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Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable JEFF MERKLEY, a Senator from the State of Oregon.

PRAYER

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

Let us pray.

Eternal Lord God, we thank You for the beauty of our world. We are grateful for the dawn of the morning, for the stars in the night sky, for the gifts of love and friendship, for the sublime splendor of the sacred, and for every radiant hope that inspires us to persevere.

Today, help the Members of this body to live worthily of Your grace, rising above worry, fear, and contention. May they see the best that glimmers through the worst, aware that You continually work for the good of those who love You. If there are any broken relationships with others that need healing, we ask for Your reconciling power. Throughout this day, may our lawmakers submit the work of this Senate to You and seek Your guidance.

We pray in Your merciful Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JEFF MERKLEY 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, March 5, 2010.

To the Senate:

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

ROBERT C. BYRD,
President pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will resume consideration of the tax extenders bill. There will be no rollcall votes today. The next vote will be Tuesday morning.

LEGISLATIVE PROGRESS

Mr. REID. Mr. President, we had a good, hard week working on this legislation dealing with the tax extenders, expiring provisions—COBRA, unemployment compensation, FMAP. So those watching don't think it is some kind of coded message, these are very important provisions. The tax extenders are measures that come at the end of the year. Many of them should be extended for much longer than a year, but we are in a mode now of paying for things, and as a result, we don't have the money to do it for more than a year.

The expiring provisions are very important issues. They deal with satellite TV, which is important to about 1.5 million people in America. Many in the rural West depend on this.

Unemployment compensation—today is a big day in America. Only 36,000 people lost their jobs today, which is really good. The unemployment rate around America has not changed. The prognosticators thought it would go up. It has not. So we need to extend it. There are about 15 million people in America out of work. These extended unemployment benefits will help millions of those people. We were fortunate enough earlier this week to get a 30-day extension, so that when we finish this legislation—we should finish it hopefully on Tuesday—we can go to conference with the House and quickly work out our differences.

In addition to that, we talked about COBRA. That is a provision that allows people who are unemployed to buy, at a decent rate, health insurance.

There have been some amendments offered to this legislation which will really improve it as we send it to the House. One of the provisions is very important. I met with 12 Governors a few days ago. Every one of them wants us to pass something called FMAP, which is money States get from the Federal Government to help them with their Medicaid programs. Many of the standards they have for Medicaid we set back here, so it is only appropriate that we help them with the money that is so important to those States, especially in these trying times. These Governors handed me a letter signed by 48 Governors asking that we extend FMAP. And we would do that. Unemployment compensation and COBRA are for 1 year. FMAP would be for 6 months. It is fungible money. They can use it for things other than Medicaid. We are working to get that done. I hope we can get it done.

We have had a good debate this week. We hope to be able to end this Tuesday. Later today, I will file cloture on the bill. People have had time to offer all the amendments they want. Some amendments, we haven't been able to vote, and there won't be votes on those.

Rather than have individual cloture on various amendments—we simply don't have time for that—I am going to file cloture on the bill. Those amendments on which we are having trouble getting votes will likely fall, as they are not germane to the subject matter at hand.

JOB CREATION

Mr. REID. Mr. President, I wish to talk a little bit about the House of Representatives yesterday passing our jobs bill. That was very important. We had a bipartisan jobs bill here. They have already sent us a message. We can work on that. Even though there may be people objecting to it, we can do that with one cloture vote. We will do that and interrupt the work we are doing when that message gets here. It is important because even though we have a short-term extension of the highway bill, this would extend it for 1 year, saving 1 million jobs. It is very important.

Build America Bonds—the Governors I met with, as I mentioned, a few days ago also really love our Build America Bonds, which is part of the American Recovery Act. The money is gone there. We are going to replenish that. This is important to Governors and local officials because it has done great things for creating jobs.

We also have a provision to allow people to be hired by employers if they are out of work for 60 days. They hire them for 30 hours a week. They do not have to pay their FICA tax, and at the end of the year they get a $1,000 tax credit. This is going to create thousands and thousands of jobs across America.

One of the reasons I wanted to mention this specifically, the House voted this bill out yesterday. Virtually every Republican in the House voted against it.

I heard interviews on National Public Radio this morning. One Republican Congressman said this bill was so bad because we need small businesses to be able to write off purchases they make. I suggest to the man—whose name I know, but I will not try to embarrass him here—that he read the bill because if he read the bill he would understand that is one of the paramount provisions we have in this legislation. If a small business purchases something, they don't have to depreciate it. They can write it off up to $250,000. That is terrific.

I had a telephonic conference call late last week explaining it to them. I had quite a few small businesses on the telephone. They love this. They are waiting to buy things. As soon as this is signed into law, they will run out that day and buy stuff. They need stuff. This will give them an incentive to do so.

I suggest to the person, who I guess rushed to the microphones to talk about how bad the bill was, that he should try reading it first. Maybe if he did that, he wouldn't be making a fool of himself across America by talking about small businesses being able to write things off, when that is really in the bill.

UPCOMING BUSINESS

Mr. REID. Mr. President, when we finish this legislation, we hope to move to the Federal Aviation Administration legislation. We have had all over Capitol Hill—I am sure the Presiding Officer has had people from Oregon visit with him—people who run airports. They want this FAA bill so very much. Why? Because you would have to search hard for an airport in America that doesn't already have the design plans ready to do work on that airport. As soon as we pass this FAA bill, there will be lots of jobs. The first year, they estimate that as many as 150,000 jobs will come from our passing this legislation. There are runways that need to be resurfaced. There are all kinds of terminals that need to be built and refurbished. They are waiting to do this. More importantly, it will make American air travel much safer. I won't go into a lot of detail here, but most countries now use global positioning systems to determine where their aircraft are. It is modern. That is the way it is. Not in America. We are still using World War II radar. This legislation is very important. We are going to try to get to that very quickly.

We are going to do the jobs message from the House. We are going to do small business.

I had a long conversation with the distinguished Senator from Maine, Ms. SNOWE, who used to be chairman of the Small Business Committee and now is ranking member. We talked at some length. She is anxious, as we are, to move to this legislation. As I told her, don't think you are alone on this. I get calls from the White House several times a week about moving forward on another small business jobs package other than the one I just discussed.

We have a lot of work to do. We are trying to work out our differences with the House on the health care bill. We will be able to do that. There will be a decision made shortly as to how we will proceed on that.

I look forward to the week. It is a heavy schedule legislatively, but I think we are ready to do that. With all these important matters, it is very important that we return here next week with the anticipation that we will do some work to help America.

I say to my friends on the other side of the aisle, it appears we are breaking through and getting more done on a bipartisan basis. I certainly hope that is the case. Simply saying no, as has happened the last year and a half, has accomplished nothing for the country.

RESERVATION OF LEADER TIME

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

TAX EXTENDERS ACT OF 2009

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 4213, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4213) to amend the Internal Revenue Code of 1986 to extend certain expiring provision, and for other purposes.

Pending:

Baucus amendment No. 3336, in the nature of a substitute.

Landrieu modified amendment No. 3335 (to amendment No. 3336) to amend the Internal Revenue Code of 1986 to extend for 2 years the low-income housing credit rules for buildings in GO Zones, and for other purposes.

Reid (for Murray) modified amendment No. 3356 (to amendment No. 3336) to extend the TANF Emergency Fund through fiscal year 2011 and to provide funding for summer employment for youth.

Coburn amendment No. 3358 (to amendment No. 3336) to require the Senate to be transparent with taxpayers about spending.

Baucus (for Webb/Boxer) amendment No. 3342 (to amendment No. 3336) to amend the Internal Revenue Code of 1986 to impose an excise tax on excessive 2009 bonuses received from certain major recipients of Federal emergency economic assistance, to limit the deduction allowable for such bonuses.

Feingold/Coburn amendment No. 3368 (to amendment No. 3336) to provide for the rescission of unused transportation earmarks and to establish a general reporting requirement for any unused earmarks.

Reid amendment No. 3417 (to amendment No. 3336) to temporarily modify the allocation of geothermal receipts.

McCain/Graham amendment No. 3427 (to amendment No. 3336) to prohibit the use of reconciliation to consider changes in Medicare.

Lincoln amendment No. 3401 (to amendment No. 3336) to improve a provision relating to emergency disaster assistance.

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

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

The assistant legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. 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. BAUCUS. Mr. President, we are now on our fifth day of consideration of this important legislation to create jobs and extend vital safety net and tax provisions.

As a reminder, this legislation would prevent millions of Americans from falling through the safety net. It would put cash into the hands of Americans who would spend it quickly, boosting economic demand. It would extend critical programs and tax incentives that create jobs.

We had another productive day on the bill yesterday. We conducted three rollcall votes on amendments. We adopted four amendments. As I count it, there are nine amendments pending.

Those amendments are the underlying substitute amendment, Senator LANDRIEU's amendment on the Go-Zones, Senator MURRAY's amendment on summer employment for youth, Senator COBURN's amendment on transparency, Senator WEBB's amendment on executive bonuses, a Feingold-Coburn amendment to rescind unused transportation earmarks, an amendment by Senator REID of Nevada on geothermal receipts, a McCain amendment on the use of budget reconciliation, and a Lincoln amendment on emergency disaster assistance.

A piece of legislation such as this is like a long-distance run. It starts out with a lot of energy and a lot of activity. After a while it reaches its stride, plateaus, and moderates its pace. But then the pace picks up again near the finish; that is, if we have much energy left.

For this bill, most of the activity is behind us. This bill reached its stride. We see the finish line ahead on Tuesday or so, and we expect a final push then.

We will work today to clear as many of the pending amendments as we can. If Senators have other noncontroversial amendments, we are happy to try to clear those today as well. The Senate will conduct no rollcall votes today.

The majority leader indicated that we would see a cloture vote on this bill on Tuesday, and we hope to conclude action on this bill on Tuesday as well.

I thank all Senators for their cooperation.

Mr. President, I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. 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. NELSON of Florida. Mr. President, I had hoped to call up an amendment I have. Of course, I would have had to have gotten unanimous consent to set aside the pending amendment in order to do that. It is my understanding that we will attempt to do that parliamentary procedure at a later time.

What I would like to do at this point is explain the amendment I will be offering. May I proceed?

The ACTING PRESIDENT pro tempore. The Senator may.

Mr. NELSON of Florida. Mr. President, this is an amendment to restore some sanity and common sense to the executive pay practices that have outraged all of us that we have seen on Wall Street among the biggest financial institutions in this country. It is very simple and straightforward.

It encourages large banks and financial institutions to adopt widely accepted and sound compensation practices. Banks, under this amendment, that would fail to adopt those standards would lose the benefit of certain tax deductions, such as the tax deduction of their executive compensation as a cost of doing business over $1 million per executive. In other words, they could no longer deduct the large compensation payments they make to highly paid employees. But we do not limit it to $1 million compensation. The bank could pay whatever it wanted. We are just going to get some commonsense practices in here.

With the status of financial reform legislation uncertain, I believe we are going to have to deal with this issue immediately because of the angst in the country. I think all of us have read with astonishment the recent reports that Wall Street banks continue to pay outlandish bonuses to the executives who may not be so deserving. Then, just to add insult to injury to the American taxpayer, many of those institutions are still living on taxpayer-funded life support.

In most business professions, pay for executives should chase performance. Managers and executives are rewarded for creating lasting value to their companies. Unsuccessful managers and executives are shown the door. But these basic commonsense principles have been lost in these major Wall Street financial institutions that we have seen uncovered over the last several months.

This year, total Wall Street bonuses exceeded $20 billion. In less than a year and a half after the fall of Lehman Brothers, it is back to business as usual for some of our major banks, and that is inexcusable. We have been here before. We had this same debate last spring. Remember when AIG paid absurd bonuses to financial traders who had managed one major accomplishment? And what was that accomplishment? They drove their company into the ground.

Although we talked and talked on the floor of the Senate and legislation was introduced, Congress failed to act back then, a year ago. And here we are again. There is an old saying that comes to mind: Fool me once, shame on you. Fool me twice, shame on me.

If we are going to right this financial ship of state, we are going to have to tackle all of the flaws in our financial system, and that includes executive pay, and executive pay specifically on Wall Street.

There is now almost unanimous recognition that poorly crafted executive pay practices at major banks and financial institutions contributed to the near collapse of the financial system and the need that we had to step up to that almost caused financial meltdown, the need of a $700 billion taxpayer-funded bailout called TARP, Toxic Assets Relief Program.

Think: Just last week the general counsel of the Federal Reserve Board of Governors testified that the compensation practices in the banking sector were a contributing cause to the crisis. In January, the Federal Deposit Insurance Corporation, FDIC, found that ''excessive and imprudent risk taking remains a contributing factor in the financial institution failures and losses to the Deposit Insurance Fund.''

The FDIC attributes these continuing failures and losses in part to bank compensation practices. Current pay practices encourage this excessive risk taking because short-term gains are heavily rewarded, even if they are unsustainable. The negative consequences of severe losses are often externalized and shifted to the shareholders and ultimately, when we have to bail them out, to the public taxpayers.

The Federal safety net for financial institutions encourages traders and executives to take unnecessary risk, and the most obvious example is the $700 billion Wall Street bailout which I and other Senators initially opposed. Executives who should have been left without their shirts instead were left with golden parachutes.

Let's take an example. The CEO of Bank of America resigned at the end of last year with a $73 million severance package. Bank of America is one poster child for a poorly managed financial institution. Why? It received $45 billion in taxpayer funds to avoid insolvency.

To put that in perspective, that is almost $150 from every man, woman, and child in this country. It is the equivalent of every American writing a check for $150 to Bank of America's management. Once the CEO was basically asked to step down, he walked away with a $73 million severance package.

Did Bank of America respond by ramping up lending to small businesses to help get the economy going? That is what we begged them to do. That is what we have been begging, through the TARP and the stimulus bill, to make programs for loans to small business available. Did Bank of America do that? No. But they did manage to find $73 million for their CEO's severance package. What we find is that Wall Street all too often has rewarded failure with bloated bonuses and outrageous severance packages.

If we want to get to real and meaningful financial reform, it is going to have to include changes in the existing compensation culture in the financial industry.

I know what the response is going to be: Why should you penalize us? In order to get good executives, we are going to have to pay these big compensation packages.

As far as this Senator is concerned, that is fine. But we need to make sure a huge compensation package is tied to performance.

The amendment I am offering is going to put an end to the reality disconnect on that street known as Wall Street that has rewarded failure and that emphasizes short-term stock appreciation over long-term growth. This amendment does so by putting some

basic and well-accepted principles of sound compensation practices in the Tax Code.

For example, major banks and financial institutions would only be able to deduct their large executive compensation payments if the pay complies with the rules that focus on rewarding long-term performance. These principles were developed by the Financial Stability Board, the council of major central banks. These are fellow bankers who set up these principles. The Federal Reserve was instrumental in developing those compensation principles.

So the tax deductions for major banks would be conditioned on the following: If you are going to have a compensation executive package over $1 million, it must be performance based, and at least half of the performance-based compensation must vest over an extended period of 5 years or more. This will tie compensation not only to performance but to long-term performance. For executives at public companies, at least half of the performance-based compensation must be paid in employer stock, and compensation agreements for top executives must include a clawback provision that will retract deferred compensation in the event of ethical misconduct. Lastly, the compensation agreements must prohibit employees from engaging in personal hedging strategies, such as compensation insurance, that undermine the risk alignment principles.

In addition, the employer's bonus pool must take into account the institution's liquidity needs, reserve requirements, and the risk that future projected revenues will not materialize.

Finally, this amendment I am going to offer creates new and meaningful executive compensation disclosure requirements so that shareholders can be empowered and investors can be empowered to hold banks accountable for compensation practices that fail to fully comply with these new tax rules that are there by virtue of the principles adopted.

Of course, the special interests are going to come in and argue that Congress should not get involved in compensation decisions, that the market knows best. They will argue if Congress passes measures such as this that Wall Street is going to pack up its bags and move to greener pastures abroad. Unfortunately, right now, what the market knows is that big short-term gains lead to big bonuses, and big losses lead to taxpayer-funded bailouts. And the American taxpayer is fed up.

This is only going to apply to the largest 57 banks in this country. This is not going to apply to most of the banks in this country. We need to take real steps now to reform compensation practices, and it is my hope that the chairman of the Finance Committee is going to be able to get this amendment accepted without opposition. It is common sense, it is desperately needed, and the American people are crying out for reform.

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

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

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. 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.

BOZEMAN'S RESILIENCY

Mr. BAUCUS. Mr. President, I rise in mourning and remembrance on the first anniversary of a devastating natural gas explosion in downtown Bozeman, MT.

At 8:11 in the morning, 1 year ago, downtown Bozeman was quiet, under a thick blanket of snow. One minute later, a blast ripped through the silence, killing a young woman named Tara Reistad Bowman and devastating most of the 200 block of East Main Street.

Windows were shattered as far as four blocks away. A passing cyclist commuting to work was thrown off his bike by the blast, and 911 calls showed that the explosion was felt miles away. The firefighters and rescue crews responding to the blast later found that a natural gas line behind Montana Trails Gallery was cracked and that a gas leak had caused the explosion.

Ten businesses and several apartment units were leveled by the blast or engulfed in the flames that followed. Boodles and Starky's, the Rocking R Bar, and the American Legion—all destroyed. Assistant City Manager Chuck Winn described it as the worst catastrophe he had ever seen in the city.

Firefighters from Bozeman, from Big Sky, and from Three Forks—nearby communities—all came to the rescue to put out the blaze. These brave men and women stopped the fire from spreading to nearby stores. The Montana National Guard was called upon to help provide security.

One year after this tragedy, we pause to recognize today as a day of mourning and remembrance. We join the men and women of Bozeman who will observe a moment of silence this morning.

Today, Montanans will mourn the loss of Tara Bowman. Our thoughts and prayers go out to her friends and her family and all who knew her. I never met Tara, but I understand she was a very special woman. She was a talented artist and a mentor to other artists in Bozeman. Tara liked to paint in the quiet morning. She had come into work early to the Montana Trails Art Gallery the morning of the blast. Her family and many friends around Bozeman miss her dearly.

Today, as we mourn, we also remember the actions of the people of Bozeman after the blast. Oftentimes, in the routine of everyday life, we forget we may be called upon at any moment to act heroically. There were many heroes that day in Bozeman. More than 70 firefighters from departments throughout Gallatin County answered the call for help. Although it took hours to shut off the natural gas that had caused the initial blast, the volunteers continued to fight the blaze.

Many had left their day jobs to perform this dangerous duty. The calls to help continued long after the blaze was extinguished. Residents had lost their homes and small business owners had lost their livelihoods. In the truest expression of what it is to be a Montanan, the people of Bozeman pulled together to help the victims of the blast and rebuild downtown.

Local businesses donated food to emergency workers. They donated lumber to cover shattered windows. A community relief fund provided $200,000 for those left homeless to find shelter and replace paychecks for those left jobless.

The story of a man named Chris Cundy fully illustrates this generous spirit. Chris was left homeless after the explosion and the subsequent fire destroyed almost everything he owned. Chris even lost the tools of his trade: his musical instruments—several electronic keyboards and a grand piano. But then the community stepped in. The Red Cross met his immediate needs—toothbrushes, soap, towels, and debit cards. Musicians around Bozeman raised funds to help replace his instruments. A fellow renter borrowed a saxophone from a local music store so he could keep playing to pay the bills.

After the explosion, Chris started playing music full time and even performed to raise funds for the victims of the earthquake in Haiti. Chris has proven that good can come from tragedy. He told the Bozeman Chronicle:

> The scope and depth of the community's support depicts values that exist only with people who truly care about one another.

A year later, I am glad to report that downtown Bozeman has made great strides. The American Legion has already begun to rebuild, and plans have been submitted to reconstruct many of the other destroyed businesses as well. I am working to make sure Federal dollars help fund the reconstruction.

At this time next year, city officials expect every business impacted by the blast to be back on its feet and in operation. That is the resiliency of Bozeman and the spirit of Montana.

Today, we pause to remember last year's blast in mourning of our loss. We remember the actions taken by the great people of Bozeman, and we proceed with renewed hope for the future.

Mr. President, I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. WARNER. Mr. President, I rise to talk about an amendment I hope ultimately will be given a chance for consideration on this very important legislation we are working on right now. I commend the chair of the Finance Committee for his good work on trying to focus this next round of job-creation activities that will be created, I believe, as we move forward on extending some of the tax provisions that expired last year. Some of these tax provisions were part of our stimulus bill that, about a year ago, we passed to help jump-start job activities; a stimulus bill I sometimes think the American public—perhaps we never explained. In fact, close to one-third of that bill was tax cuts, another third was direct assistance to States and localities, and the final third was a series of new initiatives, many of which are just now starting to come to pass.

I can recall, about a year ago, I came to the Senate floor as we were debating the stimulus, the American Recovery and Reinvestment Act, to talk about fiscal accountability; to talk about our long-term outlook; and to make some recommendations on how we might better track the performance and outcome of the American Recovery and Reinvestment Act, what most folks commonly refer to as the stimulus.

Here we are 1 year later and unfortunately it appears critical Recovery Act reports and plans have gone missing or have been long ignored or were never fully developed in the first place. As we debate this important piece of legislation that extends a number of the tax provisions, I think we ought to take this moment as well to correct some of the deficiencies in reporting on the fiscal responsibility I think all of us on both sides of the aisle would like to see in the overall Recovery Act activities. We have this chance, at this point, to correct course and to ensure we can account for every dollar. Now it is time to correct management and transparency gaps that still exist.

Today, I would like simply to very briefly go through a couple things my amendment would do. Hopefully, the chair of the Finance Committee and folks on the other side will agree to have these amendments incorporated. My amendment will, in three very important ways, correct the management and transparency gaps that still exist in the Recovery Act. First, it will require agencies to update the implementation plans they have developed last year for high-risk programs.

High risk has this connotation that somehow it is a bad area or bad idea. No, the high-risk areas I am defining are those programs that are over $2 billion that saw a funding increase of over 150 percent more than their fiscal year 2008 funding or are brandnew programs. These programs will be required to update their plan by July 1, 2010.

Let me take a moment and describe what kind of programs I am talking about. As I mentioned a few moments ago, the stimulus broke into tax cuts, assistance to the States, and then, finally, an agreement that we ought to take up a series of areas that have for years been talked about in this country but, candidly, we have never done much about—broadband technology, high-speed rail, smart grid, health care information technology. These are all areas that, again, had broad support on both sides of the aisle, that we talked about, and only in the case of the stimulus were there actually funds put behind these initiatives. The challenge was, a year ago many of these areas had very little funding or had no programmatic prior experience so the administration appropriately took some time to gear up these programs. We are just starting to see some of the disbursement on high-speed rail and disbursement on the President's Race to the Top education grants. But for these new programmatic areas, we need to make sure there is a plan in place, that there are metrics in place, and that we know how these dollars are being spent out. So the first part of my amendment will require these programs in high-risk areas to update their plans by July 1 of this year.

Second, my amendment will require these high-risk programs to report back to Congress and the public quarterly, beginning September 30, 2010.

These reports must include performance and financial data to let us know whether these programs are working and meeting the goals they defined in their initial business plan that they would lay out to us in July of this year.

I think this is terribly important. These are areas that, because they are new—I think they have enormous popular support, but because they are new, we need to make sure that at the front end of these program implementations, we have that business plan in place, we have the metrics, and we have a reporting mechanism.

The second part of my amendment is an area that we have been working with the inspector general around the Recovery Act, Mr. Devaney, and others. I think many of us in this Chamber would be disturbed to find out that the recent quarterly report showed that over 1,000 recipients of stimulus funding—1,000 agencies, departments, grantees—had failed to report back the legally required data on how these dollars have been distributed, what kind of tracking is in place. Consequently, when we hear critiques, particularly from the other side, about the stimulus, about the job creation and efficiency, well, an appropriate rebuttal requires facts being in place. Over 1,000 of the recipients that have received stimulus funds have basically ignored the law and failed to report back. So my amendment proposes financial penalties of up to $250,000 for recipients of the stimulus funds who knowingly fail to comply with the existing quarterly reporting requirements. We have to ensure that our agencies, Congress, and the public are getting the information they need to know if these important investments are working.

The amendment requires agencies to notify recipients if they miss a deadline. They will provide an opportunity for the recipient to report and offer technical assistance if they need that assistance to get back on track. But if recipients knowingly do not file the required reports or if they ignore these agency requests for this information, agencies may impose a penalty to hold these recipients accountable. The amendment provides sufficient discretion for agencies to set penalties, such as consideration of whether the recipient is a nonprofit, government, or small business entity. We don't want to add on a new burden, but we simply want those who are receiving financial assistance from the stimulus fund to actually fulfill their obligation and make sure they report back to us and the public on how those dollars are being spent.

I repeat, it is not too late to correct the gaps in program management and transparency in the American Recovery and Reinvestment Act. So much of the Recovery Act funding is still in the pipeline. As a matter of fact, at the end of last fiscal year, last October, only 18 percent of our recovery dollars had been spent out. Even at the end of this fiscal year, at the end of September 2010, only about 54 percent of the dollars will be spent out. We still have literally hundreds of billions of dollars to be spent out from this program.

We have to make sure—we owe it to ourselves, we owe it to the public—that we have in place both the appropriate metrics on these high-risk programs and that those other organizations that are receiving dollars do what is their legal requirement to report back on this terribly important data.

I hope we can get this amendment adopted. I look forward to working with my colleagues on both sides of the aisle to bring this added transparency and this added management oversight to this very important activity.

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

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

The legislative clerk proceeded to call the roll.

Mr. BENNETT. 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. BENNETT. Mr. President, I ask unanimous consent that I be allowed to proceed as in morning business.

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

Mr. BENNETT. Thank you, Mr. President. I appreciate the courtesy.

(The remarks of Mr. BENNETT and Mr. SESSIONS pertaining to the introduction of S. 3083 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. BENNETT. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. FRANKEN). The Senator from Alabama.

MILITARY COMMISSIONS

Mr. SESSIONS. Mr. President, I was pleased to see an article in the Boston Globe today saying:

. . . White House advisers are close to recommending that President Barack Obama opt for military tribunals for the self-professed Sept. 11 mastermind, Khalid Sheik Mohammed and four of his alleged henchmen, senior officials said.

The review of where and how to hold a Sept. 11 trial is not over, so no recommendation is yet before the president and Obama has not made a determination on his own, officials said. The review is not likely to be finished this week.

The officials spoke on the condition of anonymity.

I will just say, I think that is right. I appreciate the President reevaluating the position taken by his Attorney General. I think it was based on a number of errors in analysis of the nature of the conflict we are in and the status of law, frankly, in America today. I have written about that in the Politico publication.

I will make a point or two about the five errors, mistakes, sometimes even falsehoods, it seems to me, that have been put forth to justify trying military combatants—unlawful combatants, really—in civilian courts and why this is not a good idea and some of the thought processes we should go through.

On February 3, Attorney General Holder wrote this:

Since the September 11 attacks, the practice of the U.S. Government followed by prior and current administrations without a single exception has been to arrest and detain under Federal criminal law all terror suspects who are apprehended inside the United States.

That was his letter. The Attorney General is incorrect in that. It is made clear by his own citation in that very same letter of the Jose Padilla and the Ali Al-Marri cases. In those two cases, President George W. Bush ordered each terror suspect transferred into military custody after they were captured on U.S. soil. It does not mean they cannot later be tried in civilian court, if that is appropriate and you have a good reason for doing that. It is not often I could see what that would be the case, but it could be. You are not prohibited from doing it. The law has apparently established that. They were taken into military custody. That means the Speedy Trial Act is not triggered. It means the government does not have to pay an attorney for them. And it means they can be interrogated, but interrogated consistent with the techniques Congress has approved in legislation that dealt with the controversy over what kind of interrogation is appropriate. We have legislated on that issue.

Secondly, administration officials have often noted that Richard Reid, the so-called shoe bomber, was charged in the civilian criminal system, but they fail to mention that the military commission was not even in place when he was arrested in December of 2001, not long after 9/11. The Military Commission Order No. 1 that created the military commissions was not signed into law until the next year in March. Congress, which dealt with these issues, did not authorize, legislatively, the commission system and its structure until 2006. So that is not a very good argument, is it?

Mr. Holder, in his letter to me and other Senators, stunningly cites the Second Circuit decision in the Padilla case to assert that the President lacks the authority to detain a U.S. citizen as an enemy combatant on U.S. soil. He cites the Second Circuit and says the Padilla case is authority for the proposition that the President lacks the authority to detain a U.S. citizen as an enemy combatant on U.S. soil if he is captured. The Attorney General, however, fails to note that the Supreme Court reversed that decision, stating in the 2004 Hamdi v. Rumsfeld case that there is no bar to this Nation holding one of its own citizens as an enemy combatant. A citizen, no less than an alien, can be ''part of or supporting forces hostile to the United States or coalition partners'' and ''engaged in armed conflict against the United States,'' and ''such a citizen, if released, would pose the same threat of returning to the front during the ongoing conflict.'' Of course, that is accurate. Just because you are a citizen does not mean you cannot attack the United States, join with forces hostile to it and attack the United States.

How they missed that citation is pretty stunning. If a lawyer in the Department of Justice in the Solicitor General's Office arguing before a court of appeals somewhere in America failed to note that the opinion he was citing was overruled, they would be subject to disciplinary action. The lawyer is an officer of the court; they have to know what they are citing to the court. They should not ask them to believe something that is not accurate. Yet that came out of the Attorney General's Office. We can do that, is my point.

On the question of granting terror suspects Miranda rights—that is, the right to remain silent, the right to a lawyer, that kind of thing—the Attorney General and his team have cited the Padilla case to suggest the government could not have held Mr. Abdulmutallab, the Christmas Day bomber this past Christmas, in military custody without affording him the same access to counsel he was due as a criminal defendant. That is just not true. You do not have to capture a person on the battlefield. And this is the legal situation we are talking about when they captured Abdulmutallab. In World War II, if you captured a Japanese or German soldier, you did not appoint them lawyers. You did not try them often. You held them until the war was over, and they did not get trials during that time.

To support this totally unjustified position, they note in one of their letters that the judge in the case, Judge Michael Mukasey, who later became Attorney General of the United States—and a fabulous legal mind—who at that time was a Federal judge in New York, granted Mr. Padilla a lawyer. So they say he is entitled to a lawyer. But that was long after his arrest and it arose from a much lighter contest about his detention and whether he should be given a hearing in Federal court. The judge agreed to give him a habeas corpus hearing and appointed a lawyer for him. But that is not to say that Abdulmutallab, who was captured on Christmas Day and interrogated for 50 minutes, was entitled to be given a lawyer or be given Miranda rights. It is not accurate. It is not correct.

In Mr. Holder's letter of February 3, he wrote this:

The Bush administration used the criminal justice system to convict more than 300 individuals on terrorism related charges.

We have heard that argument made time and again by Members of the Senate. Last May, Senator KYL wrote to Mr. Holder seeking basic information to support these claims. Senator KYL noted that ''a comparison of terrorists in Federal prisons to terrorists detained in Guantanamo is instructive only if the severity of their actions, their background, and allegiance is equivalent.'' No answer was received. In November, I asked Attorney General Holder at a Senate Judiciary Committee hearing if he would provide that information. He responded unequivocally:

I will supply you with those 300 names and what they were convicted of. I will be glad to do that.

Months later, he has still not provided the list. I think the reason is clear, frankly: the facts do not support that allegation, that statement.

Many of the individuals labeled as terrorists by the Obama administration whom they are counting in this number—I think they have now dropped it down to 195 or 200—were prosecuted for far lesser crimes than Mr. Abdulmutallab, who had a bomb on his person to blow up a plane, who had come directly from al-Qaida in Yemen, attacking this country as a direct representative of al-Qaida in Yemen, carrying an al-Qaida bomb. Mr. Andrew McCarthy, a former Federal prosecutor in terrorism cases in New York, recently shed light on a 2008 article published by Human Rights First which said that 195 defendants have been convicted so far in 199 terrorism-related cases. But Mr. MCCARTHY digs into it and notes that the report defines ''terrorism'' so broadly that its finding included prosecutions for false statements, financial fraud, and immigration fraud.

Some say: You are politicizing this matter, JEFF. Don't be so critical.

That is what Mr. Gibbs at the White House says, that criticizing and raising

objections to falsehoods and inaccuracies, and legal statements that are not in error is somehow politicizing it. We have young men and women in combat today. Their lives are at risk. I think the leaders of our country in a time of war should not be spinning this Congress, but giving us the unvarnished truth.

I wanted to say that, and to say I am glad there is now apparently an evaluation going on as to how best to handle this situation. I was also pleased that Senator JOHN MCCAIN and Senator JOE LIEBERMAN introduced their legislation—I believe yesterday they introduced it or the day before—that would call for trials of unprivileged enemy belligerents. That is the more recent term. It used to be ''unlawful combatants.'' Now it is ''unprivileged enemy belligerents'' in military custody. It says they are not to be given Miranda rights. They can be detained in military custody for initial interrogation and to determine their status. It uses Congress's spending power to deny funding to article III civilian trials for these unprivileged enemy belligerents and mandates, in effect, trials by military commission.

I would just note, Congress passed legislation and funding to deal with the Supreme Court's concerns about the legitimacy or the propriety of the procedures used in military commissions. They raised questions about that; found several things they believed were inadequate, and Congress dealt with it. We had a debate for a number of weeks and we passed legislation. The military, at the same time, was reading the opinion and changing their procedures to be in compliance with the Supreme Court and the laws of our country.

We put money in establishing our courtroom in Guantanamo to try these cases, and we are basically ready to go, after a lot of years, I will admit, of uncertainty. Now the President, unwisely—probably based on an improvident campaign promise that he would end this—is attempting to end it. But I hope now he will reevaluate at least some of that and we can get this system back in the right order because an unlawful enemy combatant can be tried for crimes. A lawful soldier can't be tried.

If you capture an enemy—a Japanese soldier or a German soldier who is fighting for his country and he is out there in his uniform and fighting according to the laws of war—they are not prosecuted. But if you sneak into the United States surreptitiously, carrying a bomb in order to sabotage and kill innocent men, women, and children, contrary to the rules of war, then you can be tried. You can be detained as long as the war continues as an unlawful combatant. If you violated the laws of war, you can be tried for it.

For example, Khalid Sheikh Mohammed, who is the alleged mastermind of 9/11, can be tried for murder in military commissions because he was not a common criminal. He was a part of al-Qaida, executing a military attack on the United States, contrary to the rules of war.

So I would hope we can move forward with this in a good way; that the President will take the lead because these kinds of decisions are easier made in the executive branch than by the legislative branch having to cut off funds or pass legislation mandating this or that. The Constitution certainly allows these cases to be tried, and the Supreme Court has so approved it.

In fact, Attorney General Holder, in the Judiciary Committee, as a result of questions I asked him, has agreed these cases can be tried in military commissions and that there is no constitutional prohibition of it. In fact, he said it was a policy decision that caused him to have the cases tried in civilian courts and not in military courts. I believe that is a policy error and it needs to be corrected.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEMIEUX. 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. LEMIEUX. I ask unanimous consent to speak as in morning business.

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

LATIN AMERICA

Mr. LEMIEUX. Mr. President, I rise today to speak about our relations with our neighbors to the south in Latin America. I recently had the opportunity to travel to Latin America and visit the countries of Honduras, Panama, and Colombia. These meetings were very productive.

During these meetings I had the chance to meet with the new President of Honduras, President Lobo, as well as our great ally and friend, President Uribe of the country of Colombia.

Our partnership and friendship with Latin America goes back many decades. In recent times we have used wonderful programs such as USAID and the Millennium Challenge Corporation to help build the infrastructure of Latin America as well as provide the tools to create jobs that will be sustainable in these countries.

Our goal in Latin America is simply this: We want them to succeed. We want strong neighbors with good democracies, with a respect for the rule of law, a place where their people can be free and prosper and hopefully establish great trading partnerships with us in the United States of America.

But the history of Latin America, even recently, is while there have been many successes, there have also been setbacks. We have recently had troubles in Honduras with President Zelaya, the former President who tried to stay in office, and then we had an ouster of him. There is a debate among us as to whether that was a coup or whether it was legally done. But, nonetheless, it was a disruption in that country's emerging democracy.

In meeting with President Lobo, I was impressed that he has put together a national unity government endeavoring to create those democratic institutions and strengthen the ones that Honduras was building upon and establish a rule of law that will give countries such as America and business people from our country the opportunity to transact business in that country.

I believe that under President Lobo's leadership, we have got a good chance for Honduras reemerging on the stage in Latin America as a good and healthy democracy.

I was pleased that Secretary Clinton recently recognized the democratically elected president. I encourage President Obama to receive President Lobo. We need friends in the region. We need friends for a number of reasons. We need friends in Latin America, specifically Central America, because of the devastating and harmful drug trade. The drug trade in Latin America that funnels drugs and guns to this country is not just a challenge in and of itself because of the deadly narcotics it brings to America, it is a challenge because of the violence and the organized structure of violence that goes with it.

Recently we saw drug gangs in Mexico extract the worst form of vengeance upon a family of a young military officer. A military officer died in Mexico killing the head of a drug cartel. He was celebrated by that country in what would be akin to a state funeral. And the drug cartel, to exact vengeance and to send a signal, killed all of the members of that soldier's family. That is terrible.

The money that is provided by these drugs that run from northern South America, the Colombia region, and then through Central America, these connections, that violent chain is very dangerous to this country. It is dangerous for many reasons, but there is an increasing danger. There is an increasing danger that has occurred with the entrance of Iran and its progeny into Latin America. We now know that Ahmadinejad is trying to show his sphere of influence in Latin America; that Hezbollah and Hamas, surrogate groups for Iran, who have done most of their damage in Lebanon and in Gaza, are now setting up shop in Latin America.

One of the reasons I am here to speak on the floor today is I am concerned that the same networks that transported violence and drugs and guns to this country could be used by Hezbollah and Hamas to provide a national security threat to us in this country and potentially bring terrorism to us in that way.

So our friendship with these countries such as Honduras, our friendship with countries such as Panama, our friendship with countries such as Colombia matter. It not only matters because we care about the human rights

of the people in those countries and we want them to be prosperous and free, but it matters because of our own national security.

Good, stable democratic partners are good for the United States of America. So we should continue to acknowledge President Lobo. We should restore the visas that were suspended during the Zelaya incident. We should do everything we can to encourage trade to continue with the Millennium Challenge Corporation, continue with USAID so that country can be prosperous and free and secure.

The same goes for Panama. Panama is a wonderful friend and partner to the United States. The Panama Canal, which the United States had for many years but now is in the hands of Panama, is a tremendous trading conduit to our country, and the Panama Canal is expanding. Right now, dredging and other works are being put in place to allow larger ships to come through the Panama Canal. Why is that important to the United States of America? Well, no longer will these post-panamax ships from China have to go to California to let off their goods. No longer will they have to go around the bottom of South America. Now they can come through the Panama Canal and service the eastern seaboard of the United States.

For a State such as mine in Florida this is very important. So we have to do the work in this country to make sure we are ready for those, what they call post-Panamax ships, that our ports are dredged deep enough that we have the security and the infrastructure in place to make sure we can receive those large ships.

I have been an advocate for making sure that Florida's ports are ready to receive those ships, because that trade will create thousands of jobs not just in my home State but all across this country.

That brings me to the point of trade. We have pending trade agreements that have not yet been sent over by the White House to be ratified by this Congress; trade agreements with Panama that need to be ratified, trade agreements with Colombia that need to be ratified, and also with South Korea. It makes no sense not to ratify those agreements.

Let me turn my attention, if I can, to Colombia. We have no better friend in Latin America than President Uribe. President Uribe will go down in history as one of the greatest leaders in this hemisphere. He, in my mind, is akin to Abraham Lincoln to their country, because when he came into office about 8 years ago, we were on the verge of Colombia turning into a narcoterrorist state, in which the drug gangs would have taken over the country.

In fact, before President Uribe came to office, the previous President sought to negotiate with the FARC by setting aside a part of the country as a safe haven for the FARC. It was a disaster. I am told that when President Uribe was sworn into office, almost 8 years ago, that the FARC was shelling and bombing Bogota to try to kill him on his inauguration. It is hard for us to realize what a civil war would be like, but that has been the situation in Colombia.

Because of the efforts of the United States of America, and because of our military and trade support, and Plan Colombia, which we put $1 billion into, Colombia turned the tide. The good guys are winning, and the FARC, the narcoterrorists, are losing. We are doing a very good job of beating those folks back. President Uribe must be commended.

But of all of our friends in the hemisphere, we have not ratified the free trade agreement with Colombia. We have done it with Peru, we have done the Central America Free Trade Agreement, CAFTA, but not Colombia. This agreement is 4 years old. I have spoken to our United States Trade Representative and urged him to urge this administration to send these trade agreements here.

I know the problem is not the Senate. The problem is down the hall with our colleagues in the House. I know they are concerned about certain issues in Colombia. I want to point out for my friends in the House of Representatives, because they are concerned about organized labor in Colombia, that under the leadership of this government in Colombia, homicides of union members are down nearly 80 percent since 2002. Homicides, in general, are down 45 percent in 2008, the lowest point in 22 years. Kidnappings are down by more than 80 percent, and acts of terrorism are down 63 percent.

I had a chance to go to Bogota. It is a beautiful and wonderful city. It rises nearly 8,000 feet above sea level, which is 3,000 more feet than Denver. Yet it is green and verdant, and it is one of the world's most unbelievable places to grow flowers, and 75 percent or more of the flowers that come in this country that you get at your florist come to us through Colombia. When they come from Colombia, guess where they go through to get to the United States of America. They all come through Miami, which makes me proud as a Senator from Florida.

That trade we have right now, the Colombians benefit from free trade but we do not benefit in return. We must ratify this agreement. We must acknowledge our friends in Colombia. By not ratifying the agreement, the signal we are sending is that perhaps our relationship with them, under this administration, is not as good as it has been with previous administrations. We do not want to send that wrong signal to a model country for Latin America.

But let me again talk about this concern I have about the emerging threat of Iran and its influence in Latin America. There is a deadly combination forming between Ahmadinejad of Iran and Hugo Chavez of Venezuela. I ask unanimous consent that this newspaper article which I am about to read from be printed in the RECORD.

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

VENEZUELA PLOTTED TO KILL RIVAL, SPAIN SAYS

(By Santiago Perez and José de Córdoba)

MADRID.—Spain and Venezuela headed toward a potential diplomatic face-off after a Spanish judge on Monday accused Caracas of collaborating with rebel groups to assassinate Colombian President Álvaro Uribe and other top political figures.

Spanish National Court Judge Eloy Velasco alleged Monday that the Venezuelan government had collaborated with Basque separatist group ETA and Colombia's main guerrilla group in a plot against leaders living in or traveling to Spain that began in late 2003.

The allegations were part of an indictment that ordered 12 alleged members of ETA and of the Revolutionary Armed Forces of Colombia, or FARC, to stand trial on charges of conspiracy to commit murder and terrorism, according to a copy reviewed by The Wall Street Journal.

''There is evidence . . . showing the cooperation of the Venezuelan government in the illegal collaboration between FARC and ETA,'' according to the indictment.

Spanish Prime Minister José Luis Rodriguez Zapatero, speaking at a news conference Monday in Hanover, Germany, said he had ordered his Foreign Ministry to ''request an explanation from the Venezuelan government'' regarding the allegations. ''We are awaiting such explanation,'' Mr. Zapatero said.

Caracas responded angrily to the allegations. Venezuela's Foreign Ministry, in a statement, dismissed the charges as ''biased and unfounded.''

Hayden Pirelac a congressman from the ruling coalition of Venezuelan President Hugo Chávez, said the Spanish judge's allegations were part of a campaign ''to discredit Venezuela,'' adding: ''We don't give guerrillas refuge, or have any pact with guerrillas.''

The allegations come at a bad time for Mr. Chávez, whose popularity is falling due to electricity shortages and an economy mired in recession and high inflation. They could also prove tricky for Colombia and Spain, both of which have been trying to move beyond past differences with Venezuela's populist leader.

The indictments also bring fresh attention to Spain's National Court, whose judges act on their own investigations and are independent from Spain's executive and legislative branches. Some judges have gained international attention, and criticism, for their handling of global cases involving other governments, including an investigation into allegations of U.S. torture at Guantanamo Bay.

Mr. Velasco, by contrast, has handled mainly local and less controversial terrorism cases, maintaining a low profile domestically and internationally.

Mr. Uribe, one of the targets of the alleged assassination plots, responded cautiously. ''I think we should react prudently and see what is going on through diplomatic channels,'' he told Colombian radio from Uruguay.

Another alleged target, former Colombian President Andrés Pastrana, also demanded an explanation from Venezuela. ''We are talking about an alleged plot against the lives of, among others, two Colombian acting heads of state,'' he said in a statement.

Mr. Velasco issued international arrest warrants and extradition requests for the 12

men named in the indictment, all of whom allegedly belong to either ETA or FARC and whose whereabouts are unknown. One man, identified as Arturo Cubillas Fontán, is believed to be living in Venezuela.

In detailing Caracas's alleged role, Mr. Velasco pointed to Mr. Cubillas Fontán, who the judge says led ETA's activities in Latin America since 1999 and acted as a link with the FARC. It says Mr. Cubillas Fontán was hired by Venezuela's Agriculture Ministry in 2005.

Mr. Cubillas Fontán's alleged contacts with the FARC included ''military training for ETA members in the Colombian jungle, in exchange for ETA's help in Spain, locating terrorist targets sought by FARC,'' according to the indictment. Those targets included visiting Colombian dignitaries, including Messrs. Pastrana and Uribe and current Vice President Francisco Santos.

The document also says that during a training course on explosives, FARC members were accompanied by ''an escort vehicle with Venezuelan soldiers that was arranged and organized'' by Mr. Cubillas Fontán and another person.

Venezuela's government, in its statement; said Mr. Cubillas Fontán had been living in Venezuela since 1989 under a deal struck by then-Venezuelan leader Carlos Andrés Pérez and former Spanish Prime Minister Felipe González.

Information used in the indictment came from the laptop computer of a top FARC guerrilla commander killed by Colombian forces in 2008. In the months that followed, the computer files revealed what international intelligence officials say are close ties between the FARC and top members of Mr. Chávez's government.

The Venezuelan government has long insisted that the information from the computers was made up by the Colombian government in an attempt to discredit Mr. Chávez, an allegation Colombia denies.

The indictments will prove challenging for Spain, one of Venezuela's major trade partners. The two sides improved their diplomatic relations under the stewardship of Mr. Zapatero, a leftist, but the road hasn't been smooth.

Mr. Chávez in 2008 made a surprise announcement he was nationalizing the Venezuelan franchise of Banco Santander, though the improved relations with Madrid might have helped the Spanish financial giant secure a $1.05 billion payment for the unit, more than many analysts expected.

Colombia has also been trying to mend fences with Venezuela, despite a rocky relationship in the past few years thanks largely to ideological differences between Mr. Chávez and the conservative Mr. Uribe. Last year, after Mr. Uribe agreed to host U.S. bases in Colombia, Mr. Chávez cut economic ties.

Last week, Mr. Chávez and Mr. Uribe got in a shouting match at a regional meeting of heads of state in Cancun, after Mr. Uribe told the Venezuelan leader to ''be a man'' and discuss the Venezuelan trade embargo. In the following days, both sides said they would try to bury the hatchet.

In addition to the 12 people who were ordered to stand trial on murder and terrorism charges, Mr. Velasco also charged Remedios García Albert with the crime of collaboration with a terrorist group, according to the indictment.

In the document, Mr. Velasco described Ms. García Albert as an alleged member of FARC's international support group residing in Spain and ordered her to present herself in court for questioning on March 24.

According to court officials, Ms. García Albert, a Spanish national, is free on bail linked to another terrorism case. A lawyer for Ms. García Albert wasn't immediately available for comment.

Spain doesn't try people in absentia, so a trial for the other 12 people would take place only if they are arrested.

Latin America's oldest and biggest guerrilla group, the FARC has been fighting to overthrow the Colombian government and install a Marxist dictatorship for four decades. The guerrillas, who in 2001 encircled the capital, kidnapping motorists who ventured out at will, has been put on its heels by Mr. Uribe, a provincial lawyer who has revamped Colombia's military and driven the rebels back into Colombia's jungles.

In 2008, the Colombian army bombed the jungle hideout of Rául Reyes, the group's No. 2 commander. His laptop included details of attempts by top Venezuelan military and intelligence officials to give money and weapons to the FARC, which, like ETA is considered a terrorist organization by the U.S. and European Union.

Once a peasant guerrilla army, the FARC lost most of its ideological motivation and turned to drug trafficking, extortion and kidnapping for funding. It now has an estimated 8,000 combatants under arms, down from a high of about 18,000.

Mr. LEMIEUX. This article from March 2, 2010, I believe it is a Wall Street Journal article, talks about the revelation that has occurred that Hugo Chavez and his government were involved with the Basque separatist group in Spain in an effort to assassinate the President of Colombia, President Uribe.

This article from March 2, 2010 says that:

Spanish National Court Judge Eloy Velasco alleged Monday that the Venezuelan government had collaborated with Basque separatist group ETA and Colombia's main guerrilla group [which is the FARC] in a plot against leaders living in or traveling to Spain that began in late 2003.

The allegations were part of an indictment that ordered 12 alleged members of ETA and of the FARC to stand trial on charges of conspiracy to commit murder and terrorism.

This was an effort to assassinate the President of Colombia. And it was done, according to this judge, in combination with the President of Venezuela, Hugo Chavez, who is just as bad as Raul Castro in Cuba. He is trying to spread the same tyranny to the country of Venezuela, a country that was formerly free. He is shutting down media, he is arresting college students, he is destroying the economy to the point where there are now brownouts because they cannot provide enough electricity, a country which has tremendous oil reserves and energy reserves.

But he is not using those to bring money into the country, he is shutting the economy down. He is bringing despair to his people. The Cuban Government is now involved in the operation of Venezuela. They are calling it Venecuba. This is a danger to us. Who is received by Hugo Chavez in Venezuela? Ahmadinejad from Iran. And what do we believe and what are we concerned about? That Hezbollah and Hamas are now setting up shop in Venezuela, in the region as well.

I have another article that I ask unanimous consent to have printed in the RECORD from the Associated Press by Curt Anderson. ''Three men charged in Miami with financing Hezbollah.''

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

[From the Associated Press, Feb. 19, 2010]

THREE MEN CHARGED IN MIAMI WITH FINANCING HEZBOLLAH

(By Curt Anderson)

MIAMI.—Three men were charged in an indictment unsealed Friday with illegally exporting electronics and video games to a South American shopping center that U.S. officials claim funnels money to the Hezbollah militant group.

The men, along with a fourth still being sought in South America, are accused of violating a U.S. ban on transactions involving people or entities on a Treasury Department list of suspected terrorist fundraising networks. Hezbollah, which is fiercely anti-Israel and allied with Iran, is considered a terrorist group by the U.S.

The shopping center, Galeria Page in Ciudad del Este, Paraguay, was included on the banned list in December 2006 along with owner Muhammad Yusif Abdallah. Abdallah is described as a senior Hezbollah leader in a region of South America long considered a haven for counterfeiting, smuggling, piracy and other crimes.

The suspects arrested in the U.S. Immigration and Customs Enforcement investigation were identified in court documents as Khaled Safadi, 56, and 43-year-old Emilio Gonzalez, both of Miami; and 46-year-old Ulises Talavera-Campos, a citizen of Paraguay.

Attorney Michael Tein represents Safadi, whom he said is innocent.

''Terrorism?'' Tein said. ''More like 'The Great Sony Playstation Caper.' The indictment literally charges them with selling Playstation 2 video games to Paraguay. That's some weapon of mass destruction.''

It wasn't immediately clear if the other two had attorneys, and a bail hearing was scheduled for Wednesday.

The men also face charges of conspiracy and smuggling. They face a maximum of 35 years each in prison if convicted.

According to the indictment, the three men ran companies that used the Port of Miami to move goods including Sony Playstation video game consoles, digital cameras and other items that eventually wound up at the Paraguay destination. About $1 million in exports were identified by ICE, the FBI, Treasury officials and other investigators with Miami's Joint Terrorism Task Force.

The men allegedly used fake invoices, false addresses and phony names to mask the true destination of the goods. The companies involved also were indicted.

John Morton, assistant Homeland Security secretary for ICE, said the arrests will disrupt a network involved in ''the illicit trade of commodities that support terrorist activities and ultimately threaten the national security of the United States.''

Hezbollah, which means ''Party of God'' in Arabic, fought a 2006 war with Israel and has been blamed for numerous suicide bombings and other attacks. The Lebanon-based group has become a more conventional political entity in recent years, holding seats in Lebanon's parliament as well as two Cabinet posts.

Mr. LEMIEUX.

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John Morton, assistant Homeland Security secretary for ICE, said the arrests will disrupt a network in ''the illicit trade of commodities that support terrorist activities and ultimately threaten the national security of the United States.''

In his book ''The Gathering Storm,'' Winston Churchill described all the failed attempts and all the missed opportunities of Europe in the years building up in the 1930s to World War II. The failure of courage, the missed opportunities to stop Nazi Germany in its rise, Winston Churchill described it as a gathering storm because there were signs all along the way of fascism and the war machine that Adolf Hitler was building. What did the allies do when Germany reestablished its presence in the land between France and Germany, in that Rhineland region, and sent their troops back in? They did nothing. What did the allies do when the Germans went into Czechoslovakia? They did nothing. There were these steps along the way. It was a gathering storm that was ignored until it was too late.

The point I am trying to convey is, we have an existential threat with Iran. Ahmadinejad is an existential threat to this country. We know he is trying to build the ability to have nuclear weapons. We know he is talking with Hugo Chavez about mining uranium. That is our concern, and the sanctions and the discussions we are having are not working. I give credit to Secretary Clinton on recently coming out and saying we don't even know that Ahmadinejad is in charge of Iran. It may be the Revolutionary Guard, the military, that is running Iran. But the time for talk is over. We have to work on the world community to impose sanctions against Iran. We need to stop trading as a world community with Iran. We need to stop buying oil from them. We need to shut them down until the people of Iran can take their country back, bring back human rights, democracy, the right to petition the government, the right to elect leaders, the right to free speech. Iran was a progressive society before 1979. We see the young people in the streets who have been beaten down, trying to express their views, trying to say the election of Ahmadinejad was not legitimate.

I explain these things because I believe Iran is trying to set up shop in Latin America. We need strong, bolstered friends in the region to defend against this. We do not need Hezbollah and Hamas posing a national security threat right here in our own hemisphere. There is a gathering storm. The steps we take today, if we are strong, bold and vigilant, can stop the storm from breaking upon us.

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.

The PRESIDING OFFICER. The Senator from Connecticut.

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

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

FINANCIAL SYSTEM REFORM

Mr. DODD. Mr. President, I wish to take a few minutes to lay out where we are on this effort to do reform of the financial structures of our economy. It has been a long undertaking and I will not take a lot of time and I will not go into great detail. But I thought it might be helpful for my colleagues and others to get some sense or a feel of how things are progressing. So I wish to share some thoughts on some major issues we are grappling with.

I wish to begin by thanking the 22 other members of the Banking Committee. About one-quarter of the Senate is seated at that table in our Banking Committee hearing room. I wish to thank every member for their work. We have been deeply involved now for well over a year—more than a year; a year and a half—on the issue of how we should shape the regulatory structure of reform. This year we have had somewhere around 80 hearings, listening to a broad range of experts and others who have brought their thoughts and ideas, not to mention the informal meetings that occur outside of the normal hearing process.

It has been a very long undertaking, and worthwhile. We have been trying to examine the causes of this problem that has been so devastating to our country and to others outside of our country—the economic near collapse—and then, from that experience, trying to shape and set up policies that will fill in those gaps that led us to this problem.

Secondly, we are trying to take steps so that we are prepared to deal, as we will at some point in the future have to, with another economic crisis as it comes along, and to have what I call an architecture or a structure that will allow our system to be able to respond far more prudently than it was able to during the last couple of years.

I should add as well a third goal, and that is to create a structure to not only grapple with the crisis, but also be a source of innovation and creativity for wealth creation and job creation that our financial services sector had a reputation of accomplishing, or at least helping to accomplish over the years. Those are not inconsistent goals. It is a challenge to balance them. It is never perfectly right. But our responsibility—both as legislators in this Chamber and the other body, as well as the role of regulators and, obviously, those in the private sector and public sector—is to try and strike that balance between protecting the public and consumers who use financial services, as well as to be able to provide a level of confidence to those who use them, that the system is going to be safe.

It doesn't mean you are going to get a guaranteed return when you buy a stock, but you ought to feel confident when you deposit your paycheck that the institution is going to be there, or you are going to be protected from losing those resources.

So I wish to take a few minutes and share some thoughts on where we are. I will quickly add, as well, I wish to pay particular thanks to the members of the committee. As many people are aware, Senator SHELBY and I, my ranking member, have worked closely together over the last 3 years that I have been chairman of this committee on a wide range of issues, and I am grateful to him for his efforts. He is, obviously, significantly involved in this debate. I wish to thank BOB CORKER, the Senator from Tennessee. He is a new Member of this Chamber, but has performed, I think, a tremendous task of trying to sit down and work out the differences, and they are complex and they are difficult. Nonetheless, he has rolled up his sleeves and demonstrated a level of maturity and interest far beyond the years of his service. All of us—and I, certainly—wish to thank him publicly as well for his efforts, and that of his staff, trying to help us get there.

Other members of the committee, including JACK REED of Rhode Island, CHUCK SCHUMER, MARK WARNER, have taken on particular heavy lifts, and I will talk about them in a minute as I discuss what is going on, along with JUDD GREGG of New Hampshire and MIKE CRAPO of Idaho. So there have been a lot of people involved in this as we go forward. I would be remiss if I didn't acknowledge their hard work and that of their staffs over these many months.

We are still not there yet. I am not here to announce an agreement or to tell my colleagues we have reached a consensus. We are trying to get there, but we are not there yet. We are making an effort to see if we can't develop a set of proposals that will enjoy broad support in this institution as we go forward.

So we have all seen, of course, the devastating consequences. I hardly need to spend much time enumerating them here. People are living them every day, and they don't necessarily need to hear them outlined. However, I will just share again what all of us are painfully aware of.

Mr. President, 8.4 million jobs have been lost since December of 2007. The unemployment rate is currently at 9.7 percent. It has been obviously far too high. I think all of us know, as the Presiding Officer does, that there are pockets in our country where that 9.7 is maybe half the unemployment rate in certain areas of rural America and urban America. An astonishing 6.1 million Americans have been without a job for half a year or more in our Nation. Millions of our fellow citizens who did nothing wrong have nonetheless lost homes, their retirement security, their jobs, their health care. Small businesses have been unable to access credit and have been forced to lay off workers, reduce production, or even have

had to shut their doors. Working class families in our country have seen their wealth decline significantly, and, worst of all, today we remain entirely vulnerable to yet another crisis.

We haven't finished this work, and if something were to happen again tomorrow, as much as we have been working on this issue, we haven't passed the necessary legislation to minimize a crisis bringing us close to the brink of financial collapse as the one we are presently in did.

So, obviously, the status quo—I am getting kind of tired of using those words; business as usual, whatever words you want to use to describe it—cannot persist. Congress, in my view, must pass comprehensive, meaningful reform of our financial system. My hope and intention is to do everything I can in the waning days of my service after 30 years here to achieve that goal.

We have to correct the failures that allowed us to get into this mess, but we must also develop a regulatory system that is prepared for the next one, and one that is going to invite, as well, the kind of creativity and innovation that allow for job creation and wealth creation that our system has in the past provided.

Over a year ago, the Banking Committee, as I pointed out earlier, set out to investigate the causes of financial crises and the vulnerabilities that lie in our financial regulatory structure. Over the last year or more, we have held literally dozens and dozens of gatherings, hearings, informal and formal meetings. We have listened to hundreds of experts in a wide variety of fields who have been either affected by, or who have offered some ideas as to how we can create this architecture about which I have spoken. We have examined and reexamined all sets of proposals sent to us by the White House, the Treasury, the Federal Reserve, the FDIC, and others.

In November of last year, I offered my colleagues a discussion draft of where I was. I didn't suggest it had cosponsors or backers, but I thought people ought to know where the chairman of the committee was, so I laid out a broad proposal in these areas. It certainly produced a discussion, I can tell my colleagues. Not always a welcome one from certain corners, but I thought people ought to know at least where I stood on these issues. If I were going to write this alone and I didn't want anyone else to offer their ideas and suggestions, I had some pretty strong and sound ideas as to where we ought to be. I then asked my fellow committee members, Democrats and Republicans, to work on major parts of the bill. It is so complex and so big and broad, the subject matter, that I didn't think any one member, even a chairman and a ranking member, could necessarily put their arms around all of it. So I asked various members who expressed an interest in various subject matters if they would take on the responsibility, a Democrat and a Republican working together, to see if they could come up with some ideas that would be sound, intelligent reforms of the financial system.

It has been an enormous task. As I said a moment ago, these are incredibly complex issues, but with the good work done by so many on the committee, I believe we are well on our way to producing a very strong bill. The problems with our economy run system-wide, and while there is the temptation by some to address only one or two issues and claim victory and call it a day, we are working in our committee on a bill that will attack these problems and vulnerabilities in a rather comprehensive way, one that we believe will make a difference.

The bill as we fashion it is designed to achieve four major accomplishments: No. 1—and the first priority, I would argue, if I had to prioritize whether the others fall into this category—is ending too-big-to-fail bailouts. That, to me, is the most important thing we can achieve here.

Never, ever again should the American taxpayer of this country be forced to write a check, which they did, because there is an implicit guarantee that the Federal Government of the United States will bail out a company lest it threaten the stability of the economy as a whole. It will make it so undesirable for a company to get too big or too complex with new capital, new leverage requirements, supervisory requirements, and set up a mechanism so large, complex companies can be shut down through bankruptcy or resolution in a way that does not threaten the economy or expose the American taxpayers, as they have been. It is a resolution, it is a bankruptcy, it is a receivership, and it is painful to creditors, to shareholders, and to the management who bear the burden but not taxpayers.

We are very close to achieving that. Again, I thank MARK WARNER of Virginia and BOB CORKER of Tennessee who dealt with this issue, this and systemic risk, which I will mention in a minute. They worked I don't know how many hours sitting down trying to fashion this resolution mechanism. But the idea that we would watch the American taxpayer write out a check for $700 billion, knowing the reaction of the American public—by the way, in the absence of what we are trying to do here, I think we did the right thing. Had we not done it, the financial problem would have been a lot worse. We never again ought to be put in that position, where that is the only alternative we have. This bill will address that issue.

Secondly, we create an early warning system in the economy so somebody is looking out for the next big problem. The bill would create what we call a systemic risk council—that is our goal—that will have the job of looking across the economy to identify unsafe products, activities, institutions that could threaten the economy as a whole in the future. We cannot afford to be caught off guard again by obvious weaknesses in our system because no one is responsible for taking a broad view.

Again, it is not going to stop everything, but we did not have this ability in the past. Again, MARK WARNER and BOB CORKER have worked very hard on a resolution mechanism and systemic risk and all of us owe them a debt of gratitude for their efforts.

Third, we bring transparency and accountability to the exotic instruments, such as derivatives and credit default swaps, things that are rather arcane to most Americans, to put it mildly, but have been lurking too long in the dark and were able to cause untold damage to our economy because they lacked transparency and regulation. We change that in this bill. That is our hope anyway, if we get to the conclusion of it.

We have to regulate these activities that left investors and our economy open to the tremendous risks they did not even know existed. Literally, billions of dollars being traded—frankly, gambled—behind closed doors drove our economy to the verge of collapse. Senator JACK REED of Rhode Island, Senator JUDD GREGG of New Hampshire, and their staffs have been working on this issue over many weeks to try and come up with an intelligent, thoughtful, well-drafted set of proposals on these exotic instruments, particularly derivatives. I thank them for the job they have done, and I am confident when our colleagues have had a chance to be briefed about their efforts, there will be broad-based support for what is included in our bill.

We have to rein in these crazy compensation packages that have outraged the public and hurt companies by rewarding short-term profits and wild risk-taking. Senator CHUCK SCHUMER of New York, Senator MIKE CRAPO of Idaho, and their staffs have been working on governance issues. More work needs to be done on this issue. I thank both our colleagues, again a Democrat and Republican, for trying to come up with ideas on governance issues that will avoid some of the problems with which we are all too familiar.

We create—and one that has attracted the most attention because of the issues involved—a strong and independent consumer protection watchdog, one that has never existed but has come to financial services. It is somewhat ironic we have a Consumer Product Safety Commission, so if we buy a toy for our children or a product or an appliance and it does not work or it causes us great harm or danger, there is a place called the Consumer Product Safety Commission which will protect us from these hazardous appliances.

Yet when it comes to financial services, we have had no place to go to get a similar kind of protection. That analogy has been drawn by others in the past, and I think it is an appropriate one.

We have undertaken this effort. It is controversial because I think there are a lot of fears people have about what we are trying to achieve with all this. Yet if you look back and you watch what has unfolded over the last couple years, and particularly where you see some of these barons of the financial services sector reaping millions of dollars in bonuses after their companies have been shored up through taxpayer efforts, and yet the very people who had their homes, their jobs, their retirement, their health care, their life savings put at risk, what do they get, having come up with the tax dollars to protect these industries? We want to see to it that we never have again the consumer of financial products be unprotected when we start examining these issues.

We are working on this issue to put together what I set out as principles that should be included in a consumer protection watchdog. The failure to protect consumers, as I think most people know, led to some of the dangerous practices we saw and put our economy at so much risk. People were given mortgages they did not understand and could not afford. To ensure strong consumer protection, the real question is: Will this office have the independence and the authority it needs to get the job done to take care of consumers?

I focused on four principles from the very beginning of this debate involving this consumer protection idea we hope to produce. One, that it have an independent head appointed by the President of the United States and confirmed by this body, the Senate; second, that it have an independent budget so the office will have the resources it needs to do the job; third, that it have the autonomy to craft rules to protect consumers; and fourth, an ability to enforce those rules as well.

With these features, the office, I think, can act to protect consumers from the kinds of abuses we have seen, such as skyrocketing credit card interest rates, an explosion in checking account fees or predatory lending by the mortgage industry. Where rent space is less important—not unimportant, less important—what power and authority it has is the critical question.

Obviously, we want to do this in a way that does not jeopardize the safety and soundness of institutions. I do not believe there necessarily is any conflict, although some suggest there may be.

We are trying to provide, as well, a mechanism to resolve when, in fact, we have some conflict between safety and soundness and consumer protection. I understand that concern. We are trying to accommodate that while simultaneously maintaining the independence and autonomy of this agency.

Our goal is to end the status quo, as I said earlier—words I am getting tired of using, but doing nothing is unacceptable—and to create a system where honest businesses, large and small, can thrive on a level playing field, where middle-class families can find work, invest with confidence, and achieve the dreams they have for themselves and their children.

Today, I am pleased to report that good work has been done by Democrats and Republicans both on the Banking Committee to put financial reform in a strong position. While we do not have a bipartisan agreement yet at all, we are trying to. I don't know if it will happen. I am optimistic it can happen. I have been around here long enough to know these things can fall apart easily. It is fragile. Complex issues you think you resolved can produce unintended consequences. Most importantly, getting it right—while I would like to get it done soon, I want to make sure we do it correctly and properly.

This is one of the hardest tasks I have been asked to undertake in my years here, to try and fashion these proposals in a way that can bring broad support in this institution. We do not have an agreement yet, but because I have colleagues, such as the ones I mentioned on the Democratic side, such as JACK REED, MARK WARNER, CHUCK SCHUMER, TIM JOHNSON—I can go down the list of those who worked on the issues—and I also have colleagues such as BOB CORKER, DICK SHELBY, JUDD GREGG, and others to make an effort on that side to see if we can make agreements.

I know everything we are hearing about Congress these days, that nothing seems to be working here, but we are making an effort to come up with a proposal that will achieve those goals, a good, strong bill and one that will enjoy good, strong support in this institution.

I hope I have not talked too long, but I wished to give at least a flavor of where things are today. As I said, we are not done yet. We are in a pretty strong position to achieve a good, strong bill and one we can be proud of in this institution.

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

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

AMENDMENT NO. 3335 AS FURTHER MODIFIED, AMENDMENT NO. 3383, AS MODIFIED, AMENDMENT NO. 3374, AS MODIFIED, AMENDMENT NO. 3397, AS MODIFIED, AMENDMENT NO. 3411, AS MODIFIED, AMENDMENT NO. 3416 EN BLOC

Mr. BAUCUS. Mr. President, I ask unanimous consent that it be in order for the following amendments to be called up and reported by number, en bloc; further, that the Landrieu amendment No. 3335, which is pending, be further modified with the changes at the desk; that the remaining amendments listed here, except amendment No. 3416, be modified with the changes at the desk: Wicker amendment No. 3383; Bayh-Vitter amendment No. 3374; Rockefeller amendment No. 3397; Roberts amendment No. 3411; Lincoln amendment No. 3416; that the amendments, as modified or as further modified, be considered and agreed to en bloc, and the motions to reconsider be considered made and laid upon the table en bloc.

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

The amendments were agreed to, as follows:

AMENDMENT NO. 3335, AS FURTHER MODIFIED

On page 268, between lines 11 and 12, insert the following:

SEC. 6___. EXTENSION OF LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN GO ZONES.

Section 1400N(c)(5) is amended by striking ''January 1, 2011'' and inserting ''January 1, 2013''.

SEC. 6___. INCREASE IN INFORMATION RETURN PENALTIES.

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 are each amended by striking ''$50'' and inserting ''$100''.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 are each amended by striking ''$250,000'' and inserting ''$1,500,000''.

(b) REDUCTION WHERE CORRECTION WITHIN 30 DAYS.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(1) is amended by striking ''$15'' and inserting ''$30''.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 are each amended by striking ''$75,000'' and inserting ''$250,000''.

(c) REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(2) is amended by striking ''$30'' and inserting ''$60''.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(2)(B) and (d)(1)(C) of section 6721are each amended by striking ''$150,000'' and inserting ''$500,000''.

(d) AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN $5,000,000.—Paragraph (1) of section 6721(d) is amended—

(1) by striking ''$100,000'' in subparagraph (A) and inserting ''$500,000'',

(2) by striking ''$25,000'' in subparagraph (B) and inserting ''$75,000'', and

(3) by striking ''$50,000'' in subparagraph (C) and inserting ''$200,000''.

(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (2) of section 6721(e) is amended by striking ''$100'' and inserting ''$250''.

(f) ADJUSTMENT FOR INFLATION.—Section 6721 is amended by adding at the end the following new subsection:

''(f) ADJUSTMENT FOR INFLATION.—

''(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d) (other than paragraph (2)(A) thereof), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting 'calendar year 2011' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—If any amount adjusted under paragraph (1)—

''(A) is not less than $75,000 and is not a multiple of $500, such amount shall be rounded to the next lowest multiple of $500, and

''(B) is not described in subparagraph (A) and is not a multiple of $10, such amount shall be rounded to the next lowest multiple of $10.''.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2011.

AMENDMENT NO. 3383, AS MODIFIED

(Purpose: To amend the Internal Revenue Code of 1986 to extend tax-exempt bond financing in the GO Zone, and for other purposes)

On page 268, between lines 11 and 12, insert the following:

SEC. 6___. TAX-EXEMPT BOND FINANCING.

(a) IN GENERAL.—Paragraphs (2)(D) and (7)(C) of section 1400N(a) are each amended by striking ''January 1, 2011'' and inserting ''January 1, 2012''.

(b) CONFORMING AMENDMENTS.—Sections 702(d)(1) and 704(a) of the Heartland Disaster Tax Relief Act of 2008 (Public Law 110-343; 122 Stat. 3913, 3919) are each amended by striking''January 1, 2011'' each place it appears and inserting ''January 1, 2012''.

SEC. 6___. APPLICATION OF LEVY TO PAYMENTS TO FEDERAL VENDORS RELATING TO PROPERTY.

(a) IN GENERAL.—Section 6331(h)(3) is amended by striking ''goods or services'' and inserting ''property, goods, or services''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to levies approved after the date of the enactment of this Act.

AMENDMENT NO. 3374, AS MODIFIED

(Purpose: To clarify the low-income housing credits that are eligible for the low-income housing elections, and for other purposes)

On page 268, between lines 11 and 12, insert the following:

SEC. 6___. ELECTION FOR REFUNDABLE LOW-INCOME HOUSING CREDIT FOR 2010.

Subsection (n) of section 42, as added by section 121, is amended to read as follows:

''(n) ELECTION FOR REFUNDABLE CREDITS.—

''(1) IN GENERAL.—The housing credit agency of each State shall be allowed a credit in an amount equal to such State's 2010 low-income housing refundable credit election amount, which shall be payable by the Secretary as provided in paragraph (5).

''(2) 2010 LOW-INCOME HOUSING REFUNDABLE CREDIT ELECTION AMOUNT.—For purposes of this subsection, the term '2010 low-income housing refundable credit election amount' means, with respect to any State, such amount as the State may elect which does not exceed 85 percent of the product of—

''(A) the sum of—

''(i) 100 percent of the State housing credit ceiling for 2010 which is attributable to amounts described in clauses (i) and (iii) of subsection (h)(3)(C), plus any increase in the State housing credit ceiling for 2010 made by reason of section 1400N(c) (including as such section is applied by reason of sections 702(d)(2) and 704(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008), and

''(ii) 40 percent of the State housing credit ceiling for 2010 which is attributable to amounts described in clauses (ii) and (iv) of such subsection, plus any increase in the State housing credit ceiling for 2010 made by reason of the application of such section 702(d)(2) and 704(b), multiplied by

''(B) 10.

For purposes of subparagraph (A)(ii), in the case of any area to which section 702(d)(2) or 704(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 applies, section 1400N(c)(1)(A) shall be applied without regard to clause (i)

''(3) COORDINATION WITH NON-REFUNDABLE CREDIT.—For purposes of this section, the amounts described in clauses (i) through (iv) of subsection (h)(3)(C) with respect to any State for 2010 shall each be reduced by so much of such amount as is taken into account in determining the amount of the credit allowed with respect to such State under paragraph (1).

''(4) SPECIAL RULE FOR BASIS.—Basis of a qualified low-income building shall not be reduced by the amount of any payment made under this subsection.

''(5) PAYMENT OF CREDIT; USE TO FINANCE LOW-INCOME BUILDINGS.—The Secretary shall pay to the housing credit agency of each State an amount equal to the credit allowed under paragraph (1). Rules similar to the rules of subsections (c) and (d) of section 1602 of the American Recovery and Reinvestment Tax Act of 2009 shall apply with respect to any payment made under this paragraph, except that such subsection (d) shall be applied by substituting 'January 1, 2012' for 'January 1, 2011'.''.

SEC. 6___. LOW-INCOME HOUSING GRANT ELECTION.

(a) CLARIFICATION OF ELIGIBILITY OF LOW-INCOME HOUSING CREDITS FOR LOW-INCOME HOUSING GRANT ELECTION.—Paragraph (1) of section 1602(b) of the American Recovery and Reinvestment Tax Act of 2009 is amended—

(1) by inserting '', plus any increase in the State housing credit ceiling for 2009 attributable to any State housing credit ceiling returned in 2009 to the State by reason of section 1400N(c) of such Code (including as such section is applied by reason of sections 702(d)(2) and 704(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008)'' after ''1986'' in subparagraph (A), and

(2) by inserting '', plus any increase in the State housing credit ceiling for 2009 attributable to any additional State housing credit ceiling made by reason of the application of such section 702(d)(2) and 704(b)'' after ''such section'' in subparagraph (B).

(b) APPLICATION OF ADDITIONAL HOUSING CREDIT AMOUNT FOR PURPOSES OF 2009 GRANT ELECTION.—Subsection (b) of section 1602 of the American Recovery and Reinvestment Tax Act of 2009, as amended by subsection (a), is amended by adding at the end the following flush sentence:

''For purposes of paragraph (1)(B), in the case of any area to which section 702(d)(2) or 704(b) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 applies, section 1400N(c)(1)(A) of such Code shall be applied without regard to clause (i).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply as if included in the enactment of section 1602 of the American Recovery and Reinvestment Tax Act of 2009.

SEC. 6___. ROLLOVERS FROM ELECTIVE DEFERRAL PLANS TO ROTH DESIGNATED ACCOUNTS.

(a) IN GENERAL.—Section 402A(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(4) TAXABLE ROLLOVERS TO DESIGNATED ROTH ACCOUNTS.—

''(A) IN GENERAL.—Notwithstanding sections 402(c), 403(b)(8), and 457(e)(16), in the case of any distribution to which this paragraph applies—

''(i) there shall be included in gross income any amount which would be includible were it not part of a qualified rollover contribution,

''(ii) section 72(t) shall not apply, and

''(iii) unless the taxpayer elects not to have this clause apply, any amount required to be included in gross income for any taxable year beginning in 2010 by reason of this paragraph shall be so included ratably over the 2-taxable-year period beginning with the first taxable year beginning in 2011.

Any election under clause (iii) for any distributions during a taxable year may not be changed after the due date for such taxable year.

''(B) DISTRIBUTIONS TO WHICH PARAGRAPH APPLIES.—In the case of an applicable retirement plan which includes a qualified Roth contribution program, this paragraph shall apply to a distribution from such plan other than from a designated Roth account which is contributed in a qualified rollover contribution to the designated Roth account maintained under such plan for the benefit of the individual to whom the distribution is made.

''(C) OTHER RULES.—The rules of subparagraphs (D), (E), and (F) of section 408A(d)(3) (as in effect for taxable years beginning after 2009) shall apply for purposes of this paragraph.''.

AMENDMENT NO. 3397, AS MODIFIED

(Purpose: To amend the Internal Revenue Code of 1986 to modify the requirements for exterior windows, doors, and skylights to be eligible for the credit for nonbusiness energy property, and for other purposes)

On page 268, between lines 11 and 12, insert the following:

SEC. 6___. MODIFICATION OF STANDARDS FOR WINDOWS, DOORS, AND SKYLIGHTS WITH RESPECT TO THE CREDIT FOR NONBUSINESS ENERGY PROPERTY.

(a) IN GENERAL.—Paragraph (4) of section 25C(c) is amended by striking ''unless'' and all that follows and inserting ''unless—

''(A) in the case of any component placed in service after the date which is 90 days after the date of the enactment of the American Workers, State, and Business Relief Act of 2010, such component meets the criteria for such components established by the 2010 Energy Star Program Requirements for Residential Windows, Doors, and Skylights, Version 5.0 (or any subsequent version of such requirements which is in effect after January 4, 2010),

''(B) in the case of any component placed in service after the date of the enactment of the American Workers, State, and Business Relief Act of 2010 and on or before the date which is 90 days after such date, such component meets the criteria described in subparagraph (A) or is equal to or below a U factor of 0.30 and SHGC of 0.30, and

''(C) in the case of any component which is a garage door, such component is equal to or below a U factor of 0.30 and SHGC of 0.30.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 6___. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(e)(1) (defining applicable retirement plan) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following:

''(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).''.

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) (defining elective deferral) is amended to read as follows:

''(2) ELECTIVE DEFERRAL.—The term 'elective deferral' means—

''(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

''(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

AMENDMENT NO. 3411, AS MODIFIED

(Purpose: To extend the special allowance for certain property, and for other purposes)

On page 268, between lines 11 and 12, insert the following:

SEC. 6___. EXTENSION OF SPECIAL ALLOWANCE FOR CERTAIN PROPERTY.

(a) IN GENERAL.—Section 15345(d)(1)(D) of the Food Conservation and Energy Act of 2008 (Public Law 110-246) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2010''.

(b) CONFORMING AMENDMENT.—Section 15345(d)(1)(F) of such Act is amended by striking ''January 1, 2008'' and inserting ''January 1, 2010''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 15345 of the Food Conservation and Energy Act of 2008.

SEC. 6___. APPLICATION OF BAD CHECKS PENALTY TO ELECTRONIC PAYMENTS.

(a) IN GENERAL.—Section 6657 is amended—

(1) by striking ''If any check or money order in payment of any amount'' and inserting ''If any instrument in payment, by any commercially acceptable means, of any amount'', and

(2) by striking ''such check'' each place it appears and inserting ''such instrument''.

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to instruments tendered after the date of the enactment of this Act.

AMENDMENT NO. 3416

(Purpose: To provide grants for energy efficient appliances in lieu of tax credits)

On page 268, between lines 11 and 12, insert the following:

SEC. ___. GRANTS FOR ENERGY EFFICIENT APPLIANCES IN LIEU OF TAX CREDIT.

In the case of any taxable year which includes the last day of calendar year 2009 or calendar year 2010, a taxpayer who elects to waive the credit which would otherwise be determined with respect to the taxpayer under section 45M of the Internal Revenue Code of 1986 for such taxable year shall be treated as making a payment against the tax imposed under subtitle A of such Code for such taxable year in an amount equal to 85 percent of the amount of the credit which would otherwise be so determined. Such payment shall be treated as made on the later of the due date of the return of such tax or the date on which such return is filed. Elections under this section may be made separately for 2009 and 2010, but once made shall be irrevocable.

AMENDMENT NO. 3430 TO AMENDMENT NO. 3336

(Purpose: To modify the pension funding provisions)

Mr. BAUCUS. Mr. President, I ask unanimous consent that the pending amendments be set aside and that amendment No. 3430 then be called up.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS], for Mr. ISAKSON, for himself, and Mr. CARDIN, proposes an amendment numbered 3430 to amendment No. 3336.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, I want to spend a minute talking about some remarks I made this morning, especially in light of how they are being irresponsibly mischaracterized by those seeking to score political points.

Today, we learned that 36,000 Americans lost their jobs in February. Those families don't need today's Department of Labor report or anyone else in Washington to tell them what that means for putting food on the table or making car payments or utility payments or affording their health care. It is devastating news. If we are going to discuss the state of our economy and the direction in which it is going, if we are going to talk about it like adults, let us take a step back and put the number into context.

Economists, as reported by the Wall Street Journal, Bloomberg News Wire, and other publications believed that 75,000 to 80,000 Americans were going to lose their jobs last month. That is more than double what the actual number turned out to be. That number, of course, is still too high. But I was glad this morning when I heard the unemployment number proved the pundits wrong by some 50 percent. Those economists thought the employment rate was going to go up. Well, it didn't. But the unemployment rate is still too high, and anyone from Nevada can tell anyone who wants to listen about that fact.

We could ask the 40,000 Americans who economists thought were in the line of fire but who still had a job to go to this morning, and they will tell you that they were relieved February wasn't as bad as expected. And remember, if you compare where we were last year and where we are today, if you compare where we were before the Recovery Act and where we are now, there is no question we stopped a terrible situation from getting even worse.

In the 3 months before the Recovery Act, 750,000 to 800,000 people lost their jobs—in those 3 months alone. Then the Recovery Act kicked in, and in the last 3 months, that number is down from 750,000 to 36,000. That is not all. In the quarter before the Recovery Act, the economy shrank by more than 6 percent. In the last quarter, the economy grew by 6 percent. Expert after expert has said as many as 2½ million people who have jobs today would not have them had we not had the Recovery Act. Expert after expert has said our recession would have become another depression if we had done nothing, as some urged. Going from 750,000 to 800,000 job losses to 36,000 is not the end, but it is a step in the right direction. Taking our economy from a 6-percent contraction to 6 percent growth is not the end, but it is a step in the right direction.

People should start looking literally at the glass being half full rather than half empty. People should start betting on the success of this country, not the failure, as some have done.

The President said this morning that the 6-percent growth we had last quarter is not the end, but it is a step in the right direction. And as he said this morning, it is still more than we should tolerate. We don't pretend for a minute it is enough. I know Nevada's families and businesses are hurting, and that is why we are doing even more to put people back to work and why we worked so hard to pass a jobs bill last month that the House passed yesterday. That is so important.

The jobs bill is going to be great for small businesses. It will save a million highway jobs, allow small businesses to hire people who have been off work for 60 days, give small businesses an incentive to buy things and write them off for up to $250,000. They do not have to depreciate it. And the Buy America Bonds, one of the premier successful issues in our Recovery Act that Governors and local officials wanted, is in the bill we passed. I was at the White House, along with others, yesterday where the President signed a bill that rewards businesses with tax cuts for keeping jobs here at home and not sending them overseas.

But again, let us put this in context. What was the response from my friends on the other side of the aisle? It is incredible. We have been told that the bill will create more than 200,000 jobs—the Travel Promotion Act. What did my friends on the other side say? They agreed with some of the ideas in the bill, but they decided to play politics and they voted against it anyway, with rare exception.

It is why we fought so hard to extend unemployment health benefits for those thrown out in the streets by the Republican recession. What was the response of our Republican colleagues to preserve unemployment compensation with unemployment health benefits? The response from my Republican colleagues, even though they said they agreed with helping those who had lost their jobs through no fault of their own, was they delayed and delayed and let the benefits expire. And when thousands were told to go home from their jobs without pay, and with many more at risk, they sat silently by.

That is why we passed the Travel Promotion Act, which the President signed yesterday—a bill that would create jobs and cut the deficit by $½ billion. It is a bill that will bring foreign tourists to the United States so they can spend their money all across our country. But how did the Republicans react? They delayed it for months and months and months and months, only to vote for it in the end.

We will keep going. We will pass a long-term extension of unemployment insurance, health benefits for the unemployed and tax cuts for small businesses. We will create incentives for companies to invest in renewable energy—projects that will make States

such as Nevada the leaders of the new clean energy economy, with green jobs from coast to coast that can never be outsourced. It is why we will finish the job on health care reform, which both bodies of Congress have already passed—a plan with contents my State and the country overwhelmingly support.

Fixing our broken health care system will save lives, save money, and save Medicaid and Medicare, but it will also save jobs—as many as 34 million over the next decade. The reason each of these steps is important—the Recovery Act, our jobs bill, extension of unemployment and health benefits, promoting tourism, tax cuts and incentives, and health care reform—is because they each add certainty and security to our businesses, our States, and our country. They each represent a strong new brick along the road to recovery that we need to build.

Yet for some reason, those on the other side simply can't bring themselves to admit what we are doing is working. We are nowhere finished with that work, but the people of Nevada and the rest of the American people know that the emergency steps we took and the ones we will take have turned us around and now we are facing in the right direction. We have a long way to go, as the President said, and we will move past this.

So I encourage my Republican friends to remember this critical context before their political reflections lead them to make claims they know to be false. I warn them once again that this country has no place and no patience for those who root for failure.

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

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

CLOTURE MOTION

Mr. REID. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the Baucus substitute amendment No. 3336 to H.R. 4213, the Tax Extenders Act of 2009.

Harry Reid, Max Baucus, Richard J. Durbin, Roland W. Burris, Kent Conrad, Benjamin L. Cardin, Patrick J. Leahy, John D. Rockefeller, IV, Robert Menendez, Daniel K. Inouye, Robert P. Casey, Jr., Jon Tester, Bill Nelson, Charles E. Schumer, Kay R. Hagan, Sheldon Whitehouse, Tom Harkin.

CLOTURE MOTION

Mr. REID. Mr. President, I send another cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on H.R. 4213, the Tax Extenders Act of 2009.

Harry Reid, Max Baucus, Richard J. Durbin, Roland W. Burris, Kent Conrad, Benjamin L. Cardin, Patrick J. Leahy, John D. Rockefeller, IV, Robert Menendez, Daniel K. Inouye, Robert P. Casey, Jr., Jon Tester, Bill Nelson, Charles E. Schumer, Kay R. Hagan, Sheldon Whitehouse, Tom Harkin.

Mr. REID. Mr. President, I ask unanimous consent that on Tuesday, March 9, after the Senate resumes consideration of H.R. 4213, it proceed to vote in relation to the following amendments, in the order listed, and with no amendments in order to the amendments; and that prior to each vote there be 4 minutes of debate, equally divided and controlled in the usual form, and after the first vote in this sequence, the succeeding votes be limited to 10 minutes:

Baucus amendment No. 3429 on the subject matter of the Coburn amendment No. 3358; the Coburn amendment No. 3358; the Murray amendment No. 3356, as modified; the Republican leader, or designee, amendment on the same subject matter as the Murray amendment No. 3356; that at 2:30 p.m., Tuesday, March 9, the Senate proceed to vote on the motion to invoke cloture on the Baucus substitute amendment No. 3336, with the mandatory quorum being waived.

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

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent we move to a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

LITHUANIA COMMEMORATIVE RESOLUTION

Mr. DURBIN. Mr. President, March 11, 2010, the people of Lithuania celebrate the 20th anniversary of the reestablishment of the State of Lithuania.

Yesterday, the Senate passed a resolution that I, along with Senator CARDIN and Senator WICKER, submitted to commemorate this occasion.

An ancient and noble state, mentioned as far back as 1009, Lithuanians have long revered their independence. On February 16, 1918, the Act of Independence of Lithuania led to the establishment of Lithuania as a sovereign and democratic state.

During World War II, under the German-Soviet Treaty of Friendship, Cooperation and Demarcation, Lithuania was forcibly incorporated into the Soviet Union in violation of preexisting peace treaties. During 50 years of Soviet occupation of the Baltic States, the United States Congress consistently refused to legally recognize the incorporation of Latvia, Estonia and Lithuania into the Soviet Union.

On March 11, 1990, the Republic of Lithuania was restored, and Lithuania became the first Soviet republic to declare independence. A little over a year later, the U.S. Government formally recognized Lithuania as an independent and sovereign nation. This year the U.S. Government and the Government of Lithuania celebrate 88 years of continuous diplomatic relations.

Lithuania is a strong, free market democracy and a full member of the United Nations, the Organization for Security and Cooperation in Europe, the European Union, and the North Atlantic Treaty Organization. In 2009 Lithuania assumed Presidency of the Community of Democracies.

Lithuania also plays an important part in maintaining international peace and stability in Europe and around the world and participates in international civilian and military operations in Afghanistan, Iraq, Bosnia, Kosovo and Georgia.

When I traveled to Lithuania again last year, I was proud not only of my heritage, but to see how far Lithuania has come, despite the many difficulties it endured in the last century. My congratulations to President Dalia Grybauskaite, Prime Minister Andrius Kubilius, and the people of Lithuania on this historic occasion.

NATIONAL PEACE CORPS WEEK

Mr. AKAKA. Mr. President, in the early 1960s, President John F. Kennedy inspired Americans to serve their country in the cause of peace by living and working in developing countries throughout the world. From that inspiration grew an agency devoted to world peace and friendship. The Peace Corps has become an enduring symbol of our Nation's commitment to encourage progress, create opportunity, and expand development at the grass-roots level in the developing world. In gratitude of the nearly 200,000 volunteers who have made significant contributions to improve the lives of people in over 139 countries during the last 49 years, I would like the Senate to recognize the Peace Corps and its celebration of National Peace Corps Week.

National Peace Corps Week is being held from March 1 through March 7, 2010. During this time, celebratory and educational events will occur across the country to pay tribute to the Peace Corps' positive influence on communities here at home and abroad. Thousands of current and former Peace Corps volunteers will participate in activities that advance the Peace Corps'

goals of improving Americans' understanding of other peoples and improving other peoples' understanding of Americans in countries where the Peace Corps serves. The momentous work of Peace Corps volunteers toward these goals represents a legacy of service that has become a significant part of America's history and positive image abroad.

Throughout its history, the Peace Corps has adapted and responded to the issues of the times. In a constantly changing world, Peace Corps volunteers have met new and difficult challenges with creativity, determination, innovation and compassion in places such as Africa, Asia, the Caribbean, Central and South America, Europe, the Pacific Islands and the Middle East. Volunteers have made momentous and enduring contributions in agriculture, business development, information technology, education, the environment, health and HIV/AIDS awareness and prevention. Peace Corps volunteers are able to make these tremendous contributions through learning more than 250 languages and dialects and receiving extensive cross-cultural training that enables them to function effectively at a professional level in different cultural settings.

It should be noted that in the area of HIV/AIDS awareness and prevention, Peace Corps volunteers provide hope and meaningful assistance to those affected by this terrible disease. The tireless efforts and dedication of volunteers have made the Peace Corps a key partner in the global response to the HIV/AIDS pandemic. Peace Corps volunteers are uniquely suited to work in HIV/AIDS awareness and prevention because they are trained in the local language, live and work in the communities where they serve, and know how to share information in a culturally appropriate way.

The Peace Corps and its volunteers continue the tradition of making a difference to improve the lives of millions of people around the world. Peace Corps volunteers will arrive in Indonesia in the spring of 2010 and will work as English teachers in high schools and at teacher training institutions. In mid-2010, Peace Corps volunteers will return to Sierra Leone after a 16-year absence to focus on secondary education and work with their host communities on grassroots initiatives and community development projects.

In conclusion, I want to take this opportunity to personally thank the nearly 7,700 Peace Corps volunteers who are currently making significant and lasting contributions in 76 countries. Among them I want to recognize the 29 Peace Corps volunteers from the State of Hawaii who are serving in such diverse places as Zambia, Botswana, Micronesia, China, Morocco and Kyrgyzstan. I am extremely proud of their service and contribution.

I take great pleasure in recognizing the achievements of the Peace Corps, honoring its volunteers, and reaffirming our country's commitment to helping people help themselves throughout the world.

Mrs. SHAHEEN. Mr. President, I rise today to commemorate National Peace Corps Week and to honor the thousands of Americans who serve as Peace Corps volunteers throughout the world.

The Peace Corps was founded on the ideal that each of us has the responsibility to serve our country and leave our world in a better place than we found it. Peace Corps volunteers provide innovation, creativity, determination, and compassion in an ever-changing world, advancing U.S. interests and the global good. These volunteers exemplify the true meaning of service to a greater cause and contributing to the well-being of those in need around the world.

Since the Peace Corps' founding in 1961 by President John F. Kennedy, nearly 200,000 U.S. citizens have chosen to serve their country as Peace Corps volunteers in 139 countries around the world. Today, nearly 8,000 Peace Corps volunteers serve abroad in 76 different countries, providing critical education, expertise, and development assistance to the poor and impoverished across the globe. Their willingness to dedicate themselves toward the laudable goal of assisting those in need and strengthening the image of America makes them deserving of our respect and admiration.

In my own home State of New Hampshire, 48 volunteers have heard the call and are currently devoting their time, energy, and lives to fulfilling the vision of President Kennedy and serving abroad in the cause of peace. They are placed throughout the developing world—from Cambodia to Guatemala to Kazakhstan—making significant and lasting contributions toward the health, education, and development in the places where these things are often needed most.

I seek recognition of each of these citizen ambassadors and the many Peace Corps volunteers from New Hampshire that have served since 1961. In honor of their efforts, I will ask consent that the attached list of current New Hampshire volunteers be printed in the CONGRESSIONAL RECORD. New Hampshire is proud of your service, and we will continue to stand behind you and express thanks for your assistance.

In today's interdependent world, American security and prosperity are inextricably linked to the security and prosperity of people in the developing world. Peace Corps volunteers work on the front lines in our battle for hearts and minds around the globe. They serve as teachers, business professionals, health educators, agricultural and environmental specialists, management and information technology advisors, and mentors and friends to citizens across the globe. As the administration plans to double the size of the Peace Corps in the years to come, it is critical to remember that these unofficial ambassadors have become enduring symbols of our nation's commitment to progress, opportunity, and grass-roots development in the far corners of the world.

Upon the completion of their service abroad, these volunteers then return home to promote a better understanding here in America of the culture, language and viewpoint of those they have served. In our 21st century world, where the threats and challenges that confront America and the global community cannot be overcome by the might of our military alone, Peace Corps volunteers are laying the foundation for a more secure, prosperous, and compassionate world. In honor of National Peace Corps Week and in celebration of the Peace Corps' 49th anniversary, I would like to recognize those volunteers from New Hampshire, as well as all past and current Peace Corps volunteers, for their commitment to fostering a better world for future generations.

As a member of the Senate Foreign Relations Committee and the chair of the Foreign Relations Subcommittee on European Affairs, I will work with our allies and friends throughout the world in the development of an American foreign policy that matches the passion and commitment to service of our Peace Corps volunteers abroad.

Mr. President, I ask unanimous consent to have the list of current New Hampshire volunteers to which I referred printed in the RECORD.

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

SWORN-IN VOLUNTEERS IN THE STATE OF NEW HAMPSHIRE

Senator: Jeanne Shaheen

Volunteer name	Country of service	Start of service date	Projected COS date
Abrams, Hillary H	South Africa	17-Sep-2009	16-Sep-2011
Ankarberg, Denise Y	China	28-Aug-2009	02-Sep-2011
Bardo, Johanna E	Suriname	01-Aug-2008	31-Jul-2010
Bardo, Nicholas W	China	12-May-2006	25-Aug-2010
Barker, Lisa B	Cambodia	25-Sep-2009	12-Aug-2011
Bootland, Diane C	Belize	29-Oct-2008	22-Oct-2010
Cahill, Michael P	Mali	12-Sep-2008	11-Sep-2010
Campbell, Adam S	Morocco	19-May-2008	19-May-2010
Clark, Samantha A	Kazakhstan	31-Oct-2009	30-Oct-2011
Coes, Casey P	Morocco	19-May-2008	03-Sep-2010
Cook, Catherine A	Suriname	29-Jul-2009	28-Jul-2011
Costanza, Danielle M	Nicaragua	31-Jul-2009	29-Ju1-2011
Croteau-Frechet, Sydney A	Swaziland	27-Aug-2009	26-Aug-2011
Daigneault, Jacqueline A	Togo	03-Dec-2009	02-Dec-2011
Drapcho, Amanda C	Gambia	18-Apr-2008	17-Apr-2010
Estabrook, Kate P	Suriname	01-Aug-2008	31-Jul-2010
Evans, Nicole A	Lesotho	08-Jan-2009	23-Jan-2011
Fiorino, Amanda J	Mongolia	19-Aug-2009	18-Aug-2011
Fosher, Steven J	Morocco	29-Apr-2009	29-Apr-2011
Frechette, David K	Swaziland	27-Aug-2009	26-Aug-2011
Fredenburg, Angus T	Nicaragua	23-Nov-2009	18-Nov-2011
Geller, Amanda L	Guatemala	18-Jul-2008	17-Jul-2010
Gross, Brendan S	Mali	10-Sep-2009	11-Sep-2011
Guthro, Kaitlyn A	Kyrgyzstan	18-Sep-2008	17-Sep-2010
Hannon, Mark F	Mali	12-Sep-2008	11-Sep-2010
Hannon, Samantha B	Mali	12-Sep-2008	11-Sep-2010
Hendel, Sarah J	Turkmenistan	05-Dec-2008	05-Dec-2010
Jacobson, Gloria J	Fiji	23-Jul-2009	22-Jul-2011
Joyce, Judith A	Eastern Caribbean.	17-Oct-2008	15-Oct-2010
Keniston, Charlotte S	Guatemala	31-Oct-2008	30-Oct-2010
King, Amy E	Azerbaijan	09-Dec-2009	08-Dec-2011
Mackie, Laura K	Ukraine	18-Jun-2008	17-Jun-2010
McGlone, Michael R	Fiji	24-Jul-2008	30-Ju1-2010
Mclaughlin, Matt	Senegal	17-Nov-2006	14-Dec-2009
Melvin, Adam T	Jordan	04-Sep-2008	09-Sep-2010
Netsch, Kathryn S	Kyrgyzstan	18-Sep-2008	17-Sep-2010
O'Neil, Beth J	Armenia	13-Aug-2009	13-Aug-2011
Rhodes, James R	Suriname	29-Jul-2009	28-Jul-2011
Sehovich, Jessica N	Ukraine	18-Jun-2008	17-Jun-2010
Sullivan, Steven W	Senegal	07-Nov-2008	09-Nov-2010
Thompson, Jonathan D	Benin	25-Sep-2009	25-Sep-2011
Tostenson, Bradley J	Kyrgyzstan	10-Jun-2009	09-Jun-2011
Tuttle, Christian P	China	28-Aug-2009	02-Sep-2011
Ullrich, Valerie L	Ukraine	18-Jun-2009	17-Jun-2011

SWORN-IN VOLUNTEERS IN THE STATE OF NEW HAMPSHIRE—Continued

Senator: Jeanne Shaheen

Volunteer name	Country of service	Start of service date	Projected COS date
Vinson, Laura M	Ecuador	29-Aug-2008	27-Aug-2010
Wiggum, Candice D	Macedonia	26-Nov-2009	25-Nov-2011
Wilkinson, Amy T	Uganda	22-Apr-2009	21-Apr-2011
Wrocklage, James W	Azerbaijan	09-Dec-2009	08-Dec-2011

Total Volunteers: 48.

CONGRATULATING THE 2010 MICHIGAN WINTER OLYMPIANS

Mr. LEVIN. Mr. President, I would like to congratulate all of the athletes who competed in the 2010 Winter Olympic Games in Vancouver, British Columbia. The Olympics was a spectacular and awe-inspiring event that captured the attention and imagination of people across the globe. While the athletes often come from very different backgrounds and cultures, they share a bond that will last forever: each has earned the title of Olympian. Indeed, it was heartwarming to watch these athletes come together to showcase their talents in peaceful competition over a two week span.

The United States was represented by an extraordinary group of athletes. As a team, these talented and determined competitors brought home 37 medals, the most medals ever for the United States in the Winter Games. There were many breathtaking moments and several firsts for the U.S. team. Michigan was well represented with close to two dozen athletes competing in a range of sports. I am proud of each person that represented the United States, and I am particularly proud of those with ties to Michigan. In fact, leading the parade of American athletes and holding the American Flag during the opening ceremonies was Michigan's own Mark Grimmette, a luger who competed in his fifth and last Olympic Games.

Michigan continued its long tradition of hosting and facilitating the training of world-class athletes for the Winter Games. More than three dozen athletes sharpen their skills at the Olympic Education Center, OEC, at Northern Michigan University in Marquette. In fact, the entire U.S. short track speed skating team trained at some point at the OEC leading up to the Games. This wonderful facility has provided for the training of athletes in a number of Olympic disciplines and has been an integral part of the success of many Olympic athletes since its inception in 1985.

Shani Davis, who became the first African-American speed skater to win gold in an individual event in the Winter Games in 2006, displayed the skill and speed that has become his hallmark. This Northern Michigan University Alumnus secured gold in the 1,000 meters, setting yet another milestone by becoming the first person to win this event in back to back Olympic Games. Travis Jayner from Midland earned bronze as part of the U.S. 5,000 meter relay team at the Games. Long track speed skater Ryan Bedford from Midland also had a solid performance, placing 12th in the 10,000 meter race in his first Olympic appearance. Jilleanne Rookard, a speed skater from Woodhaven, competed in three individual and one team event. Her best finish was fourth in the team pursuit. Competing in her second Winter Games, Kimberly Derrick, a graduate of Northern Michigan University, competed in the 1,500 meter individual race.

The United States men's hockey team won silver in Vancouver, a remarkable performance that captivated Americans, whether they were dedicated hockey fans or newcomers to the sport. The men's journey to the gold medal game was buoyed by goaltender Ryan Miller from East Lansing, MI. Miller, a Michigan State University alumnus, earned Most Valuable Player honors for his phenomenal play throughout, which enabled the young American team to make a run for the gold. There were several members of the men's team with ties to Michigan that contributed to the hockey team's success, including Tim Thomas from Flint, Tim Gleason from Clawson, Jack Johnson from Ann Arbor, Ryan Kesler from Livonia and Brian Rafalski from Dearborn, who now plays for the Detroit Red Wings of the NHL. In fact, 14 of the 25 member U.S. roster are either from Michigan or played organized hockey at some point in Michigan.

The men's gold medal game was one of the great hockey games I have seen—and I have seen a lot. The U.S. hockey team tied the score in the final, hectic seconds of regulation to send this thrilling game into overtime. While the team ultimately lost in overtime, the heart they displayed was forever etched in our minds.

A number of Red Wings players represented their home countries at the Winter Games, including Mike Babcock, head coach of the Canadian team; Pavel Datsyuk of Russia; Valtteri Filppula of Finland; and Johan Franzen, Niklas Kronwall, Nicklas Lidstrom, and Henrik Zetterberg of Sweden.

The U.S. women's hockey team matched the men's success by securing silver in Vancouver. Their dominating performance throughout the Olympics culminated in a fierce battle against Canada in the gold-medal game. The lone Michiganian on the team, Angela Ruggiero from Harper Woods, played well throughout, scoring three goals and an assist in the tournament. In a demonstration of the respect this four-time Olympian has earned, her fellow athletes from around the world selected Ruggiero to serve as one of the athletes' representatives to the International Olympic Committee.

In Ice Dancing, Meryl Davis and Charlie White from West Bloomfield and Dearborn, respectively, skated with grace and precision to secure the silver medal. Their performance was truly stunning. Joining them on the medal podium were Scott Moir and Tessa Virtue of Canada. Both teams train in Canton, MI, at the Arctic Figure Skating Club. Emily Samuelson and Evan Bates, who train at the Ann Arbor Figure Skating Club, skated beautifully and finished 11th overall. All three pairs were a joy to watch, and to have three teams that train in Michigan perform so well is a tribute to Michigan's commitment to the sport. Along with being a part of the 2010 Olympic Team, Meryl, Charlie, Emily, and Evan also are students at the University of Michigan. Tanith Belbin and Ben Agosto, the 2006 Torino silver medalists who formerly trained in Canton, MI, also skated well and placed fourth. The two-time United States Men's Champion Jeremy Abbott from the Detroit Skating Club in Bloomfield Hills placed 9th in the tough and spirited men's individual figure skating contest.

There were many other dramatic moments and personal triumphs by Olympians from Michigan during the 2010 Winter Games. Bobsledder Michelle Rzepka from Novi, a graduate of Michigan State University, put forth a strong effort and finished sixth overall. Nick Baumgartner from Iron River competed with style and abundant flair in Snowboardcross in Vancouver. Caitlin Compton, a Northern Michigan University graduate, displayed great endurance and perseverance in competing in three cross country events, with a top finish of sixth in the team sprint free.

I know I speak for all Michiganians in expressing appreciation and congratulations to all of the athletes, coaches, and administrators who took part in the 2010 Winter Olympic Games. It is with particular pride that I salute the athletes from Michigan. The commitment, drive, and competitive spirit of these athletes were on full display for the world to witness. The feats of these gifted and determined athletes have inspired us all.

MESSAGE FROM THE HOUSE

ENROLLED BILL SIGNED

At 9:33 a.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 2968. An act to make certain technical and conforming amendments to the Lanham Act.

ENROLLED BILL PRESENTED

The Secretary of the Senate announced that on today, March 5, 2010, she had presented to the President of the United States the following enrolled bill:

S. 2968. An act to make certain technical and conforming amendments to the Lanham Act.

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–4919. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Eurocopter France Model SE3160, SA315B, SA316B, SA316C, and SA319B Helicopters'' ((RIN2120–AA64) (Docket No. FAA–2010–0047)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4920. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Lifesavings Systems Corp., D—Lok Hook Assembly'' ((RIN2120–AA64) (Docket No. FAA–2009–1148)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4921. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Turbomeca Arriel 2B and 2B1 Turboshaft Engines'' ((RIN2120–AA64) (Docket No. FAA–2009–0889)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4922. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Sikorsky Aircraft Corporation Model S–92A Helicopters'' ((RIN2120–AA64) (Docket No. FAA–2010–0066)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4923. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; PIAGGIO AERO INDUSTRIES S.p.A. Model P–180 Airplanes (Airplanes Docket No. 1081)'' ((RIN2120–AA64) (Docket No. FAA–2009–1081)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4924. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; PIAGGIO AERO INDUSTRIES S.p.A. Model P–180 Airplanes (Airplanes Docket No. 1116)'' ((RIN2120–AA64) (Docket No. FAA–2009–1081)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4925. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB–135BJ, –135ER, –135KE, –135KL, and –135LR Airplanes; and EMB–145, –145ER, –145MR, –145LR, –145XR, –145MP, and 145EP Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2009–0659)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4926. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; The Boeing Company Model 767–200, –300, and –300F Series Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–0031)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4927. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; The Boeing Company Model 747–200C and 200F Series Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2009–0608)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4928. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Bell Helicopter Textron, Inc. Model 205B and 212 Helicopters'' ((RIN2120–AA64) (Docket No. FAA–2010–0065)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4929. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Dassault-Aviation Model Falcon 900EX Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2009–0994)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4930. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A310–221, –222, –322, –324, and –325 Airplanes, and Model A300 B4–620, B4–622, B4–622R, and F4–622R Airplanes, Equipped with Pratt and Whitney PW4000 or JT9D–7R4 Series Engines'' ((RIN2120–AA64) (Docket No. FAA–2009–0613)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4931. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Thielert Aircraft Engines GmbH (TAE) Model TAE 125–01 Reciprocating Engines'' ((RIN2120–AA64) (Docket No. FAA–2009–0747)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4932. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; SCHEIBE-Flugzeugbau GmbH Model SF25C Gliders'' ((RIN2120–AA64) (Docket No. FAA–2010–0125)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4933. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Extra Flugzeugproduktions—und Vertriebs—GmbH Models EA–300/200 and EA–300/L Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2009–1025)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4934. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; McCauley Propeller Systems 1A103/TCM Series Propellers'' ((RIN2120–AA64) (Docket No. FAA–2010–0093)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4935. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model ERJ 190–100 LR, –100 IGW, –100 STD, –200 STD, –200 LR, and –200 IGW Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2009–0418)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4936. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Augustair, Inc. Models 2150, 2150A, and 2180 Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–0121)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4937. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A380–841, –842, and –861 Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2010–0038)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4938. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A330–200 Series Airplanes and Model A340–200 and –300 Series Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2009–1107)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4939. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Bombardier, Inc. Model CL–600–2C10 (Regional Jet Series 700, 701, and 702), CL–600–2D15 (Regional Jet Series 705), and CL–600–2D24 (Regional Jet Series 900) Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2009–1027)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4940. A communication from the Paralegal Specialist, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A310–203, –221, –222 Airplanes; and Model A300 F4–605R and –622R Airplanes'' ((RIN2120–AA64) (Docket No. FAA–2009–0615)) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Commerce, Science, and Transportation.

EC–4941. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation,

Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Beauveria bassiana HF23; Amendment of Exemption from the Requirement of a Tolerance'' (FRL No. 8814–6) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4942. A communication from the Director of the Regulatory Management Division, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; State of Iowa'' (FRL No. 9122–4) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4943. A communication from the Director of Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Defense Federal Acquisition Regulation Supplement; Payment of Costs Prior to Definization—Defintion of Contract Action'' (DFARS Case 2009–D035) received in the Office of the President of the Senate on March 2, 2010; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mrs. BOXER, from the Committee on Environment and Public Works, without amendment:

H.R. 3433. A bill to amend the North American Wetlands Conservation Act to establish requirements regarding payment of the non-Federal share of the costs of wetlands conservation projects in Canada that are funded under that Act, and for other purposes (Rept. No. 111–158).

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. WYDEN:

S. 3082. A bill to amend title 38, United States Code, to authorize individuals who are pursuing programs of rehabilitation, education, or training under laws administered by the Secretary of Veterans Affairs to receive work-study allowances for certain outreach services provided through congressional offices, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BENNETT:

S. 3083. A bill to amend the Internal Revenue Code of 1986 to allow the expensing of certain real property; to the Committee on Finance.

By Ms. KLOBUCHAR (for herself, Mr. LEMIEUX, Mrs. SHAHEEN, and Mr. WYDEN):

S. 3084. A bill to increase the competitiveness of United States businesses, particularly small and medium-sized manufacturing firms, in interstate and global commerce, foster job creation in the United States, and assist United States businesses in developing or expanding commercial activities in interstate and global commerce by expanding the ambit of the Hollings Manufacturing Extension Partnership program and the Technology Innovation Program to include projects that have potential for commercial exploitation in nondomestic markets, providing for an increase in related resources of the Department of Commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BAUCUS:

S. 3085. A bill to amend the Consolidated Farm and Rural Development Act to improve the business and industry direct and guaranteed loan program of the Department of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

ADDITIONAL COSPONSORS

S. 461

At the request of Mrs. LINCOLN, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 461, a bill to amend the Internal Revenue Code of 1986 to extend and modify the railroad track maintenance credit.

S. 1055

At the request of Mrs. BOXER, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 1055, a bill to grant the congressional gold medal, collectively, to the 100th Infantry Battalion and the 442nd Regimental Combat Team, United States Army, in recognition of their dedicated service during World War II.

S. 1737

At the request of Mr. FRANKEN, the name of the Senator from New Mexico (Mr. UDALL) was added as a cosponsor of S. 1737, a bill to amend the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966 to increase the number of children eligible for free school meals, with a phased-in transition period.

S. 1762

At the request of Mr. BROWNBACK, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1762, a bill to amend the Public Health Service Act to expand and intensify programs of the National Institutes of Health and the Centers for Disease Control and Prevention with respect to translational research and related activities concerning Down syndrome, and for other purposes.

S. 1783

At the request of Mr. FRANKEN, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 1783, a bill to amend the Agricultural Marketing Act of 1946 to provide for country of origin labeling for dairy products.

S. 1939

At the request of Mrs. GILLIBRAND, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1939, a bill to amend title 38, United States Code, to clarify presumptions relating to the exposure of certain veterans who served in the vicinity of the Republic of Vietnam, and for other purposes.

S. 2758

At the request of Ms. STABENOW, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. 2758, a bill to amend the Agricultural Research, Extension, and Education Reform Act of 1998 to establish a national food safety training, education, extension, outreach, and technical assistance program for agricultural producers, and for other purposes.

S. 2878

At the request of Mrs. GILLIBRAND, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 2878, a bill to prevent gun trafficking in the United States.

S. 3077

At the request of Mr. CORNYN, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 3077, a bill to authorize the Secretary of Homeland Security and the Secretary of State to refuse or revoke visas to aliens if in the security or foreign policy interests of the United States, to require the Secretary of Homeland Security to review visa applications before adjudication, and to provide for the immediate dissemination of visa revocation information.

S. 3081

At the request of Mr. MCCAIN, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 3081, a bill to provide for the interrogation and detention of enemy belligerents who commit hostile acts against the United States, to establish certain limitations on the prosecution of such belligerents for such acts, and for other purposes.

S. RES. 433

At the request of Mrs. SHAHEEN, the names of the Senator from West Virginia (Mr. BYRD), the Senator from Maryland (Ms. MIKULSKI), the Senator from Rhode Island (Mr. WHITEHOUSE), the Senator from California (Mrs. FEINSTEIN), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Washington (Mrs. MURRAY) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of S. Res. 433, a resolution supporting the goals of ''International Women's Day''.

S. RES. 439

At the request of Mr. ENSIGN, the names of the Senator from Louisiana (Mr. VITTER) and the Senator from Idaho (Mr. RISCH) were added as cosponsors of S. Res. 439, a resolution recognizing the exemplarily service, devotion to country, and selfless sacrifice of Special Warfare Operators 2nd Class Matthew McCabe and Jonathan Keefe and Special Warfare Operator 1st Class Julio Huertas in capturing Ahmed Hashim Abed, one of the most-wanted terrorists in Iraq, and pledging to continue to support members of the United States Armed Forces serving in harm's way.

AMENDMENT NO. 3374

At the request of Ms. LANDRIEU, her name was added as a cosponsor of amendment No. 3374 proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

AMENDMENT NO. 3375

At the request of Mr. DORGAN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of amendment No. 3375 intended to be proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

AMENDMENT NO. 3383

At the request of Mr. WICKER, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of amendment No. 3383 proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

AMENDMENT NO. 3403

At the request of Mrs. FEINSTEIN, her name was added as a cosponsor of amendment No. 3403 intended to be proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

AMENDMENT NO. 3416

At the request of Mr. GRASSLEY, his name was added as a cosponsor of amendment No. 3416 proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

AMENDMENT NO. 3428

At the request of Mr. ROCKEFELLER, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of amendment No. 3428 intended to be proposed to H.R. 4213, a bill to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WYDEN:

S. 3082. A bill to amend title 38, United States Code, to authorize individuals who are pursuing programs of rehabilitation, education, or training under laws administered by the Secretary of Veterans Affairs to receive work-study allowances for certain outreach services provided through congressional offices, and for other purposes; to the Committee on Veterans' Affairs.

Mr. WYDEN. Mr. President, today I am introducing a bill to right a bureaucratic wrong that has prevented capable and qualified veterans from serving their home States as work-study students in Congressional offices.

For years, veterans have served in the office of their representative or senator as a vital part of an office's constituent service efforts. These student veterans gain employment experience while providing valuable expertise to our offices. Student veterans work together with our staffs to assist other veterans from their home State wade through the often confusing and lengthy process of receiving benefits from the Department of Veterans Affairs. Congressional offices benefit by providing better services to their constituents without having to hire a disproportionate number of people to assist with veterans affairs. Veteran work-study students also benefit the VA by shouldering up-front some of the administrative burdens of claims processing.

Congressional offices have served as qualified work sites for VA work-study students for over 25 years. Student veterans have worked in congressional offices during my time in both the House of Representatives and the Senate. In recent months, however, Oregon congressional offices were notified that they would no longer be eligible sites for VA work-study programs.

I am deeply troubled that the proud tradition of student veterans serving fellow veterans in Oregon congressional offices is in jeopardy. At a time when the wars in Iraq and Afghanistan have increased the number of veterans seeking our help with VA benefits and services, the instability of the program is particularly unfortunate. Moreover, my concerns are heightened due to the reduction in work-study positions available to Oregon veterans during an economic recession that has sent unemployment rates over 12 percent in some areas.

I share the VA's hope to provide high quality, prompt, and seamless service to veterans and their dependents, through the VA work-study program. That is why I am introducing legislation today to return these talented student veterans to Congressional offices. These student veterans provide an invaluable resource to our staffs. I hope that we are able to pass this legislation quickly to provide valuable employment opportunities for our Nation's veterans.

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. 3082

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPANSION OF WORK-STUDY ALLOWANCE TO INCLUDE CERTAIN OUTREACH SERVICES CONDUCTED THROUGH CONGRESSIONAL OFFICES.

Section 3485(a)(4) of title 38, United States Code, is amended by adding at the end the following new subparagraph:

''(G) The following activities carried out at the offices of Members of Congress for such Members:

''(i) The distribution of information to members of the Armed Forces, veterans, and their dependents about the benefits and services under laws administered by the Secretary and other appropriate governmental and non-governmental programs.

''(ii) The preparation and processing of papers and other documents, including documents to assist in the preparation and presentation of claims for benefits under laws administered by the Secretary.''.

By Mr. BENNETT:

S. 3083. A bill to amend the Internal Revenue Code of 1986 to allow the expensing of certain real property; to the Committee on Finance.

Mr. BENNETT. Mr. President, we got some numbers this morning. Unemployment seems stuck at 9.7 percent nationally. We lost more jobs. In my home State of Utah, unemployment is at a 23-year high at 6.8 percent. I know there are States represented by Senators here that would love to have 6.8 percent as their unemployment rate, but we in Utah do not like it.

I want to talk about one aspect of the unemployment rate that I think has been ignored in the debate we have had around the country. The President says we are out of the woods, not far out of the woods, to be sure, but that we have turned around, that the recession has started to fade, and we are starting to come back. He looks at macronumbers and makes that statement with respect to GDP and all of the rest of that. He is missing a very important fact I want to highlight here today in the introduction of this bill.

The economy is driven by a variety of forces. But the one thing we do know about economic activity is that jobs are created primarily by small businesses. When I say small, I mean really small. Over 7 million jobs have been lost since the beginning of the recession. We must ask, How many of those have been lost in small businesses? The answer is, over half of that number. Over 3.5 million of the jobs that have been lost have been lost in small businesses.

We hear and look at the reports that are in the newspaper about big companies that have had layoffs and big companies that have stopped hiring. But it is the small businesses in the United States that have been the engine of economic growth and the engine of hiring all the way through.

I have talked before about my own experiences as a small businessman, and I will revisit that here for a moment to put this in context.

I have been involved in the creation of a number of businesses. Most of them have failed. That is the norm for small businesses. People get an idea. People get excited. They get caught up in the idea of having their own business. They start their own business, and they find it is much harder than they thought. They find the challenge is much more difficult than they thought or they simply run into challenges that are beyond their control and they end up failing.

It is all summarized in a comment made by a woman who attended a meeting of Inc. magazine. Inc. magazine every year chooses the ''Entrepreneur of the Year'' across the country in the various States. I was honored enough to be chosen as the ''Entrepreneur of the Year'' when I was CEO of a business in Utah, and as a reward for that we went to this convention down in Miami Beach. A panel was being held of small businesspeople.

Just prior to the panel, they announced that after the panel was over there would be a wine and cheese tasting event to be held on the patio of this hotel. Then they turned to the panel, and one of the women on the panel said: Entrepreneurs do not drink wine. Entrepreneurs drink vodka, neat. We can't do with this gracious living stuff. We are caught up in the tremendous pressure of trying to keep our businesses open.

I do not drink wine or vodka, but I identified with her comments and her sentiments about how tough it is.

Well, the President may think the GDP numbers show we have turned the corner. The people in small business recognize that in their part of this economy, we have not. Let me quote from an article in the Wall Street Journal regarding the National Federation of Independent Business' small business optimism survey. It was in December of last year, and author noted:

> Small-business owners grew even more pessimistic in the final month of 2009, capping off what was a trying year for their businesses. . . .
>
> Regular borrowers—those accessing capital markets at least once a quarter—also continued to report difficulties in arranging credit at the highest frequency since 1983, according to the report.

Mr. President, 1983, for those of us who remember, was the depth of the recession that followed the great inflation of the Jimmy Carter years, as President Reagan and the Congress were dealing with the dreaded double dip. We came out of the Jimmy Carter years with a recession, a recovery, and then another recession—the dreaded double dip or the ''W-shaped'' recession. Mr. President, 1983 was a very challenging year. I was running a small business at that time as well and I remember it very well. All right—the worst attitude with respect to their opportunities in small business since 1983, according to people who were on the firing line in small business.

So what do we need to try to help small business recover and start creating jobs again? Again, the point I made earlier: More than half of the jobs that are created in America are created with small business, and these are small businesses that are doing less than $5 million a year. As I say, I have been involved in creating many of these businesses. Many of them failed. Fortunately, the small businesses I was involved in creating that did not fail earned enough money to repay me for all that I lost in the ones that did and created enough jobs to overcome the loss of jobs in the ones that failed, and the small business we created for which I won the award at Inc. magazine ultimately went to the New York Stock Exchange and employed 4,000 people. Not bad for a small business that started in somebody's basement with originally four full-time employees. I was No. 5 in that business.

So I have seen it happen on both sides—the failure side and the success side—and I know what it takes. I can tell you, the kinds of things the President is talking about and we have been doing here in this Chamber are not the things small business needs to survive. Let me talk about some of those, and they are in the bill I am offering today.

One of the first things we have to recognize is that the worst thing that can happen to a small business financially is to earn a profit. You say: Now wait a minute, obviously you want to earn a profit. Yes, you want to earn a profit. But the worst thing that can happen to you is—as you are struggling on a cashflow basis to keep this business going and you cross the line into profits—the government shows up and says: We want half your profit immediately, and we want it in cash.

You want your profit invested in inventory. You want your profit invested in accounts receivable. You want your profit invested in the capital investments that will allow your business to survive, and the government says: No. You have earned a profit and we want it in taxes and we want it in cash, and we won't take a percentage of your inventory and hold it to let you make the business grow. You have to liquidate that inventory to pay your taxes in cash.

So the first thing that is in my bill will provide a 10-year net operating loss carryback provision for qualifying businesses whose average gross revenue per year is $5 million or less.

You struggle with the business; you lose money the first year. You struggle with the business; you lose money the second year. You struggle with the business; you lose money the third year. But you keep it afloat, and in the fourth year, you start to earn money. And there is the government saying: We want our share of your profits, and we don't care that you have been losing money while you have been building this business—you have been losing money on an accrual basis while you have been borrowing from your brother-in-law and your credit card and your bank, and whoever would give you money to cover those losses, and now you are finally at the point where you are making a little profit—we won't give you any consideration for all of those losses you have put into building this business. We are going to take our tax bite out of this year's profits, and that can be enough to sink the business.

So this has a net operating loss carryback provision for qualifying businesses whose average gross revenues are $5 million or less.

This is not a break for American Airlines. This is not a break for General Motors. This is a break for the person who is trying to duplicate the success I was lucky enough to be involved in—where we start something in a basement or a garage and see it grow to the point where it can go to the New York Stock Exchange.

You could say: Well, Senator BENNETT, you didn't need this net loss carryback provision when you did that business. That is true because we grew that business in what the New York Times and other publications called the decade of greed. It was the years of Ronald Reagan when the top marginal tax rate was 28 percent, which meant even paying taxes, we got to keep 72 cents out of every dollar we generated in profit. That was enough to allow us to fund the growth of that business. Today, the top marginal tax rate is over 40 percent. There is a great deal of difference. If we had had to try to grow that business in today's tax environment—and it went up to that level when Bill Clinton became President—we probably would not have been able to grow the business and we would not have created those jobs and we would not have been able to ultimately build a company big enough to go to the New York Stock Exchange.

All right. I can't deal with the marginal tax rate. We don't have enough votes to do that. If I could, I would like to get it back to the 28 percent it was with Ronald Reagan. If we are going to have the tax rate where it is, we need at least some kind of relief for small business. The 10-year net operating loss carryback provision is a way to give them some kind of relief in this time of great economic stress.

No. 2—and this gets a little technical—I want to expand the definition of section 179 expensing to include structural changes to the physical property and make the current $250,000 deduction limit permanent.

When you are making an investment in your business of a capital good that you need, whether it is a lathe in a machine shop or whether it is a warehouse and something that requires you to stockpile with material before you send it out to retailers, whatever it might be, you don't want to have to start paying taxes on the money you put into that capital good. You need the deduction for expensing that right now. That is another way to hold your taxes down.

This second provision is tied to the first. The first gives you the net operating loss carryback provision. This one says you can expense in a much better fashion the money you are putting in up front for your structural activity.

Then, No. 3: It sounds very minor, but to a business of the size we are talking about it can be significant. I want to increase the current startup cost deduction from $5,000 to $20,000. This will encourage entrepreneurs to invest right now rather than wait for the economy to improve.

These are the three primary things that will be in the bill I am sending to the desk and introducing today.

I wish to conclude with these comments. As I move around my State, and as I move around the country talking about the state of business—back to the reference to the NFIB and their survey about optimism or pessimism among small business owners. I have

never seen a time of more pessimism than we have now. Even back in the 1980s when I described the businesses that I was involved in then and the dreaded ''double dip,'' businessmen were not as pessimistic as they are now. They still had hope we could come out of this. Now, even while the national GDP numbers are looking good to the people at the White House, to the people on Main Street it doesn't look so good.

This is what I hear: The venture capitalists tell me we are not making venture capitalist investments anymore. Why? Because the venture capitalist is there to capitalize and to finance the startup, and then the system is supposed to take over and finance the growth. We pick the entrepreneur who has the widget or the gadget, whatever it might be that is going to change the world.

We say: Yes, your widget is marvelous, and we are going to fund that so you can get that going. But once you get it going, the system takes over. The banks give you the tools you need for your capital investment. Other investors come in who are not taking as big a risk as we are because they see now that your widget really does work. So the level of risk is lower, the system takes over, and we can take our venture capital and go out and look for the other entrepreneur who has a new invention. That is how the whole thing works.

They tell me: We discover now the system doesn't take over. We discover now the money we have put into the widget, the entrepreneur, the inventor, isn't followed on by additional funding. If this investment we have put in is going to survive, we have to double down our bets.

Instead of our venture capital now going to the inventor and the entrepreneur, our venture capital is going to places where it has never been required before. As a result, we don't have any left over for the true venture capital, and the whole system is shutting down in terms of job creation. We are getting to a circumstance where new jobs are not coming as a result of venture capital activity. This job creation I talked about and these small businesses are being stifled. That is the first part of the pessimism.

The second part of the pessimism, of course, is that the stimulus money we have put into the system isn't getting down to small businesses at all. I received a letter from a small businessman in Utah. I identify with him because he has created a business of the same kind I have tried to create over my career before I came here.

He says: I am writing because I am frustrated. I own a small business here in Utah—he names it. We employed 20 people.

In the macro of the world, 20 people aren't very much, not enough to really worry about; except this fellow and his 20 people are representative of more than half of the job creation that is going on in this country historically.

He says:

I have a small business here in Utah that employs 20 people. Now I am down to 4 people as I can't get financing. I put close to $2 million in technology development.

There is the venture capitalist side of it.

We are ready to launch our new system and services, but have run out of funds and can't find investor groups that would be willing to take a risk on technology at a relatively new company. Why can't some of the stimulus money come to us? I would hire 25 to 30 new people if I could receive funding that I need to launch my product and services. Banks won't lend, individuals are holding on to cash, VC groups are looking for companies that have been around a few more years. I don't want to violate SEC rules. Raising funds is difficult.

I don't have a solution to everything he is saying, but I do believe the kinds of reforms that are in the bill I am introducing will create a better environment for small business and make it easier for him and others like him to go to investors and say: Look, if you put some money into our business, we would not have to pay taxes as soon as it turns the corner because we will have this net operating carryback for 10 years. We can expense some of the capital investments we make so we would not have to worry about paying taxes on it, and we have a current startup tax deduction that has gone to $20,000.

These are very modest kinds of proposals, but they are the kinds of proposals that are rooted in real experience in Main Street rather than Wall Street; from real people who are creating jobs, have created jobs, who are hurting the most in this economy, and upon whom we depend primarily for the new job creation.

As I said at the outset, we have bad numbers today. Unemployment has not come down in the Nation. More jobs have been lost. In my home State of Utah, we have hit a 23-year high in unemployment. We must look to where the jobs come from, and the answer to that is small business, and we must do everything we can to try to help small business get started and get going and get growing, and that is a way we will get out of this recession.

Mr. SESSIONS. Mr. President, will the Senator yield for a question?

Mr. BENNETT. I will be happy to yield.

Mr. SESSIONS. I value the Senator's views on these issues so much. I recall when the Senator chaired the Joint Economic Committee, the Select Committee of the House and Senate. He was our chairman. Since then he has been known as one of the authoritative voices on our economy, as well as Senate business.

I guess I would first say that I am very intrigued by your legislation. It sounds as though it is something that is exactly what we need. I don't, I guess, want to be in a political tit for tat, but I remember and recall the Senator from Utah opposing the stimulus package that was on the floor and voting against that and raising concerns about it. I think the general concern most often raised was one that Nobel Prize Laureate Gary Becker raised: It wasn't one that creates jobs.

I guess I would ask, based on the Senator's experience in the Senate, the amount of money that went into that bill—the purpose was supposed to be to create jobs—give us your honest evaluation of how well it has performed.

Mr. BENNETT. I thank the Senator from Alabama for his kind words. My own impression is that the stimulus package has created a few jobs with a very marginal kind of effect. Most of the money, it seems to me, has been spent in efforts aimed at research, which may or may not produce jobs 3 years, 4 years, 8 years, 10 years from now.

As a member of the Appropriations Committee we held a hearing just yesterday with the Department of Energy and looked at the amount of stimulus money that was going into fund research in the Department of Energy and pointed out to the Secretary of Energy that only 7 percent of the stimulus money had been spent. To get ready for the energy research they were going to do, they had to hire new people. It, perhaps, has created some government jobs to get ready to examine all of the grants and look at all of the proposals and so on. I am not opposed to research, but this is not an immediate creation of jobs in the middle of a recession to be spending stimulus money in this fashion.

I have also come to the conclusion that the jobs that have been created or saved, as this administration tries to add that word to it, have primarily been government jobs.

I don't object to people working for the government. We have many civil servants who provide great value added in the work they do for the government. But the long-term projection of jobs that will add to the economy create new jobs and create new wealth. I do not see that the stimulus has produced any significant difference in that arena.

Mr. SESSIONS. I thank the Senator from Utah for those thoughts. What a tragedy that is. I don't think people realize how much $800 billion is.

So the Senator's legislation would be far less expensive and would immediately help small businesses create jobs without a government bureaucracy telling them what to do. Is that fair to say?

Mr. BENNETT. I would say to the Senator that is the whole purpose of this. Let entrepreneurs who are taking the risks—drinking vodka neat, if you will—have the opportunity to create their businesses without the government showing up immediately and saying: By the tax law, we are going to punish you for getting your initial beginnings of success. Instead, we are going to delay the impact of the taxes on you until you have a sound financial footing under you. When you have that

financial footing under you, you can afford to pay the taxes and, more important, you can afford to hire more people who, as a result of their jobs, will also pay taxes.

We must understand a very large reason we are having this deficit is not just the spending, as important as that is; it is the drop in revenue, and the drop in revenue comes because the economy is so bad. We must understand around here that revenue does not come from the budget.

Revenue comes from the economy. We can budget any kind of revenue number we want, but if there are no profits and there are no jobs, that means there is no income, and the income tax, by definition, is dependent on income before it produces any revenue. We will not have the money we need to run the government because the economy will not be producing that revenue.

I learned in business you cannot cost-cut your way to profitability. Cost-cutting is important in a business, and you should make sure you are not doing stupid things—and there are businesses that can spend themselves into bankruptcy—but you cannot cost-cut your way into profitability. The top line, the sales, the growth of the company is what creates profitability.

The same principle applies to this economy. Yes, we must cut costs, we must cut spending in the Congress, but the way for a vital country is to grow the economy, and the biggest engine of growth in the economy has been and remains small business.

Mr. SESSIONS. I thank the Senator.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3429. Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 3336 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; which was ordered to lie on the table.

SA 3430. Mr. BAUCUS (for Mr. ISAKSON (for himself and Mr. CARDIN)) proposed an amendment to amendment SA 3336 proposed by Mr. BAUCUS to the bill H.R. 4213, supra.

TEXT OF AMENDMENTS

SA 3429. Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 3336 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. BUDGETARY EFFECTS OF LEGISLATION PASSED BY THE SENATE.

(a) ESTABLISHMENT OF WEB PAGE.—

(1) IN GENERAL.—Not later than 90 days after the enactment of this Act, the Secretary of the Senate shall establish on the official website of the United States Senate (www.senate.gov) a page entitled ''Information on the Budgetary Effects of Legislation Considered by the Senate'' which shall include—

(A) links to appropriate pages on the website of the Congressional Budget Office (www.cbo.gov) that contain cost estimates of legislation passed by the Senate; and

(B) as available, links to pages with any other information produced by the Congressional Budget Office that summarize or further explain the budgetary effects of legislation considered by the Senate.

(2) UPDATES.—The Secretary of the Senate shall update this page every 3 months.

(b) CBO REQUIREMENTS.—Nothing in this section shall be construed as imposing any new requirements on the Congressional Budget Office.

SA 3430. Mr. BAUCUS (for Mr. ISAKSON (for himself and Mr. CARDIN)) proposed an amendment to amendment SA 3336 proposed by Mr. BAUCUS to the bill H.R. 4213, to amend the Internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes; as follows:

Strike title III and insert the following:

TITLE III—PENSION FUNDING RELIEF

Subtitle A—Single Employer Plans

SEC. 301. EXTENDED PERIOD FOR SINGLE-EMPLOYER DEFINED BENEFIT PLANS TO AMORTIZE CERTAIN SHORTFALL AMORTIZATION BASES.

(a) AMENDMENTS TO ERISA.—

(1) IN GENERAL.—Paragraph (2) of section 303(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(c)) is amended by adding at the end the following subparagraph:

''(D) SPECIAL ELECTION FOR ELIGIBLE PLAN YEARS.—

''(i) IN GENERAL.—If a plan sponsor elects to apply this subparagraph with respect to the shortfall amortization base of a plan for any eligible plan year (in this subparagraph and paragraph (7) referred to as an 'election year'), then, notwithstanding subparagraphs (A) and (B)—

''(I) the shortfall amortization installments with respect to such base shall be determined under clause (ii) or (iii), whichever is specified in the election, and

''(II) the shortfall amortization installment for any plan year in the 9-plan-year period described in clause (ii) or the 15-plan-year period described in clause (iii), respectively, with respect to such shortfall amortization base is the annual installment determined under the applicable clause for that year for that base.

''(ii) 2 PLUS 7 AMORTIZATION SCHEDULE.—The shortfall amortization installments determined under this clause are—

''(I) in the case of the first 2 plan years in the 9-plan-year period beginning with the election year, interest on the shortfall amortization base of the plan for the election year (determined using the effective interest rate for the plan for the election year), and

''(II) in the case of the last 7 plan years in such 9-plan-year period, the amounts necessary to amortize the remaining balance of the shortfall amortization base of the plan for the election year in level annual installments over such last 7 plan years (using the segment rates under subparagraph (C) for the election year).

''(iii) 15-YEAR AMORTIZATION.—The shortfall amortization installments determined under this subparagraph are the amounts necessary to amortize the shortfall amortization base of the plan for the election year in level annual installments over the 15-plan-year period beginning with the election year (using the segment rates under subparagraph (C) for the election year).

''(iv) ELECTION.—

''(I) IN GENERAL.—The plan sponsor of a plan may elect to have this subparagraph apply to not more than 2 eligible plan years with respect to the plan, except that in the case of a plan described in section 106 of the Pension Protection Act of 2006, the plan sponsor may only elect to have this subparagraph apply to a plan year beginning in 2011.

''(II) AMORTIZATION SCHEDULE.—Such election shall specify whether the amortization schedule under clause (ii) or (iii) shall apply to an election year, except that if a plan sponsor elects to have this subparagraph apply to 2 eligible plan years, the plan sponsor must elect the same schedule for both years.

''(III) OTHER RULES.—Such election shall be made at such time, and in such form and manner, as shall be prescribed by the Secretary of the Treasury, and may be revoked only with the consent of the Secretary of the Treasury. The Secretary of the Treasury shall, before granting a revocation request, provide the Pension Benefit Guaranty Corporation an opportunity to comment on the conditions applicable to the treatment of any portion of the election year shortfall amortization base that remains unamortized as of the revocation date.

''(v) ELIGIBLE PLAN YEAR.—For purposes of this subparagraph, the term 'eligible plan year' means any plan year beginning in 2008, 2009, 2010, or 2011, except that a plan year shall only be treated as an eligible plan year if the due date under subsection (j)(1) for the payment of the minimum required contribution for such plan year occurs on or after the date of the enactment of this subparagraph.

''(vi) REPORTING.—A plan sponsor of a plan who makes an election under clause (i) shall—

''(I) give notice of the election to participants and beneficiaries of the plan, and

''(II) inform the Pension Benefit Guaranty Corporation of such election in such form and manner as the Director of the Pension Benefit Guaranty Corporation may prescribe.

''(vii) INCREASES IN REQUIRED INSTALLMENTS IN CERTAIN CASES.—For increases in required contributions in cases of excess compensation or extraordinary dividends or stock redemptions, see paragraph (7).''.

(2) INCREASES IN REQUIRED INSTALLMENTS IN CERTAIN CASES.—Section 303(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(c)) is amended by adding at the end the following paragraph:

''(7) INCREASES IN ALTERNATE REQUIRED INSTALLMENTS IN CASES OF EXCESS COMPENSATION OR EXTRAORDINARY DIVIDENDS OR STOCK REDEMPTIONS.—

''(A) IN GENERAL.—If there is an installment acceleration amount with respect to a plan for any plan year in the restriction period with respect to an election year under paragraph (2)(D), then the shortfall amortization installment otherwise determined and payable under such paragraph for such plan year shall, subject to the limitation under subparagraph (B), be increased by such amount.

''(B) TOTAL INSTALLMENTS LIMITED TO SHORTFALL BASE.—Subject to rules prescribed by the Secretary of the Treasury, if a shortfall amortization installment with respect to any shortfall amortization base for an election year is required to be increased for any plan year under subparagraph (A)—

''(i) such increase shall not result in the amount of such installment exceeding the present value of such installment and all succeeding installments with respect to such base (determined without regard to such increase but after application of clause (ii)), and

''(ii) subsequent shortfall amortization installments with respect to such base shall, in

reverse order of the otherwise required installments, be reduced to the extent necessary to limit the present value of such subsequent shortfall amortization installments (after application of this paragraph) to the present value of the remaining unamortized shortfall amortization base.

''(C) INSTALLMENT ACCELERATION AMOUNT.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'installment acceleration amount' means, with respect to any plan year in a restriction period with respect to an election year, the sum of—

''(I) the aggregate amount of excess employee compensation determined under subparagraph (D) with respect to all employees for the plan year, plus

''(II) the aggregate amount of extraordinary dividends and redemptions determined under subparagraph (E) for the plan year.

''(ii) ANNUAL LIMITATION.—The installment acceleration amount for any plan year shall not exceed the lesser of—

''(I) 200 percent of the shortfall amortization installment for the plan year (determined without regard to paragraph (2)(D) and this paragraph), or

''(II) the amount determined under clause (iii) for the plan year.

''(iii) LIMITATION BASED ON AGGREGATE REDUCED REQUIRED CONTRIBUTIONS.—The amount determined under this clause for any plan year is an amount equal to the excess (if any) of—

''(I) the sum of the shortfall amortization installments for the plan year and all preceding plan years in the amortization period elected under paragraph (2)(D) with respect to the shortfall amortization base with respect to an election year, determined without regard to paragraph (2)(D) and this paragraph, over

''(II) the sum of the shortfall amortization installments for such plan year and all such preceding plan years, determined after application of paragraph (2)(D) (and in the case of any preceding plan year, after application of this paragraph).

''(iv) CARRYOVER OF EXCESS INSTALLMENT ACCELERATION AMOUNTS.—

''(I) IN GENERAL.—If the installment acceleration amount for any plan year (determined without regard to clause (ii)) exceeds the limitation under clause (ii), then, subject to subclause (II), such excess shall be treated as an installment acceleration amount with respect to the succeeding plan year.

''(II) CAP TO APPLY.—If any amount treated as an installment acceleration amount under subclause (I) or this subclause with respect to any succeeding plan year, when added to other installment acceleration amounts (determined without regard to clause (ii)) with respect to the plan year, exceeds the limitation under clause (ii), the portion of such amount representing such excess shall be treated as an installment acceleration amount with respect to the next succeeding plan year.

''(III) LIMITATION ON YEARS TO WHICH AMOUNTS CARRIED FOR.—No amount shall be carried under subclause (I) or (II) to a plan year which begins after the first plan year following the last plan year in the restriction period (or after the second plan year following such last plan year in the case of an election year with respect to which 15-year amortization was elected under paragraph (2)(D)).

''(IV) ORDERING RULES.—For purposes of applying subclause (II), installment acceleration amounts for the plan year (determined without regard to any carryover under this clause) shall be applied first against the limitation under clause (ii) and then carryovers to such plan year shall be applied against such limitation on a first-in, first-out basis.

''(D) EXCESS EMPLOYEE COMPENSATION.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'excess employee compensation' means, with respect to any employee for any plan year, the excess (if any) of—

''(I) the aggregate amount includible in income under chapter 1 of the Internal Revenue Code of 1986 for remuneration during the calendar year in which such plan year begins for services performed by the employee for the plan sponsor (whether or not performed during such calendar year), over

''(II) $1,000,000.

''(ii) AMOUNTS SET ASIDE FOR NONQUALIFIED DEFERRED COMPENSATION.—If during any calendar year assets are set aside or reserved (directly or indirectly) in a trust (or other arrangement as determined by the Secretary of the Treasury), or transferred to such a trust or other arrangement, by a plan sponsor for purposes of paying deferred compensation of an employee under a nonqualified deferred compensation plan (as defined in section 409A of such Code) of the plan sponsor, then, for purposes of clause (i), the amount of such assets shall be treated as remuneration of the employee includible in income for the calendar year unless such amount is otherwise includible in income for such year. An amount to which the preceding sentence applies shall not be taken into account under this paragraph for any subsequent calendar year.

''(iii) ONLY REMUNERATION FOR CERTAIN POST-2009 SERVICES COUNTED.—Remuneration shall be taken into account under clause (i) only to the extent attributable to services performed by the employee for the plan sponsor after February 28, 2010.

''(iv) EXCEPTION FOR CERTAIN EQUITY PAYMENTS.—

''(I) IN GENERAL.—There shall not be taken into account under clause (i)(I) any amount includible in income with respect to the granting after February 28, 2010, of service recipient stock (within the meaning of section 409A of the Internal Revenue Code of 1986) that, upon such grant, is subject to a substantial risk of forfeiture (as defined under section 83(c)(1) of such Code) for at least 5 years from the date of such grant.

''(II) SECRETARIAL AUTHORITY.—The Secretary of the Treasury may by regulation provide for the application of this clause in the case of a person other than a corporation.

''(v) OTHER EXCEPTIONS.—The following amounts includible in income shall not be taken into account under clause (i)(I):

''(I) COMMISSIONS.—Any remuneration payable on a commission basis solely on account of income directly generated by the individual performance of the individual to whom such remuneration is payable.

''(II) CERTAIN PAYMENTS UNDER EXISTING CONTRACTS.—Any remuneration consisting of nonqualified deferred compensation, restricted stock, stock options, or stock appreciation rights payable or granted under a written binding contract that was in effect on March 1, 2010, and which was not modified in any material respect before such remuneration is paid.

''(vi) SELF-EMPLOYED INDIVIDUAL TREATED AS EMPLOYEE.—The term 'employee' includes, with respect to a calendar year, a self-employed individual who is treated as an employee under section 401(c) of such Code for the taxable year ending during such calendar year, and the term 'compensation' shall include earned income of such individual with respect to such self-employment.

''(vii) INDEXING OF AMOUNT.—In the case of any calendar year beginning after 2010, the dollar amount under clause (i)(II) 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) of such Code for the calendar year, determined by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

If the amount of any increase under clause (i) is not a multiple of $1,000, such increase shall be rounded to the next lowest multiple of $1,000.

''(E) EXTRAORDINARY DIVIDENDS AND REDEMPTIONS.—

''(i) IN GENERAL.—The amount determined under this subparagraph for any plan year is the excess (if any) of the sum of the dividends declared during the plan year by the plan sponsor plus the aggregate amount paid for the redemption of stock of the plan sponsor redeemed during the plan year over the greater of—

''(I) the adjusted net income (within the meaning of section 4043) of the plan sponsor for the preceding plan year, determined without regard to any reduction by reason of depreciation or amortization, or

''(II) in the case of a plan sponsor that determined and declared dividends in the same manner for at least 5 consecutive years immediately preceding such plan year, the aggregate amount of dividends determined and declared for such plan year using such manner.

''(ii) ONLY CERTAIN POST-2009 DIVIDENDS AND REDEMPTIONS COUNTED.—For purposes of clause (i), there shall only be taken into account dividends declared, and redemptions occurring, after February 28, 2010.

''(iii) EXCEPTION FOR INTRA-GROUP DIVIDENDS.—Dividends paid by one member of a controlled group (as defined in section 302(d)(3)) to another member of such group shall not be taken into account under clause (i).

''(iv) EXCEPTION FOR CERTAIN REDEMPTIONS.—Redemptions that are made pursuant to a plan maintained with respect to employees, or that are made on account of the death, disability, or termination of employment of an employee or shareholder, shall not be taken into account under clause (i).

''(v) EXCEPTION FOR CERTAIN PREFERRED STOCK.—

''(I) IN GENERAL.—Dividends and redemptions with respect to applicable preferred stock shall not be taken into account under clause (i) to the extent that dividends accrue with respect to such stock at a specified rate in all events and without regard to the plan sponsor's income, and interest accrues on any unpaid dividends with respect to such stock.

''(II) APPLICABLE PREFERRED STOCK.—For purposes of subclause (I), the term 'applicable preferred stock' means preferred stock which was issued before March 1, 2010 (or which was issued after such date and is held by an employee benefit plan subject to the provisions of this title).

''(F) OTHER DEFINITIONS AND RULES.—For purposes of this paragraph—

''(i) PLAN SPONSOR.—The term ' plan sponsor' includes any member of the plan sponsor's controlled group (as defined in section 302(d)(3)).

''(ii) RESTRICTION PERIOD.—The term 'restriction period' means, with respect to any election year—

''(I) except as provided in subclause (II), the 3-year period beginning with the election year (or, if later, the first plan year beginning after December 31, 2009), and

''(II) if the plan sponsor elects 15-year amortization for the shortfall amortization base for the election year, the 5-year period beginning with the election year (or, if later, the first plan year beginning after December 31, 2009).

''(iii) ELECTIONS FOR MULTIPLE PLANS.—If a plan sponsor makes elections under paragraph (2)(D) with respect to 2 or more plans, the Secretary of the Treasury shall provide rules for the application of this paragraph to such plans, including rules for the ratable allocation of any installment acceleration amount among such plans on the basis of each plan's relative reduction in the plan's shortfall amortization installment for the first plan year in the amortization period described in subparagraph (A) (determined without regard to this paragraph).

''(iv) MERGERS AND ACQUISITIONS.—The Secretary of the Treasury shall prescribe rules for the application of paragraph (2)(D) and this paragraph in any case where there is a merger or acquisition involving a plan sponsor making the election under paragraph (2)(D).''.

(3) CONFORMING AMENDMENTS.—Section 303 of such Act (29 U.S.C. 1083) is amended—

(A) in subsection (c)(1), by striking ''the shortfall amortization bases for such plan year and each of the 6 preceding plan years'' and inserting ''any shortfall amortization base which has not been fully amortized under this subsection'', and

(B) in subsection (j)(3), by adding at the end the following:

''(F) QUARTERLY CONTRIBUTIONS NOT TO INCLUDE CERTAIN INCREASED CONTRIBUTIONS.—Subparagraph (D) shall be applied without regard to any increase under subsection (c)(7).''.

(b) AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—Paragraph (2) of section 430(c) is amended by adding at the end the following subparagraph:

''(D) SPECIAL ELECTION FOR ELIGIBLE PLAN YEARS.—

''(i) IN GENERAL.—If a plan sponsor elects to apply this subparagraph with respect to the shortfall amortization base of a plan for any eligible plan year (in this subparagraph and paragraph (7) referred to as an 'election year'), then, notwithstanding subparagraphs (A) and (B)—

''(I) the shortfall amortization installments with respect to such base shall be determined under clause (ii) or (iii), whichever is specified in the election, and

''(II) the shortfall amortization installment for any plan year in the 9-plan-year period described in clause (ii) or the 15-plan-year period described in clause (iii), respectively, with respect to such shortfall amortization base is the annual installment determined under the applicable clause for that year for that base.

''(ii) 2 PLUS 7 AMORTIZATION SCHEDULE.—The shortfall amortization installments determined under this clause are—

''(I) in the case of the first 2 plan years in the 9-plan-year period beginning with the election year, interest on the shortfall amortization base of the plan for the election year (determined using the effective interest rate for the plan for the election year), and

''(II) in the case of the last 7 plan years in such 9-plan-year period, the amounts necessary to amortize the remaining balance of the shortfall amortization base of the plan for the election year in level annual installments over such last 7 plan years (using the segment rates under subparagraph (C) for the election year).

''(iii) 15-YEAR AMORTIZATION.—The shortfall amortization installments determined under this subparagraph are the amounts necessary to amortize the shortfall amortization base of the plan for the election year in level annual installments over the 15-plan-year period beginning with the election year (using the segment rates under subparagraph (C) for the election year).

''(iv) ELECTION.—

''(I) IN GENERAL.—The plan sponsor of a plan may elect to have this subparagraph apply to not more than 2 eligible plan years with respect to the plan, except that in the case of a plan described in section 106 of the Pension Protection Act of 2006, the plan sponsor may only elect to have this subparagraph apply to a plan year beginning in 2011.

''(II) AMORTIZATION SCHEDULE.—Such election shall specify whether the amortization schedule under clause (ii) or (iii) shall apply to an election year, except that if a plan sponsor elects to have this subparagraph apply to 2 eligible plan years, the plan sponsor must elect the same schedule for both years.

''(III) OTHER RULES.—Such election shall be made at such time, and in such form and manner, as shall be prescribed by the Secretary, and may be revoked only with the consent of the Secretary. The Secretary shall, before granting a revocation request, provide the Pension Benefit Guaranty Corporation an opportunity to comment on the conditions applicable to the treatment of any portion of the election year shortfall amortization base that remains unamortized as of the revocation date.

''(v) ELIGIBLE PLAN YEAR.—For purposes of this subparagraph, the term 'eligible plan year' means any plan year beginning in 2008, 2009, 2010, or 2011, except that a plan year shall only be treated as an eligible plan year if the due date under subsection (j)(1) for the payment of the minimum required contribution for such plan year occurs on or after the date of the enactment of this subparagraph.

''(vi) REPORTING.—A plan sponsor of a plan who makes an election under clause (i) shall—

''(I) give notice of the election to participants and beneficiaries of the plan, and

''(II) inform the Pension Benefit Guaranty Corporation of such election in such form and manner as the Director of the Pension Benefit Guaranty Corporation may prescribe.

''(vii) INCREASES IN REQUIRED INSTALLMENTS IN CERTAIN CASES.—For increases in required contributions in cases of excess compensation or extraordinary dividends or stock redemptions, see paragraph (7).''.

(2) INCREASES IN REQUIRED CONTRIBUTIONS IF EXCESS COMPENSATION PAID.—Section 430(c) is amended by adding at the end the following paragraph:

''(7) INCREASES IN ALTERNATE REQUIRED INSTALLMENTS IN CASES OF EXCESS COMPENSATION OR EXTRAORDINARY DIVIDENDS OR STOCK REDEMPTIONS.—

''(A) IN GENERAL.—If there is an installment acceleration amount with respect to a plan for any plan year in the restriction period with respect to an election year under paragraph (2)(D), then the shortfall amortization installment otherwise determined and payable under such paragraph for such plan year shall, subject to the limitation under subparagraph (B), be increased by such amount.

''(B) TOTAL INSTALLMENTS LIMITED TO SHORTFALL BASE.—Subject to rules prescribed by the Secretary, if a shortfall amortization installment with respect to any shortfall amortization base for an election year is required to be increased for any plan year under subparagraph (A)—

''(i) such increase shall not result in the amount of such installment exceeding the present value of such installment and all succeeding installments with respect to such base (determined without regard to such increase but after application of clause (ii)), and

''(ii) subsequent shortfall amortization installments with respect to such base shall, in reverse order of the otherwise required installments, be reduced to the extent necessary to limit the present value of such subsequent shortfall amortization installments (after application of this paragraph) to the present value of the remaining unamortized shortfall amortization base.

''(C) INSTALLMENT ACCELERATION AMOUNT.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'installment acceleration amount' means, with respect to any plan year in a restriction period with respect to an election year, the sum of—

''(I) the aggregate amount of excess employee compensation determined under subparagraph (D) with respect to all employees for the plan year, plus

''(II) the aggregate amount of extraordinary dividends and redemptions determined under subparagraph (E) for the plan year.

''(ii) ANNUAL LIMITATION.—The installment acceleration amount for any plan year shall not exceed the lesser of—

''(I) 200 percent of the shortfall amortization installment for the plan year (determined without regard to paragraph (2)(D) and this paragraph), or

''(II) the amount determined under clause (iii) for the plan year.

''(iii) LIMITATION BASED ON AGGREGATE REDUCED REQUIRED CONTRIBUTIONS.—The amount determined under this clause for any plan year is an amount equal to the excess (if any) of—

''(I) the sum of the shortfall amortization installments for the plan year and all preceding plan years in the amortization period elected under paragraph (2)(D) with respect to the shortfall amortization base with respect to an election year, determined without regard to paragraph (2)(D) and this paragraph, over

''(II) the sum of the shortfall amortization installments for such plan year and all such preceding plan years, determined after application of paragraph (2)(D) (and in the case of any preceding plan year, after application of this paragraph).

''(iv) CARRYOVER OF EXCESS INSTALLMENT ACCELERATION AMOUNTS.—

''(I) IN GENERAL.—If the installment acceleration amount for any plan year (determined without regard to clause (ii)) exceeds the limitation under clause (ii), then, subject to subclause (II), such excess shall be treated as an installment acceleration amount with respect to the succeeding plan year.

''(II) CAP TO APPLY.—If any amount treated as an installment acceleration amount under subclause (I) or this subclause with respect any succeeding plan year, when added to other installment acceleration amounts (determined without regard to clause (ii)) with respect to the plan year, exceeds the limitation under clause (ii), the portion of such amount representing such excess shall be treated as an installment acceleration amount with respect to the next succeeding plan year.

''(III) LIMITATION ON YEARS TO WHICH AMOUNTS CARRIED FOR.—No amount shall be carried under subclause (I) or (II) to a plan year which begins after the first plan year following the last plan year in the restriction period (or after the second plan year following such last plan year in the case of an election year with respect to which 15-year amortization was elected under paragraph (2)(D)).

''(IV) ORDERING RULES.—For purposes of applying subclause (II), installment acceleration amounts for the plan year (determined without regard to any carryover under this clause) shall be applied first against the limitation under clause (ii) and then carryovers to such plan year shall be applied against such limitation on a first-in, first-out basis.

''(D) EXCESS EMPLOYEE COMPENSATION.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'excess employee compensation' means, with respect to any employee for any plan year, the excess (if any) of—

''(I) the aggregate amount includible in income under this chapter for remuneration during the calendar year in which such plan year begins for services performed by the employee for the plan sponsor (whether or not performed during such calendar year), over

''(II) $1,000,000.

''(ii) AMOUNTS SET ASIDE FOR NONQUALIFIED DEFERRED COMPENSATION.—If during any calendar year assets are set aside or reserved (directly or indirectly) in a trust (or other arrangement as determined by the Secretary), or transferred to such a trust or other arrangement, by a plan sponsor for purposes of paying deferred compensation of an employee under a nonqualified deferred compensation plan (as defined in section 409A) of the plan sponsor, then, for purposes of clause (i), the amount of such assets shall be treated as remuneration of the employee includible in income for the calendar year unless such amount is otherwise includible in income for such year. An amount to which the preceding sentence applies shall not be taken into account under this paragraph for any subsequent calendar year.

''(iii) ONLY REMUNERATION FOR CERTAIN POST-2009 SERVICES COUNTED.—Remuneration shall be taken into account under clause (i) only to the extent attributable to services performed by the employee for the plan sponsor after February 28, 2010.

''(iv) EXCEPTION FOR CERTAIN EQUITY PAYMENTS.—

''(I) IN GENERAL.—There shall not be taken into account under clause (i)(I) any amount includible in income with respect to the granting after February 28, 2010, of service recipient stock (within the meaning of section 409A) that, upon such grant, is subject to a substantial risk of forfeiture (as defined under section 83(c)(1)) for at least 5 years from the date of such grant.

''(II) SECRETARIAL AUTHORITY.—The Secretary may by regulation provide for the application of this clause in the case of a person other than a corporation.

''(v) OTHER EXCEPTIONS.—The following amounts includible in income shall not be taken into account under clause (i)(I):

''(I) COMMISSIONS.—Any remuneration payable on a commission basis solely on account of income directly generated by the individual performance of the individual to whom such remuneration is payable.

''(II) CERTAIN PAYMENTS UNDER EXISTING CONTRACTS.—Any remuneration consisting of nonqualified deferred compensation, restricted stock, stock options, or stock appreciation rights payable or granted under a written binding contract that was in effect on March 1, 2010, and which was not modified in any material respect before such remuneration is paid.

''(vi) SELF-EMPLOYED INDIVIDUAL TREATED AS EMPLOYEE.—The term 'employee' includes, with respect to a calendar year, a self-employed individual who is treated as an employee under section 401(c) for the taxable year ending during such calendar year, and the term 'compensation' shall include earned income of such individual with respect to such self-employment.

''(vii) INDEXING OF AMOUNT.—In the case of any calendar year beginning after 2010, the dollar amount under clause (i)(II) 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, determined by substituting 'calendar year 2009' for 'calendar year 1992' in subparagraph (B) thereof.

If the amount of any increase under clause (i) is not a multiple of $1,000, such increase shall be rounded to the next lowest multiple of $1,000.

''(E) EXTRAORDINARY DIVIDENDS AND REDEMPTIONS.—

''(i) IN GENERAL.—The amount determined under this subparagraph for any plan year is the excess (if any) of the sum of the dividends declared during the plan year by the plan sponsor plus the aggregate amount paid for the redemption of stock of the plan sponsor redeemed during the plan year over the greater of—

''(I) the adjusted net income (within the meaning of section 4043 of the Employee Retirement Income Security Act of 1974) of the plan sponsor for the preceding plan year, determined without regard to any reduction by reason of depreciation or amortization, or

''(II) in the case of a plan sponsor that determined and declared dividends in the same manner for at least 5 consecutive years immediately preceding such plan year, the aggregate amount of dividends determined and declared for such plan year using such manner.

''(ii) ONLY CERTAIN POST-2009 DIVIDENDS AND REDEMPTIONS COUNTED.—For purposes of clause (i), there shall only be taken into account dividends declared, and redemptions occurring, after February 28, 2010.

''(iii) EXCEPTION FOR INTRA-GROUP DIVIDENDS.—Dividends paid by one member of a controlled group (as defined in section 412(d)(3)) to another member of such group shall not be taken into account under clause (i).

''(iv) EXCEPTION FOR CERTAIN REDEMPTIONS.—Redemptions that are made pursuant to a plan maintained with respect to employees, or that are made on account of the death, disability, or termination of employment of an employee or shareholder, shall not be taken into account under clause (i).

''(v) EXCEPTION FOR CERTAIN PREFERRED STOCK.—

''(I) IN GENERAL.—Dividends and redemptions with respect to applicable preferred stock shall not be taken into account under clause (i) to the extent that dividends accrue with respect to such stock at a specified rate in all events and without regard to the plan sponsor's income, and interest accrues on any unpaid dividends with respect to such stock.

''(II) APPLICABLE PREFERRED STOCK.—For purposes of subclause (I), the term 'applicable preferred stock' means preferred stock which was issued before March 1, 2010 (or which was issued after such date and is held by an employee benefit plan subject to the provisions of title I of Employee Retirement Income Security Act of 1974).

''(F) OTHER DEFINITIONS AND RULES.—For purposes of this paragraph—

''(i) PLAN SPONSOR.—The term ' plan sponsor' includes any member of the plan sponsor's controlled group (as defined in section 412(d)(3)).

''(ii) RESTRICTION PERIOD.—The term 'restriction period' means, with respect to any election year—

''(I) except as provided in subclause (II), the 3-year period beginning with the election year (or, if later, the first plan year beginning after December 31, 2009), and

''(II) if the plan sponsor elects 15-year amortization for the shortfall amortization base for the election year, the 5-year period beginning with the election year (or, if later, the first plan year beginning after December 31, 2009).

''(iii) ELECTIONS FOR MULTIPLE PLANS.—If a plan sponsor makes elections under paragraph (2)(D) with respect to 2 or more plans, the Secretary shall provide rules for the application of this paragraph to such plans, including rules for the ratable allocation of any installment acceleration amount among such plans on the basis of each plan's relative reduction in the plan's shortfall amortization installment for the first plan year in the amortization period described in subparagraph (A) (determined without regard to this paragraph).

''(iv) MERGERS AND ACQUISITIONS.—The Secretary shall prescribe rules for the application of paragraph (2)(D) and this paragraph in any case where there is a merger or acquisition involving a plan sponsor making the election under paragraph (2)(D).''.

(3) CONFORMING AMENDMENTS.—Section 430 is amended—

(A) in subsection (c)(1), by striking ''the shortfall amortization bases for such plan year and each of the 6 preceding plan years'' and inserting ''any shortfall amortization base which has not been fully amortized under this subsection'', and

(B) in subsection (j)(3), by adding at the end the following:

''(F) QUARTERLY CONTRIBUTIONS NOT TO INCLUDE CERTAIN INCREASED CONTRIBUTIONS.—Subparagraph (D) shall be applied without regard to any increase under subsection (c)(7).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2007.

SEC. 302. APPLICATION OF EXTENDED AMORTIZATION PERIOD TO PLANS SUBJECT TO PRIOR LAW FUNDING RULES.

(a) IN GENERAL.—Title I of the Pension Protection Act of 2006 is amended by redesignating section 107 as section 108 and by inserting the following after section 106:

''SEC. 107. APPLICATION OF EXTENDED AMORTIZATION PERIODS TO PLANS WITH DELAYED EFFECTIVE DATE.

''(a) IN GENERAL.—If the plan sponsor of a plan to which section 104, 105, or 106 of this Act applies elects to have this section apply for any eligible plan year (in this section referred to as an 'election year'), section 302 of the Employee Retirement Income Security Act of 1974 and section 412 of the Internal Revenue Code of 1986 (as in effect before the amendments made by this subtitle and subtitle B) shall apply to such year in the manner described in subsection (b) or (c), whichever is specified in the election. All references in this section to 'such Act' or 'such Code' shall be to such Act or such Code as in effect before the amendments made by this subtitle and subtitle B.

''(b) APPLICATION OF 2 AND 7 RULE.—In the case of an election year to which this subsection applies—

''(1) 2-YEAR LOOKBACK FOR DETERMINING DEFICIT REDUCTION CONTRIBUTIONS FOR CERTAIN PLANS.—For purposes of applying section 302(d)(9) of such Act and section 412(l)(9) of such Code, the funded current liability percentage (as defined in subparagraph (C) thereof) for such plan for such plan year shall be such funded current liability percentage of such plan for the second plan year preceding the first election year of such plan.

''(2) CALCULATION OF DEFICIT REDUCTION CONTRIBUTION.—For purposes of applying section 302(d) of such Act and section 412(l) of such Code to a plan to which such sections apply (after taking into account paragraph (1))—

''(A) in the case of the increased unfunded new liability of the plan, the applicable percentage described in section 302(d)(4)(C) of such Act and section 412(l)(4)(C) of such Code shall be the third segment rate described in sections 104(b), 105(b), and 106(b) of this Act, and

''(B) in the case of the excess of the unfunded new liability over the increased unfunded new liability, such applicable percentage shall be determined without regard to this section.

''(c) APPLICATION OF 15-YEAR AMORTIZATION.—In the case of an election year to which this subsection applies, for purposes of applying section 302(d) of such Act and section 412(l) of such Code—

''(1) in the case of the increased unfunded new liability of the plan, the applicable percentage described in section 302(d)(4)(C) of such Act and section 412(l)(4)(C) of such Code for any pre-effective date plan year beginning with or after the first election year shall be the ratio of—

''(A) the annual installments payable in each year if the increased unfunded new liability for such plan year were amortized over 15 years, using an interest rate equal to the third segment rate described in sections 104(b), 105(b), and 106(b) of this Act, to

''(B) the increased unfunded new liability for such plan year, and

''(2) in the case of the excess of the unfunded new liability over the increased unfunded new liability, such applicable percentage shall be determined without regard to this section.

''(d) ELECTION.—

''(1) IN GENERAL.—The plan sponsor of a plan may elect to have this section apply to not more than 2 eligible plan years with respect to the plan, except that in the case of a plan to which section 106 of this Act applies, the plan sponsor may only elect to have this section apply to 1 eligible plan year.

''(2) AMORTIZATION SCHEDULE.—Such election shall specify whether the rules under subsection (b) or (c) shall apply to an election year, except that if a plan sponsor elects to have this section apply to 2 eligible plan years, the plan sponsor must elect the same rule for both years.

''(3) OTHER RULES.—Such election shall be made at such time, and in such form and manner, as shall be prescribed by the Secretary of the Treasury, and may be revoked only with the consent of the Secretary of the Treasury.

''(e) DEFINITIONS.—For purposes of this section—

''(1) ELIGIBLE PLAN YEAR.—For purposes of this subparagraph, the term 'eligible plan year' means any plan year beginning in 2008, 2009, 2010, or 2011, except that a plan year beginning in 2008 shall only be treated as an eligible plan year if the due date for the payment of the minimum required contribution for such plan year occurs on or after the date of the enactment of this clause.

''(2) PRE-EFFECTIVE DATE PLAN YEAR.—The term 'pre-effective date plan year' means, with respect to a plan, any plan year prior to the first year in which the amendments made by this subtitle and subtitle B apply to the plan.

''(3) INCREASED UNFUNDED NEW LIABILITY.—The term 'increased unfunded new liability' means, with respect to a year, the excess (if any) of the unfunded new liability over the amount of unfunded new liability determined as if the value of the plan's assets determined under subsection 302(c)(2) of such Act and section 412(c)(2) of such Code equaled the product of the current liability of the plan for the year multiplied by the funded current liability percentage (as defined in section 302(d)(8)(B) of such Act and 412(l)(8)(B) of such Code) of the plan for the second plan year preceding the first election year of such plan.

''(4) OTHER DEFINITIONS.—The terms 'unfunded new liability' and 'current liability' shall have the meanings set forth in section 302(d) of such Act and section 412(l) of such Code.''.

(b) ELIGIBLE CHARITY PLANS.—Section 104 of the Pension Protection Act of 2006 is amended—

(1) by striking ''eligible cooperative plan'' wherever it appears in subsections (a) and (b) and inserting ''eligible cooperative plan or an eligible charity plan'', and

(2) by adding at the end the following new subsection:

''(d) ELIGIBLE CHARITY PLAN DEFINED.—For purposes of this section, a plan shall be treated as an eligible charity plan for a plan year if the plan is maintained by more than one employer and 100 percent of the employers are described in section 501(c)(3) of such Code.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect as if included in the Pension Protection Act of 2006.

(2) ELIGIBLE CHARITY PLAN.—The amendments made by subsection (b) shall apply to plan years beginning after December 31, 2007, except that a plan sponsor may elect to apply such amendments to plan years beginning after December 31, 2008. Any such election shall be made at such time, and in such form and manner, as shall be prescribed by the Secretary of the Treasury, and may be revoked only with the consent of the Secretary of the Treasury.

SEC. 303. LOOKBACK FOR CERTAIN BENEFIT RESTRICTIONS.

(a) IN GENERAL.—

(1) AMENDMENT TO ERISA.—Section 206(g)(9) of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following:

''(D) SPECIAL RULE FOR CERTAIN YEARS.—Solely for purposes of any applicable provision—

''(i) IN GENERAL.—For plan years beginning on or after October 1, 2008, and before October 1, 2010, the adjusted funding target attainment percentage of a plan shall be the greater of—

''(I) such percentage, as determined without regard to this subparagraph, or

''(II) the adjusted funding target attainment percentage for such plan for the plan year beginning after October 1, 2007, and before October 1, 2008, as determined under rules prescribed by the Secretary of the Treasury.

''(ii) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year—

''(I) clause (i) shall apply to plan years beginning after December 31, 2007, and before January 1, 2010, and

''(II) clause (i)(II) shall apply based on the last plan year beginning before November 1, 2007, as determined under rules prescribed by the Secretary of the Treasury.

''(iii) APPLICABLE PROVISION.—For purposes of this subparagraph, the term 'applicable provision' means—

''(I) paragraph (3), but only for purposes of applying such paragraph to a payment which, as determined under rules prescribed by the Secretary of the Treasury, is a payment under a social security leveling option which accelerates payments under the plan before, and reduces payments after, a participant starts receiving social security benefits in order to provide substantially similar aggregate payments both before and after such benefits are received, and

''(II) paragraph (4).''.

(2) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 436(j) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(3) SPECIAL RULE FOR CERTAIN YEARS.—Solely for purposes of any applicable provision—

''(A) IN GENERAL.—For plan years beginning on or after October 1, 2008, and before October 1, 2010, the adjusted funding target attainment percentage of a plan shall be the greater of—

''(i) such percentage, as determined without regard to this paragraph, or

''(ii) the adjusted funding target attainment percentage for such plan for the plan year beginning after October 1, 2007, and before October 1, 2008, as determined under rules prescribed by the Secretary.

''(B) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year—

''(i) subparagraph (A) shall apply to plan years beginning after December 31, 2007, and before January 1, 2010, and

''(ii) subparagraph (A)(ii) shall apply based on the last plan year beginning before November 1, 2007, as determined under rules prescribed by the Secretary.

''(C) APPLICABLE PROVISION.—For purposes of this paragraph, the term 'applicable provision' means—

''(i) subsection (d), but only for purposes of applying such paragraph to a payment which, as determined under rules prescribed by the Secretary, is a payment under a social security leveling option which accelerates payments under the plan before, and reduces payments after, a participant starts receiving social security benefits in order to provide substantially similar aggregate payments both before and after such benefits are received, and

''(ii) subsection (e).''.

(b) INTERACTION WITH WRERA RULE.—Section 203 of the Worker, Retiree, and Employer Recovery Act of 2008 shall apply to a plan for any plan year in lieu of the amendments made by this section applying to sections 206(g)(4) of the Employee Retirement Income Security Act of 1974 and 436(e) of the Internal Revenue Code of 1986 only to the extent that such section produces a higher adjusted funding target attainment percentage for such plan for such year.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to plan years beginning on or after October 1, 2008.

(2) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year, the amendments made by this section shall apply to plan years beginning after December 31, 2007.

SEC. 304. LOOKBACK FOR CREDIT BALANCE RULE FOR PLANS MAINTAINED BY CHARITIES.

(a) AMENDMENT TO ERISA.—Paragraph (3) of section 303(f) of the Employee Retirement Income Security Act of 1974 is amended by adding the following at the end thereof:

''(D) SPECIAL RULE FOR CERTAIN YEARS OF PLANS MAINTAINED BY CHARITIES.—

''(i) IN GENERAL.—For purposes of applying subparagraph (C) for plan years beginning after August 31, 2009, and before September 1, 2011, the ratio determined under such subparagraph for the preceding plan year shall be the greater of—

''(I) such ratio, as determined without regard to this subparagraph, or

''(II) the ratio for such plan for the plan year beginning after August 31, 2007, and before September 1, 2008, as determined under rules prescribed by the Secretary of the Treasury.

''(ii) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year—

''(I) clause (i) shall apply to plan years beginning after December 31, 2008, and before January 1, 2011, and

''(II) clause (i)(II) shall apply based on the last plan year beginning before September 1,

2007, as determined under rules prescribed by the Secretary of the Treasury.

''(iii) LIMITATION TO CHARITIES.—This subparagraph shall not apply to any plan unless such plan is maintained exclusively by one or more organizations described in section 501(c)(3) of the Internal Revenue Code of 1986.''.

(b) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Paragraph (3) of section 430(f) of the Internal Revenue Code of 1986 is amended by adding the following at the end thereof:

''(D) SPECIAL RULE FOR CERTAIN YEARS OF PLANS MAINTAINED BY CHARITIES.—

''(i) IN GENERAL.—For purposes of applying subparagraph (C) for plan years beginning after August 31, 2009, and before September 1, 2011, the ratio determined under such subparagraph for the preceding plan year of a plan shall be the greater of—

''(I) such ratio, as determined without regard to this subsection, or

''(II) the ratio for such plan for the plan year beginning after August 31, 2007 and before September 1, 2008, as determined under rules prescribed by the Secretary.

''(ii) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year—

''(I) clause (i) shall apply to plan years beginning after December 31, 2007, and before January 1, 2010, and

''(II) clause (i)(II) shall apply based on the last plan year beginning before September 1, 2007, as determined under rules prescribed by the Secretary.

''(iii) LIMITATION TO CHARITIES.—This subparagraph shall not apply to any plan unless such plan is maintained exclusively by one or more organizations described in section 501(c)(3).''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to plan years beginning after August 31, 2009.

(2) SPECIAL RULE.—In the case of a plan for which the valuation date is not the first day of the plan year, the amendments made by this section shall apply to plan years beginning after December 31, 2008.

Subtitle B—Multiemployer Plans

SEC. 311. ADJUSTMENTS TO FUNDING STANDARD ACCOUNT RULES.

(a) ADJUSTMENTS.—

(1) AMENDMENT TO ERISA.—Section 304(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1084(b)) is amended by adding at the end the following new paragraph:

''(8) SPECIAL RELIEF RULES.—Notwithstanding any other provision of this subsection—

''(A) AMORTIZATION OF NET INVESTMENT LOSSES.—

''(i) IN GENERAL.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met may treat—

''(I) the portion of its experience loss for either or both of the first two plan years ending after August 31, 2008, attributable to the net investment losses (if any) incurred in the first plan year ending after August 31, 2008, and

''(II) the portion of its experience loss for either or both of the second and third plan years ending after August 31, 2008, attributable to the net investment losses (if any) incurred in the second plan year ending after August 31, 2008,

as an item separate from other experience losses, to be amortized in equal annual installments (until fully amortized) over a period of 30 plan years.

''(ii) COORDINATION WITH EXTENSIONS.—If this subparagraph applies for any plan year—

''(I) no extension of the amortization period under clause (i) shall be allowed under subsection (d), and

''(II) if an extension was granted under subsection (d) for any plan year before the election to have this subparagraph apply to the plan year, such extension shall not result in such amortization period exceeding 30 years.

''(iii) NET INVESTMENT LOSSES.—For purposes of this subparagraph—

''(I) IN GENERAL.—Net investment losses shall be determined in the manner prescribed by the Secretary of the Treasury on the basis of the difference between actual and expected returns (including any difference attributable to any criminally fraudulent investment arrangement).

''(II) CRIMINALLY FRAUDULENT INVESTMENT ARRANGEMENTS.—The determination as to whether an arrangement is a criminally fraudulent investment arrangement shall be made under rules substantially similar to the rules prescribed by the Secretary of the Treasury for purposes of section 165 of the Internal Revenue Code of 1986.

''(B) EXPANDED SMOOTHING PERIOD.—

''(i) IN GENERAL.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met may change its asset valuation method in a manner which—

''(I) spreads the difference between expected and actual returns for either or both of the first 2 plan years ending after August 31, 2008, over a period of not more than 10 years,

''(II) provides that for either or both of the first 2 plan years ending after August 31, 2008, the value of plan assets at any time shall not be less than 80 percent or greater than 130 percent of the fair market value of such assets at such time, or

''(III) makes both changes described in subclauses (I) and (II) to such method.

''(ii) ASSET VALUATION METHODS.—If this subparagraph applies for any plan year—

''(I) the Secretary of the Treasury shall not treat the asset valuation method of the plan as unreasonable solely because of the changes in such method described in clause (i), and

''(II) such changes shall be deemed approved by such Secretary under section 302(d)(1) and section 412(d)(1) of such Code.

''(iii) AMORTIZATION OF REDUCTION IN UNFUNDED ACCRUED LIABILITY.—If this subparagraph and subparagraph (A) both apply for any plan year, the plan shall treat any reduction in unfunded accrued liability resulting from the application of this subparagraph as a separate experience amortization base, to be amortized in equal annual installments (until fully amortized) over a period of 30 plan years rather than the period such liability would otherwise be amortized over.

''(C) SOLVENCY TEST.—The solvency test under this paragraph is met only if the plan actuary certifies that the plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the amortization period, taking into account the changes in the funding standard account under this paragraph.

''(D) RESTRICTION ON BENEFIT INCREASES.—If subparagraph (A) or (B) apply to a multiemployer plan for any plan year, then, in addition to any other applicable restrictions on benefit increases, a plan amendment increasing benefits may not go into effect during either of the 2 plan years immediately following such plan year unless—

''(i) the plan actuary certifies that—

''(I) any such increase is paid for out of additional contributions not allocated to the plan immediately before the application of this paragraph to the plan, and

''(II) the plan's funded percentage and projected credit balances for such 2 plan years are reasonably expected to be at least as high as such percentage and balances would have been if the benefit increase had not been adopted, or

''(ii) the amendment is required as a condition of qualification under part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986 or to comply with other applicable law.

''(E) REPORTING.—A plan sponsor of a plan to which this paragraph applies shall—

''(i) give notice of such application to participants and beneficiaries of the plan, and

''(ii) inform the Pension Benefit Guaranty Corporation of such application in such form and manner as the Director of the Pension Benefit Guaranty Corporation may prescribe.''.

(2) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 431(b) is amended by adding at the end the following new paragraph:

''(8) SPECIAL RELIEF RULES.—Notwithstanding any other provision of this subsection—

''(A) AMORTIZATION OF NET INVESTMENT LOSSES.—

''(i) IN GENERAL.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met may treat—

''(I) the portion of its experience loss for either or both of the first two plan years ending after August 31, 2008, attributable to the net investment losses (if any) incurred in the first plan year ending after August 31, 2008, and

''(II) the portion of its experience loss for either or both of the second and third plan years ending after August 31, 2008, attributable to the net investment losses (if any) incurred in the second plan year ending after August 31, 2008,

as an item separate from other experience losses, to be amortized in equal annual installments (until fully amortized) over a period of 30 plan years.

''(ii) COORDINATION WITH EXTENSIONS.—If this subparagraph applies for any plan year—

''(I) no extension of the amortization period under clause (i) shall be allowed under subsection (d), and

''(II) if an extension was granted under subsection (d) for any plan year before the election to have this subparagraph apply to the plan year, such extension shall not result in such amortization period exceeding 30 years.

''(iii) NET INVESTMENT LOSSES.—For purposes of this subparagraph—

''(I) IN GENERAL.—Net investment losses shall be determined in the manner prescribed by the Secretary on the basis of the difference between actual and expected returns (including any difference attributable to any criminally fraudulent investment arrangement).

''(II) CRIMINALLY FRAUDULENT INVESTMENT ARRANGEMENTS.—The determination as to whether an arrangement is a criminally fraudulent investment arrangement shall be made under rules substantially similar to the rules prescribed by the Secretary for purposes of section 165.

''(B) EXPANDED SMOOTHING PERIOD.—

''(i) IN GENERAL.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met may change its asset valuation method in a manner which—

''(I) spreads the difference between expected and actual returns for either or both of the first 2 plan years ending after August 31, 2008, over a period of not more than 10 years,

''(II) provides that for either or both of the first 2 plan years ending after August 31, 2008, the value of plan assets at any time

shall not be less than 80 percent or greater than 130 percent of the fair market value of such assets at such time, or

''(III) makes both changes described in subclauses (I) and (II) to such method.

''(ii) ASSET VALUATION METHODS.—If this subparagraph applies for any plan year—

''(I) the Secretary shall not treat the asset valuation method of the plan as unreasonable solely because of the changes in such method described in clause (i), and

''(II) such changes shall be deemed approved by the Secretary under section 302(d)(1) of the Employee Retirement Income Security Act of 1974 and section 412(d)(1).

''(iii) AMORTIZATION OF REDUCTION IN UNFUNDED ACCRUED LIABILITY.—If this subparagraph and subparagraph (A) both apply for any plan year, the plan shall treat any reduction in unfunded accrued liability resulting from the application of this subparagraph as a separate experience amortization base, to be amortized in equal annual installments (until fully amortized) over a period of 30 plan years rather than the period such liability would otherwise be amortized over.

''(C) SOLVENCY TEST.—The solvency test under this paragraph is met only if the plan actuary certifies that the plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the amortization period, taking into account the changes in the funding standard account under this paragraph.

''(D) RESTRICTION ON BENEFIT INCREASES.—If subparagraph (A) or (B) apply to a multiemployer plan for any plan year, then, in addition to any other applicable restrictions on benefit increases, a plan amendment increasing benefits may not go into effect during either of the 2 plan years immediately following such plan year unless—

''(i) the plan actuary certifies that—

''(I) any such increase is paid for out of additional contributions not allocated to the plan immediately before the application of this paragraph to the plan, and

''(II) the plan's funded percentage and projected credit balances for such 2 plan years are reasonably expected to be at least as high as such percentage and balances would have been if the benefit increase had not been adopted, or

''(ii) the amendment is required as a condition of qualification under part I of subchapter D or to comply with other applicable law.

''(E) REPORTING.—A plan sponsor of a plan to which this paragraph applies shall—

''(i) give notice of such application to participants and beneficiaries of the plan, and

''(ii) inform the Pension Benefit Guaranty Corporation of such application in such form and manner as the Director of the Pension Benefit Guaranty Corporation may prescribe.''.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall take effect as of the first day of the first plan year ending after August 31, 2008, except that any election a plan makes pursuant to this section that affects the plan's funding standard account for the first plan year ending after August 31, 2008, shall be disregarded for purposes of applying the provisions of section 305 of the Employee Retirement Income Security Act of 1974 and section 432 of the Internal Revenue Code of 1986 to such plan year.

(2) RESTRICTIONS ON BENEFIT INCREASES.—Notwithstanding paragraph (1), the restrictions on plan amendments increasing benefits in sections 304(b)(8)(D) of such Act and 431(b)(8)(D) of such Code, as added by this section, shall take effect on the date of enactment of this Act.

HAITI RECOVERY ACT

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to Calendar No. 276, S. 2961.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2961) to provide debt relief to Haiti, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 2961

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 ''Haiti Recovery Act''.

SEC. 2. DEBT RELIEF FOR HAITI.

(a) IN GENERAL.—

(1) CANCELLATION OF DEBT.—The Secretary of the Treasury should direct the United States Executive Director to each international financial institution to advocate in such institution—

(A) the cancellation of any and all remaining debt obligations of Haiti, including debt obligations incurred [after] *before* the date of the enactment of this Act [and before February 1, 2012];

(B) the provision of debt service relief for all [remaining payments of Haiti] *payments of Haiti remaining on the date of the enactment of this Act*; and

(C) to the extent practicable, the extension of any new assistance to Haiti be primarily in the form of grants, [not loans] *until February 1, 2012*.

(2) INTERNATIONAL FINANCIAL INSTITUTION.—The term ''international financial institution'' means each of the institutions listed in section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)) and includes the International Development Fund for Agricultural Development.

(3) SENSE OF THE SENATE.—It is the sense of the Senate that international financial institutions should cancel any debt incurred by Haiti after the date of the enactment of this Act and before February 1, 2012, so that Haiti can rebuild after the devastation of the earthquake of January 2010.

(b) USE OF CERTAIN FUNDS FOR POVERTY REDUCTION.—The Secretary of the Treasury should instruct the United States Executive Director of the International Monetary Fund to advocate the use of [the proceeds, in excess of May 2009 projections] *some of the realized windfall profits that exceed the required contribution to the Poverty Reduction and Growth Trust (as referenced in the IMF Reforms Financial Facilities for Low-Income Countries Public Information Notice (PIN) No. 09/94)* from the ongoing sale of 12,965,649 ounces of gold acquired since the second Amendment of the Fund's Article of Agreement, to provide debt stock relief, debt service relief, *loan subsidies*, and grants for [low-income countries that are eligible for the Poverty Reduction and Growth Facility or any other programs designed to assist low-income countries, including Haiti] *Haiti*.

(c) SECURING OTHER RELIEF FOR HAITI.—The Secretary of the Treasury and the Secretary of State should use all appropriate diplomatic influence to secure cancellation of any and all remaining bilateral debt of Haiti.

SEC. 3. INFRASTRUCTURE INVESTMENT.

(a) TRUST FUND.—The Secretary of the Treasury should support the creation and utilization of [an Inter-American Development Bank] *a multilateral* trust fund for Haiti that would leverage potential United States contributions and promote bilateral donations to such a fund for the purpose of making investments in Haiti's [infrastructure] *future*, including *efforts to combat soil degradation and promote reforestation and infrastructure investments such as* electric grids, roads, water and sanitation facilities, and other critical infrastructure projects.

(b) INCREASE IN TRANSFER OF EARNINGS.—The Secretary of the Treasury should direct the United States Executive Director of the Inter-American Development Bank to *seek to* increase the transfer of its earnings to the Fund for Special Operations, [which finances programming in Haiti and other weak economies in the Western Hemisphere.] *and to a trust fund or grant facility for Haiti.*

Mr. REID. I now ask unanimous consent the committee-reported amendments be agreed to; the bill, as amended, be read a third time, passed, the motion to reconsider be laid on the table, and any statements be printed in the RECORD.

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

The committee amendments were agreed to.

The bill (S. 2961), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2961

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 ''Haiti Recovery Act''.

SEC. 2. DEBT RELIEF FOR HAITI.

(a) IN GENERAL.—

(1) CANCELLATION OF DEBT.—The Secretary of the Treasury should direct the United States Executive Director to each international financial institution to advocate in such institution—

(A) the cancellation of any and all remaining debt obligations of Haiti, including debt obligations incurred before the date of the enactment of this Act;

(B) the provision of debt service relief for all payments of Haiti remaining on the date of the enactment of this Act; and

(C) to the extent practicable, the extension of any new assistance to Haiti be primarily in the form of grants until February 1, 2012.

(2) INTERNATIONAL FINANCIAL INSTITUTION.—The term ''international financial institution'' means each of the institutions listed in section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)) and includes the International Development Fund for Agricultural Development.

(3) SENSE OF THE SENATE.—It is the sense of the Senate that international financial institutions should cancel any debt incurred by Haiti after the date of the enactment of this Act and before February 1, 2012, so that Haiti can rebuild after the devastation of the earthquake of January 2010.

(b) USE OF CERTAIN FUNDS FOR POVERTY REDUCTION.—The Secretary of the Treasury should instruct the United States Executive Director of the International Monetary Fund to advocate the use of some of the realized windfall profits that exceed the required contribution to the Poverty Reduction and

Growth Trust (as referenced in the IMF Reforms Financial Facilities for Low-Income Countries Public Information Notice (PIN) No. 09/94) from the ongoing sale of 12,965,649 ounces of gold acquired since the second Amendment of the Fund's Article of Agreement, to provide debt stock relief, debt service relief, loan subsidies, and grants for Haiti.

(c) SECURING OTHER RELIEF FOR HAITI.—The Secretary of the Treasury and the Secretary of State should use all appropriate diplomatic influence to secure cancellation of any and all remaining bilateral debt of Haiti.

SEC. 3. INFRASTRUCTURE INVESTMENT.

(a) TRUST FUND.—The Secretary of the Treasury should support the creation and utilization of a multilateral trust fund for Haiti that would leverage potential United States contributions and promote bilateral donations to such a fund for the purpose of making investments in Haiti's future, including efforts to combat soil degradation and promote reforestation and infrastructure investments such as electric grids, roads, water and sanitation facilities, and other critical infrastructure projects.

(b) INCREASE IN TRANSFER OF EARNINGS.—The Secretary of the Treasury should direct the United States Executive Director of the Inter-American Development Bank to seek to increase the transfer of its earnings to the Fund for Special Operations and to a trust fund or grant facility for Haiti.

PERMITTING USE OF THE ROTUNDA

Mr. REID. Mr. President, I ask unanimous consent that we move to H. Con. Res. 236.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 236) permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. I now ask unanimous consent the concurrent resolution be agreed to, and the motion to reconsider be laid on the table, with no intervening action or debate.

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

The concurrent resolution (H. Con. Res. 236) was agreed to.

AUTHORIZING THE USE OF EMANCIPATION HALL

Mr. REID. I now ask we move to H. Con. Res. 239.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res 239) authorizing the use of Emancipation Hall in the Capitol Visitor Center for a ceremony to present the Congressional Gold Medal to the Women Airforce Service Pilots.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. I ask unanimous consent the current resolution be agreed to, the motion to reconsider be laid on the table, and there be no intervening action or debate.

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

The concurrent resolution (H. Con. Res. 239) was agreed to.

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the majority and minority leaders of the Senate and the Speaker and minority leader of the House of Representatives, pursuant to Section 301 of Public Law 104–1, as amended by Public Law 108–349, and further amended by Public Law 111–114, announces the joint designation of the following individual, as Chair of the Board of Directors of the Office of Compliance: Barbara L. Camens of the District of Columbia.

The Chair, on behalf of the majority and minority leaders of the Senate and the Speaker and minority leader of the House of Representatives, pursuant to Section 301 of Public Law 104–1, as amended by Public Law 108–349, and further amended by Public Law 111–114, announces the joint re-appointment of the following individuals as members of the Board of Directors of the Office of Compliance: Alan V. Friedman of California, Susan S. Robfogel of New York, and Barbara Childs Wallace of Mississippi.

ORDERS FOR MONDAY, MARCH 8, 2010

Mr. REID. I ask unanimous consent that when the Senate completes its business today, it adjourn until 2 p.m., Monday, March 8; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate proceed to a period of morning business until 3 p.m., with Senators permitted to speak therein for up to 10 minutes each; that following morning business the Senate resume consideration of H.R. 4213; further, I ask that the filing deadline for first-degree amendments be 3 p.m. on Monday, and 12 noon on Tuesday for second-degree amendments.

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

PROGRAM

Mr. REID. As previously announced, there will be no rollcall votes on Monday. Senators should expect votes to start early Tuesday morning.

MURRAY AMENDMENT NO. 3356, AS FURTHER MODIFIED

Mr. REID. I ask unanimous consent, notwithstanding the pendency of H.R. 4213, that the Murray amendment No. 3356 be further modified with the changes at the desk.

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

The amendment, as further modified, is as follows:

At the end of subtitle C of title II, insert the following:

SEC. ___. 6-MONTH EXTENSION OF THE EMERGENCY CONTINGENCY FUND FOR STATE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAMS.

(a) IN GENERAL.—Section 403(c) of the Social Security Act (42 U.S.C. 603(c)) is amended—

(1) in paragraph (2)(A), by inserting '', and for the first 6 months of fiscal year 2011, $1,300,000,000,'' before ''for payment'';

(2) in paragraph (2)(B)—

(A) by inserting ''for fiscal year 2009'' after ''under subparagraph (A)''; and

(B) by inserting before the period the following: '', and may be used to make payments to a State during fiscal year 2011 with respect to expenditures incurred by such State during fiscal year 2009 or 2010. The amounts appropriated to the Emergency Fund under subparagraph (A) for the first 6 months of fiscal year 2011 shall be used to make grants to States during such months in accordance with the requirements of paragraph (3), and may be used to make payments to a State during the succeeding months of fiscal year 2011 and during fiscal year 2012 with respect to expenditures incurred by such State during the first 6 months of fiscal year 2011'';

(3) by striking paragraph (2)(C) and inserting the following:

''(C) LIMITATIONS.—

''(i) IN GENERAL.—In no case may the Secretary make a grant from the Emergency Fund for a fiscal year after fiscal year 2012.

''(ii) RESERVATION OF FUNDS.—Of the amounts appropriated to the Emergency Fund under subparagraph (A) for the first 6 months of fiscal year 2011, $500,000 shall be placed in reserve for use in fiscal year 2012. Such amounts shall be used to award grants for any expenditures incurred by States after March 31, 2011.'';

(4) in clause (i) of each of subparagraphs (A), (B), and (C) of paragraph (3), by striking ''year 2009 or 2010'' and inserting ''years 2009, 2010, or the first 6 months of fiscal year 2011'';

(5) in paragraph (3)—

(A) by adding at the end of subparagraph (C) the following new clause:

''(iv) SUBSIDIZED EMPLOYMENT FOR NEEDY FAMILIES.—An expenditure for subsidized employment shall be taken into account under clause (ii) only if such expenditure is used to subsidize employment for an adult or minor child head of household who is a member of a needy family (without regard to whether such family is receiving assistance under the State program funded under this part).''; and

(B) by adding at the end the following new subparagraph:

''(D) GRANT RELATED TO INCREASED EXPENDITURES FOR EMPLOYMENT SERVICES.—

''(i) IN GENERAL.—For each of the first 2 calendar quarters in fiscal year 2011, the Secretary shall make a grant from the Emergency Fund to each State that—

''(I) requests a grant under this subparagraph for the quarter; and

''(II) meets the requirement of clause (ii) for the quarter.

''(ii) EMPLOYMENT SERVICES EXPENDITURE REQUIREMENT.—A State meets the requirement of this clause for a quarter if the total expenditures of the State for employment services in the quarter, whether under the State program funded under this part or as

qualified State expenditures, exceeds the total such expenditures of the State in the corresponding quarter in the emergency fund base year of the State.

''(iii) AMOUNT OF GRANT.—Subject to paragraph (5), the amount of the grant to be made to a State under this subparagraph for a quarter shall be an amount equal to 80 percent of the excess described in clause (ii).'';

(6) in paragraph (4), by striking ''and subsidized employment'' and inserting ''subsidized employment, and employment services'';

(7) in paragraph (5)—

(A) in the paragraph heading, by inserting ''ON PAYMENTS; ADJUSTMENT AUTHORITY'' after ''LIMITATION'';

(B) by striking ''The total amount'' and inserting the following:

''(A) IN GENERAL.—The total amount'';

(C) by inserting after ''grant'' the following: ''The total amount payable to a single State under subsection (b) and this subsection for the first 6 months of fiscal year 2011 shall not exceed 15 percent of the annual State family assistance grant.''; and

(D) by adding at the end the following:

''(B) ADJUSTMENT AUTHORITY.—The Secretary may issue a Program Instruction without regard to the requirements of section 553 of title 5, United States Code, specifying priority criteria for awarding grants to States for the first 6 months of fiscal year 2011 or adjusting the percentage limitation applicable under subparagraph (A) with respect to the total amount payable to a single State for such months, if the Secretary determines that the Emergency Fund is at risk of being depleted prior to March 31, 2011, or the Secretary determines that funds are available to accommodate additional State requests.''; and

(8) in paragraph (9)—

(A) in subparagraph (B)(i), by striking ''or 2008'' and inserting '', 2008, or 2009'';

(B) by adding at the end of subparagraph (B)(ii) the following:

''(IV) The total expenditures of the State for employment services, whether under the State program funded under this part or as qualified State expenditures.''; and

(C) by adding at the end the following:

''(D) EMPLOYMENT SERVICES.—The term 'employment services' means services designed to help an individual begin, remain, or advance in employment, as defined in program guidance issued by the Secretary (without regard to section 553 of title 5, United States Code).''.

(b) CONFORMING AMENDMENTS.—Section 2101 of division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) is amended—

(1) in subsection (a)(2)—

(A) by striking ''2010'' and inserting ''2011''; and

(B) by striking all that follows ''repealed'' and inserting a period; and

(2) in subsection (d)(1), by striking ''2010'' and inserting ''2011''.

(c) PROGRAM GUIDANCE.—The Secretary of Health and Human Services shall issue program guidance, without regard to the requirements of section 553 of title 5, United States Code, which ensures that the funds provided under the amendments made by this section for subsidized employment do not support any subsidized employment position the annual salary of which is greater than the median annual income for all participating jurisdictions.

SEC. ___. TRAINING AND EMPLOYMENT SERVICES.

(a) ADDITIONAL AMOUNT.—There is appropriated for fiscal year 2010, for an additional amount for ''TRAINING AND EMPLOYMENT SERVICES'' under the heading ''EMPLOYMENT AND TRAINING ADMINISTRATION'' under the heading ''DEPARTMENT OF LABOR'' for activities under the Workforce Investment Act of 1998 (referred to in this section as the ''WIA''), $1,300,000,000. That amount is appropriated out of any money in the Treasury not otherwise appropriated. The amount shall be available for obligation for the period beginning on the date of enactment of this Act.

(b) ACTIVITIES.—Except as otherwise provided in subsection (c), of the amount made available under subsection (a), $1,300,000,000 shall be available for grants to States for youth activities, including summer employment for youth, which funds shall remain available for obligation through September 30, 2010, except that—

(1) no portion of such funds shall be reserved to carry out section 127(b)(1)(A) of the WIA;

(2) for purposes of section 127(b)(1)(C)(iv) of the WIA, funds available for youth activities shall be allotted as if the total amount available for youth activities for fiscal year 2010 does not exceed $1,000,000,000;

(3) with respect to the youth activities provided with such funds, section 101(13)(A) of the WIA shall be applied by substituting ''age 24'' for ''age 21''; and

(4) the work readiness aspect of the performance indicator described in section 136(b)(2)(A)(ii)(I) of the WIA shall be the only measure of performance used to assess the effectiveness of summer employment for youth provided with such funds.

(c) ADMINISTRATION; MANAGEMENT; OVERSIGHT.—

(1) IN GENERAL.—An amount that is not more than 1 percent of the funds made available to the Department of Labor under subsection (a) may be used for the Federal administration, management, and oversight of the programs, activities, and grants, funded under subsection (a), including the evaluation of the use of such funds.

(2) PERIOD FOR OBLIGATION.—Funds designated for the purposes of paragraph (1), together with the funds described in section 801(b) of Division A of the American Recovery and Reinvestment Act of 2009, and the funds described in the matter under the heading ''SALARIES AND EXPENSES (INCLUDING TRANSFER OF FUNDS)'', in the matter under the heading ''DEPARTMENTAL MANAGEMENT'' in title VIII of that division, shall be available for obligation through September 30, 2012.

SEC. ___. INTELLIGENT ASSIGNMENT IN ENROLLMENT AND RE-ASSIGNMENT OF CERTAIN INDIVIDUALS.

(a) IN GENERAL.—Section 1860D–1(b)(1) of the Social Security Act (42 U.S.C. 1395w–101(b)(1)) is amended—

(1) in the second sentence of subparagraph (C), by inserting '', subject to subparagraph (D),'' before ''on a random basis''; and

(2) by adding at the end the following new subparagraph:

''(D) INTELLIGENT ASSIGNMENT.—In the case of any auto-enrollment under subparagraph (C) or any re-assignment, no part D eligible individual described in such subparagraph shall be enrolled in or re-assigned to a prescription drug plan which does not meet both of the following requirements:

''(i) LOW COST.—The total cost under this title of providing prescription drug coverage under the plan is among the lowest 25th percentile of prescription drug plans under this part in the State.

''(ii) MEETS BENEFICIARY NEEDS.—The plan reasonably meets the needs of such part D eligible individuals as a group, as identified by the Secretary using criteria established by the Secretary.

In the case that no plan meets the requirements under clauses (i) and (ii) or that the plans which meet such requirements do not have sufficient capacity for the enrollment or re-assignment of such part D eligible individual in or to the plan, the part D eligible individual shall be enrolled in or re-assigned to a prescription drug plan under the enrollment process under subparagraph (C) (as in existence before the date of the enactment of this subparagraph).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect for enrollments and re-assignments effected on or after January 1, 2012.

SEC. ___. ELIMINATION OF ADVANCE REFUNDABILITY OF EARNED INCOME CREDIT.

(a) IN GENERAL.—Section 3507, subsection (g) of section 32, and paragraph (7) of section 6051(a) are repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 6012(a) is amended by striking paragraph (8) and by redesignating paragraph (9) as paragraph (8).

(2) Section 6302 is amended by striking subsection (i).

(c) EFFECTIVE DATE.—The repeals and amendments made by this section shall apply to taxable years beginning after December 31, 2010.

ADJOURNMENT UNTIL MONDAY, MARCH 8, 2010, AT 2 P.M.

Mr. REID. If there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 2:19 p.m., adjourned until Monday, March 8, 2010, at 2 p.m.