citizenship on the date of such cessation or commencement.''.

(B) Paragraph (6) of section 7701(b) is amended by adding at the end the following flush sentence:

''An individual shall cease to be treated as a lawful permanent resident of the United States if such individual commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country, does not waive the benefits of such treaty applicable to residents of the foreign country, and notifies the Secretary of the commencement of such treatment.''.

(C) Section 7701 is amended by striking subsection (n) and by redesignating subsections (o) and (p) as subsections (n) and (o), respectively.

(d) INFORMATION RETURNS.—Section 6039G is amended—

(1) by inserting ''or 877A'' after ''section 877(b)'' in subsection (a), and

(2) by inserting ''or 877A'' after ''section 877(a)'' in subsection (d).

(e) CLERICAL AMENDMENT.—The table of sections for subpart A of part II of subchapter N of chapter 1 is amended by inserting after the item relating to section 877 the following new item:

''Sec. 877A. Tax responsibilities of expatriation.''.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to expatriates (as defined in section 877A(g) of the Internal Revenue

Code of 1986, as added by this section) whose expatriation date (as so defined) is on or after the date of the enactment of this Act.

(2) GIFTS AND BEQUESTS.—Chapter 15 of the Internal Revenue Code of 1986 (as added by subsection (b)) shall apply to covered gifts and bequests (as defined in section 2801 of such Code, as so added) received on or after the date of the enactment of this Act, regardless of when the transferor expatriated.

SEC. 12865. REPEAL OF SUSPENSION OF CERTAIN PENALTIES AND INTEREST.

(a) IN GENERAL.—Section 6404 is amended by striking subsection (g) and by redesignating subsection (h) as subsection (g).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to notices provided by the Secretary of the Treasury, or his delegate, after the date which is 6 months after the date of the enactment of the Small Business and Work Opportunity Tax Act of 2007.

SEC. 12866. UNUSED MERCHANDISE DRAWBACK.

(a) IN GENERAL.—Section 313(j)(2) of the Tariff Act of 1930 (19 U.S.C. 1313(j)(2)) is amended by adding at the end the following: ''For purposes of subparagraph (A) of this paragraph, wine of the same color having a price variation not to exceed 50 percent between the imported wine and the exported wine shall be deemed to be commercially interchangeable.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to claims filed for drawback under section 313(j)(2) of the Tariff Act of 1930 on or after the date of the enactment of this Act.

Subtitle L—Revenue Provisions

PART I—NONQUALIFIED DEFERRED COMPENSATION FROM CERTAIN TAX INDIFFERENT PARTIES

SEC. 12901. NONQUALIFIED DEFERRED COMPENSATION FROM CERTAIN TAX INDIFFERENT PARTIES.

(a) IN GENERAL.—Subpart B of part II of subchapter E of chapter 1 (relating to taxable year for which items of gross income included) is amended by inserting after section 457 the following new section:

''SEC. 457A. NONQUALIFIED DEFERRED COMPENSATION FROM CERTAIN TAX INDIFFERENT PARTIES.

''(a) IN GENERAL.—Any compensation which is deferred under a nonqualified deferred compensation plan of a nonqualified entity shall be taken into account for purposes of this chapter when there is no substantial risk of forfeiture of the rights to such compensation.

''(b) NONQUALIFIED ENTITY.—For purposes of this section, the term 'nonqualified entity' means—

''(1) any foreign corporation unless substantially all of such income is—

''(A) effectively connected with the conduct of a trade or business in the United States, or

''(B) subject to a comprehensive foreign income tax, and

''(2) any partnership unless substantially all of such income is allocated to persons other than—

''(A) foreign persons with respect to whom such income is not subject to a comprehensive foreign income tax, and

''(B) organizations which are exempt from tax under this title.

''(c) ASCERTAINABILITY OF AMOUNTS OF COMPENSATION.—

''(1) IN GENERAL.—If the amount of any compensation is not ascertainable at the time that such compensation is otherwise to be taken into account under subsection (a)—

''(A) such amount shall be so taken into account when ascertainable, and

''(B) the tax imposed under this chapter for the taxable year in which such compensation is taken into account under subparagraph (A) shall be increased by the sum of—

''(i) the amount of interest determined under paragraph (2), and

''(ii) an amount equal to 20 percent of the amount of such compensation.

''(2) INTEREST.—For purposes of paragraph (1)(B)(i), the interest determined under this paragraph for any taxable year is the amount of interest at the underpayment rate under section 6621 plus 1 percentage point on the underpayments that would have occurred had the deferred compensation been includible in gross income for the taxable year in which first deferred or, if later, the first taxable year in which such deferred compensation is not subject to a substantial risk of forfeiture.

''(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) SUBSTANTIAL RISK OF FORFEITURE.—The rights of a person to compensation shall be treated as subject to a substantial risk of forfeiture only if such person's rights to such compensation are conditioned upon the future performance of substantial services by any individual.

''(2) COMPREHENSIVE FOREIGN INCOME TAX.—The term 'comprehensive foreign income tax' means, with respect to any foreign person, the income tax of a foreign country if—

''(A) such person is eligible for the benefits of a comprehensive income tax treaty between such foreign country and the United States, or

''(B) such person demonstrates to the satisfaction of the Secretary that such foreign country has a comprehensive income tax.

Such term shall not include any tax unless such tax includes rules for the deductibility of deferred compensation which are similar to the rules of this title.

''(3) NONQUALIFIED DEFERRED COMPENSATION PLAN.—The term 'nonqualified deferred compensation plan' has the meaning given such term under section 409A(d), except that such term shall include any plan that provides a right to compensation based on the appreciation in value of a specified number of equity units of the service recipient.

''(4) APPLICATION OF RULES.—Rules similar to the rules of paragraphs (5) and (6) of section 409A(d) shall apply.

''(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations disregarding a substantial risk of forfeiture in cases where necessary to carry out the purposes of this section.''.

(b) CONFORMING AMENDMENT.—Section 26(b)(2) is amended by striking ''and'' at the end of subparagraph (S), by striking the period at the end of subparagraph (T) and inserting '', and'', and by adding at the end the following new subparagraph:

''(U) section 457A(c)(1)(B) (relating to ascertainability of amounts of compensation).''.

(c) CLERICAL AMENDMENT.—The table of sections of subpart B of part II of subchapter E of chapter 1 is amended by inserting after the item relating to section 457 the following new item:

''Sec. 457A. Nonqualified deferred compensation from certain tax indifferent parties.''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to amounts deferred which are attributable to services performed after December 31, 2007.

(2) APPLICATION TO EXISTING DEFERRALS.—In the case of any amount deferred to which the amendments made by this section do not apply solely by reason of the fact that the amount is attributable to services performed before January 1, 2008, to the extent such amount is not includible in gross income in a taxable year beginning before 2017, such amounts shall be includible in gross income in the later of—

(A) the last taxable year beginning before 2017, or

(B) the taxable year in which there is no substantial risk of forfeiture of the rights to such compensation (determined in the same manner as determined for purposes of section 457A of the Internal Revenue Code of 1986, as added by this section).

(3) ACCELERATED PAYMENTS.—No later than 60 days after the date of the enactment of this Act, the Secretary shall issue guidance providing a limited period of time during which a nonqualified deferred compensation arrangement attributable to services performed on or before December 31, 2007, may, without violating the requirements of section 409A(a) of the Internal Revenue Code of 1986, be amended to conform the date of distribution to the date the amounts are required to be included in income.

PART II—PROVISIONS RELATED TO CERTAIN INVESTMENT PARTNERSHIPS

SEC. 12911. INCOME OF PARTNERS FOR PERFORMING INVESTMENT MANAGEMENT SERVICES TREATED AS ORDINARY INCOME RECEIVED FOR PERFORMANCE OF SERVICES.

(a) IN GENERAL.—Part I of subchapter K of chapter 1 is amended by adding at the end the following new section:

''SEC. 710. SPECIAL RULES FOR PARTNERS PROVIDING INVESTMENT MANAGEMENT SERVICES TO PARTNERSHIP.

''(a) TREATMENT OF DISTRIBUTIVE SHARE OF PARTNERSHIP ITEMS.—For purposes of this title, in the case of an investment services partnership interest—

''(1) IN GENERAL.—Notwithstanding section 702(b)—

''(A) any net income with respect to such interest for any partnership taxable year shall be treated as ordinary income for the performance of services, and

''(B) any net loss with respect to such interest for such year, to the extent not disallowed under paragraph (2) for such year, shall be treated as an ordinary loss.

''(2) TREATMENT OF LOSSES.—

''(A) LIMITATION.—Any net loss with respect to such interest shall be allowed for any partnership taxable year only to the extent that such loss does not exceed the excess (if any) of—

''(i) the aggregate net income with respect to such interest for all prior partnership taxable years, over

''(ii) the aggregate net loss with respect to such interest not disallowed under this subparagraph for all prior partnership taxable years.

''(B) CARRYFORWARD.—Any net loss for any partnership taxable year which is not allowed by reason of subparagraph (A) shall be treated as an item of loss with respect to such partnership interest for the succeeding partnership taxable year.

''(C) BASIS ADJUSTMENT.—No adjustment to the basis of a partnership interest shall be made on account of any net loss which is not allowed by reason of subparagraph (A).

''(D) EXCEPTION FOR BASIS ATTRIBUTABLE TO PURCHASE OF A PARTNERSHIP INTEREST.—In the case of an investment services partnership interest acquired by purchase, paragraph (1)(B) shall not apply to so much of any net loss with respect to such interest for any taxable year as does not exceed the excess of—

''(i) the basis of such interest immediately after such purchase, over

''(ii) the aggregate net loss with respect to such interest to which paragraph (1)(B) did

not apply by reason of this subparagraph for all prior taxable years.

Any net loss to which paragraph (1)(B) does not apply by reason of this subparagraph shall not be taken into account under subparagraph (A).

''(E) PRIOR PARTNERSHIP YEARS.—Any reference in this paragraph to prior partnership taxable years shall only include prior partnership taxable years to which this section applies.

''(3) NET INCOME AND LOSS.—For purposes of this section—

''(A) NET INCOME.—The term 'net income' means, with respect to any investment services partnership interest, for any partnership taxable year, the excess (if any) of—

''(i) all items of income and gain taken into account by the holder of such interest under section 702 with respect to such interest for such year, over

''(ii) all items of deduction and loss so taken into account.

''(B) NET LOSS.—The term 'net loss' means with respect to such interest for such year, the excess (if any) of the amount described in subparagraph (A)(ii) over the amount described in subparagraph (A)(i).

''(b) DISPOSITIONS OF PARTNERSHIP INTERESTS.—

''(1) GAIN.—Any gain on the disposition of an investment services partnership interest shall be treated as ordinary income for the performance of services.

''(2) LOSS.—Any loss on the disposition of an investment services partnership interest shall be treated as an ordinary loss to the extent of the excess (if any) of—

''(A) the aggregate net income with respect to such interest for all partnership taxable years, over

''(B) the aggregate net loss with respect to such interest allowed under subsection (a)(2) for all partnership taxable years.

''(3) DISPOSITION OF PORTION OF INTEREST.—In the case of any disposition of an investment services partnership interest, the amount of net loss which otherwise would have (but for subsection (a)(2)(C)) applied to reduce the basis of such interest shall be disregarded for purposes of this section for all succeeding partnership taxable years.

''(4) DISTRIBUTIONS OF PARTNERSHIP PROPERTY.—In the case of any distribution of appreciated property by a partnership with respect to any investment services partnership interest, gain shall be recognized by the partnership in the same manner as if the partnership sold such property at fair market value at the time of the distribution. For purposes of this paragraph, the term 'appreciated property' means any property with respect to which gain would be determined if sold as described in the preceding sentence.

''(5) APPLICATION OF SECTION 751.—In applying section 751(a), an investment services partnership interest shall be treated as an inventory item.

''(c) INVESTMENT SERVICES PARTNERSHIP INTEREST.—For purposes of this section—

''(1) IN GENERAL.—The term 'investment services partnership interest' means any interest in a partnership which is held by any person if such person provides (directly or indirectly) a substantial quantity of any of the following services with respect to the assets of the partnership in the conduct of the trade or business of providing such services:

''(A) Advising as to the advisability of investing in, purchasing, or selling any specified asset.

''(B) Managing, acquiring, or disposing of any specified asset.

''(C) Arranging financing with respect to acquiring specified assets.

''(D) Any activity in support of any service described in subparagraphs (A) through (C).

For purposes of this paragraph, the term 'specified asset' means securities (as defined in section 475(c)(2) without regard to the last sentence thereof), real estate, commodities (as defined in section 475(e)(2))), or options or derivative contracts with respect to securities (as so defined), real estate, or commodities (as so defined).

''(2) EXCEPTION FOR CERTAIN CAPITAL INTERESTS.—

''(A) IN GENERAL.—If—

''(i) a portion of an investment services partnership interest is acquired on account of a contribution of invested capital, and

''(ii) the partnership makes a reasonable allocation of partnership items between the portion of the distributive share that is with respect to invested capital and the portion of such distributive share that is not with respect to invested capital,

then subsection (a) shall not apply to the portion of the distributive share that is with respect to invested capital. An allocation will not be treated as reasonable for purposes of this subparagraph if such allocation would result in the partnership allocating a greater portion of income to invested capital than any other partner not providing services would have been allocated with respect to the same amount of invested capital.

''(B) SPECIAL RULE FOR DISPOSITIONS.—In any case to which subparagraph (A) applies, subsection (b) shall not apply to any gain or loss allocable to invested capital. The portion of any gain or loss attributable to invested capital is the proportion of such gain or loss which is based on the distributive share of gain or loss that would have been allocable to invested capital under subparagraph (A) if the partnership sold all of its assets immediately before the disposition.

''(C) INVESTED CAPITAL.—For purposes of this paragraph, the term 'invested capital' means, the fair market value at the time of contribution of any money or other property contributed to the partnership.

''(D) TREATMENT OF CERTAIN LOANS.—

''(i) PROCEEDS OF PARTNERSHIP LOANS NOT TREATED AS INVESTED CAPITAL OF SERVICE PROVIDING PARTNERS.—For purposes of this paragraph, an investment services partnership interest shall not be treated as acquired on account of a contribution of invested capital to the extent that such capital is attributable to the proceeds of any loan or other advance made or guaranteed, directly or indirectly, by any partner or the partnership.

''(ii) LOANS FROM NONSERVICE PROVIDING PARTNERS TO THE PARTNERSHIP TREATED AS INVESTED CAPITAL.—For purposes of this paragraph, any loan or other advance to the partnership made or guaranteed, directly or indirectly, by a partner not providing services to the partnership shall be treated as invested capital of such partner and amounts of income and loss treated as allocable to invested capital shall be adjusted accordingly.

''(d) OTHER INCOME AND GAIN IN CONNECTION WITH INVESTMENT MANAGEMENT SERVICES.—

''(1) IN GENERAL.—If—

''(A) a person performs (directly or indirectly) investment management services for any entity,

''(B) such person holds a disqualified interest with respect to such entity, and

''(C) the value of such interest (or payments thereunder) is substantially related to the amount of income or gain (whether or not realized) from the assets with respect to which the investment management services are performed,

any income or gain with respect to such interest shall be treated as ordinary income for the performance of services. Rules similar to the rules of subsection (c)(2) shall apply where such interest was acquired on account of invested capital in such entity.

''(2) DEFINITIONS.—For purposes of this subsection—

''(A) DISQUALIFIED INTEREST.—The term 'disqualified interest' means, with respect to any entity—

''(i) any interest in such entity other than indebtedness,

''(ii) convertible or contingent debt of such entity,

''(iii) any option or other right to acquire property described in clause (i) or (ii), and

''(iv) any derivative instrument entered into (directly or indirectly) with such entity or any investor in such entity.

Such term shall not include a partnership interest and shall not include stock in a taxable corporation.

''(B) TAXABLE CORPORATION.—The term 'taxable corporation' means—

''(i) a domestic C corporation, or

''(ii) a foreign corporation subject to a comprehensive foreign income tax (as defined in section 457A(d)(4)).

''(C) INVESTMENT MANAGEMENT SERVICES.—The term 'investment management services' means a substantial quantity of any of the services described in subsection (c)(1) which are provided in the conduct of the trade or business of providing such services.

''(e) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary or appropriate to carry out the purposes of this section, including regulations to—

''(1) prevent the avoidance of the purposes of this section, and

''(2) coordinate this section with the other provisions of this subchapter.

''(f) CROSS REFERENCE.—For 40 percent no fault penalty on certain underpayments due to the avoidance of this section, see section 6662.''.

(b) APPLICATION TO REAL ESTATE INVESTMENT TRUSTS.—Subsection (c) of section 856 is amended by adding at the end the following new paragraph:

''(8) EXCEPTION FROM RECHARACTERIZATION OF INCOME FROM INVESTMENT SERVICES PARTNERSHIP INTERESTS.—

''(A) IN GENERAL.—Paragraphs (2), (3), and (4) shall be applied without regard to section 710 (relating to special rules for partners providing investment management services to partnership).

''(B) SPECIAL RULE FOR PARTNERSHIPS OWNED BY REITS.—Section 7704 shall be applied without regard to section 710 in the case of a partnership which meets each of the following requirements:

''(i) Such partnership is treated as publicly traded under section 7704 solely by reason of interests in such partnership being convertible into interests in a real estate investment trust which is publicly traded.

''(ii) 50 percent or more of the capital and profits interests of such partnership are owned, directly or indirectly, at all times during the taxable year by such real estate investment trust (determined with the application of section 267(c)).

''(iii) Such partnership meets the requirements of paragraphs (2), (3), and (4) (applied without regard to section 710).''.

(c) IMPOSITION OF PENALTY ON UNDERPAYMENTS.—

(1) IN GENERAL.—Subsection (b) of section 6662 is amended by inserting after paragraph (5) the following new paragraph:

''(6) The application of subsection (d) of section 710 or the regulations prescribed under section 710(e) to prevent the avoidance of the purposes of section 710.''.

(2) AMOUNT OF PENALTY.—

(A) IN GENERAL.—Section 6662 is amended by adding at the end the following new subsection:

''(i) INCREASE IN PENALTY IN CASE OF PROPERTY TRANSFERRED FOR INVESTMENT MANAGEMENT SERVICES.—In the case of any portion of an underpayment to which this section applies by reason of subsection (b)(6), subsection (a) shall be applied with respect to such portion by substituting '40 percent' for '20 percent'.''.

(B) CONFORMING AMENDMENTS.—Subparagraph (B) of section 6662A(e)(2) is amended—

(i) by striking ''section 6662(h)'' and inserting ''subsection (h) or (i) of section 6662'', and

(ii) by striking ''GROSS VALUATION MISSTATEMENT PENALTY'' in the heading and inserting ''CERTAIN INCREASED UNDERPAYMENT PENALTIES''.

(3) REASONABLE CAUSE EXCEPTION NOT APPLICABLE.—Subsection (c) of section 6664 is amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively,

(B) by striking ''paragraph (2)'' in paragraph (4), as so redesignated, and inserting ''paragraph (3)'', and

(C) by inserting after paragraph (1) the following new paragraph:

''(2) EXCEPTION.—Paragraph (1) shall not apply to any portion of an underpayment to which this section applies by reason of subsection (b)(6).''.

(d) CONFORMING AMENDMENTS.—

(1) Subsection (d) of section 731 is amended by inserting ''section 710(b)(4) (relating to distributions of partnership property),'' before ''section 736''.

(2) Section 741 is amended by inserting ''or section 710 (relating to special rules for partners providing investment management services to partnership)'' before the period at the end.

(3) Paragraph (13) of section 1402(a) is amended—

(A) by striking ''other than guaranteed'' and inserting ''other than—

''(A) guaranteed'',

(B) by striking the semi-colon at the end and inserting '', and'', and

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

''(B) any income treated as ordinary income under section 710 received by an individual who provides investment management services (as defined in section 710(d)(2));''.

(4) Paragraph (12) of section 211(a) of the Social Security Act is amended—

(A) by striking ''other than guaranteed'' and inserting ''other than—

''(A) guaranteed'',

(B) by striking the semi-colon at the end and inserting '', and'', and

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

''(B) any income treated as ordinary income under section 710 of the Internal Revenue Code of 1986 received by an individual who provides investment management services (as defined in section 710(d)(2) of such Code);''.

(5) The table of sections for part I of subchapter K of chapter 1 is amended by adding at the end the following new item:

''Sec. 710. Special rules for partners providing investment management services to partnership.''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years ending after November 1, 2007.

(2) PARTNERSHIP TAXABLE YEARS WHICH INCLUDE EFFECTIVE DATE.—In applying section 710(a) of the Internal Revenue Code of 1986 (as added by this section) in the case of any partnership taxable year which includes November 1, 2007, the amount of the net income referred to in such section shall be treated as being the lesser of the net income for the entire partnership taxable year or the net income determined by only taking into account items attributable to the portion of the partnership taxable year which is after such date.

(3) DISPOSITIONS OF PARTNERSHIP INTERESTS.—Section 710(b) of the Internal Revenue Code of 1986 (as added by this section) shall apply to dispositions and distributions after November 1, 2007.

(4) OTHER INCOME AND GAIN IN CONNECTION WITH INVESTMENT MANAGEMENT SERVICES.—Section 710(d) of such Code (as added by this section) shall take effect on November 1, 2007.

(5) PUBLICLY TRADED PARTNERSHIPS.—For purposes of applying section 7704, the amendments made by this section shall apply to taxable years beginning after December 31, 2009.

SEC. 12912. INDEBTEDNESS INCURRED BY A PARTNERSHIP IN ACQUIRING SECURITIES AND COMMODITIES NOT TREATED AS ACQUISITION INDEBTEDNESS FOR ORGANIZATIONS WHICH ARE PARTNERS WITH LIMITED LIABILITY.

(a) IN GENERAL.—Subsection (c) of section 514 (relating to acquisition indebtedness) is amended by adding at the end the following new paragraph:

''(10) SECURITIES AND COMMODITIES ACQUIRED BY PARTNERSHIPS IN WHICH AN ORGANIZATION IS A PARTNER WITH LIMITED LIABILITY.—

''(A) IN GENERAL.—In the case of any organization which is a partner with limited liability in a partnership, the term 'acquisition indebtedness' does not, for purposes of this section, include indebtedness incurred or continued by such partnership in purchasing or carrying any qualified security or commodity.

''(B) QUALIFIED SECURITY OR COMMODITY.—For purposes of this paragraph, the term 'qualified security or commodity' means any security (as defined in section 475(c)(2) without regard to the last sentence thereof), any commodity (as defined in section 475(e)(2)), or any option or derivative contract with respect to such a security or commodity.

''(C) APPLICATION TO TIERED PARTNERSHIPS AND OTHER PASS-THRU ENTITIES.—Rules similar to the rules of subparagraph (A) shall apply in the case of tiered partnerships and other pass-thru entities.

''(D) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations to prevent the abuse of this paragraph.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 12913. APPLICATION TO PARTNERSHIP INTERESTS AND TAX SHARING AGREEMENTS OF RULE TREATING CERTAIN GAIN ON SALES BETWEEN RELATED PERSONS AS ORDINARY INCOME.

(a) PARTNERSHIP INTERESTS.—Subsection (a) of section 1239 is amended to read as follows:

''(a) TREATMENT OF GAIN AS ORDINARY INCOME.—In the case of a sale or exchange of property, directly or indirectly, between related persons, any gain recognized to the transferor shall be treated as ordinary income if—

''(1) such property is, in the hands of the transferee, of a character which is subject to the allowance for depreciation provided in section 167, or

''(2) such property is an interest in a partnership, but only to the extent of gain attributable to unrealized appreciation in property which is of a character subject to the allowance for depreciation provided in section 167.''.

(b) TAX SHARING AGREEMENTS.—Section 1239 (relating to gain from sale of depreciable property between certain related taxpayers) is amended by adding at the end the following new subsection:

''(f) APPLICATION TO TAX SHARING AGREEMENTS.—

''(1) IN GENERAL.—If there is a tax sharing agreement with respect to any sale or exchange, the transferee and the transferor shall be treated as related persons for purposes of this section.

''(2) TAX SHARING AGREEMENT.—For purposes of this subsection, the term 'tax sharing agreement' means any agreement which provides for the payment to the transferor of any amount which is determined by reference to any portion of the tax benefit realized by the transferee with respect to the depreciation (or amortization) of the property transferred.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to sales and exchanges after the date of the enactment of this Act.

(2) EXCEPTION FOR BINDING CONTRACTS.—The amendment made by subsection (b) shall not apply to any sale or exchange pursuant to a written binding contract which includes a tax sharing agreement and which is in effect on November 1, 2007, and not modified thereafter in any material respect.

PART III—OTHER PROVISIONS

SEC. 12921. DELAY IN APPLICATION OF WORLDWIDE ALLOCATION OF INTEREST.

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) are each amended by striking ''December 31, 2008'' and inserting ''December 31, 2017''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 12922. BROKER REPORTING OF CUSTOMER'S BASIS IN SECURITIES TRANSACTIONS.

(a) IN GENERAL.—

(1) BROKER REPORTING FOR SECURITIES TRANSACTIONS.—Section 6045 (relating to returns of brokers) is amended by adding at the end the following new subsection:

''(g) ADDITIONAL INFORMATION REQUIRED IN THE CASE OF SECURITIES TRANSACTIONS.—

''(1) IN GENERAL.—If a broker is otherwise required to make a return under subsection (a) with respect to the gross proceeds of the sale of a covered security, the broker shall include in such return the information described in paragraph (2).

''(2) ADDITIONAL INFORMATION REQUIRED.—

''(A) IN GENERAL.—The information required under paragraph (1) to be shown on a return with respect to a covered security of a customer shall include the customer's adjusted basis in such security and whether any gain or loss with respect to such security is long-term or short-term (within the meaning of section 1222).

''(B) DETERMINATION OF ADJUSTED BASIS.—For purposes of subparagraph (A)—

''(i) IN GENERAL.—The customer's adjusted basis shall be determined—

''(I) in the case of any stock (other than any stock in an open-end fund), in accordance with the first-in first-out method unless the customer notifies the broker by means of making an adequate identification of the stock sold or transferred,

''(II) in the case of any stock in an open-end fund acquired before January 1, 2011, in accordance with any acceptable method under section 1012 with respect to the account in which such interest is held,

''(III) in the case of any stock in an open-end fund acquired after December 31, 2010, in

accordance with the broker's default method unless the customer notifies the broker that he elects another acceptable method under section 1012 with respect to the account in which such interest is held, and

''(IV) in any other case, under the method for making such determination under section 1012.

''(ii) EXCEPTION FOR WASH SALES.—Except as otherwise provided by the Secretary, the customer's adjusted basis shall be determined without regard to section 1091 (relating to loss from wash sales of stock or securities) unless the transactions occur in the same account with respect to identical securities.

''(3) COVERED SECURITY.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'covered security' means any specified security acquired on or after the applicable date if such security—

''(i) was acquired through a transaction in the account in which such security is held, or

''(ii) was transferred to such account from an account in which such security was a covered security, but only if the broker received a statement under section 6045A with respect to the transfer.

''(B) SPECIFIED SECURITY.—The term 'specified security' means—

''(i) any share of stock in a corporation,

''(ii) any note, bond, debenture, or other evidence of indebtedness,

''(iii) any commodity, or contract or derivative with respect to such commodity, if the Secretary determines that adjusted basis reporting is appropriate for purposes of this subsection, and

''(iv) any other financial instrument with respect to which the Secretary determines that adjusted basis reporting is appropriate for purposes of this subsection.

''(C) APPLICABLE DATE.—The term 'applicable date' means—

''(i) January 1, 2009, in the case of any specified security which is stock in a corporation, and

''(ii) January 1, 2011, or such later date determined by the Secretary in the case of any other specified security.

''(4) OPEN-END FUND.—For purposes of this subsection, the term 'open-end fund' means a regulated investment company (as defined in section 851) which is offering for sale or has outstanding any redeemable security of which it is the issuer and the shares of which are not traded on an established securities exchange.''.

(2) BROKER INFORMATION REQUIRED WITH RESPECT TO OPTIONS.—Section 6045, as amended by subsection (a), is amended by adding at the end the following new subsection:

''(h) APPLICATION TO OPTIONS ON COVERED SECURITIES.—

''(1) EXERCISE OF OPTION.—For purposes of this section, in the case of any exercise of an option on a covered security where the taxpayer is the grantor of the option and the option was acquired in the same account as the covered security, the amount received for the grant of an option on a covered security shall be treated as an adjustment to gross proceeds or as an adjustment to basis, as the case may be. A similar rule shall apply in the case of the exercise of an option where the taxpayer is not the grantor of the option.

''(2) LAPSE OR CLOSING TRANSACTION.—For purposes of this section, in the case of the lapse (or closing transaction (as defined in section 1234(b)(2)(A))) of an option on a covered security where the taxpayer is the grantor of the option, this section shall apply as if the premium received for such option were gross proceeds received on the date of the lapse or closing transaction, and the cost (if any) of the closing transaction shall be taken into account as adjusted basis. A similar rule shall apply in the case of a lapse or closing transaction where the taxpayer is not the grantor of the option.

''(3) PROSPECTIVE APPLICATION.—Paragraphs (1) and (2) shall not apply to any option which is granted or acquired before January 1, 2011.

''(4) COVERED SECURITY.—For purposes of this subsection, the term 'covered security' shall have the meaning given such term in subsection (g)(3).''.

(3) EXTENSION OF PERIOD FOR STATEMENTS SENT TO CUSTOMERS.—

(A) IN GENERAL.—Subsection (b) of section 6045 is amended by striking ''January 31'' and inserting ''February 15''.

(B) STATEMENTS RELATED TO SUBSTITUTE PAYMENTS.—Subsection (d) of section 6045 is amended—

(i) by striking ''at such time and'', and

(ii) by inserting after ''other item.'' the following new sentence: ''The written statement required under the preceding sentence shall be furnished on or before February 15 of the year following the calendar year during which such payment was made.''.

(C) OTHER STATEMENTS.—Subsection (b) of section 6045 is amended by adding at the end the following: ''In the case of a consolidated reporting statement (as defined in regulations) with respect to any account which includes the statement required by this subsection, any statement which would otherwise be required to be furnished on or before January 31 under section 6042(c), 6049(c)(2)(A), or 6050N(b) with respect to any item in such account shall instead be required to be furnished on or before February 15 if furnished as part of such consolidated reporting statement.''.

(b) DETERMINATION OF BASIS OF CERTAIN SECURITIES ON ACCOUNT BY ACCOUNT METHOD.—Section 1012 (relating to basis of property–cost) is amended—

(1) by striking ''The basis of property'' and inserting the following:

''(a) IN GENERAL.—The basis of property'',

(2) by striking ''The cost of real property'' and inserting the following:

''(b) SPECIAL RULE FOR APPORTIONED REAL ESTATE TAXES.—The cost of real property'', and

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

''(c) DETERMINATIONS BY ACCOUNT.—

''(1) IN GENERAL.—In the case of the sale, exchange, or other disposition of a specified security on or after the applicable date, the conventions prescribed by regulations under this section shall be applied on an account by account basis.

''(2) APPLICATION TO OPEN-END FUNDS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), any stock in an open-end fund acquired before January 1, 2009, shall be treated as a separate account from any such stock acquired on or after such date.

''(B) ELECTION BY OPEN-END FUND FOR TREATMENT AS SINGLE ACCOUNT.—If an open-end fund elects (at such time and in such form and manner as the Secretary may prescribe) to have this subparagraph apply with respect to one or more of its stockholders—

''(i) subparagraph (A) shall not apply with respect to any stock in such fund held by such stockholders, and

''(ii) all stock in such fund which is held by such stockholders shall be treated as covered securities described in section 6045(g)(3) without regard to the date of the acquisition of such stock.

''(3) DEFINITIONS.—For purposes of this section, the terms 'specified security', 'applicable date', and 'open-end fund' shall have the meaning given such terms in section 6045(g).''.

(c) INFORMATION BY TRANSFERORS TO AID BROKERS.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 is amended by inserting after section 6045 the following new section:

''SEC. 6045A. INFORMATION REQUIRED IN CONNECTION WITH TRANSFERS OF COVERED SECURITIES TO BROKERS.

''(a) FURNISHING OF INFORMATION.—Every applicable person which transfers to a broker (as defined in section 6045(c)(1)) a security which is a covered security (as defined in section 6045(g)(3)) in the hands of such applicable person shall furnish to such broker a written statement in such manner and setting forth such information as the Secretary may by regulations prescribe for purposes of enabling such broker to meet the requirements of section 6045(g).

''(b) APPLICABLE PERSON.—For purposes of subsection (a), the term 'applicable person' means—

''(1) any broker (as defined in section 6045(c)(1)), and

''(2) any other person as provided by the Secretary in regulations.

''(c) TIME FOR FURNISHING STATEMENT.—Any statement required by subsection (a) shall be furnished not later than the earlier of—

''(1) 45 days after the date of the transfer described in subsection (a), or

''(2) January 15 of the year following the calendar year during which such transfer occurred.''.

(2) ASSESSABLE PENALTIES.—Paragraph (2) of section 6724(d) (defining payee statement) is amended by redesignating subparagraphs (I) through (CC) as subparagraphs (J) through (DD), respectively, and by inserting after subparagraph (H) the following new subparagraph:

''(I) section 6045A (relating to information required in connection with transfers of covered securities to brokers).''.

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6045 the following new item:

''Sec. 6045A. Information required in connection with transfers of covered securities to brokers.''.

(d) ADDITIONAL ISSUER INFORMATION TO AID BROKERS.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986, as amended by subsection (b), is amended by inserting after section 6045A the following new section:

''SEC. 6045B. RETURNS RELATING TO ACTIONS AFFECTING BASIS OF SPECIFIED SECURITIES.

''(a) IN GENERAL.—According to the forms or regulations prescribed by the Secretary, any issuer of a specified security shall make a return setting forth—

''(1) a description of any organizational action which affects the basis of such specified security of such issuer,

''(2) the quantitative effect on the basis of such specified security resulting from such action, and

''(3) such other information as the Secretary may prescribe.

''(b) TIME FOR FILING RETURN.—Any return required by subsection (a) shall be filed not later than the earlier of—

''(1) 45 days after the date of the action described in subsection (a), or

''(2) January 31 of the year following the calendar year during which such action occurred.

''(c) STATEMENTS TO BE FURNISHED TO HOLDERS OF SPECIFIED SECURITIES OR THEIR NOMINEES.—According to the forms or regulations prescribed by the Secretary, every

person required to make a return under subsection (a) with respect to a specified security shall furnish to the nominee with respect to the specified security (or certificate holder if there is no nominee) a written statement showing—

''(1) the name, address, and phone number of the information contact of the person required to make such return,

''(2) the information required to be shown on such return with respect to such security, and

''(3) such other information as the Secretary may prescribe.

The written statement required under the preceding sentence shall be furnished to the holder on or before January 31 of the year following the calendar year during which the action described in subsection (a) occurred.

''(d) SPECIFIED SECURITY.—For purposes of this section, the term 'specified security' has the meaning given such term by section 6045(g)(3)(B). No return shall be required under this section with respect to actions described in subsection (a) with respect to a specified security which occur before the applicable date (as defined in section 6045(g)(3)(C) with respect to such security.

''(e) PUBLIC REPORTING IN LIEU OF RETURN.—The Secretary may waive the requirements under subsections (a) and (c) with respect to a specified security, if the person required to make the return under subsection (a) makes publicly available, in such form and manner as the Secretary determines necessary to carry out the purposes of this section—

''(1) the name, address, phone number, and email address of the information contact of such person, and

''(2) the information described in paragraphs (1), (2), and (3) of subsection (a).''.

(2) ASSESSABLE PENALTIES.—

(A) Subparagraph (B) of section 6724(d)(1) of such Code (defining information return) is amended by redesignating clauses (iv) through (xix) as clauses (v) through (xx), respectively, and by inserting after clause (iii) the following new clause:

''(iv) section 6045B(a) (relating to returns relating to actions affecting basis of specified securities),''.

(B) Paragraph (2) of section 6724(d) of such Code (defining payee statement), as amended by subsection (c)(2), is amended by redesignating subparagraphs (J) through (DD) as subparagraphs (K) through (EE), respectively, and by inserting after subparagraph (I) the following new subparagraph:

''(J) subsections (c) and (e) of section 6045B (relating to returns relating to actions affecting basis of specified securities).''.

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 of such Code, as amended by subsection (b)(3), is amended by inserting after the item relating to section 6045A the following new item:

''Sec. 6045B. Returns relating to actions affecting basis of specified securities.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2009.

SEC. 12923. MODIFICATION OF PENALTY FOR FAILURE TO FILE PARTNERSHIP RETURNS.

Section 6698 is amended by adding at the end the following new subsection:

''(e) MODIFICATIONS.—In the case of any return required to be filed after the date of the enactment of this subsection—

''(1) the dollar amount in effect under subsection (b)(1) shall be increased by $25, and

''(2) the limitation on the number of months taken into account under subsection (a) shall not be less than 12 months.''.

SEC. 12924. PENALTY FOR FAILURE TO FILE S CORPORATION RETURNS.

(a) IN GENERAL.—Part I of subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end the following new section:

''SEC. 6699A. FAILURE TO FILE S CORPORATION RETURN.

''(a) GENERAL RULE.—In addition to the penalty imposed by section 7203 (relating to willful failure to file return, supply information, or pay tax), if any S corporation required to file a return under section 6037 for any taxable year—

''(1) fails to file such return at the time prescribed therefor (determined with regard to any extension of time for filing), or

''(2) files a return which fails to show the information required under section 6037,

such S corporation shall be liable for a penalty determined under subsection (b) for each month (or fraction thereof) during which such failure continues (but not to exceed 12 months), unless it is shown that such failure is due to reasonable cause.

''(b) AMOUNT PER MONTH.—For purposes of subsection (a), the amount determined under this subsection for any month is the product of—

''(1) $25, multiplied by

''(2) the number of persons who were shareholders in the S corporation during any part of the taxable year.

''(c) ASSESSMENT OF PENALTY.—The penalty imposed by subsection (a) shall be assessed against the S corporation.

''(d) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).''.

(b) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 is amended by adding at the end the following new item:

''Sec. 6699A. Failure to file S corporation return.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns required to be filed after the date of the enactment of this Act.

SEC. 12925. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.

Subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking ''115 percent'' and inserting ''181 percent''.

SA 3643. Mr. CORNYN (for himself and Mr. GREGG) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1362, after line 19, insert the following:

SEC. ___. POINT OF ORDER AGAINST LEGISLATION THAT RAISES INCOME TAX RATES.

(a) IN GENERAL.—It shall not be in order in the Senate to consider any bill, resolution, amendment, amendment between Houses, motion, or conference report that includes a Federal income tax rate increase.

(b) FEDERAL INCOME TAX RATE DEFINED.—In this section, the term ''Federal income tax rate increase'' means any amendment to subsection (a), (b), (c), (d), or (e) of section 1, or to section 11(b) or 55(b), of the Internal Revenue Code of 1986, that imposes a new percentage as a rate of tax and thereby increases the amount of tax imposed by any such section.

(c) SUPERMAJORITY WAIVER AND APPEAL.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEAL.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

SA 3644. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 626, line 7, insert ''(including childhood obesity)'' after ''obesity''.

SA 3645. Mr. ENSIGN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 210, strike line 20 and all that follows through page 211, line 19, and insert the following:

''(1) PROGRAMS.—

''(A) COMMODITY PROGRAMS.—Notwithstanding any other provision of law, an individual or entity shall not be eligible to receive any benefit described in paragraph (2)(A) during a crop year if the average adjusted gross income of the individual or entity exceeds $200,000.

''(B) CONSERVATION PROGRAMS.—Not-

On page 212, lines 6 and 7, strike ''Subparagraphs (A) and (B) of paragraph (1)'' and insert ''Paragraph (1)(A)''.

On page 212, line 21, strike ''(1)(C)'' and inserting ''(1)(B)''.

SA 3646. Mr. INOUYE (for himself, Mr. ROBERTS, Mr. LOTT, Mr. LAUTENBERG, Mr. SMITH, and Mr. VITTER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 525, strike lines 1 through 4 and insert the following: ''Chapter 9 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2292)''.

SEC. 3014. PILOT PROGRAM FOR LOCAL PURCHASE.

Chapter 9 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2292 et seq.) is amended by adding at the end the following:

''SEC. 495L. PILOT PROGRAM FOR LOCAL PURCHASE OF ELIGIBLE COMMODITIES.

On page 525, between lines 5 and 6, insert the following:

''(1) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Agency for International Development.

On page 525, lines 6 and 7, strike ''Notwithstanding section 402(2), the term'' and insert ''The term''.

On page 525, line 17, insert ''of the Food for Peace Act'' after ''section 202(d)''.

On page 526, lines 4 through 6, strike ''Notwithstanding section 407(c)(1)(A), the Administrator, in consultation with the Secretary'' and insert ''The Administrator''.

On page 527, lines 5 and 6, strike ''Subject to subsections (a), (b), (f), and (h) of section 403, eligible commodities'' and insert ''Eligible commodities''.

On page 529, strike lines 10 through 12.

On page 534, strike lines 1 through 11 and insert the following:

''(k) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated up to $25,000,000 for each of the fiscal years 2008 through 2011 to carry out this section.

''(2) AVAILABILITY.—Any amounts appropriated pursuant to paragraph (1) shall remain available until expended.''.

SA 3647. Mr. FEINGOLD submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 563, between lines 15 and 16, insert the following:

SEC. 320___. REPORT ON THE IMPORTATION OF HIGH PROTEIN FOOD INGREDIENTS.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary and the Secretary of Health and Human Services (acting through the Commissioner of Food and Drugs), in consultation with the heads of other appropriate Federal agencies, shall jointly submit to Congress a report on imports of high protein food ingredients (including gluten, casein, and milk protein concentrate) into the United States during the 5-year period preceding the date of enactment of this Act.

(b) COMPONENTS.—The report required under subsection (a) shall include—

(1) a description of—

(A) the quantity of each high protein food ingredient imported into the United States; and

(B) the source of the high protein food ingredients being imported;

(2) an accounting of the percentage of imports in each category and subcategory of high protein food ingredients that were inspected, including whether the inspections were—

(A) basic or visual inspections; or

(B) more intensive inspections or laboratory analyses;

(3) an evaluation of—

(A) whether the laboratory tests conducted on high protein food ingredients were able to detect adulteration with other high nitrogen compounds, such as melamine; and

(B) if some of the laboratory tests were sensitive and others were not sensitive, the number and results for each sensitivity; and

(4) a survey of whether high protein food ingredients were imported for food uses or non-food uses, including an analysis of—

(A) whether the food uses were animal or human food uses; and

(B) whether any non-food or animal feed products could have entered the human food supply, including an analysis of any safeguards to prevent such products from entering the human food supply.

(c) AVAILABILITY.—As soon as practicable after the completion of the report under subsection (a), the Secretary and the Secretary of Health and Human Services shall make the report available to the public.

SA 3648. Mr. FEINGOLD (for himself and Mr. KOHL) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1208, between lines 10 and 11, insert the following:

SEC. 10004. DISCLOSURE OF COUNTRY OF HARVEST FOR GINSENG.

(a) IN GENERAL.—The Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

''Subtitle E—Ginseng

''SEC. 291. DISCLOSURE OF COUNTRY OF HARVEST.

''(a) DEFINITIONS.—In this section:

''(1) GINSENG.—The term 'ginseng' means a plant classified within the genus Panax.

''(2) RAW AGRICULTURAL COMMODITY.—The term 'raw agricultural commodity' has the meaning given the term in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

''(3) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

''(b) DISCLOSURE.—

''(1) IN GENERAL.—A person that offers ginseng for sale as a raw agricultural commodity shall disclose to a potential purchaser the country of harvest of the ginseng.

''(2) IMPORTATION.—A person that imports ginseng as a raw agricultural commodity into the United States shall disclose at the point of entry into the United States, in accordance with section 304 of the Tariff Act of 1930 (19 U.S.C. 1304), the country in which the ginseng was harvested.

''(c) MANNER OF DISCLOSURE.—

''(1) IN GENERAL.—The disclosure required by subsection (b) shall be provided to a potential purchaser by means of a label, stamp, mark, placard, or other easily legible and visible sign on the ginseng or on the package, display, holding unit, or bin containing the ginseng.

''(2) RETAILERS.—A retailer of ginseng as a raw agricultural commodity shall—

''(A) retain the means of disclosure provided under subsection (b); and

''(B) provide the received means of disclosure to a consumer of ginseng.

''(3) REGULATIONS.—The Secretary shall by regulation prescribe with specificity the manner in which disclosure shall be made in a transaction at the wholesale or retail level (including a transaction by mail, telephone, internet, or in retail stores).

''(d) FINES.—The Secretary may, after providing notice and an opportunity for a hearing before the Secretary, fine a person subject to subsection (b), or a person supplying ginseng to such a person, in an amount of not more than $1,000 for each violation if the Secretary determines that the person—

''(1) has not made a good faith effort to comply with subsection (b); and

''(2) continues to willfully violate subsection (b).

''(e) INFORMATION.—The Secretary shall make information available to wholesalers, importers, retailers, trade associations, and other interested persons concerning the requirements of this section (including regulations promulgated to carry out this section).''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section take effect on the date that is 180 days after the date of enactment of this Act.

SA 3649. Mr. KERRY (for himself, Mr. KENNEDY, Ms. SNOWE, Mr. GREGG, Mr. SUNUNU, Mr. REED, and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following new section:

SEC. ___. FISHERY FAILURE OF THE NORTHEAST GROUNDFISH.

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

(1) The Secretary of Commerce may provide fishery disaster assistance under section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(a)) if the Secretary determines that there is a commercial fishery failure due to a fishery resource disaster as a result of—

(A) natural causes;

(B) man-made causes beyond the control of fishery managers to mitigate through conservation and management measures, including regulatory restrictions imposed to protect human health or the marine environment; or

(C) undetermined causes.

(2) The Secretary of Commerce has not proposed or promulgated regulations to implement such section 312(a).

(3) During 2007, the Governors of each of the Commonwealth of Massachusetts, the State of Maine, and the State of Rhode Island requested that the Secretary of Commerce declare a commercial fishery failure for the groundfish fishery under such section 312(a) and the Governor of the State of New Hampshire has indicated his intention of submitting a similar request.

(4) Since 1996, the Secretary of Commerce has had regulations in place that require significant restrictions and reductions on the catch and days-at-sea of New England fishermen in the groundfish fishery.

(5) New England fishermen in the groundfish fishery have endured additional restrictions and reductions under Framework 42, which has resulted in many fishermen having just 24 days to fish during a season.

(6) Framework 42 and other Federal fishing restrictions have had a great impact on small-boat fishermen, many of whom cannot safely fish beyond the inshore areas. As of the date of the enactment of this Act, each day-at-sea a fisherman spends in an inshore area reduces that fisherman's number of available days-at-sea by 2 days.

(7) The Commonwealth of Massachusetts has provided information to the Secretary of Commerce demonstrating that—

(A) between 1994 and 2006, overall conditions of groundfish stocks have not improved and that spawning stock biomass is near record lows for most major groundfish stocks; and

(B) between 2005 and 2006, total Massachusetts commercial groundfish vessel revenues (landings) decreased by 18 percent and there was a loss for related industries and communities estimated at $22,000,000.

(8) The State of Maine has provided information to the Secretary of Commerce indicating that—

(A) since 1994, the impact of groundfish regulations has eliminated 50 percent of Maine's groundfish fleet, leaving just 110 active groundfish fishermen;

(B) between 1996 and 2006, there was a 58 percent decrease in groundfish landings in

Maine and a 45 percent decrease in groundfish revenue, from approximately $27,000,000 to $15,000,000; and

(C) between 2005 and 2006, groundfish revenues decreased 25 percent.

(9) The State of Rhode Island has provided information to the Secretary of Commerce indicating that—

(A) since 1994, there has been a 66 percent drop in Rhode Island's groundfish fishery landings; and

(B) between 1995 and 2007, groundfish revenue decreased 20 percent from approximately $7,500,000 to $6,000,000.

(10) The Secretary of Commerce rejected requests from Massachusetts, Maine, and Rhode Island to declare a commercial fishery failure prior to establishing any appropriate standard to implement section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act.

(11) For centuries, growth in New England's commercial fishing industry has been intertwined with the history and economic growth of the New England States and has created thousands of jobs in both fishing and fishing-related industries for generations of New England residents.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Commerce should—

(1) reconsider the October 22, 2007 decision to deny the requests of the Commonwealth of Massachusetts, the State of Maine, and the State of Rhode Island for a groundfish fishery failure declaration;

(2) look favorably upon the request of the State of New Hampshire for a groundfish fishery failure declaration; and

(3) immediately propose regulations to implement section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(a)).

SA 3650. Mrs. HUTCHISON submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1192, strike line 13 and insert the following:

"SEC. 9023. RENEWABLE ENERGY INITIATIVE.

''(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Energy, shall provide competitive grants to consortia of institutions of higher education to assist the consortia with the conduct of—

''(1) studies on, and the development of engineering designs for, the production of advanced biofuel, biobutanol, and biodiesel from regional bioresources;

''(2) studies to develop systems for the commercial production of biofuel feedstocks from rice, other crops, and other agriculture residue;

''(3) pilot plant demonstration projects for advanced biofuel production and biodiesel production;

''(4) research on biofuel distribution systems; and

''(5) educational activities relating to renewable energy science and technology.

''(b) PROVISION OF GRANTS.—

''(1) APPLICATIONS.—The Secretary shall solicit from individual institutions of higher education and consortia of institutions of higher education applications for projects eligible for grants under this section.

''(2) PRIORITY.—In providing grants under this section, the Secretary shall give priority to individual institutions of higher education and consortia of institutions of higher education that have—

''(A) resources for, and expertise in, renewable energy research and production;

''(B) significant experience in working with agricultural producers;

''(C) access to land and biofeedstocks;

''(D) the ability to study methods for reducing lifecycle greenhouse gas emissions;

''(E) demonstrated a willingness to contribute significant in-kind resources; and

''(F) engineering and research knowledge and experience relating to biofuels or the production of inputs for biofuel production.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012, to remain available until expended.

"SEC. 9024. FUTURE FARMSTEADS PROGRAM.

SA 3651. Mr. CORKER (for himself and Mr. ALEXANDER) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 1500, between lines 10 and 11, insert the following:

PART V—COMPETITIVE CERTIFICATION AWARDS

SEC. 12701. COMPETITIVE CERTIFICATION AWARDS MODIFICATION AUTHORITY.

(a) IN GENERAL.—Section 48A (relating to qualifying advanced coal project credit) is amended by adding at the end the following new subsection:

''(h) COMPETITIVE CERTIFICATION AWARDS MODIFICATION AUTHORITY.—In implementing this section or section 48B, the Secretary is directed to modify the terms of any competitive certification award and any associated closing agreement where such modification—

''(1) is consistent with the objectives of such section, and

''(2) is requested by the recipient of the competitive certification award,

unless the Secretary determines that the dollar amount of tax credits available to the taxpayer under such section would increase, or that the net public benefits associated with the original application would be reduced, as a result of the modification. In considering any such modification, the Secretary shall consult with other relevant Federal agencies, including the Department of Energy.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act and is applicable to all competitive certification awards entered into under section 48A or 48B of the Internal Revenue Code of 1986, whether such awards were issued before, on, or after such date of enactment.

SA 3652. Mr. LAUTENBERG (for himself, Mrs. DOLE, and Mr. SMITH) submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 692, between lines 17 and 18, insert the following:

SEC. 49___. FOOD EMPLOYMENT EMPOWERMENT AND DEVELOPMENT PROGRAM.

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term ''eligible entity'' means an entity that meets the requirements of subsection (b)(2).

(2) VULNERABLE SUBPOPULATION.—

(A) IN GENERAL.—The term ''vulnerable subpopulation'' means low-income individuals, unemployed individuals, and other subpopulations identified by the Secretary as being likely to experience special risks from hunger or a special need for job training.

(B) INCLUSIONS.—The term ''vulnerable subpopulation'' includes—

(i) addicts (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

(ii) at-risk youths (as defined in section 1432 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6472));

(iii) individuals that are basic skills deficient (as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801));

(iv) homeless individuals (as defined in section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b));

(v) homeless youths (as defined in section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a));

(vi) individuals with disabilities (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102));

(vii) low-income individuals (as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)); and

(viii) older individuals (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)).

(b) FOOD EMPLOYMENT EMPOWERMENT AND DEVELOPMENT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary shall establish a food employment empowerment and development program under which the Secretary shall make grants to eligible entities to encourage the effective use of community resources to combat hunger and the root causes of hunger by creating opportunity through food recovery and job training.

(2) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall be a public agency, or private nonprofit institution, that conducts, or will conduct, 2 or more of the following activities as an integral part of the normal operation of the entity:

(A) Recovery of donated food from area restaurants, caterers, hotels, cafeterias, farms, or other food service businesses.

(B) Distribution of meals or recovered food to—

(i) nonprofit organizations described in section 501(c)(3) of the Internal Revenue Code of 1986;

(ii) entities that feed vulnerable subpopulations; and

(iii) other agencies considered appropriate by the Secretary.

(C) Training of unemployed and underemployed adults for careers in the food service industry.

(D) Carrying out of a welfare-to-work job training program in combination with—

(i) production of school meals, such as school meals served under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); or

(ii) support for after-school programs, such as programs conducted by community learning centers (as defined in section 4201(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7171(b))).

(3) USE OF FUNDS.—An eligible entity may use a grant awarded under this section for—

(A) capital investments related to the operation of the eligible entity;

(B) support services for clients, including staff, of the eligible entity and individuals enrolled in job training programs;

(C) purchase of equipment and supplies related to the operation of the eligible entity or that improve or directly affect service delivery;

(D) building and kitchen renovations that improve or directly affect service delivery;

(E) educational material and services;

(F) administrative costs, in accordance with guidelines established by the Secretary; and

(G) additional activities determined appropriate by the Secretary.

(4) PREFERENCES.—In awarding grants under this section, the Secretary shall give preference to eligible entities that perform, or will perform, any of the following activities:

(A) Carrying out food recovery programs that are integrated with—

(i) culinary worker training programs, such as programs conducted by a food service management institute under section 21 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b–1);

(ii) school education programs; or

(iii) programs of service-learning (as defined in section 101 of the National and Community Service Act of 1990 (42 U.S.C. 12511)).

(B) Providing job skills training, life skills training, and case management support to vulnerable subpopulations.

(C) Integrating recovery and distribution of food with a job training program.

(D) Maximizing the use of an established school, community, or private food service facility or resource in meal preparation and culinary skills training.

(E) Providing job skills training, life skills training, and case management support to vulnerable subpopulations.

(5) ELIGIBILITY FOR JOB TRAINING.—To be eligible to receive job training assistance from an eligible entity using a grant made available under this section, an individual shall be a member of a vulnerable subpopulation.

(6) PERFORMANCE INDICATORS.—The Secretary shall establish, for each year of the program, performance indicators and expected levels of performance for meal and food distribution and job training for eligible entities to continue to receive and use grants under this section.

(7) TECHNICAL ASSISTANCE.—

(A) IN GENERAL.—The Secretary shall provide technical assistance to eligible entities that receive grants under this section to assist the eligible entities in carrying out programs under this section using the grants.

(B) FORM.—Technical assistance for a program provided under this paragraph includes—

(i) maintenance of a website, newsletters, email communications, and other tools to promote shared communications, expertise, and best practices;

(ii) hosting of an annual meeting or other forums to provide education and outreach to all programs participants;

(iii) collection of data for each program to ensure that the performance indicators and purposes of the program are met or exceeded;

(iv) intervention (if necessary) to assist an eligible entity to carry out the program in a manner that meets or exceeds the performance indicators and purposes of the program;

(v) consultation and assistance to an eligible entity to assist the eligible entity in providing the best services practicable to the community served by the eligible entity, including consultation and assistance related to—

(I) strategic plans;

(II) board development;

(III) fund development;

(IV) mission development; and

(V) other activities considered appropriate by the Secretary;

(vi) assistance considered appropriate by the Secretary regarding—

(I) the status of program participants;

(II) the demographic characteristics of program participants that affect program services;

(III) any new idea that could be integrated into the program; and

(IV) the review of grant proposals; and

(vii) any other forms of technical assistance the Secretary considers appropriate.

(8) RELATIONSHIP TO OTHER LAW.—

(A) BILL EMERSON GOOD SAMARITAN FOOD DONATION ACT.—An action taken by an eligible entity using a grant provided under this section shall be covered by the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791).

(B) FOOD HANDLING GUIDELINES.—In using a grant provided under this section, an eligible entity shall comply with any applicable food handling guideline established by a State or local authority.

(C) INSPECTIONS.—An eligible entity using a grant provided under this section shall be exempt from inspection under sections 303.1(d)(2)(iii) and 381.10(d)(2)(iii) of volume 9, Code of Federal Regulations (or a successor regulation), if the eligible entity—

(i) has a hazard analysis and critical control point (HACCP) plan;

(ii) has a sanitation standard operating procedure (SSOP); and

(iii) otherwise complies with the Federal Meat Inspection Act (21 U.S.C. 601 et seq.) and the Poultry Products Inspection Act (21 U.S.C. 451 et seq.).

(9) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided to an eligible entity for a fiscal year under this section shall not exceed $200,000.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

(2) TECHNICAL ASSISTANCE.—Of the amount of funds that are made available for a fiscal year under paragraph (1), the Secretary shall use to provide technical assistance under subsection (b)(7) not more than the greater of—

(A) 5 percent of the amount of funds that are made available for the fiscal year under paragraph (1); or

(B) $1,000,000.

SA 3653. Mr. COBURN submitted an amendment intended to be proposed to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; which was ordered to lie on the table; as follows:

On page 266, between lines 10 and 11, insert the following:

SEC. 19___. ELIGIBILITY FOR DEPARTMENT PROGRAMS.

(a) IN GENERAL.—Section 508(b)(7) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(7)) is amended by striking subparagraph (A) and inserting the following:

''(A) IN GENERAL.—

''(i) REQUIREMENT TO PURCHASE CROP INSURANCE.—Effective for the spring-planted 2008 and subsequent crops (and fall-planted 2008 crops at the option of the Secretary), to be eligible for any benefit listed in clause (ii), a person shall obtain additional coverage under subsection (c), if available, for each crop of economic significance that—

''(I) covers at least 55 percent of loss in yield, on an individual or area yield basis, and that indemnifies at 100 percent of the expected market price; or

''(II) provides a level of coverage that is comparable to the coverage described in subclause (I), as determined by the Secretary.

''(ii) COVERED BENEFITS.—Benefits referred to in clause (i) are any type of price support, payment, loan, or other benefit, as determined by the Secretary—

''(I) described in section 371(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008f(b)); or

''(II) authorized under—

''(aa) title XII of the Food Security Act of 1985 (16 U.S.C. 3801 et seq.);

''(bb) title I of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7901 et seq.);

''(cc) title I of the Food and Energy Security Act of 2007;

''(dd) the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.);

''(ee) any law providing agricultural disaster assistance; or

''(ff) any other similar Act administered by the Secretary, as determined by the Secretary.''.

(b)PAYMENT OF PORTION OF PREMIUM BY CORPORATION.—Section 508(e)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(2)) is amended—

(1) in subparagraph (B)(i), by striking ''67 percent'' and inserting ''62 percent'';

(2) in subparagraph (C)(i), by striking ''64 percent'' and inserting ''59 percent'';

(3) in subparagraph (D)(i), by striking ''59 percent'' and inserting ''54 percent'';

(4) in subparagraph (E)(i), by striking ''55 percent'' and inserting ''53 percent'';

(5) in subparagraph (F)(i), by striking ''48 percent'' and inserting ''46 percent''; and

(6) in subparagraph (G)(i), by striking ''38 percent'' and inserting ''36 percent''.

(c) CONFORMING AMENDMENT.—Section 371(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008f(a)) is amended by striking ''at least catastrophic'' and all that follows through the end of the subsection and inserting ''insurance coverage pursuant to section 508(b)(7) of the Federal Crop Insurance Act (7 U.S.C.1508(b)(7)).''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. AKAKA. 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 Tuesday, November 13, 2007, at 2:30 p.m., in room 253 of the Russell Senate Office Building, in order to conduct a hearing.

At this hearing, the Committee will examine the accuracy of the Federal Trade Commission's tar and nicotine cigarette rating system and the marketing claims of cigarette companies based on these ratings.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. AKAKA. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, November 13, 2007, at 2:30 p.m., in room

SD–366 of the Dirksen Senate Office Building, in order to conduct a hearing entitled ''The Surface Mining Control and Reclamation Act of 1977: Policy Issues Thirty Years Later.''

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. AKAKA. 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 Tuesday, November 13, 2007, at 11 a.m. in room 406 of the Dirksen Senate Office Building in order to conduct a hearing entitled, ''Legislative Hearing on America's Climate Security Act of 2007, S. 2191.''

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

COMMITTEE ON FOREIGN RELATIONS

Mr. AKAKA. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, November 13, 2007, at 2:30 p.m. in order to conduct a hearing on climate change.

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

COMMITTEE ON THE JUDICIARY

Mr. AKAKA. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet, during the session of the Senate, in order to conduct a hearing entitled ''Exploring the Scope of Public Performance Rights'' on Tuesday, November 13, 2007. The hearing will commence at 9:30 a.m. in room 226 of the Dirksen Senate Office Building.

Witness list:

Lyle Lovett, Singer/Songwriter, Nashville, TN; Alice Peacock, Singer/Songwriter, Chicago, IL; Steven W. Newberry, President and CEO, Commonwealth Broadcasting Corporation, Glasgow, KY; and Dan DeVany, Vice President and General Manager, WETA, Arlington, VA.

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

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Mr. AKAKA. Mr. President, I ask unanimous consent that the Committee on Small Business and Entrepreneurship be authorized to meet during the session of the Senate in order to conduct a hearing entitled ''SBA Lender Oversight: Preventing Loan Fraud and Improving Regulation of Lenders,'' on Tuesday, November 13, 2007, beginning at 10 a.m., in room 428A of the Russell Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. AKAKA. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on November 13, 2007, at 2:30 p.m. in order to conduct an open hearing on Congressional oversight.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. AKAKA. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia be authorized to meet during the session of the Senate on Tuesday, November 13, 2007, at 10 a.m. in order to conduct a hearing entitled, ''Human Capital Needs of the U.S. Customs and Border Protection 'One Face at the Border' Initiative.''

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

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Karla Bromwell of my staff be granted floor privileges for the duration of today's session.

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

Mr. HARKIN. Mr. President, I ask unanimous consent that Virginia Murphy, who is on detail from the Department of Agriculture to the office of Senator FEINSTEIN, be granted the privileges of the floor for the duration of debate and any vote on H.R. 2419.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 335, the nomination of Henrietta Fore to be Administrator of the United States Agency for International Development; that the nomination be confirmed, the motion to reconsider be laid on the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nomination considered and confirmed is as follows:

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Henrietta Holsman Fore, of Nevada, to be Administrator of the United States Agency for International Development.

Mr. REID. Mr. President, the nomination of Henrietta Fore was a little controversial, but it worked out just fine. This good Nevadan will have a good job. She will do her best. I am confident it will be one that the country will be pleased with.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

RECOGNIZING AND CELEBRATING THE CENTENNIAL OF OKLAHOMA STATEHOOD

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 377.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 377) recognizing and celebrating the centennial of Oklahoma statehood.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 377) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 377

Whereas, on November 16, 1907, Oklahoma officially became the 46th State of the Union;

Whereas the State of Oklahoma is known as the Sooner State;

Whereas the State of Oklahoma has become a national leader in agriculture, natural resource industries, technology, and manufacturing;

Whereas the people of Oklahoma have harvested the natural abundance of the State to produce a wealth which has enabled the building of cities, educational institutions, an unhurried pace of life, and a rich culture, while maintaining the pristine ecology;

Whereas the beautiful mountains, rivers, lakes, trees, plains, and fields of the State of Oklahoma are appreciated and preserved, and the quality of life is unsurpassed; and

Whereas, on November 16, 2007, the State of Oklahoma will begin a new century of statehood: Now, therefore, be it

Resolved, That the Senate recognizes and celebrates the centennial of Oklahoma statehood.

MEASURES READ THE FIRST TIME—S. 2334, S. 2340, S. 2346, S. 2348, AND H.R. 3996, EN BLOC

Mr. REID. Mr. President, I understand there are five bills at the desk and I ask for their first reading en bloc.

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

The legislative clerk read as follows:

A bill (S. 2334) to withhold 10 percent of the Federal funding apportioned for highway construction and maintenance from States that issue driver's licenses to individuals without verifying the legal status of such individual.

A bill (S. 2340) making emergency supplemental appropriations for the Department of Defense for the fiscal year ending September 30, 2008, and for other purposes.

A bill (S. 2346) to temporarily increase the portfolio caps applicable to Freddie Mac and Fannie Mae, to provide the necessary financing to curb foreclosures by facilitating the refinancing of at-risk subprime borrowers into safe, affordable loans, and for other purposes.

A bill (S. 2348) to ensure control over the United States border and to strengthen enforcement of the immigration laws.

A bill (H.R. 3996) to amend the Internal Revenue Code of 1986 to extend certain expiring provisions and for other purposes.

Mr. REID. Mr. President, I ask for their second reading en bloc, but I object to my own request en bloc.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

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

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

FARM, NUTRITION, AND BIOENERGY ACT

Mr. CHAMBLISS. Mr. President, we have been working very diligently on both sides of the aisle today to put together a list of amendments we could agree with each other would be the maximum number and substance of amendments that would be offered on the farm bill. Senator REID, Senator MCCONNELL, Senator HARKIN, Senator CONRAD, and myself have all been engaged in different conversations today about these amendments. At the end of the day, the lists we have come up with are very long on both sides. I think the total number exceeds 275.

As we all know, on bills of this magnitude, an overwhelming number of those amendments will ultimately disappear. We will dispose of them by either bringing them to the floor by accepting them or by the authors and proponents of those amendments agreeing at the end of the day that they simply don't want to do anything other than talk about their amendments.

We are not able to enter into a unanimous consent agreement on this right now. I understand the leadership is going to wait until in the morning to do that. But by starting first thing in the morning, I think we do have the opportunity to move through a significant number of these amendments, and I encourage the proponents of the amendments on both sides of the aisle to think seriously about whether you want to see a farm bill completed, and if you do, then come down, agree to a minimal amount of time we can use for debate and discussion on the amendments, and let's move through these amendments with as much haste as we possibly can.

I do regret that—we are here ready to agree to a unanimous consent that this will be the complete list and we will begin working and we look forward to being here tomorrow in that same frame of mind, to agree to the list of amendments as proposed on both sides of the aisle. We are not happy with some of their amendments and I understand they are not happy with some of the amendments coming from this side. Again, that is the way this body has always worked, and I hope in the morning we are ready to proceed and we can move toward debate, discussion, and voting on these various amendments, and that we can conclude this as soon as possible, whether that is before we leave this week—it may be impossible—but in any event, we will begin work on it tomorrow.

Mr. REID. Mr. President, while my friend is on the floor and my friend from South Dakota is on the floor, through the Chair to my friend from Georgia, looking at these two lists kind of puts a smile on your face, because it is quite a list. There is a multitude of tax issues and a lot of things totally not relevant to this farm bill.

But I would say through the Chair to my friend that I am going to take a look at this—I have had some good meetings with my staff and Senator HARKIN today—and make a decision about what we should do on this tomorrow. But the question I have of my friend from Georgia is how long do we have to work on this, work our way through these amendments? There are about 280 or 290 amendments. I sit here today and I say again, I have no doubt that the vast majority of the Democrats—with a significant majority of Democrats, with a handful of help from the Republicans, cloture would be invoked on this bill.

So I say to my friend, how long do you think we should play around with all of these amendments? Is there a magic number we need to have votes on some of them? When should I file cloture? If farm State Senators and if other Senators want a farm bill, time is wasting. We have a few more days left in this work period before Thanksgiving, and when we come back after Thanksgiving we have a very short 3 weeks to get all of the Federal Government's work done that has to be done before the calendar year ends. So I don't expect my friend to answer the question without talking to my counterpart on the other side, but I want him to think about how much longer do we do this little gesture we are going through here? We have wasted a lot of time. The question the Republicans have to make a decision on is do they want a farm bill? We want one. We want a farm bill. We will take the bill that came out of committee—the vast majority of us—but we know there are some amendments we need to do. I think it is important we do the Dorgan amendment. I think it is important we do the Lugar amendment. I do think the substitute and the payment limits are something we need to do, but I don't know how much more of this we should be concerned about.

I will have some meetings in the morning and we will report back to the ranking member of this very important committee.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Mr. President, I say to the majority leader I appreciate his comments. Obviously, I don't have the answer to the question as to how long we should consider the amendments before we file cloture. That is a decision for the majority leader to make on his own, hopefully in consultation with the leadership on this side. But what I would say is we started this process last week. There were procedural issues that had to be resolved last week. We sat around for a couple of days without being able to bring up amendments. Here we are again. We have sat around today, again, without having the opportunity to bring them up. After having served 8 years in the House, I have an appreciation of the Senate as I have never had before. It is a deliberative body that our forefathers decided it should be, and I have seen no better example of that deliberation than I have on this particular bill.

That being said, we won't know when it is the right time to file cloture until we begin the work, and if we begin the work on this tomorrow, I know from our side of the aisle—and I will make the commitment—we will move these amendments as quickly as possible. There is the great likelihood that a number of these amendments won't be called up, but we won't know until we get into the process.

My farmers and ranchers want a farm bill. They like the one we have, but this bill, in my opinion, improves ag policy for the next 5 years. If we should not be able to get a farm bill, then an extension of the current farm bill is one of the options that is out there.

I have said all along that I think we could improve that product and this farm bill does that. So I hope we can come here in the morning with the idea that we are going to take up these amendments and we will take the Grassley and Dorgan amendment as the first one. That is on payment limits. I am opposed to the amendment and I will have a lot to say about it during the debate, but we are ready to talk about it and we are ready to begin the process. I hope that with all of the counsel available to the majority leader, he will be prepared with us to begin the debate and vote on these amendments in the morning.

ORDER FOR STAR PRINT—S. 589

Mr. REID. Mr. President, I ask unanimous consent that Calendar No. 474, S. 589, be star printed with the changes at the desk.

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

Mr. REID. Mr. President, I say to my friend, I am going to close the Senate. Does he want to say something?

Mr. THUNE. No, Mr. President.

ORDERS FOR WEDNESDAY, NOVEMBER 14, 2007

Mr. REID. Mr. President, I ask unanimous consent that the when the Senate completes its business today, it stand adjourned until 9:30 a.m. tomorrow, Wednesday, November 14; that on Wednesday, following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day; that there then be a period of morning business for 60 minutes, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled, with the majority controlling the first half, and the Republicans controlling the final half; that at the close of morning business, the Senate resume consideration of H.R. 2419, the farm bill.

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

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business, I now ask unanimous consent that the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 8:01 p.m., adjourned until Wednesday, November 14, 2007, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate Tuesday, November 13, 2007:

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

HENRIETTA HOLSMAN FORE, OF NEVADA, TO BE ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

ROBERT M. DOW, JR., OF ILLINOIS, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS.