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Senate

The Senate met at 9:30 a.m., and was called to order by the Honorable TOM UDALL, a Senator from the State of New Mexico.

PRAYER

The PRESIDING OFFICER. Today's opening prayer will be offered by Reverend Elizabeth Evans Hagan, Senior Pastor of Washington Plaza Baptist Church in Reston, VA.

The guest chaplain offered the following prayer:

Let us pray.

Gracious God, we thank You for being the source of all life, wisdom, and grace in this world. And truly, as Your people, we are so very blessed. We are blessed with breath as we rose to this new day. We are blessed with communities of friends and family that support us. We are blessed with hope that gives our gifts and talents opportunities to be channeled into meaningful work.

Help all of us, O God, as we begin this new day, to remember the richness of our blessings so that we may work together courageously for all of those You have given us to serve. To whom much is given, much is also expected. May we give more today into Your holy work than we gave yesterday.

It is in thanksgiving that we pray in Your most holy Name. Amen.

The PRESIDING OFFICER. The Senator from Virginia.

WELCOMING THE GUEST CHAPLAIN

Mr. WEBB. Mr. President, I rise today to speak about today's guest chaplain, the Reverend Elizabeth Evans Hagan, Senior Pastor at Washington Plaza Baptist Church in Reston, VA. I am pleased to welcome Reverend Hagan and her husband, Kevin, to the United States Senate today.

Reverend Hagan holds a degree in education from Samford University, and received her Master of Divinity in 2006 from Duke University. Prior to

serving at Washington Plaza, Reverend Hagan served as Associate Pastor for Education and Youth at First Baptist Church of Gaithersburg, MD, and several pastoral internships in Alabama, North Carolina, and Washington, DC. She is passionate about building a strong community of faith, and has traveled extensively to places such as Uganda, Rwanda, Kenya, Burma, Thailand and Argentina.

Since March of 2009, Reverend Hagan has led the large and growing congregation at Washington Plaza, which includes a large African-American, Chinese, and growing Hispanic representation. It is welcoming and affirming of all people, and a church where seekers feel at home.

Through the many ministries and programs at Washington Plaza Baptist Church, Reverend Hagan has made a profound impact on the lives of many members of my constituency. I am certain that she will continue to guide her congregation for many years to come, and I look forward to seeing the direction of Washington Plaza under her leadership.

PLEDGE OF ALLEGIANCE

The Honorable TOM UDALL 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. INOUYE).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 19, 2012.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable TOM UDALL, a Senator from the State of New Mexico, to perform the duties of the Chair.

DANIEL K. INOUYE,
President pro tempore.

Mr. UDALL of New Mexico thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

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

BRING JOBS HOME ACT—MOTION TO PROCEED

Mr. REID. Mr. President, I move to proceed to Calendar No. 442.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

Motion to proceed to S. 3364, a bill to provide an incentive for businesses to bring jobs back to America.

SCHEDULE

Mr. REID. Mr. President, the first hour today will be equally divided and controlled between the two leaders or their designees. The Republicans will control the first half and the majority the final half. At 2:15 p.m. there will be a cloture vote on the motion to proceed to the Bring Jobs Home Act I just moved to.

MEASURE PLACED ON THE CALENDAR—S. 3401

Mr. REID. Mr. President, I am fairly confident that S. 3401 is at the desk and due for a second reading.

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

The assistant legislative clerk read as follows:

A bill (S. 3401) to amend the Internal Revenue Code of 1986 to temporarily extend tax

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



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relief provisions enacted in 2001 and 2003, to provide for temporary alternative minimum tax relief, to extend increased expensing limitations, and to provide instructions for tax reform.

Mr. REID. Mr. President, I object to any further proceedings with regard to this bill.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar under the provisions of rule XIV.

Mr. REID. Mr. President, over the last decade, American companies outsourced about 2½ million jobs, often to countries where they can hire workers for half the price. And 21 million Americans, including nearly 7 million manufacturing workers, live with the fear their jobs could be shipped overseas tomorrow. More than 130,000 of those at-risk workers live in Nevada. In the Presiding Officer's home State of New Mexico, more than 100,000 jobs in manufacturing, sales, management, the financial sector, and other industries are in jeopardy. And more than 300,000 jobs in the State of Kentucky, the State of my Republican counterpart, are also at risk. So I was surprised yesterday when the minority leader dismissed efforts to end taxpayer incentives for companies that outsource jobs overseas. To quote the minority leader, he said:

Why aren't we doing anything? It's time to bring up serious legislation that affects the future of the country.

At a time when millions of Americans are looking for work, I am not sure what could be more serious than protecting good-paying, middle-class jobs. The Bring Jobs Home Act, the measure before this body, would end tax incentives for corporations that ship jobs overseas. Every time an American company closes a factory or a call center in America and moves operations to another country, taxpayers pick up part of that moving bill. Hard to comprehend, but it is true. The legislation before this body would end that senseless series of tax breaks for outsourcers. It would offer a 20-percent tax credit to help with the cost of moving production back to the United States.

In the last few years, major manufacturers such as Caterpillar have brought jobs back to the United States from Japan, Mexico, and China. Smaller manufacturers such as Master Lock have moved facilities home as well. Congress must do everything in its power to encourage this trend.

But let me remind the entire Senate that we must break a Republican filibuster—a record-breaking filibuster—before we can even begin debating the Bring Jobs Home Act. This obstruction is unfortunate, but it is not surprising. After all, the Republicans' nominee for President made a fortune working for a company that shipped jobs overseas.

Yesterday, my friend Senator MCCONNELL said he wants to debate serious legislation. If that is the case, he should urge his Republican colleagues

to drop their filibuster. The Bring Jobs Home Act is a commonsense strategy to protect American workers. To 21 million Americans whose jobs could be the next sent to China or India, it is a very serious proposal. To the 2½ million Americans whose jobs have already been shipped offshore, it doesn't get any more serious than that. The only ones who aren't taking this measure seriously are the Republicans in Congress.

RECOGNITION OF THE MINORITY LEADER

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

Mr. MCCONNELL. Mr. President, could I ask the majority leader one question related to the vote we are going to have later today?

A number of my Members are asking, in connection with voting to proceed to the bill, whether the bill will be open for amendments.

Mr. REID. The only amendments I have seen are three in number that the Republicans have suggested—to do away with the Affordable Care Act, to reestablish the Bush tax cuts, and then the Hatch tax measure. As has been the tradition with Republicans, those have absolutely nothing to do with outsourcing. So unless the Republicans get serious about legislating on the legislation we have, the answer would be: Very doubtful.

Mr. MCCONNELL. Well, I would say to my Republican colleagues, apparently the bill will not be open for amendment, and we will take that into consideration in deciding whether to support cloture on the motion to proceed.

FISCAL CLIFF

Mr. President, earlier this week, Senate Democratic leaders made clear to the American people where their priorities lie. In case you are wondering, the middle class came in pretty low on the list.

At a moment when more Americans are signing up for disability than finding jobs—listen to that, Mr. President, because this is where the American economy stands today. More Americans are signing up for disability than are finding jobs—Democrats said they think it is a good idea to drive the country off what economists are calling America's fiscal cliff this coming January. You might call it Thelma and Louise economics—right off the cliff.

But whatever one calls it, Democrats are evidently so determined to raise taxes on America's job creators that if we don't let them do it—if we don't let them do it—they would actually welcome an economic calamity that would rock not only the American economy but the global economy as well. They want to drive us right off the cliff. They would threaten our own economy and the global economy as well.

Needless to say, this isn't a program for jobs or economic growth. It is an ideological crusade—an ideological crusade. Following the President's lead, Democrats are declaring ideological

warfare, and the banner they are marching under is emblazoned with a single word: Fairness. Fairness.

Here is the problem: Fairness turns out to be a lot like hope and change. Fairness turns out to be a lot like hope and change. We don't know what it means until it is put into practice. But one thing history, common sense, and basic economics tell us is that it doesn't mean what the Democrats say it does. Because when they say tax the rich, we can be sure the middle class isn't far behind.

Just ask yourself: When was the last time a government program stuck to its original mission? When was the last time?

Federal income taxes initially were only supposed to apply to those with taxable incomes above \$500,000 a year, equal to about \$11.3 million in today's dollars. And even then the top rate was only 7 percent. Today the Federal income tax starts to pinch as soon as you earn a dollar more than \$9,750.

The Social Security tax started out at 2 percent. What is more, Americans were told it would never rise above 6 percent. Yet today the Social Security tax stands at 12.4 percent. And all other things being equal, it will likely have to rise above 20 percent to keep the program solvent. That is the condition of Social Security today.

The alternative minimum tax was designed to hit 155 households back in 1969—155 households. Today it threatens to hit nearly 30 million households at the end of this year.

ObamaCare was supposed to tax the rich. Yet now it turns out the very core of the bill includes a tax on the middle class. In my view, that particular deception turned out to be the difference between the law passing and not passing. They said: Oh, it is not a tax. The Supreme Court says it is a tax, with 77 percent of it hitting people making \$120,000 a year and less. And it passed by just a single vote—just one vote. Every single Democrat who supported it is responsible for the law itself and the middle-class tax at the heart of it.

But the bottom line here is that a law we were told didn't hit the middle class, does—big time. And the same goes for the President's latest proposal to raise taxes on those earning more than \$200,000 a year. It may be aimed at the top 2 percent now, but like every other program that is supposedly aimed at a few, very quickly this tax will increase to apply to many.

Even the senior senator from New York has said this tax hike will hit a lot of people who aren't rich. I agree with the senior Senator from New York. After all, the revenue from the Democrats' tax increase will only cover 6 percent of next year's projected budget deficit. So who is expected to cover the rest? The middle class, of course.

That is the fine print under every Democratic proposal. They say they are coming after the rich, but the middle class is always next. And America's small businesses are already on the

line. That is one reason Republicans are so adamantly opposed to these proposals.

Yes, it is a terrible idea to raise taxes in the middle of an economic downturn. Yes, government is already way too big. Yes, Democrats have absolutely no more intention of using this new revenue for deficit reduction than they have had in the past. Yes, the President's latest proposal wouldn't even raise enough money to fund the government for a week. And yes, we have no reason whatsoever to believe the President wouldn't continue his crony capitalist ways, spending that money on the pet projects of his political allies.

But the larger point is this: Not only is all this terrible economics, it is completely and totally unfair. The American people shouldn't be on the defense when it comes to keeping what they have earned.

The President may think those who have succeeded in life haven't done so on their own, but anybody who has ever turned a dream into reality knows he is totally wrong about that. They know the sacrifices they have made for their success: the hours of work they have put in, the time away from family, the constant worry about whether they will succeed.

Those who have made it know that what is unfair is being told—being told—they have to now hand over even more than they already are to a President who has done nothing to show he knows how to spend it.

Democrats may think it is good politics to play Russian roulette with the economy. They may think it helps their radical, ideological goals for the country to go off the fiscal cliff at the end of the year. They may look down on any enterprise that isn't controlled by the government. But nobody—nobody—should ever attempt to pretend it is a good idea for the economy or for jobs or for middle-class Americans, because it isn't. That is why Republicans think we should solve these problems now.

That is what I have been calling for all week. It is what I and my colleagues will continue to call for until Senate Democrats realize we weren't sent to play politics—we were sent to serve the American people.

HONORING OUR ARMED FORCES

SPECIALIST NATHANIEL D. GARVIN

Mr. President, it is with great sadness that I rise to commemorate an honored Kentuckian who has fallen in service to his country.

SPC Nathaniel D. Garvin of Radcliff, KY, died on July 12, 2010, in Kandahar, Afghanistan, while in support of Operation Enduring Freedom. He was 20 years old.

For his service in uniform, Specialist Garvin received several awards, medals, and decorations, including the Army Commendation Medal, the Army Good Conduct Medal, the National Defense Service Medal, the Afghanistan Campaign Medal with Bronze Service

Star, the Global War on Terrorism Service Medal, the Army Service Ribbon, the Overseas Service Ribbon, the NATO Medal, the Basic Aviation Badge, and the Overseas Service Bar.

Specialist Garvin had the nickname "Tater," given to him by his father Cliff. That is because when he was born on July 4, 1989, he weighed a little more than 5 pounds. "Wow," said Cliff to his wife, Nate's mother Melanie, "He is not much bigger than a sack of taters." The nickname stuck.

Nate may have been on the small side, but he did not shy away from risk. "He was the daredevil of the family," Melanie remembers.

As soon as he was old enough to walk, he had no fears. As he grew, he would climb trees to the tiptop to get on top of roofs—scaring his mother, of course.

One story goes to show just how tough Nate was. When he was still just in grade school, Nate's shoulder blade got dislocated, and the school nurse called his parents to come and pick up Nate and take him to the doctor. They did, but somehow in the short time between picking up Nate from school and driving to the doctor's office, Nate managed to pop his own shoulder back into place. "[He did it] showing no pain at all," says Melanie. "The doctor was shocked, along with his dad and I."

Nate's toughness included sticking up for his family. He grew up with three older brothers and a little sister. They may have at times picked on each other, but if someone outside the family ever picked on his brothers or sister, "Nate would say, 'I am not afraid, let me handle it,'" said Melanie. "He didn't care how big the other person was; he would not back down."

Nate was smart, funny, loving, and loyal. "He could say something that . . . in an instant would either make you laugh or have you laughing so hard you would be crying," Melanie remembers. Nate liked to fish and he enjoyed playing video games. He was so good at them, other people didn't want to play against him. He also could take apart and put back together the video game machines or almost anything else electronic.

After Nate met and married his wife Brittany, both he and one of his older brothers decided to use the buddy system and join the military at the same time, following in the footsteps of another Garvin brother. Nate felt it would be a good way to provide for not only his wife but also his then-unborn child.

Nate entered the Army in July 2008. He scored highly enough on his entrance exams to have his pick of any field he wanted. Nate chose avionics. He did his training at Fort Jackson, SC, and Fort Eustis, VA, and was assigned to B Company, 96th Aviation Support Battalion, 101st Airborne Division, based in Fort Campbell, KY.

Nate was able to come home from the Army for Christmas in 2008, and his timing was good. On December 26, 2008, his daughter Kayleigh was born.

"[That was] the happiest day in his short life. He loved her with all he had," said Melanie.

In the short time they had together, Kayleigh became her daddy's little girl. Her grandmother Melanie says:

She looks so much like him at that age we say she is Tater made over, just in a dress. She has his smile and her eyes light up just like his did. She also has her daddy's stubborn streak and smartness.

Nate would play video games and Kayleigh would sit beside him with an old game controller Nate gave her, pretending she was also playing the game. When Nate bobbed and weaved, she did too.

Nate was deployed to Afghanistan for Operation Enduring Freedom in March 2010. As Melanie put it:

Tater was due to come home for his R&R in August 2010, but unfortunately didn't make it. He lost his life one day before his mother's birthday and two days before his 21st. He never got to meet his son, who was born April 9, 2010.

We are thinking of SPC Nate Garvin's loved ones as I recount his story for my colleagues. That would include his wife Brittany; his parents Melanie and Cliff; his daughter Kayleigh Jo; his son Wyatt Boone; his brothers, TJ, Alex, and Jeremy; his sister Whitney; and many other beloved family members and friends. The Garvin family is also thankful for the assistance given them by CPT Erik Heely during the difficult events of 2 years ago.

The loss of SPC Nathaniel D. Garvin is tragic, and it is only appropriate that this Senate pause to honor his service and recognize his sacrifice.

I hope his family, particularly his two young children, can take some comfort from the fact that both the Commonwealth of Kentucky and this country are grateful for and honored by the heroism and courage Nate showed, both in and out of uniform. The example he set for his loved ones and his country will not be forgotten.

I yield the floor.

RESERVATION OF LEADER TIME

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

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the following hour will be equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the final half.

The Senator from New Hampshire is recognized.

Ms. AYOTTE. Mr. President, I ask unanimous consent to enter into a colloquy with my colleagues.

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

Ms. AYOTTE. Mr. President, I rise to talk about an issue that is of deep concern to our country, one of the greatest national security threats facing our country right now; that is, what is called sequestration.

To bring that down to plain terms for the American people, our Department of Defense is facing an additional \$500 billion across-the-board meat ax in cuts in addition to the already planned \$487 billion in reduction over the next 10 years if we do not act as a Senate, as a Congress, and if the Commander in Chief does not act to come up with more responsible ways to cut spending.

We all know we have a nearly \$16 trillion debt. We all know debt threatens our country not only as a national security threat but also as a threat to the quality of life of my children—I am the mother of a 7-year-old and a 4-year-old—and future generations in this country. However, what we did last August was a kick-the-can exercise, where we left it to a supercommittee to come up with \$1.2 trillion in savings, rather than sitting down and coming up with the savings we should have at the time.

So where we are left is with a meat-ax, across-the-board approach, instead of prioritizing our spending, and we are putting at risk the most fundamental constitutional responsibility we have to the American people; that is, to keep them safe.

Daniel Webster, who was born in New Hampshire, served as a Senator from Massachusetts, was a great statesman, said in 1834: “God grants liberty only to those who love it and are always ready to guard and defend it.”

We know from our men and women in uniform that they have been there for us to guard and defend this great Nation—not only the current men and women who serve but generations of brave men and women have served our country. Where we are right now, we do a disservice to them not to resolve this sequestration, these across-the-board cuts, by coming up with alternative spending reductions, which we can do.

To put it in perspective, 1 year of sequestration is about \$109 billion, and that also covers nondefense. If we could live within our means for 1 month with this government, we could come up with the spending reductions. We need to do that on behalf of our Department of Defense and for the American people.

Some of the things that have been said about the impact of these across-the-board cuts:

Our Chairman of the Joint Chiefs of Staff has said we will face the potential for increased conflict. He also said: “We are living in the most dangerous times in my lifetime, right now”—meaning, right now. “I think sequestration would be completely oblivious to that, and counterproductive.”

We also know every leader of our military from every branch has spoken to both the House Armed Services Committee and the Senate Armed Services Committee. What they have said is shocking and should be a wakeup call to Members of both sides of the aisle, that we owe it to our military and to the American people to address it.

Just some of the things that have been said about sequestration:

The Chief of Naval Operations has said: We will do “irreversible damage” to our Navy. “It will hollow out the military, and we will be out of balance in manpower, both military and civilian, procurement and modernization.”

The Chief of Staff of the Army has said: It “would be catastrophic to the military . . .” and we will “reduce our capability and capacity to assure our partners abroad, respond to crises, and deter our potential adversaries,” while threatening our readiness.

The Air Force Chief of Staff has said: We will be left with a military with aging equipment, extremely stressed human resources with less than adequate training and ultimately declining readiness and effectiveness.

As I said yesterday on this floor, the Assistant Commandant of the Marine Corps has said that the Marine Corps will be unable to respond to one major conflict on behalf of this country.

There are many things we can predict. One of the things we know we can predict is what is going to happen with sequestration. We know that if we do not address our debt now, we will be facing the fate of Europe. But one thing we have been very bad at predicting is where the next conflict will come from for our country, where the next threat our country will face will come from. If our Marine Corps is unprepared to respond to one major contingency, our country is at risk. That is why we need to address this.

It is not only the impact on our men and women in uniform—from the Chief of Staff, from the Commandant of the Marine Corps, of all the branches that have spoken—but I had the chance to participate in a panel yesterday, to hear the concerns of our enlisted about this. I heard from the former head, the top enlisted person in the Marine Corps, Sergeant Major Kent. He expressed deep concern that we would be breaking faith with our troops. Our military leaders have expressed real concerns that we will not only undermine our national security, but we will fail to keep faith with those who have sacrificed so much for our country and to whom we owe everything.

In addition to the dire national security impacts of allowing this irresponsible across-the-board approach to occur in January, we also know there are nearly 1 million jobs at issue. In fact, yesterday, before the House Armed Services Committee, the CEOs of some of our major defense employers testified. In fact, the CEO of Lockheed Martin Bob Stevens said:

I have spent decades of my professional working life in the national security arena and I have never been as concerned over the risk to the health of our industry and our Government [as now].

He said:

The effects of sequestration are being felt, right now, throughout our industry. Every month that goes by without a solution is a month of additional uncertainty, deferred investment, lost talent and ultimately increased cost.

You see, it is not just our service men and women who keep our country

safe, it is those who work to make sure we have the right equipment, that we have the best technology, that we have the best capability of gathering intelligence to prevent future attacks against our country.

Our defense industrial base is incredibly important—not to mention 1 million jobs at issue.

Yesterday, Dave Hess, president of Pratt & Whitney and chairman of the Aerospace Industries Association, said:

As an industry, we are already seeing the impact of potential sequestration budget cuts today. Companies are limiting hiring and halting investments—largely due to the uncertainty about how sequestration cuts would be applied.

A small business owner, Della Williams—it is not just our large employers, a lot of small businesses make parts for our weapons systems, for our equipment for our military. They cannot take this uncertainty we have created for them in Congress, and these cuts, and many of them will be forced to go out of business.

Della Williams said:

What is being billed as a stop-gap budget fix will have lasting effects on our defense capabilities for years to come. The switch will not just get flipped back on to reverse that trend.

Moreover, the deep personnel and program cuts will threaten our national security. Indeed, the United States could lose our technological and strategic advantage and never get it back.

This is why this is so important.

By the way, yesterday the CEO of Lockheed Martin had to issue—believed he had to issue a memo to his employees. In that memo his employees will receive, he said:

We believe sequestration is the single greatest challenge facing our company and our industry. Defense Secretary Leon Panetta has said sequestration will have catastrophic consequences for our nation's defense. . . . With little guidance from the government on the specifics of sequestration, it is difficult to determine the impact . . . on our employees.

He said: We do know that we have a responsibility to tell you that you could potentially be laid off and that we have a duty to issue what are called Warn Act notices now.

Under Federal law, these defense employers are going to have to, 60 days before January 1, issue potential layoff notices to their employees. Of course, that will also create lots of uncertainty and consternation in many American families, which is unnecessary if we would come to the table right now and address this issue.

We can find spending reductions that do not threaten our national security. Just to put a couple of numbers in perspective, some States just had in job losses on this: Virginia, according to AIA—there was a new report issued this week done by George Mason University—Virginia: 136,000 defense industrial base jobs; Florida, 41,000; Pennsylvania, 39,000; my home State of New Hampshire, just on the defense end, 3,600 jobs.

We owe it to the American people to act now. This is too important to be used as a bargaining chip in December because people want to use it to put our national security at risk because of other issues they want addressed. We have always treated national security as a bipartisan issue in this Chamber. I hope we will not use our Department of Defense and put our men and women in uniform in this uncertain position. We need to let them know we have their back. As Members of Congress, we should be together right now, sitting at the table, resolving this, coming up with alternative spending reductions.

I also call on the President as Commander in Chief of this country to lead that effort, to stop sitting on the sidelines. This is too important to the security of the United States of America.

I see my colleague from South Dakota here today, JOHN THUNE, who is a leader in our conference, someone who I know has been very focused on this issue.

I ask Senator THUNE, yesterday the House was focusing on this issue. We know there were hearings before the House Armed Services Committee. In fact, we should point out that the House, through reconciliation, has already passed a bill to address sequestration, to make sure our national security is protected. They have done that. It has not been taken up in the Senate yet, unfortunately. I call on the majority leader of the Senate to act now because the House has passed something.

Yesterday, they also held a hearing. The House passed another measure by 414 to 2 that is called the Sequestration Transparency Act. It is a companion bill to one Senator THUNE introduced in this Chamber. I know how focused he has been on this issue. The Senate passed a similar amendment to the farm bill.

One of the issues we saw from the CEOs who testified yesterday, from our defense industrial bases, the Department of Defense, OMB—they have gotten no guidance on where these cuts will be implemented. Therefore, I know that yesterday the House actually passed this act to address that piece of it.

I ask, does the Senator from South Dakota agree that the Senate should immediately pass the legislation he introduced, this bipartisan House bill that is coming over, a version, so that we, the American people, can know right away—have the agencies tell them specifically what the impacts of sequestration are? Of course, most important, we need to address this before the elections because we should not play political football with this.

With that, I ask the Senator from South Dakota what he thinks we should do here in the Senate right now.

Mr. THUNE. I thank the Senator from New Hampshire for yielding on that point—more important, for the great work she is doing as a member of the Armed Services Committee. She

has been a very active member of that committee and a strong and clear voice for New Hampshire and for America's national security interests.

I might also add that we serve together on the Budget Committee, where really this should have originated. Unfortunately, since we did not pass a budget, it is very hard to have a plan for how to proceed with spending the taxpayers' money, and this is what you end up with.

Because we have this process put in place where, if action is not taken to avoid it, we have an across-the-board sequester that would occur at the first of next year—half of which would come out of the defense budget—we need to be able to find out exactly how these cuts would be implemented.

The thing we do not know is how the administration plans to implement this. I think that is what the transparency act that passed in the House of Representatives is designed to get at. By the way, it was an overwhelming vote, 414 to 2. The House of Representatives, in an overwhelmingly bipartisan way, weighed in on the issue about whether the administration ought to spell out in clear detail to the Congress and the American people how it intends to implement its sequestration plan.

I might say, it is going to be very difficult for us as Members of the Congress to come up with an alternative replacement plan if we do not know what their plan is for implementation. We know half the reductions are going to come out of defense—at least that is the plan—the other half out of non-discretionary spending. It is clear this would have a profound impact on the defense budget on top of the \$½ trillion in cuts as part of the Budget Control Act last summer.

I say to my colleague from New Hampshire, she has very clearly and well laid out the impacts—as have been delineated and described by many of our service chiefs, by many of our military leaders in this country—what those impacts would be on our national security, on our readiness. Also, I think she has elaborated extremely well about the economic impact, what it is going to mean in terms of jobs in our economy.

For a moment, I want to come back to this fundamental point because I believe it is one that should not be missed by people who are following this debate; that is, if the Budget Committee and the Senate had done their work in the first place and passed a budget, we would not be where we are today—if we had actually passed a budget.

The Senator from New Hampshire—I think this is her second year on the Budget Committee. Even before she got here, we had not passed a budget. I got on the Budget Committee in this last session of Congress, so it has been 2 years since I have been on the committee, but it is a committee without a purpose, without a mission. If you are

not going to pass a budget, I am not sure why you want to have a budget committee.

The other thing that is interesting about this is that we are not going to pass any appropriations bills. Not only not a budget, but in the Appropriations Committee here in the Senate are usually 12 bills that come across the floor. The majority leader said he is not going to bring appropriations bills to the floor.

I think the House of Representatives passed nine appropriations bills. They passed a budget. The Appropriations Committee here in the Senate has been moving and passing appropriations bills out of committee, but the leader of the Senate has said we are not going to move appropriations bills this year.

We did not move a budget. We are not moving appropriation bills. So what you end up with is a budget control act like what we passed last summer that takes these Draconian whacks out of the defense budget and puts America's national security interests at risk and in great peril.

I ask my colleague from New Hampshire, who, as I said, is a member, along with me, of the Senate Budget Committee, might this situation have been avoided had the Senate done its work as it is supposed to do in an orderly way, followed the law, actually passed a budget, actually worked on getting appropriations bills on the floor of the Senate? Might we have avoided what is before us; that is, these devastating, disastrous, and what some have described as catastrophic cuts in our defense budget? It seems to me at least that is where you end up when you do not do your work in the first place.

To my colleague from New Hampshire, I simply ask her, as a member of the Budget Committee, might we not be in a different situation if we had passed a budget now for 3 years?

Ms. AYOTTE. I would say my colleague from South Dakota is absolutely right. If we had done a budget for this country and the Senate Budget Committee functioned in the way it was intended to function, then we would not be in this situation in the first place. If we did regular budgeting and if we did the responsible thing for our country—as every business does, as every family does; on an annual basis we are supposed to do it as opposed to it being over 3 years since we have had a budget—then we would not be in this situation right now where our Department of Defense is at risk. I know the Senator from South Dakota voted for a budget the House passed, and I did as well. Had that budget passed, then the House did its job. Had we done that, we wouldn't be here with sequestration today. We are doing what we owe to the American people. If we can't do a budget for this country, how are we going to get the trillion dollar deficit in check?

Unfortunately, we know why we don't have a budget. The majority leader of the Senate has not shown the

leadership he should because he said it would be foolish for us to pass a budget and has not allowed the Senate Budget Committee—the Senator is right, I am not sure why we have that committee. I have been on there for a year and half. We have not marked up a budget. We have not done it, and that is because the majority leader of the Senate has said it would be foolish for us to do a budget. Why? Because when we do a budget, we do have to make choices, as families and businesses do, and prioritize where we are going to spend the money and the taxpayer dollars that are sent to Washington by our constituents, the American people. Where we are today is unfortunate. Had we done that, then I don't think we would be in the position we are with sequestration.

Mr. THUNE. I think the Budget Control Act, which passed last summer, created this process, and led us to sequestration, which is where we are today. This is a function and a clear outcome of having not passed a budget. It is ironic in many respects because, as the Senator from New Hampshire has pointed out, the first fundamental responsibility we have as Members of Congress is to tell the American people—the taxpayers who pay the bills for this government—how we are going to spend their money. This is now the third year in a row that the Senate has failed to do that.

Again, I might simply add that the House of Representatives did do a budget, has been passing appropriation bills, has been following the law in accordance with what has been the practice around here up until the last 3 years of actually working on a budget. When we are borrowing 40 cents out of every dollar we spend, it would strike me that it would be important we go through an exercise and figure out how we are going to start whittling away at the deficit and get the debt at a more manageable level and how we are going to spend the American taxpayers' dollars.

As the Senator from New Hampshire pointed out—again, I don't think we can emphasize this enough. Last summer we already called for \$1/2 trillion in defense cuts, and that was half of the amount of reductions that were made last summer. It was about \$1 trillion, a little over that, overall in spending cuts last summer. Those were immediate spending cuts, half of which came out of defense; \$487 billion was already taken out of the defense budget.

So what we are talking about now is another \$1/2 trillion over the next 10 years on top of that \$1/2 trillion. In other words, \$1/2 trillion out of the national security budget. The President's own Secretary of Defense has said it would lead to the smallest ground force since 1940, since before World War II, and the smallest fleet of ships since 1915, almost a century, and the smallest tactical Air Force we have had literally in the history of the Air Force. That is what we are talking about.

That is the dimension of the problem we are referring to. It completely impairs our ability to project power in many of these critical areas of the world.

The world is a dangerous place, and it is not getting any less dangerous. It is getting literally more dangerous, according to the headlines, every single day. Our ability to project power in the Middle East, Asia, and all the areas of the world we need to keep an eye on will be in serious jeopardy.

I want to make a serious observation about that, and it is important to me. My State of South Dakota is home to a bomber base. One of the key ways our Nation projects power is through the use of the bomber fleet. Our bomber fleet is aging. Nearly half of the fleet was built before the Cuban missile crisis of 1962, if you can imagine that. So it is highly important we modernize our bomber fleet and Secretary Panetta has stated that the development of the next-generation bomber would be delayed by sequestration until well toward the middle of this century. So we are talking about dramatic reductions in our ground forces, Navy, and Air Force. All the assets we use to protect this country and defend America's interests around the world would be at great risk if this sequestration goes into effect.

As the Senator from New Hampshire has appropriately pointed out, the No. 1 priority we have is to defend this country. If we don't get national security right, the rest of this conversation, including all the other things we talked about, is secondary to defending and protecting America and the American people.

This is a very serious debate, and I would come back to the question the Senator from New Hampshire posed in the first place, and that is yesterday the House of Representatives passed by a 414-to-2 vote a piece of legislation that would require the administration to tell us how they intend to implement these cuts by program, project, and activity level. That way we know with some detailed specificity how these proposed cuts are going to take effect, and that would allow us to come up with an alternative plan and perhaps be able to replace and substitute other cuts elsewhere in the budget for what are going to be disastrous cuts in the defense budget.

I introduced companion legislation here in the Senate very similar to what the House passed yesterday. I hope the Senate will pick up the House bill and move it and pass it so we can get the administration and the President to engage in this discussion about what they intend to do in terms of implementing sequestration. Then perhaps they can work with us to avoid the catastrophe we are referring to and talking about. This has been documented and validated by all of our military leadership and would be a very serious and dangerous reduction in America's national security resources and in our

ability to keep our country ready and able to defend America and America's interests around the world.

I appreciate so much the leadership of the Senator from New Hampshire on this issue. I know the Senator has been very active in trying to get the administration to provide more information with regard to what the impact should be on the defense budget as a member of the Armed Services Committee.

I also think they ought to furnish all the information on these cuts not only on the defense part but the non-national security part of the budget. Defense represents 20 percent of all Federal spending, but we are going to get half of the cuts. The proportionality of this is a real issue, in my view. That happened last summer. Half of the cuts made last summer came out of defense even though it is only 20 percent of Federal spending. Half of the cuts in this sequestration would come out of the defense budget, even though it represents 20 percent of all Federal spending.

I would hope, as my colleagues here in the Senate continue to hear from people around the country who are impacted by this—not only our military leadership but also those whose jobs are going to be impacted by this—that there will be a new sense of urgency, a new intensity to try to resolve this issue, and that is to get the administration to show how they intend to implement sequestration.

I look forward to working with my colleague from New Hampshire to make that happen. I hope our colleagues on the other side, the Democratic leadership, will agree to moving that legislation.

Ms. AYOTTE. I thank my colleague from South Dakota for his leadership on this issue, and I too hope we will get that passed immediately in the Senate, and that we have clarity from our Department of Defense as well as the non-defense agencies so the American people can know what the real impact is; also, so we can act immediately. I can't emphasize enough that this needs to be done before the elections. We need to do it before the elections because we have already—I talked about some of the testimony from the CEOs from our defense industrial base, and there will be, unfortunately, layoff notices which will have to be issued because of responsibilities they have under Federal law. Let's face it, we should not have this cloud of uncertainty for our men and women in uniform, many of whom have served multiple tours for us and defended our country so admirably and so courageously. That is why I think this is an issue that deserves action now and should not be used as a bargaining chip for other issues. This is an area we have always, on a bipartisan basis, been able to do. For example, I serve on the Senate Armed Services Committee. We voted out the Defense authorization bill unanimously. Well, this is an issue I hope we would be unanimous on and that we are not

going to break faith with our men and women in uniform, we are not going to put our country in jeopardy, and I am hopeful we will also see leadership.

I call upon the President again to be a leader here, to be the Commander in Chief of this country and to call us to action to resolve this before the election.

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

Ms. STABENOW. Mr. President, I want to speak as the chair of the Agriculture Committee about what is happening on the droughts across the country.

First, I want to take a moment as the author of the Bring Jobs Home Act to say that this afternoon we are going to have an opportunity to come together—as we did on the farm bill when we came together on a bipartisan basis—to focus on growing things in America and the need to strengthen our economy, provide economic certainty around agriculture and the food industry in America. It was a wonderful opportunity for us to get something done.

This afternoon, we are going to have the same kind of opportunity to come together and recommit ourselves to making things in America. The Bring Jobs Home Act is a very simple, straightforward way to eliminate a subsidy that should have been gone a long time ago, and that is the tax writeoff for shipping jobs overseas.

When someone is losing their job because a plant is closing to go overseas, to add insult to injury, as a taxpayer, they get to pay the cost of the moving. It is outrageous. What we want to do is stop that. That is what the bill does. It gives a business tax deduction for the cost of bringing jobs home and then adds another 20-percent tax deduction on top of it to encourage businesses to do that. We will be talking more about that later, but it is very important and I hope my colleagues will come together and send a very strong message about American jobs. Let's bring those jobs home.

DROUGHT CONDITIONS

Mr. President, I also want to talk today about the terrible weather conditions across the country. It started with an early spring and then a returning frost and snow in Michigan. Areas around the country have orchards and fruit crops that have gone from frost to an extension of a drought situation that is absolutely terrible. It is a very serious crisis around the country.

Not since the days of the Dust Bowl have we seen this lethal combination of scorching heat and bone-dry weather in the production regions across our country. As I speak, 80 percent of the country is suffering from abnormal dry or drought conditions; 64 percent is suffering from moderate or severe drought. That is the highest percentage in 56 years.

As we can see on the map, any area that is in color here has had some kind

of a drought. The black areas are the worst. Either it is from abnormally dry, moderate, severe, or exceptional drought in almost every area of the country. This is extremely severe, and we need to take action to support our growers and ranchers.

We have almost 1,300 counties across the country rated as drought disaster areas, and that is one-third of all the counties in the United States. Every day it seems the Secretary of Agriculture is adding more to the list. More than 75 percent of the Nation's corn and soybean crops are in drought-affected areas and more than one-third of those crops are now rated poor to very poor. This is devastating our crops and our livestock producers.

Only one-third of our soybean crop is considered good to excellent right now, which is down by about 30 percent from last year.

According to the Department of Agriculture's weekly progress report, less than one-third of the Nation's corn crop is in good or excellent condition. Nearly 40 percent is rated poor or very poor. So we are talking about a massive effect on farmers, on livestock producers, and ultimately on consumers in America.

Facing higher food and feed costs and pastures that are withering due to the heat, our ranchers and livestock producers could see significant losses. I had an opportunity a number of months ago with Senator ROBERTS to be in Kansas and to see what was happening then, even before all of this. I understand how very serious this is for our livestock producers. The livestock sector could face significant declines in margins, and we could see a sharp increase in consumer prices for meat and eggs and dairy.

At a time when middle-class families are still trying to recover from the great recession, paying more at the grocery store is not going to help. In fact, it is going to hurt a lot.

The USDA has opened their Conservation Reserve Program so that land will be there for grazing, but we know it is not going to be enough for producers. There is no crop insurance equivalent for livestock. More producers may lose their ranches because of this drought. Livestock disaster assistance expired last year. We need the farm bill to become law so we can make this help available again because in the farm bill we extend the livestock disaster assistance program permanently, and we make it available for this year.

This drought is a serious problem, devastating all of our farmers, and will come home to families here and around the world, unfortunately, all too soon. We can't control the weather. We know that. In fact, farming and ranching are the riskiest businesses in the world. I should say even though they are the riskiest businesses, we have the safest, most affordable food supply in the world, and it is part of our national security. We can't control the weather

and the risks the farmers face, but this drought underscores the need for improved risk management tools and better crop insurance. It underscores the need for a farm bill.

We need to get a farm bill done now more than ever. We have 16 million people who work in this country because of the agriculture and food industries—almost one out of four in Michigan. We came together—and it was a lot of work, a lot of bipartisan effort, and I am very proud of what we did together in the Senate a couple of weeks ago—to pass a farm bill.

We now have the House having acted in committee and passed a strong bipartisan farm bill. It is different. There are some things, certainly, we need to work out in our conference committee. Our bill has more reforms in it, and we certainly are concerned about the nutrition cuts. But I will say this: We need the House to pass their farm bill so we can come together in conference committee and find the right balance that is good for families, consumers, farmers, ranchers, and businesspeople across the country. I am very confident we can do that, but we need the House to act to be able to make that happen. Weather disasters are getting worse every day, which makes it even more important that we have our legislation and, frankly, that we work together to add some pieces to it in a conference committee so we can address what is happening.

In our bill that passed, as I said, we extended a livestock disaster assistance program and made it retroactive to this year. We also included a provision for fruit commodities that don't currently have crop insurance to allow them to be able to buy into a program that is in law. We actually strengthened it, made it better. For those who don't have crop insurance, we also said they could get help this year. So we do have some things in the bill we passed, and we can work together to strengthen that even more.

Senator BAUCUS, the chairman of the Finance Committee, is working, and we are working closely with him, on something that would be a more comprehensive disaster assistance program. In order to be able to do that, we have to have a farm bill.

This is not, as we know, a partisan issue. We came together across the aisle. Consumers, Democrats, Republicans, Independents, people who vote, and who don't vote—people across this country—care about a safe, reliable, and affordable food system, and that certainly goes for our farmers and ranchers and their families in communities all across America who were hit so hard by the drought.

This drought is evidence that we need to come together and act. When we look at this kind of weather map and what is happening and the fact that the majority of communities in our country are facing disaster as a result of the droughts and other things that happened relating to the weather,

we need to act. We need to act in a responsible bipartisan manner. We can do that. We did that in the Senate. The House committee did it, and I commend them for that. We need the support and help of the leadership in the House to be able to get this to the floor and get it passed so we can get it done.

Thank you very much, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

Mr. CARDIN. Let me compliment Senator STABENOW for her leadership as chair of the Agriculture Committee. I want the Senator to know I was on the phone yesterday with our soil conservation district managers talking about the provisions that are in the Senate bill, and I wish to personally thank the Senator from Michigan for reaching out to all of us. Our negotiations were tough, but they were fair, and I believe the reforms the Senator has in the bill will help our region and all the regions of our country deal with the underlying problems of agriculture in America.

So I particularly wish to thank her for that. The process she followed is how the legislative process should work: a very open process, a very bipartisan process. We have a good product, and I hope the House will bring forward a bill and get it to conference so we can continue the dialogue. It is important to give the predictability to farmers that this 5-year reauthorization provides. So I thank the Senator from Michigan for her extraordinary leadership in this area on behalf of the agricultural community of my State of Maryland.

I really came to the floor to talk about another one of the efforts of the Senator from Michigan today; that is, the Bring Jobs Home Act. I thank Senator STABENOW for her leadership on this bill as well.

Senator STABENOW understands that outsourcing is devastating to our country. Americans understand that. Marylanders understand that. When we are outsourcing, we are losing jobs. Families are devastated by outsourcing. What is most shocking is that our laws encourage companies to take jobs out of America. Our Tax Code should encourage companies to keep their workers in the United States. We need to make it in America.

I think we were all shocked to hear about the U.S. Olympic team and the fact that they are going to be outfitted by clothing manufactured in China. That is outrageous. It never should have happened. We can make it in America.

I must tell my colleagues, I hear from people in Maryland all the time—and I am sure the Presiding Officer hears the same thing in New Mexico, as does my colleague from Colorado as well. When we get a call from a call center, we think the person is in our neighborhood talking to us about a local issue. Then we discover that person is halfway around the world pretending to be our neighbor and friend

or representing a local business, when in reality we have outsourced that service—not we, the company has outsourced it—and the worst thing is they don't tell us about it. They are misleading the consumers, and I know we have some legislation to correct that.

That is outsourcing. That is costing America jobs, and it is wrong. We can compete. Americans can compete with any other workforce in any other country, as long as we have a level playing field. So we want to make it in America. Yes, we can.

First, let me talk about some success stories. Not too long ago I visited Marlin Steel in Baltimore City. This is a steel wire manufacturer that uses raw material from America and manufactures its product in America, in Baltimore City, a high-quality wire steel product. They sell their product in America, export their product to other countries, and create more jobs in America. That is a success story.

A lot of people have given up on steel. We can't give up on steel. We need to make it in America.

Let me tell my colleagues about another success story. Tomorrow I will be at English American Tailoring, which is located in Westminster, right near Baltimore, in Maryland. They manufacture suits in America. They make it in America. We are able to do it. All they ask for is a level playing field.

We took some steps in the Senate Finance Committee yesterday to provide that level playing field by what we call the wool trust fund, which deals with inverted tariffs. We must make sure our laws are fair. The shocking thing about clothing is it actually has higher tariffs on the raw material—making it impossible to manufacture in America—than the finished product coming into America. We correct that with the wool trust fund. We need to make sure we have a level playing field.

Let me tell my colleagues another success story, about Pacific Trade International. This is a success story. This company was located in Asia, an American company located in Asia, making candles known as the Chesapeake Bay Candles—being made in Asia. Well, this is a success story. They are back in Maryland. They are located in Glen Burnie, MD, in the United States of America, making those candles, selling them to Kohl's and Target and other retailers, creating 100 jobs that are now in my State of Maryland as a result of this company bringing jobs back to America.

In the last 28 months alone, we have seen 500,000 new manufacturing jobs in America. We have talked about the U.S. auto manufacturing industry and how we have seen that industry take off because we can make it in America.

That brings me to the efforts of Senator STABENOW and others on the Bring Jobs Home Act. It is shocking—and I think the people in Maryland and around the Nation are shocked—to understand that our Tax Code actually

encourages companies to take jobs overseas. American taxpayers are actually footing the bill because, under current law, if an American company decides to take its jobs and export them overseas, the moving costs are deductible per our Tax Code.

Why do we allow that? Why do we ask the taxpayers to subsidize moving jobs overseas? Well, the Bring Jobs Home Act says: Let's get rid of that tax deduction. Instead, let's make sure if companies bring jobs back to America, yes, we will consider those necessary expenses. We don't consider it necessary business expenses to export jobs. And we will give them some additional help with a 20-percent credit.

This is what we should be doing: creating policies that encourage keeping jobs in America. Make it in America. Yes, we can.

We are going to have a chance to bring this bill forward, and I hope my colleagues will support it. Then let's try to move this bill quickly.

This is a pretty simple bill which does three things: It eliminates the deduction for moving jobs overseas, it makes sure we have that deduction if companies bring jobs back home, and we provide a credit as part of the cost to bring the jobs back home. It is very simple. Why don't we keep it that way. Why don't we just pass this bill by itself and do something about creating jobs in America.

I say to my colleagues, this shouldn't be a partisan issue. We all know we have to keep jobs in America. This is a simple bill. Let's get it done. Let's not confuse it or mix it with other issues. Let's show the American people we can act in the best interests of our country.

With that, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Colorado.

PRODUCTION TAX CREDIT

Mr. UDALL of Colorado. Mr. President, I wish to commend my colleague from Maryland for his singleminded and crucial focus on jobs in America. I rise to speak about another opportunity to produce in America, and that has to do with harvesting of wind that we can do and keep jobs in America.

I have been rising every day the Senate has been in session to talk about the necessity of extending the production tax credit for wind power. And every day I come to the floor of the Senate to talk about a different State and how important wind energy is to supporting economic growth and job creation in those individual States.

Today marks the 11th time I have come to the floor to urge all of us—all of my colleagues—to act by extending the PTC for wind. Today I am going to talk about my 9th State out of 50, and I just want to say, in case anybody's wondering, I am not tired yet. I am committed to coming to the floor until Congress does what our constituents expect us to do; that is, to extend the production tax credit. It is simply that important.

If we fail to extend the PTC, our economy will suffer, jobs will be lost,

and our clean energy leadership will truly be in jeopardy when we look across the world.

So where are we going to travel to today? We are going to the great State of Georgia. The wind industry in Georgia has quickly multiplied over the last few years. Nearly 1,000 wind energy jobs have been created. Equally important, there is real potential for significant continued growth.

I want to focus on ZF Wind, which invested nearly \$100 million in a manufacturing plant in the city of Gainesville, GA, which is located northeast of Atlanta. This new plant will manufacture gearboxes for wind turbines, and that will bring several hundred good-paying jobs to Georgia. ZF Wind is a German-based manufacturer. They made the decision to invest in Georgia and in America. So I just have to ask my colleagues, if a foreign company can see the potential for wind energy in America, why can't we in the Senate? Do we really want to turn these jobs away? If Congress does not decide to invest in America by extending the production tax credit, I have no doubt these jobs will be shipped back overseas.

If we continue to support the wind energy industry, ZF's gearboxes will be shipped all over our country. In fact, in the interest of full disclosure, I would say ZF is a major supplier of gearboxes for Vestas, which has a large manufacturing presence in my home State of Colorado. The point I want to make is this is one small example of the wind energy supply chain that is being built all over our country and extends in every direction.

Let me share another example of what is happening in Georgia. There is the small town of Tybee Island, which is located on the northeastern coast of Georgia. If I have my geography right, that would be up in this area, as shown on this map I have in the Chamber. They have taken a stand to show how important wind energy is to their future.

In February, their city council passed a resolution recognizing the importance of Georgia's onshore and offshore wind resources. Tybee Island is saying: Look, let's encourage the development of wind energy projects near our community and all over Georgia. They see that Georgia has enough offshore wind potential to power over 1 million homes. One million homes could be powered solely from Georgia's offshore wind potential. That is significant.

We need—all of us all across our country; all of us elected officials—to stand for the future of American manufacturing in energy. It is an economic and environmental imperative, and the choice, frankly, is stark. If we do not act, if we do not act to extend the production tax credit, and it expires, 37,000 jobs may be lost around our country. However, if we extend the PTC, conservative estimates suggest 54,000 jobs would be created. That is the choice:

job loss or job creation. I can tell you what I know the answer will be in Colorado: Extend the PTC.

Without the PTC, foreign countries will extend their energy advantage over the United States. Manufacturing jobs that could be created here, that should be created here, will go instead to China and other foreign competitors. There is simply no reason to do that. Instead, we need to extend the PTC.

The PTC equals jobs. We ought to pass it as soon as possible.

I want to end on this note. This is not a partisan issue. The production tax credit has long been a bipartisan idea. Senator GRASSLEY from Iowa, our colleague who has served for many years in the Senate with great distinction, supports this idea and brought the idea forth almost 20 years ago, along with others.

Now more than ever the American people are asking us to take action and invest in clean, renewable made-in-America energy. Let's not let the production tax credit be a casualty of election-year gridlock. Now is the time for us to do the right thing: Extend the PTC.

I am going to keep coming back until we do so. I am enjoying the tour of our great country, the United States of America. Every State has a wind energy stake in the future. Let's extend the wind PTC as soon as possible to protect American jobs before it is too late.

I thank the Acting President pro tempore and yield the floor.

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

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

Mr. MORAN. Mr. President, I ask unanimous consent to speak as in morning business.

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

KOCH INDUSTRIES

Mr. MORAN. Mr. President, Koch Industries is a company which is headquartered in Wichita, KS, and is an American job creator that employs 2,600 citizens of my State. The corporation, a longstanding U.S. manufacturing company, employs around 50,000 people with good-paying jobs across the country, including around 15,000 employees who are represented by unions.

Depending on the year, Koch Industries is either the first or second largest privately held company in America, with about \$100 billion in revenues. I am pleased by its presence in our State, where the company and its owners are respected corporate citizens.

The Koch family, the owners of Koch Industries, has made a statewide impact through foundations and chari-

table work which has given millions of dollars to help education of the poor, at-risk youth, the arts, and environmental causes.

The investments they make primarily go to Kansas and to Kansas citizens. I am grateful this company has chosen to invest in our State's economy and its people. I am pleased they are a corporate citizen of Kansas.

During the debate this week of the DISCLOSE Act, Koch Industries and its owners were mentioned numerous times. While I could come to the floor and complain about the lack of balance, if we are having a debate about the desirability of disclosing contributions to political causes, certainly the debate I heard on the Senate floor, the rhetoric, was about those who contribute to what are described as conservative causes, free-market causes. I could come to the floor and complain about the lack of balance in that discussion. But in my view, if we are going to have a discussion about the DISCLOSE Act, what we ought to all stand for is the opportunity for free speech, the opportunity for those of a variety of political points of view to be able to express those views in the political process.

Those positions, the ability to do that—perhaps not the positions, but the ability to promote your position ought to be something defended by all. We need more participation in American democracy, not less. In my view, the discussion we had this week was a distraction from the real issues our country faces, mostly related to the economy and job creation. So rather than spending our time on the Senate floor discussing the DISCLOSE Act, in my view we should be on the Senate floor creating policies that put in place those that Koch Industries has shown in my State to create jobs rather than arguing about political contributions of those job creators.

I come to the floor today to suggest that, one, Koch Industries is a great corporate citizen of the State of Kansas, contributing in many ways to the economy and to the well-being of our citizens; to suggest that if we are going to have a debate about the DISCLOSE Act there be some balance, and that those who believe in free speech and participation in democracy ought to always rise to the occasion to defend those who engage in the political process; and finally to suggest that rather than having a debate about the DISCLOSE Act, what we should be doing is finding ways to replicate what the Founders and shareholders of Koch Industries have done in Kansas, the United States, and around the globe: create jobs for Americans in our country's economy.

We are off track here. It is time for us to get back on track and to focus on what matters, a growing economy, so we can help families across America put food on their family's table, save for their kids' education, save for their own retirement, and promote a free-

market enterprise system that does just that.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

BUS SAFETY

Mrs. HUTCHISON. Mr. President, because the Senator from Ohio is in the chair, I wish to say that I am very pleased we have been able to pass a bus safety bill that was in response to two tragic bus accidents, one in Ohio and one in Texas, and the many other bus accidents that have happened, because the buses that often transport people in our country are not safe.

I think we have strengthened those safety regulations, working together, and I appreciate very much the effort the Senator from Ohio made.

LOOMING FISCAL CLIFF

Mr. President, I rise today to speak about the looming tax cliff that will affect every American who pays taxes at the end of this year. The Senate must be clear with the American people about what our priorities are and where ownership of the money made by hard-working Americans belongs. Does the money belong to the government to decide what will be done with it—except for our responsibility to add to the things the Federal Government should do—or should that money belong to the people who earned it? I think that is one of the key issues we are facing right now in this Congress, and most certainly in the campaign.

The American dream is that anyone—anyone—who is willing to work hard in this country can start from nothing and, through hard work and sacrifice, become a success. It is the defining characteristic of our country and it is what has made us a shining example for people all over the world. But that dream is under threat if, at the end of this year, all of a sudden, because we don't address the major tax hikes that will affect all Americans, that hard work and sacrifice will simply result in giving a larger portion of people's paychecks to the government. If we do not enact relief, every single person who pays taxes will face an increase on January 1—every single person. Every person will move into a higher bracket and face a higher rate of taxation.

If we do not enact relief, small businesses will be hit with higher taxes, entrepreneurship will be discouraged, owners will not invest in growing their businesses, and hiring will remain in a deep freeze. And there can be no argument in this country that hiring is in a deep freeze. We have had unemployment rates above 8 percent over the last 3½ years. That is on the path to stagnation.

If we do not enact relief, marriage will be penalized at a greater rate than it is today. The marriage penalty, which is an issue that I have championed since I was elected to the Senate, pushes people who are working and single and get married into a higher bracket. If two single people pay taxes on their own earnings, it is at a lower rate than when they get married. One of the highest priorities I have had in the Senate has been to relieve Americans from this punitive burden. After years of fighting for fairness, the 2001 and 2003 tax cuts included my bill as an amendment. It made great strides toward eliminating the marriage penalty by lowering the tax rates, doubling the standard deduction—which had not been the case before—and simplifying other elements of the Tax Code. Prior to this tax relief, an estimated 25 million couples paid a penalty for being married—let's use 1999—of approximately \$1,400.

Along with doubling the standard deduction, we have been able to give relief since 2001. But if we don't do something before the end of this year, the marriage penalty will return, and we will not have doubling of the standard deduction.

Let's say a Houston policeman with a taxable income of \$50,000 and a San Antonio schoolteacher with a taxable income of \$30,000 are getting married this year. How would their taxes compare if they were filing jointly as a married couple or as two single taxpayers? For this year, filing jointly as a married couple, they would save approximately \$500 because we have marriage penalty relief. However, when the relief expires at the end of this year, they would pay approximately \$800 next year, not save \$500, because they are filing jointly as a married couple. This is the time when they need the money the most—they are starting a family, they would like to buy a house—yet we would penalize them for entering the institution of marriage. In this economy, every dollar matters, and many households do rely on two incomes. So how is it that Congress has decided that we should penalize people who are working extra hours, extra hard, to begin their lives as a family?

My bill, S. 11, provides permanent relief by raising the standard deduction for married couples, doubling it—when two single people get married, the standard deduction should double—increasing the 15-percent tax bracket for married joint filers to twice that of single filers. That is very key because starting next year the 15-percent bracket is the people making the lowest amount who are paying taxes. So if we double it before they have to go into the next bracket, that is going to give them significant relief. We also extend the earned-income tax credit marriage penalty relief.

I offered my bill as an amendment last week, but we were not able to vote on amendments. So I am going to continue to offer this as an amendment as

we consider a myriad of options for tax relief for our countrymen because if we don't do something by the end of the year, not only are these taxes going to go into effect but many others. I urge my colleagues to work with me on extending this relief.

We have an outsourcing bill that is going to be coming to the floor for a vote today. We must create a job creators bill, which is what this bill purports to do. It is very important, though, that we look at some of the major issues facing corporations and small businesses, which are our job creators in many instances, and see what they really need for relief.

Today we have the dubious honor in America of having the highest corporate tax rate in the world. We used to be second, but just recently Japan changed their corporate tax rate and lowered it so that they would not have the confiscatory taxes that would discourage Japanese companies from investing in Japan. So now America has the highest corporate tax rate in the world—at 35 percent. So on top of punishing businesses with that high tax rate, our homefront looks even less business-friendly when you consider the mountain of regulations, the burdens of the President's new health care mandate, and the lack of a long-term, comprehensive tax plan.

The bill the Senate is now considering would be another punitive attack on companies and will hamper business growth. Instead, with unemployment rates above 8 percent for 41 straight months, we should be doing everything in our power to spur hiring in the private sector.

We need the President of the United States, the leader of the greatest Nation on Earth, to recognize, respect, and encourage the job creators who are investing in our country, which helps everyone get a shot at success. Unfortunately, last Friday the President shocked many Americans with his comment, "If you've got a business—you didn't build that. Somebody else made that happen." This highlighted the fundamental difference in the way the President and many in Congress view the hard work Americans put into achieving the American dream. The American dream is that somebody can come to this country, they can start with nothing, and they can build and work and sacrifice and give their kids a better chance than they had. That is why people have been coming to this country.

My office received calls and letters from all over Texas when they heard the President's comment last week. I am going to give some excerpts from one small business owner in Beaumont, TX.

I have to say that I am appalled by President Obama's recent statement about small businesses not being responsible for their own success. I am a small-business owner, and I can assure you that I built the business from nothing. I sure didn't get any government help. I gave my all to grow this business. I was not given the idea or the plans for

building a successful business. An idea, a dream, and a risk—that's what mine and all of America's small businesses have been built on.

He goes on to say:

I put everything on the line, including my wife's wedding ring. With over 20 years of hard work, my wife and I have grown the company from four employees to over 40. When we first began our venture, she worked a full-time job that supplemented our income, while I ran the operation, and together raised our children. Nobody did that for us, we worked hard. We take pride in customer service and the quality of our work as well as giving back to our community. This has created customer loyalty and allowed us to expand, not a government handout.

Our goal should be to spur growth, encourage hiring, and support the millions of small businesses that serve as the backbone of our economy, not to extinguish the entrepreneurial spirit and innovation that built this country. It just doesn't seem as though our President relates. What built this country is innovation, taking risk, and entrepreneurship. We have established an education system, and at least we used to have a regulatory system that encouraged business, that encouraged the private sector.

A few weeks before the President said that these small businesspeople didn't do it on their own, he said, and I am paraphrasing here, "You know, the private sector isn't in trouble. It is the government sector that is in trouble." Oh my gosh. You just think, "Who is he talking to? Who is he relating to?" because it is small businesspeople and big businesspeople and all businesspeople who are creating the jobs that create more jobs that make a vibrant economy. It isn't government. Government sometimes gets in the way and sometimes worse—it takes away from the vibrance of our economy.

So it is time for the leaders of our country—in Congress and in the White House—to get a perspective on who can create a vibrant economy. My definition of "who" is not the government; it is the business sector and especially the small business sector because they are growing, and if they grow, they create jobs for more people.

I hope that this Congress at some point will start working on tax reform and relief from regulations and the oppressive health care system that is going to also have a major effect at the beginning of next year and say: What can we do together to spur private sector growth that will create jobs in the private sector, that contributes to the economy, not withdraws from it?

I only hope we can all pursue the American dream and be the leaders who can make it happen for everyone.

Mr. President, I yield the floor.

Mr. President, I ask unanimous consent to have printed in the RECORD the letter from which I read.

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

EARTH ANALYTICAL
SERVICE, INC.,
Beaumont, TX, July 17, 2012.

HON. KAY BAILEY HUTCHISON,
U.S. Senator, Senate Office Building, Wash-
ington, DC.

DEAR SENATOR HUTCHISON, I have to say that I am appalled by President Obama's recent statement about small businesses not being responsible for their own success. I am a small business owner, and I can assure you that I built the business from nothing. I sure didn't get any government help. I gave my all to grow this business. I was not given the idea or the plans for building a successful business. An idea, a dream, and a risk, that's what mine and all of America's small businesses have been built on.

I put everything on the line, including my wife's wedding ring. With over 20 years of hard work, my wife and I have grown the company from 4 employees to over 40. When we first began our venture, she worked a full-time job that supplemented our income, while I ran the operation and together raised our children. Nobody did that for us, we worked hard! We take pride in customer service and the quality of our work as well as giving back to our community. This has created customer loyalty and allowed us to expand, not a government handout.

For someone who has never had to make a payroll or pay his own way to tell me I didn't build my business is insulting. He clearly lacks understanding of opportunity and business, and he is not the person that can lead our country into economic recovery.

Sincerely,

WILLIAM H. ROBBINS,
President.

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

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

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

THE DISCLOSE ACT

Mr. MERKLEY. Mr. President, I come to the floor today to address several issues. First, I would like to talk a little bit about the DISCLOSE Act.

Earlier this week we had two votes on whether to end debate on whether to debate the DISCLOSE Act. The DISCLOSE Act is a very simple concept, and it is that folks who make very large donations to the political system disclose who they are so the citizens of America can know where that money is coming from. Is it coming from this particular sector or that particular sector? Is the group that is posing as Blue Skies for a Healthier America actually working to create dirty skies for a less healthy America? Is the group that says it is for clean streams actually a group that is trying to weaken the pollution control standards and put more pollution into the streams?

Citizens have a right to know where the money is coming from in a public discourse, especially very large contributions, because right now what we have are folks who are putting in millions of dollars. I ask you, how many Americans can put \$1 million into a campaign? In the world I live in, \$100 is a lot of money. People can't connect that there are folks out there who are saying they are going to put in \$1 mil-

lion, and they certainly can't connect with the folks out there who are saying: I am going to put \$100 million in.

I think the Koch brothers have been bragging across this country about how they are going to buy the elections so they can control where this country heads. That is perhaps the most ill-conceived notion there is, but at least they are willing to stand in public and say what their plan is. At least they are willing to say: We are not going to hide and do it secretly. They are going to tell us they are putting in their money. Now, where they put their money and whom that money is used to attack we may not know, so even in their case we need the DISCLOSE Act.

It is confounding that so many Members of this body argued for the fact that disclosure is the disinfectant, so many Members of this body argued that citizens have a right to know, so many Members of this body said this is fundamental to fair debate in a democracy, and then when the time came to decide whether this would happen, they said: Oops. I am benefiting from this a lot. I guess I will set that principle aside and not argue for disclosure after all.

So we had two votes this week in which the outcome did not reach a supermajority because we had individuals in this body who objected to a simple majority vote to get to the bill. So we had to have a supermajority under the arcane rules of this body, and we didn't get that supermajority because we didn't have bipartisan support for debating this issue.

I must say to my colleagues who voted against it, if they believe in the debate in this society, they should at least say, yes, let's debate the bill. Maybe they do not like the bill at the end, maybe they want to filibuster the bill at the end, but at least we should be discussing it. It is such a huge factor in this Nation.

There was a time not so long ago when we had the muckraker era, and there were a series of articles that were written about how Senators in this body—I believe it was 20 articles over 20 months—were owned by different companies around this land. Those articles helped the American public understand what was going on in this body, in this very Chamber. The result was a constitutional amendment, a constitutional amendment that shifted from indirect election of Senators to direct election, to try to free the system in favor of "We the people."

When we came to this country, when our ancestors came to this country from overseas, they came from a system where wealth and power made all the decisions. They did not have a voice. They came to America, and they said we want to do it differently. We want to have a voice. The first three words of the Constitution captured that, "We the people"—not we the rich and powerful who write the rules but "We the people" will decide how we are governed.

The Citizens United decision of the Supreme Court, which allows unlimited secret oceans of money being spent with no identification, goes completely against "We the people." It is going to be up to this Chamber to wrestle with this idea. That is why we should be on the DISCLOSE Act right now. We should be debating the impact. We should be debating the history of Montana.

One hundred years ago, folks in Montana said our State is ruled by the copper kings and we are tired of we the rich and powerful setting rules and we are going to take it back because we believe in "We the people," we believe in our Constitution. So they changed the rules in their State and our supreme court just a couple weeks ago gave them a 100th anniversary present, which was to strike down "We the people" in Montana, with no debate. The supreme court, five justices, said we don't want to have any information about how Montana politics were corrupted by vast pools of money. We don't want to know that history. We do not want to know how the people of that State, exercising their power as a State, reclaimed their democracy for the ordinary person. They put their hands over their eyes, they put their hands over their ears, and they said: We summarily decide against this case, against Montana, taking no evidence.

That is a dark moment for our supreme court. It follows on from the dramatically terrible decision of Citizens United. We must debate those issues on the floor of this Senate.

There are folks here who like to say in the tradition that the Senate is the world's greatest deliberative body. Then let's deliberate. Let's not vote against even having a conversation about some of the most monumental issues of our age.

This is a conversation that must continue. We must wrestle with how to honor the very premise at the heart of our Constitution, at the heart of our Republic, and not have "We the people" crossed off, out of the Constitution.

I turn to another issue; that is, the bill that is on the floor right now, the Bring Jobs Home Act. We have a manufacturing sector in crisis in America. Since the year 2000, America has lost about 5 million manufacturing jobs, according to the Bureau of Labor Statistics, and more than 42,000 factories. Today, America has only about the same number of workers employed in manufacturing as we did in 1941, more than 70 years ago. My home State of Oregon has been hit particularly hard. This trend, the loss of manufacturing jobs, strikes at the heart of the middle class because these are often living-wage jobs. These are full-time jobs. These are jobs with benefits. They provide a foundation for our families to succeed, a foundation for families to raise their children so the children will have opportunity and promise.

Put simply, if we do not make products in America, we will not have the

middle class in America. We can see the middle class shrinking year by year, right now, as we lose our manufacturing base. These jobs are not disappearing into thin air. Yes, some factories shut down because of the consolidation and some jobs are limited due to automation streamlining. But in most cases, those jobs are still there; they are just not in America, not in Oregon. Indeed, those jobs have gone overseas.

China has a four-tier industrial policy that says we are going to put people to work here even if we violate the WTO agreement we have with the United States of America. That is a huge problem that we should, in a bipartisan effort, fully address.

Today, I would like share a couple letters from people who are in the frontline of the disappearance of manufacturing jobs. Virginia, from the city of Hillsboro in my State, wrote:

In February 2010, my department at my company was advised we would be laid off after transitioning our job duties to a replacement staff in India.

It felt like quite a blow. I had been there the shortest time at 10 years, the longest person there was 35 years. Half of our department was laid off within a few months, the rest of us sweated every Friday wondering when we would receive our lay off dates. We were finally all let go on March 11th, 2011.

Four months after my layoff, my husband was advised the rest of his department is being laid off after their job duties were transitioned to an off-shore site. My daughter, myself, and my husband are all looking for work.

We have four generations living in our home—I have no idea what will happen to all of us if none of us can find work. My husband served his time in the Army and he and I have always worked full-time, steady jobs, it feels like we're being punished for spending our lives working to take care of our family and keep a roof over our heads.

Americans need jobs! We want to work and need to work! We are not lazy, instead we are innovators and always have been! We need to regain our pride in our country, help each other and quit focusing on greed.

My mother reminded me that just 25 short years ago, it would have been considered un-American to take a job from an American and send it to a person in another country. People would stop doing business with any company who did choose to do so. I'm mentioning this to state there's been a definite change of the way businesses are run, which isn't all bad. Technology and business processes change. The problem is, the bottom line has become more important than the health of America and its citizens and that, I believe, is the cause of our current woes.

I love my country and want it back!!! I'll admit I'm tired of giving our money, resources, and jobs to other countries while American's lose their jobs, their homes, and their security. Please help.

Duwayne writes from St. Helens:

I worked at an Oregon high-tech company for 15 years, until I was laid off during the middle of the Bush depression. When I joined, the company had over 18,000 employees—most of them in Oregon. These were high-paid professionals and assembly workers with family-wage jobs.

When I was laid off the company employed only about 4,500 people—still mostly in the US, and mostly in Oregon. But today the company has moved virtually all its manu-

facturing to China, and their software engineering to India. Even though the company payroll is growing, the number of employees in the US continues to shrink. Almost all the new jobs are in foreign countries.

You want to know where all the jobs went? I'll tell you. They went to Mexico and China. That's because our government policies are aimed at helping corporations, and have little to no regard for American workers.

Companies like these need to be harshly penalized for moving their jobs overseas—but instead they are rewarded, and American workers pay the price.

The policies we are talking about on the floor are all about the issues Virginia and Duwayne are talking about. The bill ends rewards for outsourcing jobs overseas. Currently, a company can deduct the moving expenses of offshoring and actually save money on their tax that way. That would end. If a company wants to move a factory overseas, we cannot stop them, but we should not give them tax breaks to do so. I would love to be in a forum of hundreds of people and I would ask this question: Do any of you love the idea that under the Bush administration, we started subsidizing the shipment of jobs overseas?

I can tell you virtually no one would say they love that policy because the jobs in America mean so much to our families.

The second thing this bill does is it creates new tax credits to reward businesses that bring jobs home. If a company wants to take a production line from overseas and move it back to the United States, let's help them pay for the moving expenses.

This spring I went on a tour called "Made In Oregon," a tour of manufacturing in my home State. It was spectacular to see how many cool things were being made. In Bend, OR, AE Solar Energy is building inverters for solar energy on roofs and putting that power into the electric grid. Bike Friday in Eugene is doing specialty, made-to-order, the best folding bikes. Ordering over the Internet, they are shipping their best folding bikes all over our globe. Kinro West RV Windows in Pendleton and Pendleton Woolen Mills had two very different types of manufacturing: Woolen mills, they go back a century, and then an RV window manufacturer that is playing a key role in our recreational business and providing these windows to manufacturers throughout the RV world, the recreational vehicle world.

Then there is Oregon Iron Works. Oregon Iron Works is building trolley cars. We are building streetcars in America again so cities putting in streetcars can buy an American-made product. They are building a prototype of a wave buoy that will generate energy as it bobs up and down in the waves off the Oregon coast. That is going to go down the river and be installed later this year, and perhaps it will lead the way for a new source of clean, renewable energy.

Vigor Industrial is building barges. Greenbrier is building railroad cars.

These are the jobs, the companies that are the heart of living-wage jobs and making products in America. We must do all we can to support them.

Let's end the subsidies for shipping jobs overseas. Let's instead provide incentives and support for moving jobs back to the United States, to the benefit of our economy and the benefit of our families. I strongly urge my colleagues to support this bill and help bring jobs back to Oregon and back to America.

The PRESIDING OFFICER (Mrs. HAGAN). The Senator from Utah.

TRIBUTE TO STEPHEN R. COVEY

Mr. LEE. Madam President, I rise today to honor an extraordinary American from the great State of Utah—the world-renowned author and speaker Stephen R. Covey, who passed away on Monday, July 16, 2012. He was regarded as a legendary thought-leader throughout the global business community yet showed over the course of his 79 years that the true measure of life is not in making a dollar, but in making a difference.

Stephen leaves behind a legacy filled with meaningful words and memorable deeds. His prolific and powerful writing contained the kind of personal insight and inspiration that transformed the hearts, minds and lives of countless individuals. He is best remembered for his 1989 New York Times best seller, *The Seven Habits of Highly Effective People*. The book sold more than 20 million copies worldwide and has been translated into 38 different languages. *Seven Habits* served to prove Stephen's passionate belief that talking about principles changes behavior better than talking about behavior changes behavior.

Ever the teacher and ever the student of strategies for achieving personal and professional excellence, Stephen followed his pursuit of these life-changing principles in subsequent books including *First Things First*, *The 8th Habit*, and *The Leader in Me*. Covey's words, ideas, principles and practices have been used in a variety of educational settings, from college management classes to corporate business seminars. In 2011, *Time* magazine listed *Seven Habits* as one of the 25 most influential business management books of all time.

While Covey's words propelled him to become a global titan of bold business strategies and tactics, it was his deeds, often in family settings, which provided the notably personal touch found in his teaching and training. His poignant examples and anecdotes from his personal life illuminated how to actually live the principles he taught. Covey often shared a humorous experience he had with one of his sons when taking a business call at home. His son felt that Stephen had been on the phone for far too long, so he took out a jar of peanut butter and began spreading it on Covey's balding head. Covey pretended to ignore it, so the son added a layer of jam and eventu-

ally a piece of bread. Stephen used this experience to teach the principles of proper priorities, life balance, and building relationships. He demonstrated it was possible to complete an important phone call, indulge his son's mischievous antics, and create a meaningful memory.

One of his best known principles, *Sharpen the Saw*, focused on the need for rest and renewal. Covey stressed the important impact of family dinners, family vacations, family service in the community, and families working together at home. He recalled "work parties" in which his whole family would tackle a project. Instead of just laboring for hours, they would laugh and talk and eat snacks while they worked and then go to a movie once they finished. Stephen continually showed that when you put your family first you can create a legacy that will truly last. His deeds as a father, husband, neighbor, and friend are the kind that communities, States, and nations would do well to promote and emulate.

Covey's contributions to the leadership community extend far beyond his literary works. He revolutionized the field of leadership and management development with the creation of the Covey Leadership Center in Utah. The Covey Leadership Center eventually merged with Franklin Quest to form FranklinCovey, a worldwide management firm specializing in training and consulting services for individuals, teams and businesses. His extensive client list includes a vast majority of the Fortune 500 companies, world leaders, celebrities, national governments, and numerous charitable organizations. In 1996, *Time* magazine named him one of the 25 most influential Americans, and in 2011 *Thinkers50* named him one of the top 50 business leaders in the world.

He was an inspiration to millions, a revolutionary problem solver, and an icon for business managers everywhere. It is impossible to calculate the immense amount of good that Stephen Covey did for so many people. His insight helped to shape the future of an untold number of businesses, resulting in better jobs and indeed better lives for people around the world. Stephen Covey's life mission is reflected in the mission of FranklinCovey: "We Enable greatness in people and organizations everywhere." Stephen Covey's words and deeds helped people discover and deploy the principles that would ultimately enable them to achieve greatness in life and in business.

My wife Sharon and I extend our thoughts and prayers to the family and friends of Stephen Covey. His wife Sandra, his 9 children, 52 grandchildren and 6 great-grandchildren have a tremendous legacy to cherish and follow. Stephen taught his family and indeed the world that "to live, to love, to learn and to leave a legacy" is what life is all about. We honor his memory, celebrate his service and recognize that

while his presence will be missed, his principles and practices will live on for generations to come.

No words of tribute to Stephen Covey could be complete without a challenge to do something, to produce personal deeds that match the words and the principles he loved and lived. So I conclude this tribute with a challenge for each of us to remember: We honor best those who have gone before by living our lives with excellence today.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent following my remarks that the Senator from Nevada be recognized.

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

Mr. BROWN of Ohio. Madam President, I rise because too many elected officials, too many pundits, editorial writers, elite economists, and leaders of big corporations have simply gotten too comfortable and too used to sending American jobs overseas. We have seen outsourcing time and again from the U.S. Olympic Committee's decision to crown our Nation's top athletes with a "Made in China" beret to leaders of American companies far too eager to cash in and shutter U.S. manufacturing plants and open doors to cheaper labor in foreign countries. They don't just have a cheap labor advantage, they also have weak environmental rules, nonexistent or nonenforced labor laws, subsidies for currency, energy, land, and for capital.

In other words, in some sense, in this whole Olympic debacle, with hundreds of American athletes at the opening ceremonies in London, the U.S. Olympic Committee has simply said: We will give the gold medal to China for cheating.

In far too many cases, U.S. investors and executives have gotten richer at the largest companies while U.S. workers in places such as Hamilton, Youngstown, Lorain, Lima, and Solon, OH, struggle to make ends meet. That is why I am here with a simple message: Let's replace outsourcing with insourcing. Let's see the "Made in America" label sewn into the blazers that Members of Congress wear and on football helmets worn by our student athletes.

I am wearing a suit made by union labor in Cleveland, OH, today. Let's see the letters "U.S.A." stamped in every steel beam used in our country and the armored steel purchased by our U.S. Armed Forces. We must encourage companies to return to the United States and discourage them from ever leaving.

Right now we have it backward. Our Tax Code is upside down. As it stands, businesses can classify moving personnel and company components to a foreign country as a business expense and therefore deduct the cost of offshoring from their taxes. So when a plant moves from Youngstown to Beijing, when a plant moves from

Freemont to Shihan, when a plant moves from Toledo to Wuhan, that company can deduct those moving expenses on its taxes and get a tax break for moving overseas. Combined with our outdated trade policy, with PNTR with China and no real reporting requirements and even fewer enforcement rules and mechanisms, the current American tax law encourages companies to move jobs offshore, where labor is cheap and environmental and health standards are weak.

We saw a decade of manufacturing job loss. From 2000 to 2010, we lost more than 5 million manufacturing jobs in our country. One-third of our manufacturing jobs disappeared from 2000 to 2010. Fortunately, in part, because of the auto rescue which was such a resounding success in Ohio, for instance, we have seen a 500,000 manufacturing job increase in the last 2 years. We know what happens with manufacturing job loss. It can destroy a family which had a decent wage and then can't find a job with any kind of decent wage. It weakens communities and undermines the tax base. It means police, firefighters, librarians, mental health counselors, and teachers get laid off.

But now the manufacturing sector is turning around. As I said, over the last 2 years, our country, led by the revitalization of the auto industry, is beginning to manufacture jobs. It is clear why our country and why my State of Ohio are good places to do business. We have a first-class workforce, a strong network of colleges and universities, and manufacturing know-how that is second to none.

Not only that, companies are returning to the United States because of higher costs associated with doing business abroad, whether that be transportation costs, higher wages in places such as China, and the legal difficulties of doing business overseas. We are seeing some return, but unfortunately it is more anecdotal and not extensive enough. We obviously have to keep looking ahead and make more of it happen. That is the good news.

In Ohio, we see more and more evidence that demonstrates how companies are beginning to move operations back to the United States. For instance, Apex Sports, based in Zanesville in eastern Ohio, produces softballs with an engineered foam core. They were once made in China. Apex Sports now makes its softballs in the United States. They got their start at the Muskingum County Business Incubator, which I visited not too long ago.

Roesweld Equipment is a small exporter in Columbus that now makes its products in Ohio rather than China. Columbus-based Priority Designs manufactures dsolv, a compostable netting bagging system for yard waste. Its product is now made in the United States but was previously produced in Asia. We can do more to get Americans back to work. It makes plain sense to put U.S. tax dollars back into the U.S.

economy. The U.S. tax dollars pay for some products such as American flags that fly over our post offices, outfits for a Federal agency, any kind of products bought by taxpayers and by the government. It makes sense on every level that those products be made in the United States.

Let me tell you about a 22-year-old family-owned company in Akron called American Made Bags. They are making bags for Olympians and the Army National Guard. They are making them here in America. Why shouldn't our national policies support American companies and support American workers? The Bring Jobs Home Act, sponsored by Senator STABENOW and many others, makes two commonsense changes in our tax laws. It is a carrot-and-stick approach. It gives a tax credit that any business can use against their overall tax liability for costs associated with moving a production line, such as a trade or business located outside the country, back into the United States. That is the opposite of what we do now.

By providing this tax credit, we give incentives to companies to reshore and bring back jobs that might have been moved abroad earlier to places such as China, Mexico or India. In 2006 alone, U.S. manufacturers claimed \$45 billion in foreign tax credit—a huge financial advantage to companies that have sent jobs to China, Mexico, and India.

Instead of promoting job growth, U.S. tax policy rewards those companies for outsourcing. That is why we need to end the backward practices that allow businesses to deduct from their taxes the cost of shipping jobs overseas. We need to turn our Tax Code right side up when it comes to U.S. jobs by promoting their creation and discouraging their elimination. That is what the business bill does, and it is about time.

One of the things that happened out of the auto rescue is a bit of an untold story. It has to do with an assembly plant in Toledo, OH, where the Wrangler and Liberty are put together. Prior to the auto rescue, only 50 percent of the components at the Chrysler Jeep plant were made in the United States. Today, 75 percent of those components are made in the United States. The glass comes out of Crestline and the seats come from Northwood. Much of the rest of the Jeep Wrangler comes from suppliers in Ohio and Michigan. Those are American jobs, and it is a huge increase in American jobs when we consider three-fourths of those components are made in the United States, when only 3 years ago it was half those components.

Those Jeeps are selling, as is the Chevy Cruze that is made in Youngstown, OH. The components come from Ohio, Michigan and others States and manufacturing plants. It makes a huge difference in building a middle-class society.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. HELLER. I thank the Chair.

(The remarks of Senator HELLER pertaining to the introduction of S. 3405 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HELLER. Thank you, Madam President. I yield the floor. I 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 New Hampshire.

Mrs. SHAHEEN. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mrs. SHAHEEN. Madam President, today the Senate is considering legislation to end tax breaks included in our own Internal Revenue Code that actually help companies that want to ship American jobs overseas. The Bring Jobs Home Act provides not only a tax credit to encourage companies to move jobs back to the United States, but it would end those tax breaks that help companies ship jobs overseas.

Offshoring of American jobs has hurt the middle class and it continues to be a real problem. There is no good reason we should continue giving companies an incentive to offshore good American jobs.

We can address high unemployment by encouraging companies to bring jobs back to the United States, and the tax credits in this bill will help to reverse the trend and put Americans back to work. In fact, this incentive could help bring 2 million to 3 million jobs back to the United States, according to some economic estimates. So I hope all of our colleagues will support this bill.

I also wish to take a few minutes to talk about another way that I think we in the Senate and in Congress could work together in a bipartisan way to create jobs and help the economy. Today I filed an amendment, along with Senator PORTMAN from Ohio, that provides us with a great opportunity to create jobs in America. This amendment is the text of S. 1000. It is the Energy Savings and Industrial Competitiveness Act, which is a bipartisan bill sponsored by Senator PORTMAN and myself that will create a national energy efficiency strategy for the United States.

Energy efficiency is the cheapest and fastest way to improve our Nation's energy infrastructure and our economy's energy independence. It is also something we can all agree on. Whether we are from the Northeast, as I am in New Hampshire, from the South, from the West—all of us can benefit from energy efficiency.

What our bill would do, which is the amendment we filed today, is create jobs for our workers, lower energy costs for consumers, and make businesses more competitive. In fact, a recent study by the American Council for

an Energy Efficient Economy concluded that our bill would create almost 80,000 jobs and save consumers \$4 billion by 2020.

Also, S. 1000 has broad support on both sides of the aisle. It passed out of the Senate Energy and Natural Resources Committee with an 18-to-3 vote. In addition, there is a large and diverse group of industry, energy efficiency, and environmental stakeholders who have endorsed the bill. That list includes the Chamber of Commerce, the National Association of Manufacturers, the Alliance to Save Energy, the National Resources Defense Council, Best Buy, and the Environmental Defense Fund just to name a few of the organizations on the list.

Anytime we can get organizations as diverse as the ones I just listed to endorse one piece of legislation, it is clear there is broad bipartisan support for the effort. This legislation contains a broad package of low-cost and effective tools to reduce barriers for businesses, homeowners, and consumers who want to adopt off-the-shelf technologies, so we don't have to wait for something to happen in order for the bill to make a difference. These are all efforts that will help consumers, businesses, and homeowners save money.

This is an easy first step to make our economy more competitive and our Nation more secure while still meeting pent-up demand for these energy-saving technologies from individuals and business alike.

The American public is desperately looking for Congress to work in a bipartisan way on policies to spur growth and create jobs. Energy efficiency legislation represents our best chance to achieve both of those goals this year.

We need to get some energy legislation to the floor. I have had the great opportunity to work for the last 4 years with Senator JEFF BINGAMAN and Senator LISA MURKOWSKI, the chair and ranking members of the Energy Committee. We have done some great work in our committee. We passed significant pieces of bipartisan legislation out of the committee. In fact, there are 15 pieces of legislation that have been passed and all but one of those with strong bipartisan votes. Those pieces of legislation are just sitting in committee because we have not been able to get an agreement to bring them to the floor.

We can get an energy efficiency policy in place. We can pass this legislation. That kind of an energy efficiency policy would be one that enhances our national security, addresses our energy needs, and puts Americans back to work. We can do it in this Congress if we can bring the Shaheen-Portman energy bill to the Senate floor for a vote. That is what this amendment would do. I hope we have that opportunity.

Thank you very much, Madam President. I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. HATCH. Madam President, today we are debating a bill called the Bring Jobs Home Act. We live in serious times. We have a debt fast approaching \$16 trillion, millions remain out of work, and economic and job growth has slowed to a crawl. Times such as these demand serious economic answers. So it is important that we all understand the utter lack of seriousness of this proposal. The only things serious about the Bring Jobs Home Act are its flaws.

The Bring Jobs Home Act would deny the deduction for ordinary and necessary business expenses to the extent that such expenses were incurred for outsourcing; that is, to the extent an employer incurred costs in relocating a business unit from the United States to outside the United States, the employer would be disallowed a deduction for any of the business expenses associated with such outsourcing.

The Bring Jobs Home Act would also create a new tax credit for insourcing; that is, if a company relocated a business unit from outside the United States to inside the United States, the business would be allowed a tax credit equal to 20 percent of the costs associated with such insourcing.

On the surface, this proposal might sound reasonable. As sound bites go, the President's reelection campaign and the Senate Democratic leadership have apparently decided they can make some political hay with this proposal, but as substantive tax policy goes, this proposal is a joke.

First of all, the amount of money involved is trifling. According to the nonpartisan Joint Committee on Taxation, this bill's deduction disallowance provision will only raise about \$14 million per year. That is \$14 million, not billion with a "b," it is million with an "m." Let's put that in perspective. This bill is supposedly a critical tax incentive to create jobs here in the United States. Yet, according to the Joint Committee on Taxation, a nonpartisan committee, it will only raise about \$14 million per year in this multitrillion-dollar economy. Meanwhile, President Obama's campaign has now spent \$24 million on ads attacking his opponent and attacking what he considers to be outsourcing, which his opponent has not done.

The American people want us to address our fiscal situation and to create the conditions for robust economic and job growth. And how are the President and Senate Democrats spending their time? Advancing a proposal that raises less money in 1 year than the amount the President's campaign has spent attacking Republicans on this topic on television. If Democrats meant this as a serious revenue raiser for the government, we would all be better off if the

Obama campaign had simply sent its \$24 million to the Treasury Department for disbursement to insurers rather than spend it on ads attacking American global businesses. And I think the President might get more credit for that.

Simply put, this bill is misleading. Its supporters would have you believe that under current law there is some special deduction that exists for moving jobs outside of the United States of America. That is simply false. Rather, there has always been a deduction allowed for a business's ordinary and necessary expenses, and expenses associated with moving have always been regarded as deductible business expenses. So allowing a deduction for these expenses is not a special thing, it is the rule. Disallowing this deduction would be the exception, an extraordinary deviation from current tax policy.

Yesterday I heard my friends from the other side say we need to end a tax deduction for jobs that a business sends overseas.

I have a letter from the Joint Committee on Taxation, addressed to the bill's authors, that includes an analysis of their bill and a score. I ask unanimous consent to have a copy of the letter printed in the RECORD.

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

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON TAXATION,
Washington, DC.

Hon. DEBBIE STABENOW,
U.S. Senate,
Washington, DC.

Hon. BILL PASCRELL,
House of Representatives, Rayburn House Office
Building, Washington, DC.

DEAR SENATOR STABENOW AND MR. PASCRELL: This letter is in response to your request of June 5, 2012, for an estimate of the revenue impacts of the "Bring Jobs Home Act" (S. 2884/H.R. 5542). This bill provides a 20-percent tax credit for eligible expenses associated with relocating business units from overseas and disallows a deduction for business expenses associated with relocating business units to foreign countries.

Under present law, there are no specific tax credits or disallowances of deductions solely for locating jobs in the United States or overseas. Deductions generally are allowed for all ordinary and necessary expenses paid or incurred by the taxpayer during the taxable year in carrying on any trade or business, which includes the relocation of business units.

Under the proposal, corporations would be granted a credit equal to 20 percent of the expenses associated with the relocation of business units from a foreign country to within the United States. In order to qualify for the credit, the firm must increase its domestic employment when compared to the year prior to the first taxable year in which eligible insourcing expenses were paid or incurred. Corporations also would be disallowed from taking a deduction for expenses associated with the relocation of business units from within the United States to a foreign country.

In estimating this proposal, we assume that there will be a behavioral response in how firms classify their reorganization expenses in order to maximize their expenses

eligible for the insourcing credit and to minimize their disallowed deductions associated with the outsourcing credit.

The following estimate provides the effect of this proposal on Federal fiscal year budget receipts. This estimate assumes a date of en-

actment of July 1, 2012, and that the proposal is effective for all expenses paid or incurred after the date of enactment.

Fiscal years, in millions of dollars

Item	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012-17	2012-22
Provide a 20 percent credit for expenses associated with insourcing jobs	-3	-21	-21	-22	-23	-24	-26	-27	-28	-29	-31	-115	-255
Disallow deduction for expenses associated with outsourcing jobs	2	14	14	14	15	16	17	18	18	19	20	76	168
Total	-1	-7	-7	-8	-8	-8	-9	-9	-10	-10	-10	-39	-87

NOTE: Details may not add to totals due to rounding.

I hope this information is helpful to you. If we can be of further assistance in this matter, please let me know.

Sincerely,

THOMAS A. BARTHOLD.

Mr. HATCH. Paragraph two of the letter says, and I quote:

Under present law, there are no specific tax credits or disallowances of deductions solely for locating jobs in the United States or overseas. Deductions generally are allowed for all ordinary and necessary expenses paid or incurred by the taxpayer during the taxable year in carrying on any trade or business, which includes the relocation of business units.

Now, perhaps my friends on the other side take issue with a description of tax policy from Congress's nonpartisan official scorekeeper. Well, if they do, I invite them—or the President, for that matter—to show me the provision of the Internal Revenue Code that contains a special deduction for shipping jobs overseas.

Let me just mention that this is the Internal Revenue Code I have in my hand. It is getting so big you can hardly handle it. Maybe Joint Tax and I are wrong, so I will keep the Tax Code right at my desk, and if one of my friends wants to leaf through the Code and show me the section that provides a special deduction for shipping jobs overseas, I will stand corrected.

They cannot. It is not in here, this huge conglomerated mess that we would like to reform, which will not be reformed until there is a change in administration.

This administration is in the habit of pointing fingers every which way, blaming everyone but themselves for our weak economy and pathetic job growth. Just the other day the Treasury Secretary blamed Europe and rising oil prices for our economic slowdown. Yet he did not discuss the pall of uncertainty that Democratic politicians, including his boss, are putting over the economy with their refusal to extend the 2001 and 2003 tax relief unless they get their way on tax increases for small businesses.

According to an analysis by the American Action Forum, the fiscal cliff facing American taxpayers is now twice the size of total GDP growth this year. If we drive over this fiscal cliff, as the President and Senate Democratic leadership are now threatening, the likelihood that small businesses will hire will decrease by 18 percent, and the effective marginal tax rate for many workers and small businesses will go over 50 percent.

At least in part, and I would say in significant part, is the complete failure

to provide certainty and progrowth tax policies to America's families and businesses that is dragging our economy down. Proposals such as the one before the Senate today are not helping either. They increase uncertainty for the businesses that will grow our economy and hire new workers.

It is another example of the Obama administration's "Washington-knows-best philosophy." Disallowing the business expense deduction means income will now be measured less accurately. Gross receipts minus business expenses equals income. That is what both accountants and economists tell us. But even through economists, accountants and businesses all measure income one way, Washington will now measure it another way. Not only is this bad for business, but by disallowing deductions for certain business expenses, this proposal would measure income less accurately.

When the government's main source of revenue is income tax, it is rather important to measure income accurately. Ultimately, we know this bill is devoid of serious content because it is the product of political, not economic necessity. This bill is a sound bite, not sound tax policy. There really are not a lot of dots to connect.

Really, the genesis of this bill's prioritization can be traced in a straight line from 1600 Pennsylvania Avenue to the President's reelection headquarters in Chicago. This bill is called the Bring Jobs Home Act, but its Democratic proponents have not presented any evidence of the number of jobs, if any, that will return to America if the proposal becomes law.

During comments in support of the bill, the sponsor referred to a chart that said, "[i]n the last decade, 2.4 million jobs were shipped overseas." But the sponsor tellingly did not say the bill will bring 2.4 million jobs back to America. The proponents of this bill have not even told us that jobs will return to America if this bill becomes law, much less how many jobs. The answer is probably none.

That is exactly the sort of question we would have explored had this bill been produced by the Senate Finance Committee rather than by some campaign consultant in Chicago. The Senate Finance Committee would have held hearings, we would have talked to the experts, and we would have looked at comments on both sides of the issue. Then we would probably have had a markup. It could have been brought to the floor with full Finance Committee support—except we would never pass a

bill such as this in the Finance Committee, in my eyes. Well, not with any real good intent.

It is disappointing that even though the sponsor of this bill is a member of the Senate Finance Committee, the bill's sponsor chose to bypass that committee. This bill has come straight to the Senate floor without being vetted by the committee. Her colleagues on the committee would likely have had some valuable feedback for her. Both staffs on the committee would likely have had valuable expertise they could have brought to bear on this proposal. That is why I anticipate moving to commit this bill to the Senate Finance Committee.

How does this bill fit with tax reform? Many on the other side say they want tax reform. I think it is fair to say there is a consensus that tax reform means getting rid of tax expenditures so as to decrease tax rates. The mantra is broaden the base and lower the rates, but this proposal would create new tax expenditures. It would narrow the base.

Another major goal of tax reform is simplification, but this proposal would make the tax laws even more complicated. This proposal is the antithesis of true tax reform. Rather than coming up with more sticks to punish American businesses that compete globally, as this proposal does, we should be coming up with more carrots to encourage American businesses as well as foreign businesses to make America a more attractive place to expand, hire, and invest. Of course, the best way to do that, consistent with free-market principles, would be to lower the corporate tax rate.

By creating new tax expenditures, as this act would do, it becomes all the more difficult to lower the corporate tax rate. If we want businesses to locate and hire in the United States, then we need to do what we can to make sure they are glad they are incorporated in the United States and that their headquarters is in the United States.

As it stands right now, because of our worldwide tax regime, many global corporations have their parent company in the United States as a matter of historical accident. If they had to do it all over again, they very well might decide to incorporate elsewhere in the world. The way to address that, the way to make sure the United States is the place that global businesses want to incorporate is to transition our current worldwide system of taxation to a territorial tax system.

A territorial tax system would only tax businesses on the profits they make in the United States. This way businesses would not be discouraged from incorporating in the United States. If a business incorporates in the United States, all of its worldwide profits are subject to U.S. tax. It is certainly true that a territorial tax regime must be done right and that the devil is in the details, but it is also clear that territorial tax regime proposals could lead to greater investment in the United States and more headquarters jobs in the United States.

A territorial tax regime would put American businesses at a more competitive position when competing internationally. A territorial tax system would make us more consistent with major developed countries. So it is amazing that President Obama has decided to demagogue this issue as well, undermining the future jobs prospects of millions of Americans for years to come in order to secure his own job for another 4 years.

Not content to grossly misrepresent the issue of outsourcing, he is now doing the same with territorial taxation; that is, in spite of the fact that his own agencies have been for it.

And it's really quite strange. President Obama's Export Council, his Council on Jobs Competitiveness, his National commission on Fiscal Responsibility and Reform, and his Steering Committee on Advanced Manufacturing have all recommended that make the U.S. more competitive it shift to taking income on a territorial basis. For a person who claimed last week that he just cares so darn much about policy, he has an odd way of showing it when he campaigns.

In the 2008 election, he fundamentally misled the American people about key aspects of the health care proposal put forward by my friend and colleague from Arizona, Senator MCCAIN. In doing so, he kicked the legs out from a reasonable and growing consensus about how best to reform the Nation's health care system, and he did so only for his own political gain.

His selfish acts on a territorial tax system have a similar flavor, and they promise to make tax reform much more difficult in the future. It is hard to see how this President could lead the country on tax reform. He attacks territorial tax regimes with a \$4.5 trillion tax increase looming at the end of the year, essentially freezing job creation and economic growth. His allies in the Senate are debating this effectively useless bill on outsourcing.

His administration called for the so-called Buffett tax, essentially creating a new alternative minimum tax that would provide trivial revenues and tax capital gains at higher rates than even President Carter wanted. Some say it would have given us maybe 8 days' of spending in Washington.

After waiting years for a corporate tax reform proposal, this past February President Obama's administration put out a series of bullet points, the so-called framework for corporate tax reform—all fluff and no details.

Tax reform is critical if we want our economy to grow and if we are going to get out of our current jobs deficit. But given this mediocre track record, I do not think the President can be relied upon to lead this Nation on this issue—not in 2012 and not in a second term either.

To the extent the President's tax agenda is not attributable to politics, it can be blamed on his odd view of our economy and the businesses that grow it. I think it is fair to say the President's world view is fundamentally out of step with that of ordinary American taxpayers. Just the other day, while campaigning in Virginia, the President laid out his economic vision, channeling the economic know-how of Harvard Law's faculty lounge. He told the crowd, "If you've got a business—you didn't build that, somebody else made that happen." As Charles Krauthammer put it, spoken by a man who never created or ran so much as a candy store.

I do not want to demean candy stores, but that is a fact. The President made clear for all to see just what he thinks of all the hard-working, risk-taking entrepreneurs who sacrifice daily to build their businesses. His perception is that the hard work and sacrifice of those business owners and their families has nothing to do with their success. Any success they have is owing to good luck and big government, the fact that we have built some roads and so forth.

My guess is that not only American business owners, but most Americans disagree fundamentally with this assessment. The President clearly does not understand or deliberately ignores economic incentives and the way they lead to business growth and job creation. This is certainly on display in the policy that will forever define this President, ObamaCare. Good intentions are not enough, and ObamaCare's small business tax credit is a case in point.

This credit was designed to encourage small employers to offer health insurance. The promise was that over 4 million employers would claim \$2 tax in credits to help pay for health insurance. In reality, only 309,000 taxpayers claimed the credit for a total of less than \$466 million.

Why was the credit such a failure at achieving its well-intentioned goal? Well, a picture is worth 1,000 words. So please look at this chart.

Can you imagine what a business owner must think when they encounter an administrative nightmare like all of this? The ObamaCare tax credit for small businesses gives redtape a bad name. Talk about a bureaucratic straightjacket. No wonder the business community has failed to embrace ObamaCare.

This issue of ObamaCare's manipulation of the Tax Code and its historic tax increases are deserving of extended remarks. For now, let me just say we should be pursuing laws that will help not harm businesses and middle-class taxpayers. The bill we are discussing on the floor today, like ObamaCare, is not going to help.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. MCCASKILL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. LEVIN. Madam President, 1 week ago yesterday was a fairly typical day in the Senate. The CONGRESSIONAL RECORD shows Senators used the word "jobs" more than 150 times. The following day, a week ago today, the word "jobs" appears in the RECORD 131 times. Just this Monday, a few days ago when the Senate came in at 2 o'clock, "jobs" appears in the RECORD 36 times.

So we are talking—and talking a lot—about jobs. Today, Senator STABENOW's bill offers a chance to do more than talk; we can act.

The legislation addresses a fundamental flaw in our tax law. At a time when Americans desperately want us to defend American jobs and to give employers the incentives and support they need to hire new workers, our tax law perversely rewards employers for moving jobs to other countries. Today, an American corporation can decide to close a factory in this country, build a new one in another country, claim a tax break for the expense of moving those jobs out of our country, and pay no U.S. taxes on the income that foreign factory earns as long as they leave that income overseas.

Our Tax Code, in effect, tells employers: Here is a tax deduction to help you cut your American workforce and move those jobs offshore. That is the effect of our Tax Code. American employers have responded, unhappily. Statistics released in April by the Bureau of Labor Statistics show that since 1999, U.S.-based multinational corporations have reduced employment in the United States by about 1 million workers but they have added more than 3 million workers overseas.

A recent Gallup Poll found that only 13 percent of Americans believe this trend of shipping jobs overseas is good for our economy. Almost 8 of every 10 Americans believe it does harm. In a poll for the Alliance for American Manufacturing, 83 percent of respondents said they disapprove of companies that move jobs to countries such as China.

The people in Michigan and every other State can no longer afford to watch their tax dollars subsidize shipping their jobs overseas.

Earlier this spring, along with Senator CONRAD, I introduced the Cut Unjustified Tax Loopholes Act or the CUT Loopholes Act. Our legislation would cut several loopholes that enable tax avoidance, which adds to the deficit

and to the tax burden of those who pay the taxes they owe. Our bill would cut offshore tax loopholes that allow corporations and individuals to avoid paying taxes by concealing their income and assets in offshore tax havens. One provision of the CUT Loopholes Act would ensure that companies aren't taking a tax deduction for the expense of moving jobs overseas. Under our bill, companies couldn't take a deduction for the expense, for instance, of moving a U.S. factory to another country until that company pays U.S. taxes on the income generated by that foreign factory.

Senator STABENOW's Bring Jobs Home Act takes a similar approach, ending the taxpayer subsidy that helps firms to move American jobs overseas. In addition, it would offer a 20-percent tax credit to companies that move production back to the United States.

Surely it makes sense for us to offer employers a tax cut if they bring jobs back to the United States. Surely it makes sense to reform a law that adds insult to injury, that forces our taxpayers to watch companies move their jobs abroad with the assistance of our taxpayer dollars.

We have already seen the enormous benefits to our economy and our workers when American companies make the decision to return jobs to our shores. Ford Motor Company is returning thousands of offshore jobs to Michigan and other States. Companies such as Whirlpool are making the decision to hire American workers for work they once did abroad. American manufacturing has built great momentum in the last 3 years, adding thousands of jobs. We should add to that momentum and adopt the Bring Jobs Home Act. We should end existing tax incentives to export American jobs, and we should provide a tax break for companies that bring jobs back to American workers.

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

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

AID TO PAKISTAN

Mr. PAUL. Madam President, there is a doctor in Pakistan by the name of Shakil Afridi. He has been identified as a doctor who helped us with information in order to get bin Laden. The Pakistan Government has now put him in prison for 33 years. I think this is an abomination. While we can't tell countries what they must do with their internal affairs, we certainly don't have to reward them with taxpayer money when they put someone in prison for attempting to help America.

My point and my message to Pakistan is that if they want to be an ally, they should act like it. Putting this man in prison for 33 years for helping

America get bin Laden, which Pakistan was ostensibly supposed to be doing, is a real travesty of justice. Bin Laden lived for nearly a decade in Pakistan, in a city, living comfortably a mile or two from one of their military academies. We finally got him, but it doesn't appear as if we got him with much help from the Pakistani Government.

Now this doctor is in prison for 33 years. And how does President Obama respond? President Obama, this week, gave them \$1 billion—an additional \$1 billion. We are rewarding bad behavior with more of our money—money we don't even have. We have a \$1 trillion deficit and we are giving them an extra \$1 billion.

Yesterday he was supposed to have an appeal. Dr. Afridi, the doctor who helped us, was supposed to get a chance to help prove his innocence. His trial has been indefinitely delayed. We have requested from the Pakistani Embassy whether there is going to be a trial. We want to know the date, and has the date been set for his appeal. We have gotten no answer. We have requested this information from President Obama's administration, from his State Department. Will Dr. Afridi get a trial? When will his trial be? We have gotten no answer.

If we can't get an answer—if they are going to continue to hold this man—I see no reason to send taxpayer money to Pakistan. I have the votes and the ability to force a vote on this issue. My plan is to force a vote on this issue next week. The vote will be on ending all aid to Pakistan, ending the aid until this doctor is freed.

This is not something I take lightly. This doctor's life is now being threatened. The information minister from that particular province in Pakistan says they want him transferred because they receive death threats on a daily basis toward him. They are worried about other prisoners killing him. I would hate for the Obama administration to have on their conscience the fact that this doctor, who helped us get bin Laden, is killed in prison. I would hate to have on my conscience the death of an innocent man, if he were to be killed in prison, whose only crime was helping America. At the very least, the Pakistani Government ought to immediately get him into a safe prison in one of the larger cities outside the tribal regions.

We are concerned about Dr. Afridi's safety, we are concerned about imprisoning him for life for helping America, and we are also concerned about American taxpayers' money being taken from hard-working Americans and sent to a country that seems to disrespect us. I am all for cooperating with Pakistan. I hope they will continue to work with us. But we shouldn't have to buy our friends. We gave them an extra \$1 billion. Yet they continue to disrespect us by holding this man in prison.

I am very concerned about Dr. Afridi's safety. I am concerned his ap-

peal was not heard today and his trial was canceled. So next week, if we don't have answers on his trial, we will be here on the floor until I get a vote on whether we should continue sending money to Pakistan while they hold him. This is a very important issue for Americans, and I hope all across America people are going to call their Senators and say: You know what. I am not so sure we should send our hard-earned dollars to Pakistan when they treat us this way.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

WATER INFRASTRUCTURE INVESTMENT

Mr. CARDIN. Madam President, I have taken to the floor of the Senate on previous occasions to talk about our aging water infrastructure and the need for financing. I have talked about the State revolving funds, which are the principal funding sources for our local governments' ability to upgrade their water infrastructure. I have talked about the need for safe drinking water and how that is being compromised. I have also talked about the way we treat our wastewater and the health risks involved in an aging infrastructure. And when I have taken to the floor on different occasions to talk about the consequences of our failure to act, I have made it clear if we move forward with water infrastructure projects it will not only provide the type of infrastructure we need for public health but it will also create jobs and opportunities in our communities.

I have the honor of representing the State of Maryland in the Senate, and we have some very aged communities in Maryland. One of those, of course, is my home city of Baltimore, where the water infrastructure is as historic as some of its buildings—well over 100 years old. And although I have talked about this issue before, I want to bring to the Senate's attention that this past Monday, in Baltimore, a 120-year-old water main broke, creating a massive crater in downtown Baltimore on one of the busiest streets in our city. I have been told it will take a couple of weeks before that can be fixed. I have also been told that, as a result, downtown Baltimore was flooded, sending thousands of workers home and costing businesses countless loss of revenue.

One might say: Well, these things happen. But in Baltimore we have a water main break at the rate of about two or three a day, costing a great deal of money because our city workers have to go out, dig it up, and cut off water service to homes and businesses, which are inconvenienced by not having the ability to get water. And we experience this expense again and again.

What we need to do is upgrade our water infrastructure. We all understand that. We need to make that investment. These major water main breaks are becoming more and more a reality. In 2008, we saw River Road in Bethesda turn literally into a river. We

had to use helicopters to rescue people because of a water main break. In October 2009, we had a major break in Dundalk, MD, outside Baltimore, which flooded thousands of homes, causing incredible inconvenience to that community. One year ago, not far from where we are right here, we saw a major water main break in Prince George's County, closing the Washington beltway and causing a lot of homeowners to be without water for an extended period of time.

The water infrastructure in this country is in desperate need of new attention and greater investment. That is true in our wastewater treatment facility plants and it is true in the way we transport our clean water. Wastewater treatment plants are critically important in preventing billions of tons of pollutants each year from reaching America's rivers, lakes, and coastlines. These facilities prevent waterborne disease and make our water safe for fishing and swimming.

Similarly, some 54,000 community drinking water systems provide drinking water to more than 250 million Americans, keeping water supplies free of contaminants that cause disease. The ongoing degradation of these systems puts our human health directly at risk.

Many of our water and wastewater systems are outdated, with some components across the country over a century old. This aging infrastructure contributes to the 75,000 sanitary sewer overflows that occur in the United States per year—75,000 sewage overflows a year in the United States. It causes an estimated 5,500 annual illnesses due to these contaminations which occur on our beaches and in our streams and lakes where American families vacation.

The Environmental Protection Agency has estimated that more than \$630 billion will be needed over the next 20 years to meet the Nation's drinking water and wastewater infrastructure needs.

As chair of the Subcommittee on Water and Wildlife, I held a hearing where we brought in some of our local officials to talk about some of these needs. They told us they can't possibly do this with the resources they currently have available, that they need a Federal partner—they need a stronger Federal partner—and they need a Federal Government that will give them new innovative tools in order to deal with these critical needs.

Mayor Stephanie Rawlings-Blake of Baltimore testified she would like to see some form of trust fund established so we can leverage money and make these types of investments. She pointed out—which we already know—that for the money we spend on water infrastructure we will cause a multiplier effect. By a ratio of 3-to-1, it actually creates more money in our economy. If we put \$1 billion in water infrastructure improvement, it creates \$3 billion of economic activity in our commu-

nities, allowing us to create more jobs at the same time we improve our water infrastructure for public health and for economic development.

This makes sense. We need to do this. I don't know how many more times I will have to come to the floor of the Senate and point out these horrible water main breaks that are occurring all over. What is happening in Baltimore—what is happening in Maryland—is happening in every one of our States. This is not a one-State problem. This is a national problem. People are outraged by these situations, and they are going to be more outraged when they realize their public health is at risk and the availability of safe drinking water is at risk, as well as the inconvenience that is caused when their basements are flooded or they can't get to their businesses or have to leave their businesses early or pay additional local taxes in order to repair the damage done as a result of the failure to replace aged infrastructure.

I urge my colleagues to work together on this issue. Let's make sure we have a budget that makes sense for this country but that allows us to invest in the types of investments that are important for America's future. We have talked about that with transportation infrastructure, we have talked about that with energy infrastructure, but the same thing is true with water infrastructure. So I look forward to working with my colleagues on both sides of the aisle to provide the tools and resources that will allow our economy to grow and our local governments to upgrade their water infrastructure systems.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

OSCE'S MAGNITSKY RESOLUTION

Mr. WICKER. Madam President, I come to the floor today to call Members' attention to recent action taken at the Parliamentary Assembly meeting of the Organization for Security and Cooperation in Europe, which convened in Monaco earlier this month.

The OSCE considered and passed with overwhelming support a resolution on the rule of law in Russia and the case of Sergei Magnitsky. This is a resounding and much welcomed rebuke of Russia's deplorable human rights record and systemic corruption.

With the Magnitsky resolution, the OSCE—made up of 56 participating states spanning Europe, Central Asia, and North America—reaffirms the widespread call for justice and rule of law. The international group has sent a clear signal to human rights violators that they will be held accountable.

The OSCE resolution supports government efforts to ban visas, freeze as-

sets, and employ other financial sanctions against those connected to the illegal detention and tragic death of Sergei Magnitsky. The young lawyer was beaten and denied medical care in a Russian prison after uncovering a vast conspiracy by Russian officials involving \$230 million in tax fraud. Sergei Magnitsky died as a result of his treatment, and no one has ever been held responsible for his death.

I have been a member of the Helsinki Commission for the last several years, and I have seen firsthand the contributions the OSCE has made to advance democratic, economic, security, and human rights issues. I was unable to attend the Parliamentary Assembly meeting, but I am grateful our colleague Senator JOHN MCCAIN was able to be there to highlight the importance of this particular issue.

The Magnitsky case is just one example of the gross human rights abuses and official impunity in Russia. But as Senator MCCAIN noted in his statement before the OSCE meeting in Monaco, "The demand for justice for Sergei is what has mobilized the world in his memory."

Senator MCCAIN is right to point out that the OSCE resolution—as well as national initiatives to punish those implicated in Sergei Magnitsky's death—is not anti-Russia. Indeed, a return to the rule of law would be of great benefit to the Russian people. To quote my colleague Senator MCCAIN:

Defending the innocent and punishing the guilty is pro-Russia. . . . The virtues that Sergei Magnitsky embodied—integrity, fair-dealing, fidelity to truth and justice, and the deepest love of country, which does not turn a blind eye to the failings of one's government, but seeks to remedy them by insisting on the highest standards—this too is pro-Russia, and I would submit that it represents the future that most Russians want for themselves and their country.

Senator MCCAIN then goes on to encourage the assembly to align "with the highest aspirations of the Russian people—Sergei's aspirations—for justice, for equal dignity under the law, and for the indomitable spirit of human freedom."

Like the OSCE, Members of this Senate will also have an opportunity to lend our voices to the call for justice and accountability. The Sergei Magnitsky Rule of Law Accountability Act would impose travel and financial sanctions on those associated with human rights crimes.

I urge my colleagues to support this bill and to uphold this country's commitment to the protection of human rights. I salute the leadership of my colleague and friend Senator BEN CARDIN of Maryland for his leadership in this regard, and I am pleased to note that the Magnitsky Act was included during consideration of extending normal trade relations to Russia in yesterday's Senate Finance Committee markup. We are making great progress on this issue, and I look forward to a vote on the Senate floor.

In conclusion, I ask unanimous consent to have printed in the RECORD

Senator McCAIN's full remarks at the OSCE Parliamentary Assembly.

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

STATEMENT BY SENATOR JOHN MCCAIN AT THE OSCE PARLIAMENTARY ASSEMBLY—SUNDAY, JULY 8, 2012

Thank you for the opportunity to join you this afternoon.

Let me recognize my fellow members of Congress, Dennis Cardoza and Robert Aderholt, who are doing great work on behalf of the American delegation. I am pleased that Robert is standing for vice president of this assembly, and I want to voice my full support for his candidacy.

It is also my pleasure to support this resolution on rule of law in Russia and the case of Sergei [SERgay] Magnitsky. What happened to Sergei was a horrific crime. But it is also an example—an extreme example, to be sure, but an example nonetheless—of the pervasive and systemic corruption in the Russian government. To this day, no one—not one person—has ever been held responsible for Sergei's death. This, despite the fact that the Russian Human Rights Council, established by the Russian President, found that Sergei's arrest was illegal, that he was denied access to justice, and that his treatment amounted to torture. This resolution correctly notes these disturbing facts.

The demand for justice for Sergei is what has mobilized the world in his memory. In the United States, Senator Ben Cardin and I introduced legislation that would impose an array of penalties on those believed to be responsible for Sergei's death, but also on other human rights abusers in Russia and beyond. The Sergei Magnitsky Rule of Law Accountability Act has been passed by our Foreign Relations Committee, and no matter what you hear, make no mistake: It will become law. And it will contain the full array of essential measures—visa bans, asset freezes, and financial sanctions. I assure you of it.

The Congress now has a path to pass this legislation. I and others have made clear that doing so is the condition for repeal of the Jackson-Vanik amendment and extension of Permanent Normal Trade Relations to Russia, which I have also sponsored legislation to enact.

Other European legislatures, as well as the European Parliament, have condemned Sergei's murder and may take legislative action as well. Now, this resolution offers an opportunity for all of us, legislators from more than 50 nations, to speak with one voice in favor of the justice that Sergei and his family deserve. It is essential that we do so.

I know that some will try to paint this resolution as anti-Russia. I could not disagree more. Indeed, I believe it is pro-Russia, as are the pieces of national legislation that would punish those guilty of Sergei's death. I believe that supporting the rule of law is pro-Russia. I believe that defending the innocent and punishing the guilty is pro-Russia. And ultimately, I believe the virtues that Sergei Magnitsky embodied—integrity, fair-dealing, fidelity to truth and justice, and the deepest love of country, which does not turn a blind eye to the failings of one's government, but seeks to remedy them by insisting on the highest standards—this too is pro-Russia, and I would submit that it represents the future that most Russians want for themselves and their country.

The example that Sergei set during his brief life is now inspiring more and more Russian citizens. They are standing up and speaking up in favor of freedom, democracy, and the rule of law. They, like us, do not

want Russia to be weak and unstable. They want it to be a successful and just and lawful country, as we do. Most of these Russian human rights and rule of law advocates support our efforts to continue Sergei's struggle for what's right, just as they are now doing.

Let us now add our voices to theirs by passing this important resolution today. And in doing so, let us align this Assembly with the highest aspirations of the Russian people—Sergei's aspirations—for justice, for equal dignity under the law, and for the indomitable spirit of human freedom.

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

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

The bill clerk proceeded to call the roll.

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

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

Ms. STABENOW. Mr. President, in just a couple minutes we are going to be voting on a very important policy, a very important bill I am proud to sponsor with a number of cosponsors, a number of colleagues, called the Bring Jobs Home Act. It goes to the heart of what has been happening in a global economy when we have not been paying attention to our Tax Code or other things that we ought to be doing to be able to bring jobs home and other countries are aggressively working to take our manufacturing base, to take our middle class. They know when they look at our country we have a middle class because we make products and grow products, so they are rushing to be able to make products and to innovate and so on and to create incentives for our jobs to be shipped overseas.

We know we are in a global economy. We know our companies are competing with countries. We have a whole range of things we have been working to do to be able to support and incentivize and help manufacturers and other businesses here to innovate, expand advanced manufacturing, IT services, among others. But what we have not been paying attention to is how our own Tax Code actually is incentivizing or supporting—at the very least supporting and helping companies ship jobs overseas.

There is a very important, very basic policy we will be voting on today. If a company decides to pack up and move overseas, should they be able to write that off their taxes and you and I—all of us as American taxpayers—pay for it? I do not think there are too many people in the country who would say yes to that. In fact, I can't imagine why anybody would say yes to that. The reality is, if somebody loses their job at a plant and then they find out they get the privilege, as an American taxpayer, to help pay for the move, folks say: Are you kidding me or they say a whole lot of other things.

This bill, the Bring Jobs Home Act, is very straightforward. It simply says we are not going to pay for that anymore. That loophole will be gone. How-

ever, if they want to bring jobs back, we will be happy to let them deduct those costs as a business expense, for bringing a job home. In fact, we will give them another 20-percent tax credit for 20 percent of their costs on top of it. So we are happy to incentivize coming home and to support their efforts to come home, but we are not paying for them to leave. That is basically what this is about.

We are going to have a vote on whether to proceed to this bill. As we know around here, unfortunately, we have seen the process that used to be used rarely now used on every bill, to where we cannot even get to the bill to vote on that with a majority vote without going through a supermajority to be able to stop a filibuster, which is right now what basically has been happening. There is an objection. We have to get 60 votes to overcome it; otherwise, the filibuster continues.

We will need to do that today. We need bipartisan support to do that. I hope we will have that. A couple weeks ago we came together in strong bipartisan support. We worked together very hard, long hours, to pass a farm bill. That is about growing products in America. Now we have an opportunity to work together, come together in a bipartisan basis to support making products in America.

We do not have a middle class unless we make products and grow products. It is not going to make any sense if we continue to have a tax policy that actually encourages or helps you to leave America.

What we have seen now is that we are actually losing jobs. We know in the last decade 2.4 million jobs were shipped overseas. Those are just the ones they are able to count at this point. So 2.4 million jobs have been shipped overseas, at a minimum, and we help to pay for it. The good news is we have a lot of companies now, for a lot of reasons—the fact that we have the most productive, the smartest, most talented workforce in the world, we have high productivity in our country—we have companies now bringing jobs back and we want to accelerate that, to support that effort.

I am proud that in our automobile industry we are seeing jobs come back with support and help from policies that allowed loans to retool older plants. Ford Motor Company has taken their largest plant in Wayne, MI, and retooled it, along within investment in advanced batteries. Jobs are coming back from Mexico. Some are coming from other countries as well. GM is doing the same kind of thing, Chrysler—I am sure other companies as well. We know many companies, large and small, are looking at this.

Yesterday, I had the opportunity to have in a businessman from Michigan who is the CEO of a company called GalaxE.Solutions. He actually lives in New Jersey but is now having a major

presence in Michigan, in Detroit, hiring 500 people in IT, information technology. Those are jobs coming back from India, Brazil, China.

One of the things I heard, as he was talking yesterday, is when we look at the bottom line, costs matter. If we have a Tax Code that helps him bring jobs back rather than supporting him to take jobs away, to ship them overseas, it makes a difference. It matters. It matters not only for the cost but for the signal it sends about how serious we are in creating jobs in America.

I cannot imagine anybody who doesn't want to see "Made in America" again on everything. We are not going to get there if we do not start with the basics. That is what this is. I know you have talked about this so many times as well. This is about the basic premise of saying we are going to stop loopholes in the Tax Code that reward companies that are shipping jobs overseas and we are instead going to support and incentivize jobs coming back.

We know there are many other things, in addition to this, that we need to do. We need comprehensive tax reform in a global economy. There is no question about that. That is something I am confident we will be doing in the months ahead and into the next year. We need to do that. We need to do it on a bipartisan basis. But that is not a reason not to close this loophole, to stop this policy that makes no sense.

We have a lot more to do. We know that. We need to come together around policies that focus on innovation and education and rebuilding America and supporting the great entrepreneurs of the country—small businesses, large businesses. We know that. There is much to do. But today we have a chance to do something. We have a chance to do something. This is very straightforward. We have a chance to simply say the Tax Code in America is not going to reward or pay for the costs of American jobs being shipped overseas. It is as basic as that. No other country in the world would do this. They think we are crazy to have this kind of policy in place. So today is a chance to say: No, we are not crazy. We get it.

We know there is a lot to do, but let's come together on this issue and then we can come together on the next and the next and continue to build and rebuild our economy for the future.

But today is very simple. Today is the day to say no to American taxpayers helping to pay the costs for American jobs being shipped overseas. It is a day to say yes to supporting, through tax deductions, jobs coming back and additional incentives on top of that. I hope my colleagues will come together and very strongly vote yes on this measure so we can proceed to debate and to pass something that I know is strongly supported across our country.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule

XXII, the clerk will report the motion to invoke cloture.

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 motion to proceed to calendar No. 442, S. 3364, a bill to provide an incentive for businesses to bring jobs back to America.

Harry Reid, Debbie Stabenow, Sheldon Whitehouse, Al Franken, Richard J. Durbin, Sherrod Brown, Richard Blumenthal, Jeff Merkley, Christopher A. Coons, Robert P. Casey, Jr., Benjamin L. Cardin, Jeanne Shaheen, Kirsten E. Gillibrand, Charles E. Schumer, Jack Reed, Barbara A. Mikulski, John D. Rockefeller IV.

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

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 3364, a bill to provide an incentive for businesses to bring jobs back to America, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Wisconsin (Mr. KOHL) is necessarily absent.

Mr. KYL. The following Senator is necessarily absent: the Senator from Illinois (Mr. KIRK).

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 56, nays 42, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—56

Akaka	Gillibrand	Nelson (NE)
Baucus	Hagan	Nelson (FL)
Begich	Harkin	Pryor
Bennet	Heller	Reed
Bingaman	Inouye	Reid
Blumenthal	Johnson (SD)	Rockefeller
Boxer	Kerry	Sanders
Brown (MA)	Klobuchar	Schumer
Brown (OH)	Landrieu	Shaheen
Cantwell	Lautenberg	Snowe
Cardin	Leahy	Stabenow
Carper	Levin	Tester
Casey	Lieberman	Udall (CO)
Collins	Manchin	Udall (NM)
Conrad	McCaskill	Warner
Coons	Menendez	Webb
Durbin	Merkley	Whitehouse
Feinstein	Mikulski	Wyden
Franken	Murray	

NAYS—42

Alexander	Enzi	McConnell
Ayotte	Graham	Moran
Barrasso	Grassley	Murkowski
Blunt	Hatch	Paul
Boozman	Hoeven	Portman
Burr	Hutchison	Risch
Chambliss	Inhofe	Roberts
Coats	Isakson	Rubio
Coburn	Johanns	Sessions
Cochran	Johnson (WI)	Shelby
Corker	Kyl	Thune
Cornyn	Lee	Toomey
Crapo	Lugar	Vitter
DeMint	McCain	Wicker

NOT VOTING—2

Kirk	Kohl
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The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 42. Three-fifths of the Senators duly cho-

sen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader.

Mr. REID. Mr. President, I am not in a position now to announce no more votes today. I hope we can be there in just a little bit, but we are trying to work through some procedural matters now, and hopefully we can do that within the next half hour or so.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Thank you, Mr. President. I wish to take a moment to speak about what just happened and my deep concern about what just happened with this vote.

On the one hand, we have 56 Members, a majority—a substantial majority of Members who voted yes, that they want to bring jobs home, that they want to stop paying for jobs that have been shipped overseas, and that we want to support and provide assistance through the Tax Code to bring jobs home. Fifty-six Members—that is a majority. What we didn't have is a supermajority to stop a filibuster.

So this is basically what has been happening here. We have a situation where, despite the will of the majority of the people here, the majority of Senators who want to move forward to this legislation and pass it, because we have 56 votes to pass it, we don't have a supermajority. This is what has been happening over and over in the Senate despite the fact that people want us to work together and get things done.

What we are trying to do—and we are going to continue to push forward—is to say very clearly to businesses that if they are going to close shop and ship jobs overseas, it is on their dime, not the American taxpayers' dime. We are not going to help pay for it. If they want to bring jobs back, we are happy to have our Tax Code allow businesses to write off those costs. In fact, we will give businesses an extra 20 percent toward those costs.

This is deeply concerning to me today. I think those watching around the country are probably scratching their heads or saying things that we probably can't say on the Senate floor about what in the world is going on when we can't come together on the simple premise that Americans should not be paying for jobs shipped overseas.

So we are going to keep at it until we get it done. What we ought to be unified around is having the words "Made in America" on everything again in this country. We are going to keep fighting until we can get that done.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, while the distinguished Senator from Michigan is still on the floor—and she has done such commendable work here, as somebody who brought together the Senate Agriculture Committee on a very complex farm bill, and in a record amount of time got it passed with a heavy bipartisan majority—I think she would

agree with me that is the way we used to and should do legislation.

For the life of me, I cannot understand why any Senator would not be supporting the Senator from Michigan on the bill. We want jobs here in the United States. Everybody will say: We want jobs in the United States. Everybody says they want to have tax laws that actually help this country. So what do they do? By refusing to allow us to go forward, they vote to allow jobs to go overseas. But worse than that, it gives special tax breaks. It is almost like saying: Hey, this company of yours, these jobs you have, come on, I know a great place for you to go overseas. By the way, here is the airplane ticket. Here is the special deal. We are not going to give that to a small business owner in Vermont or Michigan, but we will give that to you to ship your jobs overseas.

Come on, let's get real. If you took a poll of the American people on this: Do you want to close loopholes for shipping jobs overseas or do you want to give encouragement to have jobs here in the United States? I guarantee you, it would be overwhelmingly passed. The U.S. Senate better wake up and say: We will pass it too.

So I thank the Senator from Michigan.

RELEASE OF CAMP LEJEUNE DOCUMENTS

Mr. President, the distinguished Presiding Officer and I are both from Vermont, where we have open and available government. He did in his role as mayor of our largest city. He has encouraged it all the way through.

We know that the "right to know" is a cornerstone of our democracy. During my three decades in the Senate, I have urged Democratic and Republican administrations alike to be open and transparent to the American people.

That is why in March I joined a bipartisan group of Members of Congress—Senator GRASSLEY, Senator BARR, Senator HAGAN, Senator BILL NELSON, and Senator RUBIO—in writing to Secretary of Defense Panetta to request the release of government records regarding the contamination of drinking water that occurred over several decades at Camp Lejeune Marine Base, in North Carolina.

The drinking water contamination at Camp Lejeune was one of the worst environmental disasters in American history to occur at a domestic Department of Defense installation. Unfortunately, the Department of Defense initially refused to provide this important information to the Congress. But I am pleased to report that after I pursued it further with Secretary Panetta, the Department finally provided more than 8,500 files about this issue to the Judiciary Committee on July 9.

I commend Secretary Panetta for accommodating the committee's request for this information. But I believe that much more transparency is needed. I believe it as a U.S. Senator. I believe it as one who believes in transparency. I also believe it as a father of a Marine.

Today, thousands of active and retired Marines who lived on or near Camp Lejeune prior to 1987, and their family members, are extremely interested in learning more about what occurred, and why.

In my own State of Vermont, 402 Vermonters have signed in saying they are looking to their government to provide more information about this calamity.

Open government is neither a Democratic issue nor a Republican issue. It is an American value. It is a virtue that we all have to uphold.

It is in this bipartisan spirit that I announce I will make all the documents the Department of Defense has provided to the Judiciary Committee available to the public. These documents can be seen on the Judiciary Committee's Web site. Go to www.judiciary.senate.gov. Find out what the documents say about what happened at Camp Lejeune.

To protect the personal privacy of our servicemembers and other private information, information that would be subject to the Privacy Act, has been redacted from these files. But the Marines and any other Americans who have been touched by this environmental disaster deserve complete candor from their government. Our uniquely American tradition of a government that is open, accountable, and accessible to its people demands nothing less.

Again, I thank Senator GRASSLEY, the committee's distinguished ranking member, and Senators BARR, HAGAN, NELSON, and RUBIO for working closely with me on this important transparency issue.

I say to those Marines, we will find out what happened.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. 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.

Mr. REID. Mr. President, we have been able to work things out. We are not going to have to be in session—we thought we had it all worked out but now we do not.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. McCAIN. Madam President, I ask unanimous consent that Senator LIEBERMAN and I and Senator GRAHAM—if he shows up—be allowed to engage in a colloquy.

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

SYRIA

Mr. McCAIN. Madam President, I join my friend Senator LIEBERMAN again on the floor on the issue that has, in my view, transcendent consequences not just for the people being massacred in Libya, but also for a definition of what the United States of America is all about.

Yesterday's attack in Syria killed some key leaders of the Assad regime, including one of its most notorious and brutal henchmen. It is a sign of victory and progress for the Syrian opposition and, hopefully, it could be a sign that Assad is losing his hold on power. But it is hardly time to celebrate or claim credit.

I see in the various organs of the administration, such as the New York Times that, well, the administration's hands-off policy has been successful. Successful? Seventeen thousand Syrians have been massacred while this administration has done nothing, and the President has refused to even speak up. The President of the United States talks about Bain Capital all the time. Why doesn't he talk about the capital of Syria where thousands of innocent people have been tortured, raped, and murdered?

So Assad will fall, as the Senator from Connecticut and I have said time and time again. But how many more will die before the United States of America, first, speaks up for them and, second, helps with other countries to provide them with arms and an ability to defend themselves and a sanctuary—a no-fly/no-drive sanctuary—and work with other countries in the region, accelerating the departure of Bashar Assad.

I will make another point before I ask my friend from Connecticut to speak. It seems now that U.S. national security rests not with the decisions that should be made in the Halls of Congress and at the White House, but that the decisions concerning what actions the United States of America may take is now dictated by Russia and China in the United Nations. How many times have we heard the administration say: We would like to do more and have more happen, but Russia vetoes it in the U.N. Security Council?

Does that mean when these people are being massacred and are crying out for our help and moral support, because Russia vetoes a resolution—as they did today again, supported by China—in the Security Council, therefore we can do nothing?

Former President Clinton went to Kosovo without a United Nations Security Council resolution because he knew the Russians would veto any resolution concerning Kosovo. He went and we saved Muslims' lives. The administration continues to assume what they call a "Yemen solution" is possible in Syria. They believe that with Russia's backing, we can compel Assad and his top lieutenants to leave power

and the apparatus of the Syrian State will continue to function under new management.

I wish this could be so. Let me also point this out: I ask my friend from Connecticut, isn't it true that the predictions that the longer this conflict lasts, the more likely it is that extremists will come in and take this revolution, which began peacefully?

Isn't it true that our concern about weapons of mass destruction and the stockpile become more valid every day this goes on? Isn't it a valid assumption that Bashar Assad, in his desperation, may use these weapons against his own people, and the whole stockpile of those weapons becomes more and more tenuous by the day?

Isn't it true that the likelihood of further chaos, further inability to put that country and its people back together after this conflict is over and, as we agree, Bashar Assad relieved—but isn't it true that every day that goes by and he remains in power the situation becomes worse in all respects as far as American national security interests are concerned, whether it be weapons of mass destruction, whether it be Islamic extremists taking over that country and, by the way, including the continued Iranian presence in Syria propping up Hezbollah in Lebanon and all of the ramifications of their continued presence there?

I ask my friend, finally, doesn't this argue and cry out that rather than saying, well, what happened yesterday, that was good, and it shows Assad is on his way out—but doesn't this indicate it is now more in our interest to accelerate his departure, not with American boots on the ground but through moral, physical, and logistic support, working with our allies?

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Madam President, I say to my friend from Arizona, of course, I agree with him. The reality is that the premature judgment about the victory of the Syrian freedom fighters is exactly that—premature. The assassination, elimination of these critical leaders of this dictatorial government yesterday by the Syrian opposition was a very significant development.

Apparently, the fighting continues in Damascus in a way that may bring exactly what my friend from Arizona says—more chaos in Damascus. But this fight is not over. This regime has a devastating inventory of weapons, including weapons of mass destruction, and as the Senator from Arizona said, Bashar Assad's father used those weapons—in that case, chemical weapons—against his own people decades ago, killing thousands of them on a single day.

No, this fight is not over. The danger is that, as he said, it gets worse the more it goes on without the involvement of the civilized nations of the world that have to be led by the United States of America.

I want to put in juxtaposition two significant events of the last 24 hours,

which my friend has described. One is the suicide bombing, apparently, or the death of these leaders of the Assad government. Second is the vote in New York at the U.N. today. After months in which too much of the civilized world has been pleading with Russia and depending on Russia to change its mind and come in and get Bashar Assad out of there, this veto today shows they are not going to do it.

I will yield in a moment because I see the presence of the majority leader. First, I will finish this thought.

The reality is now that the figleaf has been taken off of the plan since it went into effect and allegedly brought a cease-fire in Syria, thousands more Syrians have been killed. The reality is that Russia will not join in trying to stop the slaughter in Syria, and the slaughter will only be stopped by facts on the ground, and those facts are military. It will not get better until the United States leads a coalition of the willing to support the opposition and bring about the early end of this horrific regime that now rules Syria.

With that, I yield the floor to the majority leader.

ORDER OF BUSINESS

Mr. REID. Madam President, there will be no further rollcall votes today. The next vote will be Monday at 5:30 p.m. on the nomination of Michael A. Shipp to be a U.S. district judge for the District of New Jersey.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Madam President, I thank the majority leader. I urge him, however possible, to bring up the Defense authorization bill, which I hope we can do sooner rather than later, as we have done for the last 50 years. I thank the majority leader.

Mr. REID. Madam President, I had a long conversation yesterday with the chairman of the committee and with his ranking member, Senator MCCAIN. I understand the importance of the legislation. I know Senator MCCAIN is trying to work to narrow the focus of what we do when we get on that bill. We will get on that; it is only a question of when.

Mr. MCCAIN. Madam President, I want to mention to my friend from Connecticut, as we continue this colloquy, there is another aspect of this that I would appreciate his comments on.

We all agree that Bashar Assad will go. We know that. Now, the question is how many will die, how many are wounded, how many are killed, and what happens to the weapons of mass destruction? I think we have established that the longer it goes on, the more those threats increase, and the more dangerous the situation becomes, the harder it will be to resolve once Bashar Assad does leave.

I also ask my friend from Connecticut, how will the Syrian people feel about the United States of America if we continue to sit by and provide

them not even moral assistance, much less the physical and logistical assistance the Senator and I discussed being necessary. Senator LIEBERMAN and I have been to Libya on numerous occasions. I was there at an exhilarating moment—at the time of their elections.

I can tell you firsthand from seeing a couple hundred thousand people celebrating that they are grateful to the United States of America for what we did. I wonder what the attitude of the people who will emerge as the new leaders of Syria—whoever they are—what their attitude will be toward the United States, I ask my colleague. Taking into consideration that the challenges that whoever takes over power in Libya will face are myriad, and there are incredible obstacles to a path to a free and democratic nation, that would cry out for American assistance, how willing and eager will they be for the United States to be engaged in any way in assisting them as they try to achieve the goal they have already sacrificed 17,000 lives for?

Mr. LIEBERMAN. Well, the Senator makes a very important point. Let me relate it back to one of the excuses that has been given for the United States not to have become more involved on the side of the opposition to Assad, which is the side of freedom, which is where our national values call us to be. One of the excuses for not getting involved is this argument: We don't know who is going to follow Assad. It could be Islamist extremists.

Well, my reaction to that is that the longer we sit back, the more likely it will be people who are not friendly toward the United States because in their hour of need—unlike the situation in Libya that the Senator just described—we were not with them. The Senator and I have been to Turkey together, and I made a trip to Lebanon. In each case, we talked to the leaders. In one case, in Turkey, we spoke to the leaders of the Syrian opposition, the Syrian National Council, and we met with the heads of the Free Syrian Army and met with individual refugees.

My own judgment is that these people are not extremists or radicals; they are patriots, nationalists, people who want a better life than they were living under Assad. Now, increasingly, they are people whose relatives or friends have been killed by Assad's military, and so they have a fury in them, an anger that they didn't have before because now they have been victims.

Now, can I say that there are no Islamist extremists who are now fighting in Syria against Assad? I cannot say that. I think the longer we stand back and don't partner openly and strongly with the Syrian freedom fighters, the greater the danger is that, one, extremists will be what follows Assad and, two, even if we are lucky enough and it is not extremists, it will be a leadership group that will not feel any particular sense of gratitude toward the United States because we

were not with them when they needed us.

Mr. MCCAIN. First of all, I wish to point out that I understand—as I know my friend from Connecticut does—the focus of the American people is on our economy, on jobs, and the severe recession we are in. But I say to my friend from Connecticut, I just wish every American could have been with us or had seen on film a recording of our visit to the refugee camp on the Turkish-Syrian border, with 25,000 refugees—I understand now that is up to 35,000 or 40,000 refugees—from Syria. These are people who have been driven out of their homes, living not in squalid conditions but certainly very crowded and unpleasant conditions. They are certainly not the same conditions which they enjoyed in Syria. I wish the American people could have seen when we met those young children who have been displaced from their homes or when we met a group of men who told us about watching their children being murdered in front of their eyes and of the young women who had been gang raped and hear the defectors from the Syrian military who told us their instructions are—in order to try to subdue the people—to torture, murder, and rape. We know from human rights organizations there are torture centers set up around Syria by the Assad military, where people are taken and, obviously, tortured.

The American people are the most generous people in the world. The American people, where we can, try to stop these kinds of atrocities and offenses that are against everything we stand for and believe in. I wish more Americans would know how terrible and dire this situation is for the average citizen and not just for those who are demonstrating but anybody who happens to be in one of these areas where the tanks roll in and the artillery starts firing and the helicopter gunships start slaughtering people in the streets.

I hope I am not saying this in a partisan fashion, but I wish the President of the United States would speak up for these people. That is the job of the President of the United States—to lead. I wish we in Congress would do more in order to help these people because that is a long American tradition. Yes, it may require some financial sacrifice and maybe materiel sacrifice on the part of the American people, but I think the cause is one of transcendent importance.

I wish to thank my friend from Connecticut for his compassion, his concern, and his commitment to these people who live far away.

Mr. LIEBERMAN. Madam President, I thank Senator MCCAIN for his leadership. This is one of those cases where we have the opportunity—and it is painful that we have not taken it over these many months of the uprising in Syria—not only to do what is right but to do what is best for our country diplomatically. In other words, what is

right is to be on the side of freedom, to be with the people fighting against a brutal dictator. That is the right thing to do. What is right is to enter this fight to stop the slaughter of innocent men, women and, literally, children. But there also happens to be a strategic opportunity.

I ask my friend from Arizona about this. Does he agree Syria's Assad is not only the best friend but the only friend and ally Iran has in the Middle East? Iran is our No. 1 strategic threat in the world today; the No. 1 state sponsor of terrorism, in a headlong effort to build nuclear weapons that will totally change the peace of the world if they get them. So here we have an opportunity not only to do what is morally right but to help overthrow the best friend of our worst enemy—Iran.

As the Senator remembers—we were there together—when GEN James Mattis, a great American military leader and head of Central Command overseeing the Middle East, said that if Assad is overthrown, it will be the worst setback Iran has suffered in more than a quarter of a century. That will, in turn, I think, open tremendous new possibilities in Lebanon, which has been under the Syrian-Iranian influence. Even in Iraq, where the new Iraqi Government has felt, I think, pressured on both sides from Iran and Iran's ally Syria on the other side, if Syria is not controlled by an Iranian puppet, I think we may see some more independence from Iraq that we would like to see.

I ask the Senator from Arizona if he agrees there is not just a moral imperative but an extraordinary strategic opportunity here to get in and shape history.

Mr. MCCAIN. I would say my friend from Connecticut is exactly right. Both he and I visited Lebanon recently, and the fact is that Hezbollah basically controls the government with a Prime Minister who is not Hezbollah but who was put into power by Hezbollah, and their country is basically gridlocked as well. If Syria goes, Bashar Assad goes. That connection between Iran and Hezbollah will be severed and the people of Lebanon will have a great opportunity to have what once was a very thriving democracy restored.

Finally, I would like to mention to my friend one of the things that surprises me from time to time as I have traveled to places such as Burma, whose people were recently freed. I met three men there who were in prison, one of whom had been there for 18 years and another for 22 years. When I have traveled to Libya, as I was for the elections the other day, when I have been in Egypt and I have met some of the young people who were part of the revolution, and in Tunisia, where we met the young people there and the new government there, much to my surprise, to some degree, they pay attention to what we say. They pay attention.

These three men who were imprisoned for over 20 years said: Thank you

for what you said. We listened to you in prison. The people in Libya on election night, waving little Libyan flags, were saying thank you. Thank you, America. Thank you. Thank you, Senator MCCAIN, for saying that. The people in Syria are listening and will find out what we are saying today on the floor of the Senate.

Does it matter much? I don't know. But the people in Syria know there are some of us who are committed and will not rest until this massacre stops, until these terrible atrocities cease, and that we will continue to do everything we can to provide them with the kind of moral assistance, which is a vital ingredient in continuing their resistance, and the materiel assistance which provides them the wherewithal to gain their freedom.

Mr. LIEBERMAN. I thank the Senator. I want to make clear, as we finish, what we are talking about.

What are we asking our government to do? We are not asking our government to put American troops on the ground in Syria. They do not need American troops. They have fierce patriotic fighters. What they need first from us is an open declaration that we are on the side of the Syrian opposition.

The second is, I believe they need us to organize a coalition of the willing, just as Senator MCCAIN said President Clinton did in the case of Kosovo, without the United Nations supporting it. Again, it was a Russian veto that stood in the way.

Mr. MCCAIN. President Clinton said his greatest regret was that we did not intervene in Rwanda, where some 800,000 people were massacred.

Mr. LIEBERMAN. Absolutely. So we have to learn from those lessons of history. There is a coalition of the willing waiting to be formed here, if only we in the United States will show leadership. Nobody is asking us and we are not asking for unilateral American action.

There is no question we have allies in the Arab world who are already involved in supporting the opposition in Syria—namely Saudi Arabia and Qatar, which would join us. I believe there may be one or more European countries that would join us. There are other Arab countries that would join us.

What are we asking? Let us increase the flow of weapons and training to the opposition. I think it is time for us to use American air power to at least impose a no-fly zone over Syria because the Syrians are now using gunships, and I fear they will begin to use fighters to attack their civilian population and create and spread the kind of fear they now depend upon.

It is a coalition in support of the opposition, it is weapons and training, it is sanctuaries where they can be trained and equipped, and it is the use of air power against this regime which I think will not only deal a devastating blow to their regime but will make the remaining supporters it has in the

military and in the business community despair and see the end is near and abandon Assad.

Have I stated correctly what the Senator from Arizona feels we want this government of ours to be doing now in regard to Syria?

Mr. McCAIN. I think the Senator is exactly right and has described it well.

There is an element also that adds more urgency, of which I know the Senator from Connecticut is very well aware; that is, that published media reports have talked about the fact that weapons of mass destruction—which, apparently, Bashar Assad has significant stocks of—have been moved around. For what purpose those weapons have been moved around is not known. But it is not an unbelievable scenario that, in final desperation, Bashar Assad would behave as his father did and use these chemical weapons and slaughter unknown numbers of people.

Again, that information lends urgency to bringing him down, to having it happen as quickly as possible, and that, of course, means the kind of engagement the Senator from Connecticut just described.

Mr. LIEBERMAN. I thank my friend. I feel disappointed we continue to have to return to the floor to make these pleas. I hope we come to a day soon when we come to the floor to celebrate the victory of freedom and the defeat of Assad the dictator. May it happen soon.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. WHITEHOUSE. Madam President, I ask unanimous consent that for the next half hour, myself, Senator MIKULSKI, Senator BLUMENTHAL, Senator COONS, and Senator BLUNT, and also, should they come, Senator GRAHAM and Senator KYL be allowed to engage in a colloquy.

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

CYBER AND CRITICAL INFRASTRUCTURE

Mr. WHITEHOUSE. Our topic is the urgency of the need to protect our privately held critical infrastructure—the power grid, the machines that process our financial transactions, and the communications networks that connect our BlackBerrys and our phones.

In this area, no one is more expert than Senator MIKULSKI, who is a senior member of the Senate Intelligence Committee, helped draft the Senate intelligence report on cyber, and has the pen as the cardinal for the budgets of most of the agencies that are relevant to this discussion. So let me lead immediately to Senator MIKULSKI, who

has been enormously helpful in this arrangement.

Ms. MIKULSKI. I thank the Senator from Rhode Island, a former member of the Intelligence Committee and an activist in this area.

Madam President and colleagues, I am happy to be on the floor with a bipartisan group of people who are really worried about our country, and we are worried about its survivability in the event of a cyber attack.

Cyber attacks are not the work of science fiction, though they were once written about. That which was once science fiction is now a hard reality that could cripple our country and bring it to the ground. We have to come up with the legislative framework to be able to protect dot.com and also be able to protect critical infrastructure. I am talking about something that could create catastrophic economic damage, severe degradation.

Why am I obsessed about it? Let's take the grid. There are those who say America runs on oil. BARBARA MIKULSKI says it runs on electricity. You cannot have a community without electricity. Look at what happened to us in this north capital region when, 2 weeks ago, we had this freaky storm. We nearly came to our knees. Metro couldn't function, stoplights were out, and communication went down. People didn't have access to many communications. Their homes were without electricity, food went bad, and tempers rose. We could not function as a community.

The good news is that no matter how late the utilities were in coming in to respond, they could turn the lights back on, they could turn the electricity back on. But I will tell you, in a cyber attack, that international predator will fix it so that we won't be able to turn it back on or not turn it on for hours, days, or weeks. Do you know what that means? They want to humiliate us, they want to intimidate us, and they want to terrorize us.

We have it within our hands to pass legislation that would bring the appropriate sources together for our privately owned critical infrastructure to be able to make the significant efforts, and I believe we need to incentivize them to be able to protect us. I don't want to wake up one day and find out America has been hit because of gridlock here. And I will tell you, if we are hit, we will overreact, we will overspend, we will overregulate, and we will go over the top.

I want to listen to my other colleagues, but we have to get off of our pet peeves here and move America to a safe result.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. BLUMENTHAL. Madam President, I am very honored and proud to follow the Senator from Maryland, who has been such an extraordinary leader in so many areas and, most prominently and recently, this one that involves the future of our country. I

thank the Senator from Rhode Island for his leadership and my colleague, Senator COONS of Delaware, because he has been at the forefront. This issue truly is bipartisan. Senator BLUNT has played a leading role, as have Senator GRAHAM and Senator KYL and, of course, Senators LIEBERMAN and COLLINS and Senator McCAIN, who was on the floor before, and Senator CHAMBLISS. This kind of amassing senatorial consensus reflects the urgency and immediacy of this problem. Our Nation is under attack.

I came today from a meeting with one of the major accounting and consulting companies in the United States, whose name would be immediately recognizable to you, and by happenstance, sheer coincidence, he said to me that his company is attacked literally 1,000 times a day. His company has information that is intensely valuable and private and has taken steps to safeguard itself. But the magnitude of this attack on this single company and others like it that may have intellectual property lost to this country if it gets stolen by hackers and by other nations reflects the seriousness and importance of this issue.

Time is not on our side. We must act immediately. The Senate must follow its duty and make sure we meet the challenge, No. 1, of bringing together all the stakeholders to enhance the resiliency of our critical infrastructure systems. Much of this infrastructure lies beyond the purview of the Federal Government. Cybersecurity is a major concern of both the government and the private sector. There must be a partnership between them; it is not for either to do alone.

Today, the computers that control energy and manufacturing, water, and chemical facilities across the country are connected via the Internet. None of them is an island. No one is an island in the Internet age. We are all under attack when any one of us is under attack.

I believe we have a path forward to strengthen protection of our Nation's network industrial control systems without heavyhanded regulation and in partnership with the businesses that own the systems. Many are already pursuing best practices. Many already are addressing this threat. And my hope is that the legislation coming forward as a result of the leadership by my colleagues here today will make sure these best practices become common practices and uniform to every industry so that access to controls and audits and monitoring is done systematically.

Finally, let me emphasize—and I think this point is especially critical to many who are watching this process today—we can make progress in strengthening the privacy and civil liberties protection in cybersecurity while preserving its underlying goal of safeguarding the Nation.

Americans have become aware of the need to protect online privacy. As I

have seen personally in my contacts with the citizens of Connecticut, they are outraged and fearful about frequent reports of massive data breaches and the theft of personal information as a result of the very hacking that threatens private industry and the government. Hacking and spear phishing attacks that have become a daily occurrence in our lives threaten our privacy, our financial integrity, and our security.

A recent United Technologies National Journal poll found that 62 percent of respondents believe that government and businesses should not be allowed at all to share information because it would hurt privacy and civil liberties. That same poll found that 67 percent of those surveyed said they were either very or somewhat concerned about threats to our country's computer networks. The two anxieties go hand in hand, they fit together, and we must find a path forward on this legislation reconciling these views.

I personally believe this cybersecurity is compatible with privacy protection and with the liberties—including the liberty to go to court and protect the individual rights—that are so integral and fundamental to our constitutional protections and American civil liberties. We can make sure adequate protections are in place.

Again, this task is one we must address—and address it now.

I again thank the Senator from Rhode Island, and I yield to him.

Mr. WHITEHOUSE. Let me welcome Senator BLUNT to the discussion and invite him to chime in now. He has been a very important voice in the bipartisan discussions on how we can find a proper way to protect American privately owned critical infrastructure. He is a consummately experienced legislator from the House and has been a great addition to the Senate, and we welcome him to the discussion.

Mr. BLUNT. I thank the Senator from Rhode Island for his kind comments.

I wish to comment on a couple of things that have been said, and one by my friend from Connecticut that there are competing concerns here and they don't need to be mutually exclusive at all.

When we talk about cybersecurity, we are not talking about the government somehow securing everything that happens in the cyber world; we are talking about, what are the things we can identify and agree on as critical infrastructure? There is a lot of security about what happens on the military cyberspace, dot-mil, and a lot of comfort about what happens in the government part, the dot-gov. What we are concerned about is what is outside those two networks that doesn't have the kind of protection those networks have, not about controlling everything—in fact, about defining specifically in the most limited way possible what is critical to the ongoing daily operation of the country. Senator MI-

KULSKI talked about that. She also said that if something happens, there is no telling what kind of legislation will pass. And I couldn't agree more with that comment in every way I can think of.

We are going to pass a cybersecurity bill at some time, I believe, in the not too distant future, and it will either be in the kind of environment the four Senators along with me here on the floor have been working to create, where we do this in the most thoughtful way, we do this in a way that has taken time to bring people together and have a discussion, or in a post-cyber attack moment, like a post-9/11 moment, and who knows what we might do. I think Senator MIKULSKI said wisely and rightly that it will go further than it should go and it will cost more than it should cost because then we are reacting, and that is what we need to avoid.

We can do this in the right way or the wrong way, and the wrong way would be waiting too long. The right way is to do this now. You don't have to be well read into the intelligence community. I have a chance to be on that committee with Senator MIKULSKI. I served on the House committee when Senator WHITEHOUSE was on the Senate committee and know they have long been advocates of securing this part of our vulnerability. But you don't have to be on the Intelligence Committee or even have access to the information that all Senators have to know that this is believed to be our greatest area of vulnerability. And why is it? Because it involves everything. It involves how we communicate, it involves how we get gasoline, and it involves how we power everything from the drinking water system to the electricity at home.

A windstorm created all kinds of problems. Two different 30-minute-or-so stops on the Metro system in the Washington area because the screen went blank caused all kinds of problems. Imagine that multiplied by whatever multiple you want to use, and the country would quickly not be functioning in any way—traffic in Washington, traffic anywhere in the country, trying to get from one gas station to the other only to find out that, by the way, the gas pumps don't work because the electricity is out and your car doesn't have enough gas.

This is a huge problem. How do we define that critical infrastructure, and how do we do that in a way that is the most responsible, as Senator BLUMENTHAL said, protecting civil liberties at the same time that we are carefully carving out that spot where government does have some obligation to make that area secure, and if we can do that in a way that encourages people to get into that environment.

One of the things Senator COONS has been talking about—a former local government executive who knows all of the impact of police and fire and the court system and everything else he

had to be responsible for, as well as his private sector work—has brought real value to this discussion. Somebody told me the other day, if you are in almost any kind of business, you have either been attacked, are going to be attacked, or you are being attacked right now as people are trying to figure out—maybe for malicious purposes, maybe just to see if they can do it—how they can get into your system. And Senator COONS has been so helpful in these discussions. I would like to hear what his thinking today is on this and where you are, talking about this on the floor.

Mr. COONS. I very much thank Senator BLUNT. Thank you for helping to contribute to the bipartisan, positive tone of our deliberations. I thank my friend, the Senator from Rhode Island, for his leadership both in today's colloquy and in pulling together the language and partners, and Senator MIKULSKI, who started off our conversation today by reminding us as Senator BLUNT has that it was a terrible storm in this area that knocked out power for a couple of days that gave a bracing reminder to the community around Washington, DC, just how much we rely in this modern economy of ours, on continuous, uninterrupted power.

That storm was an act of God. That storm was a random meteorological event. But as all of us have spoken—Senator BLUMENTHAL also commented on this—we know as Members of the Senate that there are daily efforts at attacks on the United States far more devastating, far more far-reaching than that transitory storm. For us not to act, for us to fail to act in a bipartisan, thoughtful, and responsible way would be the worst sort of dereliction of duty.

All of us have been in secure briefings with folks from four-star and three-letter agencies with the most central roles in our intelligence community, in our national security agencies. But this is not something that only those of us in the Congress know or only those in the higher reaches of executive branch leadership know. This is now broadly, publicly well known. The water is rising, the storms are coming, and we need to incentivize the private sector that is responsible for running most of our essential infrastructure to man the barricades, to fill the sandbags, and to take on the responsibility in a thoughtful, balanced, and responsible way of preparing for the wave of highly effective cyber-attacks that are currently underway and that will crescendo soon.

We have heard public comments that are remarkable. The Chairman of the Joint Chiefs, General Dempsey, has said an effective cyber-attack could literally stop society in its tracks. As Senator BLUNT mentioned, as a county executive I was responsible for emergency response, and all over this country cities, counties, and States are trying to understand how to prepare for the consequences of a cyber-attack.

We are not talking about trying to craft legislation that would deal with

every possible cyber harm, every possible cyber crime. We are talking about those few incidents that would be likely driven by a nation state or by a terribly advanced and sophisticated terrorist group that would strike at the very heart of what makes our modern society vibrant and that would have mass casualty consequences, dramatic impact on our economy, or wipe out whole sectors for days or weeks, such as a failure of the power grid.

This is not exotic. We just had another public hearing on the Energy and Natural Resources Committee and were warned yet again of what the Department of Homeland Security documented back in 2007 in their Aurora exercise, that our power grid, nationally interconnected, vital to the modern economy, is fragile, is vulnerable to cyber-attacks. We have seen this unfold overseas. The small Baltic nation of Estonia was the victim of a comprehensive cyber-attack. They saw also in 2007 banks, media outlets, government entities that collapsed, bank cards, mobile phones, government services over a 3-week period completely shut down.

Is there a real threat? Absolutely. Are we doing enough to face it? I don't think so. I don't think we have yet done enough. There is legislation that has been brought forward by a whole group of Senators led by Senators LIEBERMAN and COLLINS that I hope this body will turn to in the days ahead and find ways to balance. As Senator BLUMENTHAL said previously, we live in a country where we must continue to respect the powerful, passionate commitment to individual privacy and civil liberties. But I think we can, with narrowly targeted, appropriately crafted legislation that incentivizes and encourages the private sector, take on the role, appropriately informed by those from throughout Federal Government, to strengthen their defenses against these coming attacks. I don't think we have to make a choice between privacy and security and I do think we can give the private sector the tools to make our country safe and strong.

But those who view new cyber regulations as onerous, as burdensome, as overly expensive for the private sector, as threatening needlessly our privacy, have an obligation to come forward with a credible alternative before it is too late.

Today we are, frankly, leaving our country wide open to attack. As we recently heard in floor speeches by both Senator BLUMENTHAL and Senator WHITEHOUSE, when private sector companies, even the most technically sophisticated, are contacted by our government and told they have been the victim of a successful intrusion and attack, in nearly 90 percent of the cases they were utterly unaware. We need to strengthen information sharing. We need to develop robust standards of defense. We need to help invest in building up the infrastructure protection of

this country, and it is the most vital thing I can think of that this country could turn to.

Let me close with this for my moment, if I could. I had a chance to have lunch last week with Senator DANIEL INOUE. That was for me a great honor, a chance to sit with him and visit and ask his advice. He made one comment to me in closing. He is the only Member of this body who was at Pearl Harbor. He shared with me that in his view the next Pearl Harbor, the next unexpected massive attack that could hurt the United States, will come from cyber. It is our obligation to take that lesson seriously and to legislate in a bipartisan, thoughtful but swift and effective way.

So, I say to Senator WHITEHOUSE, I am grateful for his leadership of our efforts in this regard.

Mr. WHITEHOUSE, I agree with Senator COONS, and more important than me agreeing with him, the Secretary of Defense of the United States of America agrees with him. He has said, "The next Pearl Harbor we confront could very well be a cyberattack," and that is an exact quote.

I wish to turn back to Senator MIKULSKI for a moment, as the person who is in charge of the appropriations for these key agencies, because there is a sense in some quarters that if you leave the private sector on its own to do this, they will be fine. I think the evidence we have heard in a series of hearings that Senator MIKULSKI, Senator BLUNT, myself, and Senator KYL cochaired, bipartisan hearings—Senator COONS came to virtually all of them, and to their great credit Senator LIEBERMAN and Senator COLLINS came to virtually all of them—the testimony we heard was that was not the case.

Some of the public commentary, our Deputy Secretary of Defense Ashton Carter says:

There is a market failure at work here . . . companies are not willing to admit vulnerabilities to themselves, or publicly to shareholders, in such a way as to support the necessary investments or lead their peers down a certain path of investment and all that would follow.

That is a bipartisan sentiment. Mike Chertoff, who is the former head of DHS, said:

The marketplace is likely to fail in allocating the correct amount of investment to manage risk across the breadth of the networks on which our society relies.

Senator COONS pointed out 9 out of 10 of the companies contacted by the NCI JTF, when they became aware they were attacked, had no idea they had been attacked.

I will turn to Senator MIKULSKI to make her comment on this. It is a public-private partnership here.

Ms. MIKULSKI, I thank Senator WHITEHOUSE for what he said and the fact we really had a great study group, both sides of the aisle eager for information, eager to come up with the best policies.

Much has been said about the private sector. I talk to the private sector a lot

because of our work on the committees, and the private sector is looking for leadership. They are looking for a framework. They worry that overregulation could be both costly and strangulating; would we be so prescriptive that we mandate—first of all, that we mandate, and that we essentially mandate dated technology because this is a fast-moving, evolving field. They are looking for us to give a legislative framework where they could work with their government on what they want to bring to the table and feel free, because of certain proprietary concerns, to do it.

I talked to people who have responsibility for delivering power in Maryland. They are working. Edison Institute, which represents essentially the electric companies and the grid, would like us to have a framework. They want to be at the table. They want to know who is in charge, who do you call, what do you do in the event of an attack.

When you say to them how can we prevent the attack, they say that is where we need government, to tell us where you think we are heading, to bring the great Federal labs to bear with their ideas and how do you do this in a way that encourages not whatever government is going to do but voluntary efforts, but voluntary efforts with some teeth, some standards to be met—standards that are not prescriptive, that could be dated, but again the ever evolving of the state of science.

I think we have the elements. Where the problem is, is not do we know what to do, but the problem is are we going to do it and can we put aside where we make the perfect the enemy of the good. Colin Powell had a great phrase: "America always needs to seek the sensible center." That is what I am talking about here. I want to protect civil liberties. I certainly do want to protect civil liberties. But you know the first civil liberty is that you can turn your lights on, and when you go to bed you know your refrigerator is going to be working; the stoplights are going to be working when you wake up the next day; or if your child is at school or at camp, you are going to be able to get to that child, and that 911 is going to be working if you call 911. That is civil liberty. It means you can function in a free and democratic society but that you are not terrified that you are literally in the dark, you have no power politically, you have no power with electricity. It is all because we failed that.

I think we can do that. I think Senators LIEBERMAN and COLLINS have given us a great only starting point. I think to use the language of our future Super Bowl champions, the Ravens, which will happen, we are beyond the 50-yard line. We can do this.

I hope in the spirit we came here today, we need a sense of urgency, we need a bipartisan effort, and we need the will to serve America and put that interest first.

Mr. WHITEHOUSE. Senator BLUNT.

Mr. BLUNT. I think Senator MIKULSKI made the case so well here, too. When we looked at this, when we have gone through exercises, the power grid is where you go first because it is the most dramatic, I suppose. But there are so many other places you could go—the description of the financial networks. Suddenly business stops. I was making a list here. We were talking of the kinds of things that could be at risk through some kind of cyber-attack—everything from electromagnetic pulse attack to literally a cyber-attack that comes into these various networks.

There are 111 powerplants in Missouri. In our State alone, there are 111 powerplants. They are all in some way or another hooked into the grid. They can be disabled in a significant way. I was talking to a friend of mine who, during the last few days, was in West Virginia with their family. Driving to West Virginia, the electricity was out and they began to see abandoned cars because nobody could get to a gas station, and if they could get to a gas station, it was closed. So there were cars all over the place. That is assuming you can even get out of the traffic mess you would be in in more urban areas. But where would you go? What would you do? The desperation we understand. It would be something that is preventable if we prevent it. It is something that is preventable in ways that—particularly Senator WHITEHOUSE has been thoughtful in putting together ideas of how you encourage people to voluntarily want to get into this space, to where they have assistance that they would not otherwise have, where they have assurances that they have done everything they could do to prevent this from happening.

Frankly, if we do everything we can do to prevent this from happening, there is a chance it will not happen. But if we do not, there is certainty it will happen. We know that. I am glad my colleagues are here. I hope the Senate turns to this issue and we have a full and free debate because if we are united on this in a bipartisan way, that gives that sensible answer Senator MIKULSKI was talking about.

Senator WHITEHOUSE.

Mr. WHITEHOUSE. I thank the Senator from Missouri. I will wrap up by making three points and I will make them briefly. I have given remarks at greater length in these areas before so I think my position on this is pretty clear.

One is, protecting our critical infrastructure, the privately owned systems our way of life depends on, is the weak point we need to address. We do well with dot-mil, we do well with dot-gov. The government has the authority to provide all of its resources to protect those. We don't particularly care about ordinary Web sites, about chat rooms—we do not want to interfere with those anyway. It is just the critical infrastructure that is important, the pri-

vately held infrastructure. We really need to work on that. The warnings from our national security leaders are across the board: Secretary of Defense Panetta, NSA Cyber Command and Director Keith Alexander, Director of National Intelligence Clapper, Secretary of Homeland Security Janet Napolitano, Attorney General Holder, and Chairman of the Joint Chiefs of Staff Mark Dempsey have all clearly expressed the danger of this threat.

The second point, it is bipartisan. The former Director of National Intelligence and NSA Director Mike McConnell has said:

The United States is fighting a cyber-war today, and we are losing. It's that simple. As the most wired nation on Earth, we offer the most targets of significance, yet our cyber-defenses are woefully lacking. . . . [W]ith cybersecurity, the time to start was yesterday.

Former Assistant Secretary for Policy at the Department of Homeland Security Baker said:

We must begin now to protect our critical infrastructure from attack.

A great number of national security officials, bipartisan, wrote a letter to us in the Senate and said:

The threat is only going to get worse. Inaction is not an acceptable option.

Protection of our critical infrastructure is essential in order to effectively protect our national and economic security from the growing cyber threat.

As I said earlier in introducing Senator MIKULSKI, there is indeed a market failure that has been identified in a bipartisan fashion. The facts prove it because so often when public or private sector folks respond to an intrusion, they find 90 percent of the time the company had no idea it was hacked.

Even the Chamber of Commerce was hacked and had Chinese infiltrators with access to all of their computers for months. When the Aurora bug hit Google and others, only 3 out of 30 companies were aware of it. So the private sector does need a supportive government. We, in turn, from the government side have to make sure the burden is not unreasonable and make sure we are doing this in as light, as sensible, and voluntary as is possible and consistent with the mission of actually protecting our cybersecurity.

In the Bush administration, the Assistant Attorney General was Jack Goldsmith, who is now at the Harvard Law School. He has written about this very issue. He wrote:

[T]he government is the only institution with the resources and the incentives to ensure that the [critical infrastructure] on which we all depend is secure, and we must find a way for it to meet its responsibilities.

I thank Senator MIKULSKI, Senator BLUNT, Senator BLUMENTHAL, and Senator COONS for participating in this colloquy today. I thank our group and the group I just mentioned. In addition I would like to thank Senator KYL, Senator GRAHAM, and Senator COATS for the bipartisan work that has been done to try to find a way forward to protect critical infrastructure.

Again, I thank Senator BLUNT, Senator KYL, and Senator MIKULSKI for the series of private briefs and classified briefings that have helped build the momentum toward this effort.

I think we can get this done. It is essential we do. I appreciate the work of my colleagues in making this happen.

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

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. BLUMENTHAL). The Senator from Rhode Island.

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

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

GLOBAL WARMING

Mr. WHITEHOUSE. Mr. President, I come to the floor most every week to discuss the issue that I think is the one that Members of Congress in this era are most likely to be judged on in the future; that is, the relentless carbon pollution of our atmosphere that we are engaged in and the changes in our climate and in our oceans that are very visibly happening as a result.

I know there are many interests in Washington that would prefer us to ignore this issue, but just because they ignore it and just because they want us to ignore it doesn't mean it is going anywhere. The country, as we have heard in the last few weeks, has baked in record heat. I think it was Bloomberg News that described the Midwest farmers as farming in hell. It has been scorched by drought, driven by unprecedented wildfires, and that has resulted in an increasing amount of chatter in the news and even some conversation on the Senate floor about climate change.

Some have tried to say there is no relation, but I want to talk a little bit about the science of what we see happening around our country and around the world.

There is an interesting report that I would mention. I am not going to put it in the RECORD because it is too large. It is called "The State of the Climate in 2011," a special supplement to the bulletin of the American Meteorological Society.

What we see is that 2012 is shaping up to look a lot like 2011, which Deputy NOAA Administrator Kathryn Sullivan called "a year of extreme events, both in the United States and around the world." The report I just showed is a peer-reviewed report. It was compiled by 37 scientists from 48 countries.

As explained by Dr. Sullivan, and I quote her:

Every weather event that happens now takes place in the context of a changing global environment. This annual report provides scientists and citizens alike with an analysis of what has happened so we can all prepare for what is to come.

Here are some of the highlights from the American Meteorological Society report. The first generally is that

warm temperature trends are continuing. Four independent datasets show 2011 was one of the 15 warmest years since recordkeeping began in the late 19th century, and yet one of the coolest since 2008. The average temperature for 2011 was higher than the 30-year annual average temperature. The Arctic continued to warm at about twice the rate compared with lower latitudes.

On the opposite pole, the South Pole Station recorded its all-time highest temperature of 9.9 degrees Fahrenheit on December 25, Christmas Day, breaking the previous record for warm weather around the South Pole by more than 2 degrees.

So the warm temperature trends continue. The other major finding of the report is that greenhouse gases continue to climb. Major greenhouse gas concentrations like carbon dioxide, methane, and nitrous oxide continued to rise. Carbon dioxide steadily increased in 2011, and the yearly global average exceeded 390 parts per million for the first time since instrumental records began. This represents an increase of 2.10 parts per million over the previous year.

I would note that the Arctic sampling stations have for the first time in history recorded concentrations over 400 parts per million. That is an ominous number because the Arctic tends to be the leading edge for these indicators. There is no evidence that natural emissions of methane in the Arctic have increased significantly during the last decade, so they have not yet contributed to this steady increase. But there could be significant increases of methane in the future as the tundra thaws and as methane captured under the permafrost is released.

Arctic sea ice is decreasing. Arctic sea ice extent was below average for all of 2011 and has been since June of 2001. It is a span of 127 consecutive months through December of 2011. Both the maximum ice extent, which was 5.67 million square miles on March 7, and the minimum extent, 1.67 square miles on September 9, were the second smallest measurements for maximum and for minimum of the satellite era.

A fourth finding is that sea surface temperature and ocean heat content continue to rise. Even with La Nina conditions occurring during most of the year, the 2011 global sea surface temperature was among the 12 highest years on record. Ocean heat content measured from the surface down to 2,300 feet deep continued to rise since records again being taken in 1993, and ocean heat content was at a record high.

In addition to putting 2011 into the context of these longer trends and timelines, the researchers from NOAA and the U.K. Meteorological Office also examined the link between climate change and extreme weather events that occurred in 2011. Here is what they say:

In the past it was often stated that it simply was not possible to make an attribution

statement about an individual weather or climate event. However, scientific thinking on this issue has moved on and now it is widely accepted—

Widely accepted—

that attribution statements about individual weather or climate events are possible, provided proper account is taken of the probabilistic nature of attribution.

So let me be clear. It is still not correct to say that any weather event specifically is or is not directly caused by climate change. However, what these researchers have done is evaluate methods to see if the probability of this event occurring has changed by a particular percentage given the changing climate. Have we, in effect, loaded the dice in our atmosphere to make extreme weather events more likely? And not only have we loaded the dice, but how loaded are the dice? How are the odds changing?

This paper evaluated six events from last year, and here are some of those findings:

La Nina-related heat waves such as that experienced in Texas in 2011 are now 20 times more likely to occur during La Nina today than during La Nina years 50 years ago. So we have loaded the dice for these events to happen during the La Nina years by a factor of 20. That is a pretty heavy increase.

Researchers evaluated a very warm November that the United Kingdom experienced in 2011. They found that warm Novembers are now 62 times more likely for the region. Again, not only are the dice loaded for unusual weather events, they are loaded with big numbers.

The next month, December 2011, was very cold. Researchers found that cold Decembers were 50 percent less likely to occur now versus 50 years ago.

Moving on to 2012, I wish to mention another event that happened this week. On Monday, researchers at the University of Delaware and the Canadian Ice Service reported that a 46-square-mile chunk of ice broke off from the Petermann Glacier on the northwest coast of Greenland. This piece of ice is two times the size of Manhattan. In August 2010, a piece four times the size of Manhattan separated from the glacier. This most recent breakoff of the Petermann Glacier puts the glacier's end point where it has not been for 150 years.

Andreas Muenchow, a researcher at the University of Delaware, said:

The Greenland ice sheet as a whole is shrinking, melting and reducing in size as a result of globally changing air and ocean temperatures and associated changes in circulation patterns in both the ocean and the atmosphere.

When we change the temperature, we change the circulation patterns. Those go hand in hand.

Relatedly, an article published in Science magazine examined data from not the Arctic areas but the tropic areas from coral reefs around the world. The researchers concluded that sea levels during the last warming pe-

riod, which is most similar to today's climate, were roughly 18 to 30 feet higher than today. That is about 6 to 10 feet higher than previous estimates had projected. The likely culprit: more melting of the Greenland and Antarctic ice sheets than was previously assumed.

All of this evidence, these changing trends and emerging science evaluating increased probability of extreme weather events, ought to be enough for us to consider limiting our greenhouse gas emissions. It ought to be enough of a warning for us to stop what is presently an uncontrolled experiment that we are conducting on our planet. We should do this while we still can.

Yet, unfortunately, there are special interests in Washington who deny that carbon pollution causes global temperatures to rise; deny that melting icecaps destabilize our climate so that regions face extreme drought or outsized precipitation events; deny that they have any responsibility to do anything about this. These special interests have a strong grip on Washington and on Congress. They pretend to us and to the American public that the jury is actually still out on climate change caused by carbon pollution, that we should wait, we should let them continue with business as usual and wait for the verdict to come in. Well, they are wrong. The jury is not still out. The verdict is, indeed, in, and their claims to the contrary are, frankly, outright false.

This is a pattern, actually, that has manifested itself with other industries in the past. The lead paint industry, the tobacco industry, and others have all had legions of scientists who have been willing to manufacture enough doubt about the danger of the product—tobacco is safe to smoke, lead paint won't hurt children, that sort of thing—so as to delay public safety action that would protect the public from their product. They obviously have a motive in doing that because they want to keep selling their product and keep making profits, but the cost has been terribly high to the public when we have listened to that kind of science. Unfortunately, we are listening to that now again. We should not be fooled. The vast overwhelming bulk of scientists agree that climate change is happening and that human activities are the driving cause of this change.

When I give these talks, I often refer to a paragraph from a letter we received in Congress in October of 2009. The letter was very powerfully stated, particularly when we consider the cautious way in which scientists ordinarily couch their findings. Here is what the letter said:

Observations throughout the world make it clear—

clear is the word they use—

that climate change is occurring, and rigorous scientific research demonstrates that the greenhouse gases emitted by human activities are the primary driver. These conclusions are based on multiple independent lines of evidence—

And they close with this—
and contrary assertions are inconsistent with an objective assessment of the vast body of peer-reviewed science.

In other words, if we look at the peer-reviewed science, the body of science, objectively, one cannot reach those conclusions. Those contrary assertions are inconsistent with an objective assessment. Clearly, subjective assessments are different, but subjective assessments we should discount because of the motives that lie behind them.

The letter I just quoted was signed by an enormous number of very prestigious scientific organizations, from the American Association of the Advancement of Science, to the American Chemical Society, the Geophysical Union, Institute of Biological Science, Meteorological Society, Society of Agronomy, American Plant Biologists, the Ecological Society of America, the Organization of Biological Field Stations, Soil Science Society of America, and an immense group of very respectable organizations not gathered together for the purposes of argument about climate change but who have a responsibility to their scientific communities to be accurate. These are highly esteemed scientific organizations. They know the jury is not still out. They know that the verdict is, in fact, in and that it is time we did something about it. It is really irresponsible and nonsensical for us not to.

The science on this goes back to the Civil War. It was a scientist named John Tyndall, an Irish scientist practicing in England, who determined that carbon dioxide and water, when they were trapped in the atmosphere, had a blanketing effect and would trap heat in the atmosphere—the basic principle of global warming.

In 1955, the year I was born, a textbook called “Our Astonishing Atmosphere” said the following:

Nearly a century ago, scientist John Tyndall suggested that a fall in the atmospheric carbon dioxide could allow the Earth to cool, whereas a rise in carbon dioxide would make it warmer.

If that was century-old information the year I was born, then I think it is entitled to some credence around here.

Of course, we are observing these changes. Let me put one into context, and then I will yield the floor. That one is that 390-parts-per-million figure I alluded to earlier. For the last 8,000 centuries—800,000 years—we have been able to measure what the range was of carbon dioxide in the Earth's atmosphere, and for all that period, 800,000 years, it has been between 170 parts per million and 300 parts per million. So 170 to 300 is the range. So when we are out of that not by a little bit but by a lot—we are already to 390, and in the Arctic we have hit 400—this is measurement, by the way, not theory—that is something to be worried about because when we look back at history, before 800,000 years ago, back into previous geological events, we find that

these high carbon concentrations are associated with really dramatic die-offs, very hostile environments for human occupation.

Of course, we have never had that experience because we have really only been around on this planet for probably less than 200,000 years. We only started scratching the soil, planting things and developing agriculture, 10,000 years ago. So 800,000 years ago is a long time, and the safe bandwidths our species has developed within during that 800,000 years is something that we should not be so frivolous about flying outside of to the tune of now hitting 390 parts per million. There will be consequences that will be grave.

We are already seeing consequences that are grave. Our ocean is acidifying in unprecedented ways. If we are looking for a first catastrophe to ensue, it is as likely to be through the acidification of our oceans as it is through climate and through the damage that an acidic ocean can do to small creatures, particularly those at the very bottom of the food chain, the ones all the others eat. Let me put it this way: It is a hard thing for an animal to succeed and survive in a physical environment in which it is soluble.

So I see a colleague on the floor, and I will yield to him. I appreciate the attention of the Senate to this issue, and I hope the day will come soon when we can wrench ourselves free of the grip of the special interests and do something serious about this looming threat.

I thank the Presiding Officer, and I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

PROGROWTH TAX REFORM

Mr. HOEVEN. I rise today to discuss the need for progrowth tax reform. I came to the floor last week, I have been here this week on the subject, and I am here again today to talk about the need to get started and get going right now on the progrowth tax reform that will unleash private investment in this country and help us grow our economy and create jobs for the more than 13 million people we have unemployed today.

The current Tax Code changes at the end of the year. If we fail to act, the current Tax Code changes. That is a fact. Simply put, tax rates go up. The income tax rates rise. Capital gains taxes go up. The death tax goes up.

Today, we voted on a measure regarding outsourcing. Its goal was to encourage U.S. companies to invest and hire workers in the United States rather than overseas. But, at best—at best—that is a piecemeal approach. The reality is, the tax increases that will occur at the end of the year will do far more to drive investment and employment overseas than any measure like the one we considered today. Those increases to the tax rates on small businesses across this country will have a much bigger impact than any single measure like the one that was offered today.

So think about it. By not extending the current tax rates, we will have a business climate that makes it harder to do business in this country. It seems to me that makes the solution pretty simple. Let's extend the current tax rates for 1 year, and let's set up a process to engage in progrowth tax reform that will empower small businesses—millions of small businesses across this country—to do what they do best; that is, to invest and hire people, to put Americans back to work.

The question is, Why aren't we doing it? By setting up a process to undertake comprehensive, progrowth tax reform over the next year, everyone has a chance to provide their input and to provide their ideas, to offer their legislation, Republicans and Democrats alike. In fact, formats have already been proposed, formats such as Simpson-Bowles, Domenici-Rivlin, groups such as the Gang of 6 and others that have put forward different concepts. So there is absolutely no reason to wait.

The question is not are we or are we not going to do it. The reality is, we have to do it. The reality is we have to do it to get our economy going. So let's get started. President Obama needs to join with us in this effort. Look at our economy. Look at the statistics since President Obama took office.

Unemployment. We have 8.2 percent unemployment. Unemployment has been over 8 percent for 41 straight months. We have 13 million people in this country unemployed—13 million people in this country looking for work—and we have another 10 million who are underemployed; that is, 23 million people either unemployed or underemployed.

Middle class income. Middle class income has declined from approximately \$55,000 annually to \$50,000 since the current administration took office.

Food stamps. Food stamp usage has increased dramatically, from 32 million recipients to 46 million recipients.

Home values. Home values have dropped. Home values have dropped, on average, from \$169,000 to \$148,000.

Economic growth. GDP, gross domestic product, growth is the weakest for any recovery since World War II.

Job creation last month. Mr. President, 80,000 jobs were created. But it takes 150,000 jobs each and every month just to keep up with population growth to actually reduce the unemployment rate.

So these facts speak for themselves. These are the facts. The President's approach to our economy is making it worse, and his failure to join with us to extend the lower tax rates and engage in progrowth tax reform is sitting on our economy like a big wet blanket. But we can change that. We can change that right now. We can change that by extending the current tax rates and by together, on a bipartisan basis, with the administration, joining in a process to put in place progrowth tax reform and at the same time getting control of our spending.

Business investment and economic activity would respond immediately. Look at the latest information from the Congressional Budget Office, the CBO. The CBO projects the economy will contract—will contract—by 1.3 percent on an annualized rate for the first 6 months of next year, meeting the definition of “recession” if the fiscal cliff we now face is not addressed. Overall, the economy, based on the CBO projection for next year, would grow by only one-half of 1 percent for the entire year. That compares to a 4.4-percent growth rate for next year if the fiscal cliff is avoided.

Granted, that fiscal cliff includes not only addressing the tax increases that would go into effect but also sequestration. But we have put forward ideas to address sequestration as well. Clearly, the tax piece is a huge part of what drives that difference in economic growth—the difference between one-half of 1 percent and over 4 percent economic growth next year.

Think of what that means in terms of employment to the people who are looking for a job. Think of what that means in terms of growth in the economy and revenue growth to help address our deficit and our debt. All that stands to reason because business needs certainty. Business needs certainty to invest, to grow, to hire more people.

With legal, tax, and regulatory certainty—not more government spending but with legal, tax, and regulatory certainty, businesses in this country will invest and grow and put people back to work. There is more cash, there is more private capital on the sidelines now than ever before in our history. With the uncertainty about what the Tax Code is going to be, that investment will continue to be sidelined rather than deployed in ventures that will create jobs.

The longer we go, the more uncertainty. That means slow economic growth; that means higher unemployment; that means more people out of work rather than finding a job; and it means less revenue to help reduce our deficit and our debt. Clearly, that is not the way to go.

President Obama, however, says: But wait a minute. Everyone needs to pay their fair share. So he is proposing tax increases on that basis. Of course, everyone needs to pay their fair share. But the way to ensure that gets accomplished is with progrowth tax reform and closing loopholes. That is exactly what we have proposed—not by raising taxes on more than 1 million small businesses across this country, which is what the President has proposed.

Let's extend the current tax rates for 1 year. Let's set up a process to pass comprehensive, progrowth tax reform that lowers rates, closes loopholes, that is fairer, that is simpler and that will generate revenue to reduce our deficit and our debt through economic growth rather than through higher taxes. In reality, that is the only way

we will get our economy going, and that along with controlling our spending will reduce our deficit and our debt and it will put Americans back to work.

Leadership is all about finding common ground. President Obama needs to join with us to find common ground on this issue. We have offered it. We are offering it right now. I hope the President will join with us in this endeavor. It is simple. It is straightforward. It is what the American people want and what they need and we need to get started right now.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. 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. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business.

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

CAMPUS DEBIT CARDS

Mr. DURBIN. Mr. President, there was a troubling report recently released by the U.S. Public Interest Research Group. It is entitled “The Campus Debit Card Trap.” The report from PIRG documents how colleges and universities across the country have signed deals with financial service companies to provide campus debit cards and prepaid credit cards to students.

Sometimes these debit cards are linked to a student checking account, and many times the school's name will appear on the card. In some cases, the student ID card is turned into a bank debit card. We are also seeing colleges and universities make deals in which banks issue prepaid debit cards to make financial aid disbursements to students.

When they are managed appropriately, debit and prepaid cards can be a good thing for students. It can give them an effective way to conduct transactions and receive their student aid payments. But, unfortunately, as the PIRG research found, some of these campus debit card arrangements raise some serious questions.

Why did the U.S. PIRG title its report, “The Campus Debit Card Trap”? You guessed it. Many students are being charged unreasonable fees that are costing them millions of dollars. According to the U.S. PIRG report, 15 financial institutions have debit or prepaid card contracts with 878 campuses that serve more than 9 million students. It is a big business. Forty-two percent of all students nationwide go to school on these 878 campuses.

It is a lucrative business for financial institutions. There is a lot of money to be paid from fees on college debit cards, especially when they start

charging fees on the billions of dollars disbursed each year in Federal student aid. So the Federal money is passing through these cards to the students. The financial institutions are making money in the process.

As the U.S. PIRG report shows, some of the fees being charged are clearly unreasonable. One of the most egregious fees is a per-transaction fee on students for using a PIN number on debit purchases instead of a signature. One of the largest campus debit card companies, Higher One, currently charges students 50 cents every time the student enters his PIN number at a checkout. PIN-based transactions are supposed to be more secure than signature transactions. But this deal actually penalizes the students for using PIN numbers which are supposed to be more secure.

Another unacceptable fee is the ATM balance inquiry fee that some banks charge. This penalizes students who check on their balances to make sure they do not overdraw their accounts or incur an overdraft fee. Why would you discourage a student from checking on their balance so they do not overdraw their account?

Some banks charge inactivity fees, when a student is charged \$10 a month if they are not using the account after 6 months. In other words, if the student is not using the card, racking up fees by making purchases, the financial institution still charges \$10 each month. So it is going to get the money either way.

Of course, there are mysterious fees such as Higher One's \$50 lack of documentation fee. That is what they call it. They recently abandoned this. And not to mention the obscure and unreasonable overdraft fees that some institutions charge.

Not only do those fees eat away at the limited money these students have for books, food, and living expenses, but these fees also cut into taxpayer-subsidized student aid dollars.

Student aid should be used to aid students, period, not banks. We should not allow financial institutions to take a slice off a taxpayer-subsidized student aid disbursement through unreasonable fees. We should not have debit card deals between financial institutions and colleges that leave students holding the bag.

Colleges and universities should negotiate for the students, for the best deal for them; the lowest fees, the best consumer protection. We need these deals to be fully transparent. Students often think: Wait a minute. If the university is recommending this bank or this school ID or this debit card, then it must be approved by the school.

The terms of the deal ought to be clear to the student so they can make the right choice. In addition, if the school receives incentives or kickbacks for providing exclusive access to the students, there is an inherent conflict of interest that at least ought to be disclosed.

I wrote a letter, along with Senator JACK REED and Congressman PETER WELCH, calling on the 15 financial institutions mentioned in the PIRG report to immediately discontinue several of the worst fees that were highlighted and disclose their contracts with colleges and universities. I am pleased that some financial institutions are responding to this PIRG report, but more needs to be done.

Fortunately, there are colleges and universities out there that are ready to step up. Soon after the PIRG report came out, I met with the president of a university in Illinois that uses prepaid Visa debit cards to disburse title IV student aid. Students at this school were being charged some of the fees that were mentioned in the PIRG report, such as the inactivity fee and a fee for checking on the balance on their account.

When I alerted the president of the university to these fees, he immediately responded and agreed that he thought that was unreasonable. He said he will work to promptly address this issue for the benefit of the students.

I hope other leaders of colleges and universities who try to convince students and their families that they are truly their friends will be their friends when it comes to these debit cards. In the days to come, I am going to work with the regulators at the Department of Education and the Consumer Financial Protection Bureau and with the higher education and financial communities to take the tricks and traps out of the campus debit card programs.

Let's give our college students who are already borrowing money, deep in debt, struggling to pay their bills a break. Let's not increase the debt they are going to carry out of school, trying to enter into the job market. I thank my colleagues who are already working with me on this. I urge others to join me.

VA CAREGIVER PROGRAM

Mr. President, since last July, the Veterans' Administration's Caregivers Program has been providing the families of severely disabled Iraq and Afghanistan veterans with the support they deserve to care for their loved ones. I would like to mark the 1-year anniversary of this program by taking a few minutes to talk about its impact on families across America.

The Caregivers Program was originally conceived by then-Senator Hillary Rodham Clinton. She came up with this notion to help those caregivers who were staying at home with disabled veterans, many of them parents and spouses, who make considerable sacrifices to make sure their disabled vet has the very best love and care in the place they want to be, right in their home.

Sometimes it is a hardship, not just the medical requirements but sometimes the financial requirements. So we passed the Caregivers Program, originally conceived by Senator Clinton. With the assistance of Senator

AKAKA, it became the law of the land. Here is what it said: For the veterans of Iraq and Afghanistan who came home with a disability and needed a caregiver to make sure they could go about their daily routine, we would say first to the caregiver, we are going to provide you with the medical training you need so you can take care of this vet in terms of their personal needs.

Secondly, we will provide you with a respite. If you need time off to go spend a few days somewhere to rest and relax and recharge your batteries, we will find a nurse or someone to come in and take care of that vet so you can have a little time to yourself.

Third, if there is a final need, an economic hardship, we pay up to \$3,000 a month—not a huge sum of money—but up to \$3,000 a month to the caregivers who are willing to help. I just had a group of wounded warriors in my office the other day. They talked about what this meant to some of these families. It meant whether their homes would be foreclosed upon. So when you think about it, the alternative is institutional care for these veterans, not nearly the level we want, the kind of care we would want to have. Instead, they are home with someone they love at a fraction of the cost of institutional care. We are just giving a helping hand to the caregivers.

So let me show a couple of photographs because these are some stories that I think are important for everyone to know about. This is a family I know pretty well. They are from North Carolina. Eric Edmundson served in the U.S. Army. Eric is shown with his wife Stephanie, his daughter Gracie, 7 years old, and his baby son Hunter, who is almost 2 years old. Eric served in the Army and was injured, and during the course of surgery, there were complications. He ended up a quadriplegic, unable to speak. They almost gave up on him. They talked to his father about sending him, at the age of about 24, into a nursing home. His dad blew his stack and said: You are not going to do that to my boy. He got on the Internet and started asking questions and ended up with Eric being admitted to the Rehab Institute in Chicago. That is where I met them, this North Carolina family. His dad said: My son will get the best care no matter what. Because he worked so hard and pushed so hard, Eric got the care he needed.

I can remember visiting him in his hospital room and saying that I want to come back from time to time to see how he is doing in Chicago. I came back a few weeks later, and his mom said Eric had a gift for me.

I said: For me, a gift? What is it?

She said: I will show you.

His mom and dad walked to the side of his wheelchair, lifted him up, and he took three steps. There wasn't a dry eye in that room. There were tears of joy all the way around. This man who had been given up on was taking steps. His mom and dad said: He is supposed

to check out on Memorial Day, and he will walk out of the front door of this hospital in his full dress uniform. Can you be there?

I said I wouldn't be anywhere else. So I came, as did the mayor of Chicago and a lot of press, and watched Eric walk out of that hospital. It was one of the happiest days I can ever remember. His wife Stephanie was waiting with his daughter Gracie, and they moved back to North Carolina. His mom and dad gave up their business and devoted their lives to him. They are living with this family to make sure Eric has a life. They have a brandnew baby boy.

I have visited at their home. It is one of those stories where local vets and good people said: We will build you a home at no expense so you can get around in your wheelchair.

It is a terrific, wonderful story of a brave family who worked hard to give Eric a life, and all the neighbors and friends have helped sustain him.

I can tell you that Eric's story went a chapter further. His dad came to me and said: Have you ever heard of the caregivers bill Hillary Clinton had introduced?

I said no.

He said: She is leaving the Senate to be Secretary of State, so would you take a look at it?

I said I would. As a result of that, I worked with Senators AKAKA and INOUE and the President, who signed it into law. As a result, families just like the Edmundsons will get the helping hand they need, like Eric got the kind of care he needed. The Iraq war is over, but his struggle will continue. We want to make sure he has the loving care he needs throughout his life.

Let me tell you about another family from Clinton, IL. I don't have a photo. It is Nathan Florey and his caregiver mother Deanna.

Nathan was a military police officer in Iraq, and he suffered an aneurysm while on duty in 2008. His recovery took 15 months. At one point it was suggested that Nathan should go to a group home. His mother refused to allow that to happen and said: No, send him home with me. She has taken care of him ever since. They were told that Nathan might never wake up, regain consciousness, but he exceeded everyone's expectations. He has received an associate's degree and is working on a bachelor's degree. Deanna says the caregiver program gives her a support system so that she doesn't feel like she is caring for Nathan alone.

This is a common refrain. Another caregiver named Beth, whom I spoke with this spring in downstate Illinois near Marion, pointed out that this support from the caregivers program gave her the flexibility to be able to care for her husband full time.

These are the kinds of families we want to help with this program. When we started, we thought a few thousand Iraq and Afghanistan families might qualify. As it turns out, these signature wounds that lead to this type of

care are more prevalent than we thought and families' hearts are even bigger than we imagined. So far, 5,153 families have qualified for the caregivers program. Think about that. They have taken the training to provide quality care for their loved ones in the comfort of their own homes. This includes Deanna and Beth and 129 other families in my State, and I will bet there are some families in Minnesota.

This is an interesting and amazing story as well. This is a family from Oak Lawn, IL. This is Yuriy and Aimee Zmysly in the center of the photo. I was connected with the Zmyslys several years ago after I read about them in a Chicago newspaper. They became strong advocates for the caregivers program, spreading the word about it in Illinois, including at this event in Chicago last fall.

Yuriy was a marine serving in Afghanistan and Iraq. In 2006, he came back to the United States for surgery at the military hospital, where he suffered complications from a burst appendix and was left with a severe brain injury. When she got the news, Aimee drove to the hospital and put her whole heart and life into caring for Yuriy. At the time, they weren't married, but Aimee said she made her commitment to him before this. They got married after he suffered this grievous injury. The Zmyslys qualified for the caregiver program last summer. As Aimee told the Sun Times in an update to their story, "It's good to be recognized for what I've been doing and other people have been doing for years."

Let me close with a brief update on Eric Edmundson, whom I started talking about. His father Ed tells me in a recent note that enrollment in the program went smoothly—the caregivers program. His wife Beth, who gave up her health insurance when she left her job to care for her son, now has her health insurance back thanks to the program. And Eric is doing great as well. He is back hunting and fishing. He can literally go hunting. He loves it so much. And he can also fish with his dad. He recently completed a multistate hunting trip sponsored by the Wounded Warrior Project. Eric also received the 2011 Pathfinder Award from Safari Club International in recognition of the way he has explored life undeterred by his injuries. As part of the award, he is going to head to South Africa in September to hunt big game. Who would have imagined that this young man, abandoned by our system, which said he would virtually spend the rest of his life alone in a nursing home, now has such a full life?

His father said in his note to me, "Eric works through his challenges. He will not be disabled by them—always a warrior."

I am pleased that the caregivers program has been able to help veterans in America—over 5,000 in Illinois, North Carolina, and everywhere. I encourage anybody who is following this statement on the floor of the Senate and

knows of an Iraq or Afghanistan veteran who may qualify for the caregivers program to get more information at www.caregiver.va.gov.

CROP INSURANCE

Mr. President, last Sunday I went to Gardner Township outside of Springfield and met with a group of farmers to talk about the drought. We were across the street from a cornfield, and I have seen these since I was a little kid. If you looked at it driving by, you would think it was just another cornfield. The farmers took me into the cornfield, and we started looking at the corn and stalks. It is a disaster.

The drought has really taken its toll. As of last week, my entire State is suffering through at least a moderate drought, and 33 counties have been declared to be in severe drought. They have joined 1,000 other counties in 26 States that have already been declared disaster areas by the U.S. Department of Agriculture. Some people think it is the worst drought we have had in 25 years. I am afraid they could be right. Nobody knows better than our farmers, which I learned when I made this visit. Some of this corn crop is going to be flatout lost. They chop it off at ground level and let it dry out and try to feed it to the livestock. But it will get worse if the drought continues. We need rain and need it desperately—not just a little rain but a level of consistent, meaningful accumulation.

The primary tool available to producers to help them get through this is crop insurance. Taxpayers help the Crop Insurance Program by subsidizing about 62 percent of the premiums, but it is a better deal than disaster payments, which are unfortunately massive in amount and don't reward good conduct. The basic Crop Insurance Program rewards those producers who are trying to protect themselves from these outcomes.

I talked to Secretary Vilsack with the Department of Agriculture last week. I know they are watching this disastrous situation across Illinois and the Nation as, unfortunately, it increases. The benefits that are available to local farmers are low-interest loans they can take out to get through this while waiting for the crop insurance payout. These farmers don't want a handout, but they have no choice. They have to get through this year so they can get into next year. The loans are not going to solve the problem, but they will help address them.

There is a political thing we can do. I wish we would pass a bill to create rain, but we obviously can't. We did pass a farm bill. Sixty-four Senators, Democrats and Republicans, voted for the farm bill. Senator STABENOW of Michigan and Senator ROBERTS of Kansas, a Democrat and a Republican, worked through a bipartisan bill when most people said they didn't have a chance. They did it and did a great job. They sent it to the House. The House, unfortunately, has not been able to move the farm bill.

This is like the story we heard on the Transportation bill. Here is a bill that is critically important for farmers, many of whom are facing disasters like the drought now, and the House needs to get moving. I hate to put pressure on the House, but that is what Senators do to House Members, and they try to do the same to us. If they fail to pass a farm bill, it will reduce the opportunities to help our farmers through this drought.

So I am encouraging all Members of the House of Representatives, Democrats and Republicans, to at least vote on the Senate bipartisan bill if you can't come up with a bill. It will give us a chance to help producers in rural America facing a natural disaster. As they face these natural disasters, we should not create political disasters to make it worse.

I call on the House of Representatives, before you leave for the August recess, pass a farm bill, get to conference, and get the job done.

I yield the floor.

Mr. JOHNSON of South Dakota. Mr. President, I rise today to discuss the urgency that is growing with each passing day for the House to take up and pass the farm bill. Most Senators in this body have a constituency that is being impacted by the worsening drought conditions, which is currently affecting 61 percent of the landmass of the continental United States. I have seen a growing frustration among my colleagues, myself included, with the lack of action on the part of the House of Representatives.

The Agriculture Reform, Food and Jobs Act of 2012, which is the Senate's version of the farm bill, contains an extension of the critical livestock disaster assistance programs, and would ensure that this assistance would apply to losses experienced this year. The bill also contains a new commodity program which would serve to supplement crop insurance.

Unfortunately, if we do not complete a full reauthorization by the end of September, producers are at risk of not having this assistance available to them. Our disaster assistance programs, which we authorized in the 2008 farm bill, expired on September 30, 2011, and so they will not be available unless the House leadership brings up the farm bill for immediate consideration. We need to move the process forward so that we can get to a conference committee and complete a full reauthorization by the end of September.

Continued unwillingness of the House leadership to bring the farm bill up for consideration puts my producers at risk. The uncertainty of how the House will proceed led me to join last week with Senators BAUCUS, TESTER, and CONRAD in introducing standalone legislation to extend the Supplemental Revenue Assistance, SURE, program, the Livestock Indemnity Program, LIP, Livestock Forage Program, LFP, and the Emergency Livestock Assistance Program, ELAP, through the current crop year. While the farm bill that

we passed through the Senate last week includes the livestock disaster programs and a new commodity program to supplement crop insurance, the House has not given any indication that it will move the reauthorization process forward. As such, we introduced this standalone disaster assistance bill as another option for ensuring assistance is available for our producers.

There are a lot of things in the House farm bill that I do not like, but that is why we have a process in place to work out differences between the House and Senate versions. Ideally, the House should just bring up and pass the Senate bill, which passed last month with wide bipartisan support, so we can give our producers some certainty and the assistance they need.

EXECUTIVE SESSION

NOMINATION OF MICHAEL A. SHIPP TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Executive Calendar No. 663, which is the nomination of Michael A. Shipp of New Jersey.

The PRESIDING OFFICER (Mr. FRANKEN). Without objection, the clerk will report the nomination.

The assistant legislative clerk read the nomination of Michael A. Shipp, of New Jersey, to be United States District Judge for the District of New Jersey.

CLOTURE MOTION

Mr. REID. Mr. President, I sent a cloture motion to the desk with respect to the Shipp nomination. In fact, it may already be there.

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

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of Michael A. Shipp, of New Jersey, to be United States District Judge for the District of New Jersey.

Harry Reid, Patrick J. Leahy, Sheldon Whitehouse, Patty Murray, Jeff Merkley, Richard Blumenthal, Christopher A. Coons, Mark Udall, Joseph I. Lieberman, Tom Harkin, Bernard Sanders, Debbie Stabenow, John F. Kerry, Barbara A. Mikulski, Jeanne Shaheen, Richard J. Durbin, Al Franken.

Mr. REID. I ask unanimous consent that the mandatory quorum under rule XXII be waived.

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

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now resume legislative session.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that we proceed to a period of morning business and that Senators be allowed to speak therein for up to 10 minutes each.

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

TRIBUTE TO KATHRYN LANDRETH

Mr. REID. Mr. President, I recognize and honor Kathryn E. Landreth for her distinguished service from 2005 to 2012 as the State Director of the Nevada Chapter of The Nature Conservancy.

Under Kathryn's leadership, The Nature Conservancy—Nevada Chapter has maintained its focus on its core mission to conserve lands and waters on which all life depends. Kathryn was first drawn to The Nature Conservancy for its commitment to science-based information to reach collaborative outcomes for conservation. She was instrumental in working with important partners to establish the Ash Meadows National Wildlife Refuge and protect the desert tortoise habitat. Kathryn's vision and leadership also helped the Chapter acquire Independence Lake—one of the most pristine alpine lakes—complete the Whit Hall Interpretive Center and complete restoration work at the McCarran Ranch and Lower Truckee River. In Western Nevada, the Chapter completed the restoration of the Carson and Truckee Rivers to improve wildlife habitats and water quality.

I have had the good fortune of working with Kathryn and The Nature Conservancy in Nevada and nationally on legislation that impacts our Federal wild lands heritage. She and The Nature Conservancy have been important partners in successful efforts to protect Nevada's unique landscapes; their advocacy has led to the protection of over 1 million acres across the Silver State.

Prior to her work with The Nature Conservancy, she was appointed by President Clinton in October of 1993 to serve as United States Attorney for the District of Nevada. Kathryn served as a tough and effective prosecutor and established a fine legal reputation.

Due to her impressive and dedicated work, her efforts have not gone unacknowledged. The Nevada Chapter of the National Association of Social Workers previously recognized her as Public Advocate of the Year, the State Bar of Nevada named her Public Lawyer of the Year, and the Las Vegas Chamber of Commerce recognized her as a Woman of Distinction in Government.

I am tremendously proud of the legacy that she has imprinted on the State of Nevada. Thank you, Kathryn, for your extraordinary service as a

leader and advocate for conservation and justice.

RECOGNIZING ST. BERNARD HOSPITAL

Mr. DURBIN. Mr. President, for the past several years much of the conversation about health care in Washington has been a war of words. Today I would like to talk about a hospital in my home State that is seeking to better the lives of the women in its community, not simply with words but with action.

This month, St. Bernard Hospital in the Englewood neighborhood in Chicago, announced it would provide 150 free mammograms for women. The mammograms will be for women who are over the age of 40 and do not have health insurance.

For those who may not know, Englewood is a neighborhood in Chicago that struggles with high levels of crime and unemployment.

The mammograms will be offered as part of the Metropolitan Chicago Breast Cancer Task Force's "Screen to Live" initiative. The Task Force was created in 2007, after a landmark study by the Sinai Urban Health Institute found that the mortality rate from breast cancer for African American women in Chicago was 68 percent higher than white women.

That startling statistic is not unique to Chicago.

According to the American Cancer Society, African American women nationally have the lowest survival rate from breast cancer of any racial or ethnic group. Not surprisingly, the study found poverty and a lack of health insurance are also associated with lower breast cancer survival.

It is this disparity that led St. Bernard President and CEO, Sister Elizabeth Van Straten, to offer the mammograms. St. Bernard Hospital is not a wealthy hospital. But this gift of 150 free mammograms to the community will save lives. And this partnership between St. Bernard's and the Metropolitan Chicago Breast Cancer Task Force should be applauded.

This brings me to the Affordable Care Act.

The lesson to learn from St. Bernard's effort is that preventive care matters. Because survival often hinges on early detection, the Affordable Care Act has made preventive services free. In fact 54 million Americans, including 2.4 million in Illinois have received preventive services from their insurance company at no cost. In 2011, 1.3 million people on Medicare in Illinois received free preventive services. And starting next year, States will receive an increased share from the Federal Government to cover preventive services for people on Medicaid.

This effort to bring preventive services to millions of Americans across the country will no doubt save lives.

I want to acknowledge the outstanding people at St. Bernard's and

the Metropolitan Chicago Breast Cancer Task Force who made this happen. I am proud to be their Senator.

REMEMBERING WILLIAM RASPBERRY

Mr. COCHRAN. Mr. President, my State of Mississippi and the American journalism community have suffered a great loss with the death of William Raspberry. As a widely respected writer, his articles were refreshing in their depth of understanding and even handed reporting of the perils and triumphs of politics and government.

I ask unanimous consent to have printed in the RECORD an article from the Clarion-Ledger in Jackson, Mississippi, written by Sid Salter.

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

[From the Clarion-Ledger, July 18, 2012]

RASPBERRY'S AMAZING LEGACY REACHES BEYOND JOURNALISM

(By Sid Salter)

When I learned of the death of longtime Washington Post columnist William Raspberry, I was immediately reminded of a conversation I'd had with him in 2005 in his hometown of Okolona. Raspberry, who logged 40 years writing commentary for the Post and saw his work syndicated nationally in over 200 newspapers, died at age 76 at his Washington home of prostate cancer on July 17.

Raspberry won the 1994 Pulitzer Prize for commentary and was then only the second African-American writer afforded that honor.

I had met Raspberry several times over the years at conferences, but never spent much time with him until 2000 when he became the first African-American journalist inducted into the Mississippi Press Association's Hall of Fame. In 2005, after learning of the early childhood education/intervention effort he was personally funding in Okolona, I asked him to meet me there and to tell me about his vision for changing the game for disadvantaged children in a town with a poor track record in public education.

Prior to the interview, I asked him if it bothered him that in 2000 he had been the first black MPA Hall of Fame inductee and that coming some six years after winning the Pulitzer. He reflected on the question, then said: "No, not really. One thing one learns growing up in the segregated South is patience. I was pleasantly surprised when the honor came and I was glad that my mother lived to see it, but my career had taught me that change comes ever so slowly."

One area in which Raspberry lost his patience was early childhood education. Raspberry's solution was program he funded and founded called Baby Steps in Okolona. The Baby Steps Program has been a partnership between columnist William Raspberry, the Okolona Area Chamber of Commerce, the University of Mississippi and the Barksdale Reading Institute. Other key community partners include a number of Okolona and Tupelo churches and local volunteers. "The (Baby Steps) basic idea is that all parents, no matter how unsuccessful they might have been in school, want their children to succeed academically—even if many of them don't know how to make that happen," Raspberry wrote in his nationally syndicated Nov. 17, 2003, column in The Washington Post.

"We propose to teach them. The text for the effort is Dorothy Rich's "MegaSkills"—a set of 11 attitudes and competencies that she believes lead to success in school and in life . . . the idea is to train the parents themselves, as they children's most effective teachers, to pass these MegaSkills along to their children."

On that day in 2005 in Okolona, I joined Raspberry at the Hazel Ivy Child Care Center—Ground Zero for the Baby Steps program in Okolona—along with two of the city's other day care centers. Raspberry arrived at Ivy's center and was greeted not as one of the nation's premier journalists, but as a neighbor and friend called "Bill."

Raspberry cut his journalistic teeth covering the Watts Riots in Los Angeles in 1965 and wrote passionately about the violence that gripped Washington, D.C., for a time. But in many ways, Raspberry never forgot his Mississippi upbringing and the inspiration of his schoolteacher parents. He was an advocate of self-reliance and hard work.

In 2005, I asked Raspberry to define his legacy in journalism: "I'm at an age where legacy becomes important. I'd like to leave something behind other than yellowing newspaper columns, something that people can carry forward. At the end of the day, I'd like to be remembered as someone who always tried to make clear the things that were pulling us apart and tried to ameliorate it, to point out that we're not as far apart as folks would have us to believe."

Bill Raspberry's place in American journalism is assured, but Mississippians would be wise to claim our part of this good man's distinguished personal and professional legacy.

HONORING AMERICA'S VETERANS AND CARING FOR CAMP LEJEUNE FAMILIES ACT

Mr. NELSON of Florida, Mr. President, it has been 31 years since Camp Lejeune officials became aware that toxic compounds were found in the drinking water at the North Carolina base. It has taken 31 years for countless water tests, analyses, investigations, studies, and reports to be conducted so we can finally vote on H.R. 1627, a bill that will give thousands of Marine veterans and their families the health care they deserve after suffering from illnesses caused by this water contamination.

Almost 1 million people at Camp Lejeune were exposed to drinking water that was poisoned with cancer-causing industrial compounds, including trichloroethylene—a metal degreaser, tetrachloroethylene—a dry cleaning solvent, benzene and vinyl chloride. For almost 3 decades people who lived and worked at the base were drinking, cooking, and bathing in water with these toxic chemicals, which medical experts have linked to birth defects, childhood leukemia and a variety of other cancers.

There are over 181,000 people currently registered on the Camp Lejeune water contamination website registry, which is the critical information link for the Camp Lejeune veterans, civilians, and their families who may have been exposed to water contaminants. Next to North Carolina, Florida has the second highest number of reg-

istrants with over 15,000. Every single State has residents registered on the Camp Lejeune website, and every Member of the Senate has constituents who have been affected by this water contamination.

Some scientists have been calling this one of the worst public drinking-water contaminations in our Nation's history. Some of the most vocal supporters of the Camp Lejeune victims are from my State of Florida. I am happy to tell them that we are finally doing right by those harmed while serving our country. Thanks to the dedication of these folks, the full impact of the contamination is being exposed.

I have pressed the Navy for all the facts surrounding the incident, and have advocated for conducting the right studies so those affected and their families can get more information on the possible association between their exposures and current and future health effects. The Agency for Toxic Substances and Disease Registry has been assessing the effects of exposure to drinking water containing volatile organic compounds since 1993. This Agency is also conducting an investigation, at the request of Congress, to determine the health effects of exposure to this drinking water. And the Department of Veterans Affairs already employs mechanisms to prevent fraudulent claims.

We are finally fulfilling our duty to protect our Nation's veterans and families who have sacrificed so much. After 55 years, they will finally get the medical coverage they are owed.

Finally, I would like to applaud my colleagues in the Judiciary Committee Senators LEAHY and GRASSLEY, for shedding some light on this water contamination issue.

Mr. GRASSLEY. Mr. President, I am pleased that Chairman LEAHY and I were able to help with the effort to look at the issue of water contamination at Marine Corps Base Camp Lejeune in North Carolina. In particular, in June, we sent a letter to the Department of Defense, which has resulted in it producing more than 8,500 documents to the Judiciary Committee.

I know that Senator BURR and others have been leaders with the effort to look into the situation at Camp Lejeune.

Every member of the Senate should be aware of the situation at Camp Lejeune.

The drinking water contamination that took place over several decades at the base was one of the worst environmental disasters in American history.

Camp Lejeune was designated a Superfund site by the Environmental Protection Agency (EPA) in 1988 after inspections confirmed contamination of the ground water due to the migration of hazardous chemicals from outside the base and inadequate procedures to contain and dispose of hazardous chemicals on the base.

Residents of every State, who previously lived or worked at the base, have been impacted by the contamination.

Indeed, more than 180,000 current and former members of the armed services and employees at the base have signed up for the Camp Lejeune Historic Drinking Water Registry. By registering, individuals who lived or worked at the base before 1987 receive notifications about the contamination.

The Camp Lejeune registry includes residents from all 50 States. 1,121 Iowans are among them. It's estimated that more than 750,000 people may have been exposed to hazardous chemicals at the base.

The numbers don't fully reflect the impact of the disaster at the base. There are real people behind those numbers.

In March, as part of the Judiciary Committee's annual oversight hearing on the Freedom of Information Act, we heard the testimony of retired Marine Master Sergeant Jerry Ensminger. He was stationed at Camp Lejeune with his family and told us of the battle his daughter, Janey, fought with leukemia for two-and-a-half years, before she died at the age of nine. He also told us of the difficulties that he and others were having getting information from the Department of Defense.

The men and women of the armed services protect us every day. We should never take them or the sacrifices that they and their families make for granted.

We in Congress have an obligation to do everything that we can to support them in their mission.

That's why I'm a cosponsor of the Caring for Camp Lejeune Veterans Act, which was introduced by Senator BARR in 2011. That bill, a version of which passed by unanimous consent in the Senate yesterday, will help to provide medical treatment and care for servicemembers and their families, who lived at the camp and were injured by the chemical contamination.

Unfortunately, the Department of Defense has not been forthcoming with information about the contamination at Camp Lejeune.

That's troubling, especially coming from the administration that proclaims itself to be the "most transparent administration ever."

As we all recall, on his first full day in office, President Obama declared openness and transparency to be touchstones of his administration, and ordered agencies to make it easier for the public to get information about the government.

Specifically, he issued two memoranda written in grand language and purportedly designed to usher in a "new era of open government."

Based on my experience in trying to pry information out of the Executive Branch and based on investigations I've conducted, and inquiries by the media, I'm disappointed to report that President Obama's statements in

memos about transparency are not being put into practice.

There's a complete disconnect between the President's grand pronouncements about transparency and the actions of his political appointees.

The situation with the Camp Lejeune documents is just another example of that disconnect. The documents should have been produced long ago.

The recent letter that Chairman LEAHY and I sent from the Judiciary Committee had to be sent because the Defense Department refused to produce documents in response to a March letter signed by six senators and three members of the House of Representatives. Chairman LEAHY and I had also signed that March letter.

The March letter had to be sent because of complaints that Congressional offices had received about the Navy's refusal to disclose documents needed for scientific studies of the contamination at Camp Lejeune. It was also needed because of claims that the Navy is improperly citing exemptions under the Freedom of Information Act to withhold documents related to the contamination.

So, while I'm pleased that there was a bipartisan effort to obtain these documents, I'm disappointed by the stonewalling and by the hurdles that were put up by the administration.

Transparency and open government must be more than just pleasant sounding words found in memos. They are essential to the functioning of a democratic government.

Transparency is about basic good government and accountability—not party politics or ideology.

Throughout my career I have actively conducted oversight of the Executive Branch regardless of who controls the Congress or the White House.

I'll continue doing what I can to hold this administration's feet to the fire with Camp Lejeune and where ever else I find stonewalling and secrecy.

Thank you. I yield the floor.

LEADERSHIP ALLIANCE 20TH ANNIVERSARY

Mr. REED. Mr. President, twenty years ago, Brown University, located in my home State of Rhode Island, established the Leadership Alliance, a national academic consortium of leading research universities and minority serving institutions with the mission to develop underrepresented students into outstanding leaders and role models in academia, business, and the public sector. Brown University and its partner institutions have continued to address this pressing national need.

The National Research Council recently published a report titled "Research Universities and the Future of America" that included a call for ten "breakthrough actions." Two of these actions involve reforming graduate education and creating pathways into the fields of science, technology, engineering, and mathematics (STEM) for

women and underrepresented minorities. That is what the Leadership Alliance has been striving to do since 1992.

Through an organized program of research, networking and mentorship at critical transitions along the entire academic training pathway, the Leadership Alliance prepares young scientists and scholars from underrepresented and underserved populations for graduate training and professional apprenticeships. Leadership Alliance faculty mentors provide high quality, cutting-edge research experiences in all academic disciplines at the Nation's most competitive graduate training institutions and share insights into the nature of academic careers.

In the 20 years since its establishment, the Leadership Alliance has established a strong track record of success. More than half of the students who participated in the Summer Research Early Identification program enrolled in a graduate level program. Leadership Alliance institutions graduated approximately 25 percent of all doctorates in the biomedical sciences degrees to underrepresented minority students between 2004 and 2008, making it a leading consortium grantor of PhD degrees in the biomedical sciences in the United States.

Since founding the Leadership Alliance in 1992, Brown has mentored 386 scholars, of whom 35 percent have attained a graduate level degree. Nearly half of the students who participated in its Summer Research Early Identification program completed a graduate level degree. A majority of the Leadership Alliance doctoral degree recipients are in the STEM disciplines.

The Leadership Alliance is a model for identifying, training, and mentoring underrepresented minorities who are poised to expand and diversify the base of the 21st century workforce. I am pleased today to recognize the importance of such efforts and acknowledge the continued dedication of institutional leaders, faculty members, and administrators across the United States who provide training and mentoring of underrepresented students along the academic pathway. As such, I congratulate and commend the Leadership Alliance, including Brown University, for 20 years of contributing to creating a diverse and competitive research and scholarly workforce.

Mr. CASEY: Mr. President, today I would like to acknowledge the great work of the Leadership Alliance during its 20th anniversary. The Leadership Alliance is a consortium of 32 leading colleges and universities that aims to train, mentor and inspire a diverse group of students from a wide range of backgrounds to enter competitive graduate programs and research careers. This admirable goal of expanding access to high-quality programs is supported by the consortium's shared resources and vision.

I would especially like to acknowledge the program at the University of Pennsylvania, which is one of the

Leadership Alliance founding members and the only member in Pennsylvania. According to the university, the Leadership Alliance complements Penn's broader strategic vision of increasing diversity within its graduate student body and faculty. As it seeks to prepare leaders and role models for service in academia and the private and public sectors, the Leadership Alliance disseminates best practices in recruitment, mentoring and career development. With 20 years of experience in developing and sharing these essential techniques, the Leadership Alliance has helped to provide the Nation with a more diverse and globally competitive workforce. I wish to congratulate the Leadership Alliance on its 20th anniversary and thank its leaders and scholars for their significant contributions.

Mr. WHITEHOUSE. Mr. President, I am proud to rise today to honor the Leadership Alliance, which was founded 20 years ago in 1992 at Rhode Island's Brown University. It has grown to become a consortium of 32 of our country's leading higher education research and minority serving institutions, working together to bring students from underrepresented groups into competitive graduate programs and professional research careers. Through training and mentorship, the Leadership Alliance opens doors for our best and brightest young people to become the innovators of tomorrow.

During its 20 years, the Leadership Alliance has mentored more than 2,600 undergraduates, including 43 Rhode Islanders. These students are offered the unique and exciting opportunity, through the Summer Research-Early Identification Program, to participate in a 9-week paid summer internship where they work side by side with faculty in the academic discipline of their choice at some of our leading research institutions. They then present their research to the annual Leadership Alliance National Symposium. This summer experience gives the students the opportunity to expand their intellectual horizons, as well as network with academics and their peers. The program has produced nearly 200 PhDs, the Leadership Alliance Doctoral Scholars, along with professionals in private research and academia.

It is vital for our country's continued competitiveness in the world that we seek to inspire our young people to innovate and experiment, to push the boundaries of our current knowledge. The Leadership Alliance has recognized that mentoring is key in order to ensure that students from all backgrounds feel that they have access to graduate education and know that they have peers in research. The innovative programs the Leadership Alliance has created over 20 years have not only allowed these students to increase their own opportunities academically and professionally, but allowed past students to become role models themselves.

I congratulate the Leadership Alliance, Brown University, and the other participating colleges and universities, as well as academics and students, past and present, who through 20 years have shown their commitment to American education, leadership, and innovation.

ADDITIONAL STATEMENTS

TRIBUTE TO EDWARD J. HAMILL

• Mrs. MCCASKILL. Mr. President, today I wish to pay tribute to Edward J. "Eddie" Hamill, who is retiring on July 31, 2012 after more than three decades of exemplary service to the U.S. Department of Agriculture Farm Service Agency. On July 17, the Missouri Farm Service Agency, FSA, held a reception for Eddie recognizing his service. Today, I would like to stand to honor his contributions to agriculture and the people of Missouri.

Eddie is a lifelong Missourian who has served the people of Missouri through his work at the Farm Service Agency since 1979. In addition to his dedicated work at the Farm Service Agency, Eddie's passion for public service is evident in his willingness to serve beyond his normal workload. He is active in the Perry Lion's Club, Mark Twain Young Farmers, Missouri Cattlemen's Association, Missouri Farmer's Union, and serves as a member of the Ralls County Health Department Board of Directors. On top of all this, Eddie operates a family farm with 1,200 acres of cropland and pasture for a cow-calf herd.

In July 2009, Eddie was appointed by President Obama to serve as the State Executive Director of FSA, responsible for overseeing the delivery of the income support, disaster assistance, conservation and farm loan programs. With more than 100,000 farms, Missouri agriculture employs nearly 250,000 people. Immensely productive and highly diverse, it is the backbone of Missouri's economy. The task of ensuring that Missouri's farmers and ranchers have the tools they need to provide for our families and communities is vital.

During his tenure as Missouri FSA Director, Eddie has worked tirelessly to ensure the agency is doing everything it can to properly serve our State. With nearly 100 offices in counties throughout the State, the local Farm Service Agency office is where Missouri farmers turn for assistance. A husband, father of four, and a farmer himself, Eddie believes in improving economic stability for Missouri farmers one family at a time. From the letters that have come in to my office from Missourians expressing the importance they place on their local Farm Service Agency office, the value of his approach and dedication is clear.

Perhaps nowhere has the value of Eddie's leadership been clearer than in response to the devastating natural disasters Missouri agriculture has faced. From the devastating flooding we experi-

enced along the Missouri River, to the catastrophe at Birds Point, to this year's crippling drought conditions, Eddie and the entire Missouri Farm Service Agency staff have answered every call to help.

I am happy today to pay tribute to Eddie Hamill. He stands out amongst public servants, and he has my thanks and surely that of all Missourians for his service to our State. I wish congratulations and good luck to him and his entire family. •

REMEMBERING HIRAM HISANORI KANO

• Mr. NELSON of Nebraska. Mr. President, today I wish to pay tribute to a historic figure in Nebraska who helped this country through troubling times in a battle against racism, hatred and fear and in pursuit of justice and equality.

Hiram Hisanori Kano was born in Tokyo, Japan, in 1889. When former Presidential candidate William Jennings Bryan traveled to Japan, the Kanos, as part of the Imperial family, hosted his visit. Their visitor from the west sparked in young Kano an intense desire to travel to the United States and especially to Bryan's home state of Nebraska.

As the story is told by James E. Krotz during the Annual Council Eucharist at the Church of Our Savior in North Platte, NE, in 1916 Mr. Kano came to America, where his skills were put to good use in helping the many young Japanese who were immigrating to the United States to farm. He came to America and quickly earned a Masters Degree in Agricultural Economics at the University of Nebraska. In the years that followed he served as organizer, translator, teacher and spokesman for Japanese immigrants living in Nebraska.

Just 1 year after his graduation from the University, Kano faced his first challenge when the Nebraska Constitutional Convention assembled in Lincoln in 1919. The purpose was to update the State constitution to reflect the monumental social, economic and political changes brought about by World War I. A number of bills were introduced that would have discriminated bitterly against Japanese immigrants. One would have prohibited aliens from owning land, inheriting farmland, or even leasing land for more than 1 year. Since the Japanese did not have the right to become naturalized citizens at that time, these laws would have excluded them entirely from farming, except as hired laborers.

Mr. Kano left his farm in rural Nebraska and hurried off to the State capital, where he testified before the Judiciary Committee. "In Nebraska," he told them, "there are about 700 Japanese, including Nisei [American citizens born to Japanese immigrant parents]. There are about 200 Japanese farms, mostly raising sugar beets along the North Platte River. Nearly all are

tenant farmers whose skill and hard work satisfies their landlords and the sugar company. Japanese living in towns or cities mostly operate cafes and restaurants, with the help of their employees. They are friendly and cooperative with their neighbors, sharing their joys and sorrows." Mr. Kano was successful in persuading the Nebraska Legislature to vote against the anti-Japanese bills, which went down in defeat.

Several years later, Mr. Kano joined with Bishop George Allen Beecher to defeat a similar bill and came up with a compromise. Bishop Beecher, an Episcopalian, was obviously impressed by Hiram Kano because in 1923 he descended on the Kano farmstead unannounced and asked Mr. Kano to serve as a missionary to the Japanese immigrants living in western Nebraska. Already a deeply committed Christian, though not an Episcopalian, Kano was profoundly moved; and in 1925, he left his farm and traveled to Mitchell, NE, to begin Bishop Beecher's missionary work among the Japanese.

Kano was ordained Deacon in 1928 and continued in that order for 8 years. He served as pastor of St. Mary's church in Mitchell and also served the Japanese mission in North Platte. For the next 12 years, Deacon Kano served as an agricultural consultant, English teacher, advocate, friend and pastor to the Japanese in the Platte Valley. In 1936 he was ordained priest and continued his tireless ministry.

On December 7, 1941, the Japanese Imperial Navy attacked Pearl Harbor in Hawaii. American reaction against Japanese immigrants was swift and harsh. Father Kano was arrested by agents of the Federal Bureau of Investigation that very afternoon on the steps of his church in North Platte.

Despite the protests of their many friends and without regard for their exemplary behavior, the Japanese were severely treated and some even sent to prison camps. Father Kano spent time in five different camps. There he continued his ministry, calming the fears of his people and giving them strength through knowledge. Through what he called the "Internment University," he helped hundreds of Japanese Americans learn to read, speak, and write English. Following his release from custody, Father Kano returned to his mission with the church.

It was not until the Walter-McCarran Act of 1952 that Father Kano, then 63 years old, could become a naturalized citizen. By then, he had worked 33 years in service to his country, his people, and his church.

The Reverend Hiram Hisanori Kano died on October 24, 1988, at the age of 99. Each year, the Episcopal Church in Nebraska and in Colorado celebrates the life and ministry of Father Kano on the anniversary of his death. As a layman, Father Kano was a quiet, persevering warrior in the battle against the evils of racism. He was a champion for his people in the struggle for justice

and peace, respected as he fought for the dignity of every human being.●

POLITICS AND GOVERNMENT

● Mr. ALEXANDER. Mr. President, on July 11, I addressed the Fund for American Studies annual Congressional Scholarship Award Dinner here in Washington. I ask consent to have this transcript of my remarks printed in the RECORD.

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

Very often, young people say to me, "How can I get involved in politics and government?" Tonight there are at least 85 of you here who are young and may be wondering about that, so I'm going to tell you exactly how to do it.

Here's the secret formula: Pick someone whom you admire. Volunteer to help carry their bag, write their speeches, do anything they ask you to do that's legal. Watch what they do, watch what they do well, watch what they do wrong, and learn from it. That's the way I would suggest to get involved in politics and government.

Now, back when I was governor, I made a speech and my late friend Alex Haley, the author of *Roots*, was in the audience, and he came up to me afterwards and said, "Lamar, may I make a suggestion to you?" And I said, "Of course Alex." He said, "When you start a speech, if you will just say 'Instead of making a speech, let me tell you a story,' people might actually listen to what you have to say." So instead of making a speech, let me tell you some stories to illustrate my secret formula for how to get involved in politics and government.

I'm going to mention three of my mentors, and I think it's important for you to know that I had no special connection to these three who helped me get involved in politics and government.

When I was running for president some years ago, the *New York Times* wrote an article that said, I grew up in a small town in lower-middle class family, in a small town on the edge of the mountains in Tennessee. And, when I called home later in the week to talk to my mother, I found her reading *Thesalonians* to gather strength on how to deal with this slur on the family. She said, "Son, we had never thought of ourselves in that way. You had a library card from the day you were three, you had music lessons from the day you were four. You had everything you needed that was important." So I had everything I needed that was important, but to these three men, who helped me so much, I had no special connection at all.

The first was John Minor Wisdom. Toward the end of my third year at New York University Law School, I didn't know what to do and the dean of the Law School said, "Would you like to clerk for Judge Wisdom in New Orleans?" And I said, "Well of course, he's one of the best in the country." He said, "There's one hitch, he's already got a clerk and he's only allowed one." So I said, "Well how do I get to be a clerk?" He said, "He has a position of messenger that pays \$300 a month, and if you'll take the job as messenger he'll treat you like a clerk." So, I took it. I drove down to New Orleans—the Harvard guy got a clerkship, and I was the messenger. Of course, Judge Wisdom treated me like a clerk and I had a wonderful year. I did get tired of making so little money, so I went down to Bourbon Street and got a job playing trombone, washboard and tuba at a place called "Your Father's Mustache," and

that's how I got started with Judge Wisdom. So, if you want to be a clerk, and someone offers you a job as messenger, take it, and then learn to play the trombone, the washboard, and tuba.

Now my second mentor: Howard Baker. Many people here know Howard. I could speak about him for a week, and he is undoubtedly the most important person in my life, other than my own family members. But how did I get connected to him? Well, I didn't know him. His father was our congressman. My dad took me to the courthouse to meet Mr. Baker, Howard's father, when I was ten years old. He gave me a dime, I remember that, and I thought I'd probably met the most respected man I was ever likely to meet, other than my father and the preacher. But when I was getting through with Judge Wisdom I noticed that Howard Baker was running for the United States Senate from Tennessee. We'd never had a Republican Senator, so I wrote him a letter, volunteering to work in his campaign. I never heard from him. So I was home for Easter in 1966 and I finagled an appointment with him, got in to see him and volunteered for his campaign. The long and short of it was, a couple of months later I had a little bit of a paying job.

Then, to our surprise, he got elected, he brought me to Washington, and I was his first legislative assistant. We had, as he likes to tell it, a perfect relationship. One of my duties was as his speechwriter. I would write a speech, give it to him, and he seemed happy. Well one day, I wanted to hear him deliver one. He didn't say a word of anything I'd written. I went a second time. Not a word. So I asked to see him. I said, "Senator, we have a problem." He said, "What's the problem?" I said, "I work hard, write these speeches and you never give a word of it." He said, "Lamar, we have a perfect relationship. You write what you want to write, I say what I want to say."

Now the mentor I'd like to talk about tonight is a man well known to this organization because this institute was once named for him—Bryce Harlow.

In 1968, I was working for United Citizens for Nixon-Agnew in the Willard Hotel, and it was filled with people who didn't quite fit into the Republican establishment at the time, one of whom was Bud Wilkinson, the most famous football coach of the time. And when the campaign was over, I didn't have a job. And so Bud said, "Well, let me call Bryce Harlow." Which he did, and I got a job. And so Bryce Harlow was President Nixon's first appointee and I, without ever having known him, ended up as his executive assistant, which means I sat in his office in the West Wing of the White House, about eight feet from him for six months, smoking cigarettes with him, answering the telephone and getting a Ph.D. in politics and government from the wisest man in Washington, D.C. Today, that office is the office of the Vice President of the United States, JOE BIDEN.

After Bryce got tired of me sitting so close to his office for six months, he moved me out and created a little cubbyhole. And, if any of you are in there visiting JOE BIDEN, you can still see that cubbyhole today.

But why do I say that Bryce Harlow was the wisest man in Washington, D.C.? Well, here's an example. He was from Oklahoma. He was recruited to Washington to work for General George Marshall. He used to tell me, and here's a lesson, that he was very popular with the generals because he could take shorthand. Bryce was a small guy. He said there's nobody more popular in a room full of generals than a short little guy who can take shorthand and write down all those orders. He moved straight up the ladder. So the

lesson is: learn shorthand. Bryce stayed in Washington, worked for the House Armed Services Committee, and became President Eisenhower's favorite staff member.

He was in charge of government relations for Proctor & Gamble when he wasn't in the government. And when President Nixon was elected, Bryce Harlow was his first appointee. The campaign transition headquarters was in the Pierre Hotel, New York City. And on one occasion, Mr. Nixon, the president-elect, had said something about foreign policy that made President Johnson, who was still President, very upset. So, President Johnson called the one person he knew in the Nixon campaign, Bryce Harlow. As Mr. Harlow is sitting there listening to President Johnson chew his ear out on the phone—saying "Bryce, there's only one President at a time, and I am that President!"—Mr. Harlow's secretary comes in and says, "Mr. Harlow, President Eisenhower is calling for you." So, Mr. Harlow, listening to President Johnson, told Sally, the secretary, "You'll have to put President Eisenhower on hold." Then Larry Higby, who was working at the Pierre Hotel, came running in and said, "Mr. Harlow, Mr. Harlow, President Nixon wants to see you immediately." So, you can see that Bryce Harlow was in demand, with the current president chewing his ear off, the former President on hold, and the President-elect demanding to see him in his office.

The wiser members of the White House staff would drop by that office and ask Mr. Harlow what to do. Here's an example: Peter Flannigan, who lives in New York and is a great friend of mine still today, was a very good businessman. I remember he came in to see Mr. Harlow and said, "Bryce, I just wanted to chat with you. I'm in charge of the Independent Regulatory Agencies, and we are a pro-business administration, we need efficiency in government. There's a television license that's been pending for 18 months for a Miami station. I'm going to call over there and I'm not going to tell them what way to decide, I'm just going to say that we want to know the status of the case."

And Bryce responded, "Peter, do you remember Sherman Adams?" And Peter said, "Well of course I do. He was President Eisenhower's disgraced Chief of Staff." Bryce said, "Peter, do you remember what disgraced him?" Peter said, "No I'm not sure." Bryce said, "He made a telephone call to an Independent Regulatory Agency on behalf of a friend who was a campaign contributor and had given him a Christmas present." So Mr. Flannigan thought about this and thought better of making that telephone call.

We young people in the White House were very impatient. We wanted the president and his top advisors to do even more this way, even more that way. And I remember Mr. Harlow saying to me, "No Lamar. Remember that in the White House, just a little ripple here makes a very big wave out there. So, just settle down, just a little bit."

In the early months of the Nixon administration, the new, brasher young members of the White House staff, and some of the old ones too, were in deep trouble with the United States Senate. They knew nothing about the Senate. Finally, they came to Mr. Harlow and said, "Bryce, we can't get anything done, can you help us out?" So Mr. Harlow got his bag, got in a car, drove up to the Senate, went to some back room where Senator Eastland and a bunch of the old boys, who were the Southern senators, were all clumped together having a bourbon in the late afternoon. They were in a very foul mood about the Nixon White House. Mr. Harlow went in, he went down on one knee, bowed to them and said, "Ah, I see before me

155 years of accumulated seniority and wisdom." Upon which they all burst out laughing, and everything was fine. He had the experience and the good judgment just to show a little respect to the office that these Senators held, and that was really all it took for him to get what he wanted.

I remember once that an irate Democratic chairman called, complaining because the new Republican administration was announcing grants in his district before Democratic congressman knew about it. Bryce said, "Mr. Chairman, I understand your feelings. Let me call you right back, I want to check on something." So he called Larry O'Brien, who was the Chief of Congressional Relations for President Johnson in the Democratic administration. He said, "Now Larry, could you tell me exactly how you and President Johnson announced those grants when you were in office?" Once he heard, he called back the chairman and he said, "Mr. Chairman, I've just checked with Larry O'Brien and here's exactly what President Johnson did. We're going to be exactly fair with you, we're going to do just the reverse and let the Republicans announce them." And there was this big laugh on the end of the line. So he got done what he had to do, but he did it in a way that made the other person feel good about it.

Bryce Harlow had a great sense of ethics. One of his personal ethics was that he never wrote a book. He thought it would be a betrayal of all the confidential relationships that he had in the White House, and couldn't do it. It's a shame he didn't, in a way, because he was the best writer around in the Nixon and the Eisenhower administrations.

On one occasion, he was planning to take a vacation with his wife in Mexico with an old friend. There couldn't be any possible conflict of interest with this friend—they'd known each other forever, and there was really nothing Mr. Harlow could do for this person. Then about a week before the trip, the friend called, asking for a small favor, and the next thing I knew, Mr. Harlow's secretary was calling the friend saying, "I'm so sorry, but the President has asked Bryce to go to thus and so, and he won't be able to go on the trip." She didn't embarrass the friend, but he also didn't even take the risk of an appearance of impropriety based upon a tiny favor that the friend had asked of him.

I heard it said a little earlier that "Your word is your bond." That's Bryce Harlow's phrase, he always would say to a lobbyist or anyone working with a member of Congress or with a Senator, or even with another Senator, "Always tell the truth, tell the exact truth. Don't overstate a thing, don't understate a thing, and if you have to, tell the other side to make sure that whomever you're speaking with is never surprised as a result of what you've just told them. And always keep your word." It gave him a tremendous reputation in this community and it greatly influenced hundreds of people who work here.

One other thing, he told me a story that I've remembered for a long time about his days with the Eisenhower administration. Some people must read books about Lyndon Johnson and suspect that maybe most of the people who work in high positions of trust—in politics, in business, in universities, or whatever line of work—are always shading the truth and looking at the angle and elbowing one another and taking advantage. How else, you might ask, would they get to the top? It's hard to get a picture of what people who are really at the top actually do when they make decisions.

While I can't tell you what they all do, I can tell you this is the story that pretty much symbolizes my impression of most of

the successful people I know in politics and how they make their most difficult decisions.

President Eisenhower was having a Cabinet meeting in the 1950s. Some great issue was laid before the Cabinet, so the President put the issue to the Secretary of State, "Mr. Secretary, what shall we do?" "Well, from a foreign policy point of view," said the Secretary, "we must do X." "Mr. Secretary of Defense, what shall we do?" "Well, um, from a defense point of view, if we did X that would be a disaster for the country, so we've got to do Y." "And Mr. Treasury Secretary, what shall we do?" And the Treasury Secretary had Z as an angle. Before long they went around the cabinet room and they all had a different opinion about how the decision might affect the department each headed. And then President Eisenhower asked this question, "Well gentlemen," (and I think they were all gentleman but one at that time), he said, "What would be the right thing to do for the country?"

The Secretary of State said, "Well Mr. President, the right thing to do would be C." And Secretary of Defense said, "Yes, the right thing to do would be C," and pretty quickly they all agreed that would be the right thing to do for the country. And so the President of the United States said to his Press Secretary Jim Hagerty, "Jim, then that's what we'll do, go tell the press."

Now, here we have, not an unsophisticated man, this was the leading general during World War II, this was a man who was President of the United States. He had the biggest job in the world. And he was making a big decision. And when it came time to ask the question that had to be answered before a bunch of very sophisticated people, his question was, "What would be the right thing to do for our country?" I think you'll find more often than not that when we're puzzled by what to do, that's the right question. And the answer isn't always obvious, but that question will lead to the answer more quickly than just about any other question that you can ask.

So thank you for allowing me to come tonight. I'm here to honor you. I'm glad to have a chance to tell you about the great Bryce Harlow, who has meant so much to this organization. My advice about how to get involved in politics and government is: Pick someone who you admire, volunteer to work for them, carry their bag, do anything that they ask you to do that's legal, learn from them, watch what they do right, watch what they do wrong—and one more little piece of advice that my railroad-engineer grandfather used to tell me when I was a little boy, he'd say "Aim for the top, there's more room there." Thank you.●

SOUTH DAKOTA HUMANITIES COUNCIL

● Mr. JOHNSON of South Dakota. Mr. President, today I wish to recognize the 40th anniversary of the South Dakota Humanities Council, SDHC. As an organization dedicated to promoting culture and our State's rich history, SDHC plays an integral role in fostering an interest in history, literature, and other humanities subjects. Founded in 1972, this important anniversary gives us the opportunity to recognize and celebrate 40 successful years of SDHC humanities programming in South Dakota.

SDHC serves as a faithful steward of our State's heritage and a leader in promoting cultural awareness. After 40

years, SDHC continues to fulfill its mission “to support and promote the exchange of ideas to foster a thoughtful and engaged society.” With funding from the National Endowment for Humanities and support from local communities, SDHC has improved access to outstanding cultural and civic opportunities for all South Dakotans. Virtually every county and most school districts in our State have benefitted from SDHC-sponsored programs. Especially at a time when many school districts have been forced to make difficult cuts to their budgets, SDHC has served as a valuable partner to schools across our State through its support of programs like National History Day. In addition, SDHC grants to community organizations provide critical “seed money” that promotes the preservation and study of humanities topics in cities and towns across South Dakota.

In addition to enriching the lives of South Dakotans, humanities programs represent an important source of economic development. The annual Festival of Books attracts thousands of booklovers every year who are given the chance to talk with locally and nationally recognized authors. In addition, the Museum on Main Street program brings Smithsonian exhibits to rural communities. This year, six communities in South Dakota will be hosting the exhibit “New Harmonies: Celebrating American Roots Music.” The SDHC’s Speakers’ Bureau provides funding for humanities scholars to present and lead discussions on humanities topics. These and many other programs sponsored by SDHC play an important role in attracting visitors to our State, which in turn brings in tourism dollars and supports jobs in local communities.

I appreciate the valuable role of SDHC in promoting the humanities in communities and schools across South Dakota. As a member of the Senate Cultural Caucus and a lifelong supporter of the arts and humanities, I congratulate SDHC on 40 successful years and thank the organization for its service to our State.●

RECOGNIZING UNITED HEALTH FOUNDATION SCHOLARS

● Ms. KLOBUCHAR. Mr. President, I want to take this opportunity to highlight two bright, young scholars from my home State of Minnesota, David Koffa and Victoria Okuneye, who have received scholarships from the United Health Foundation’s Diverse Scholars Initiative.

David and Victoria are both hard-working and dedicated individuals who will undoubtedly be great members of the health care workforce.

David, who is currently attending Dartmouth College, believes that we can improve the health care system by taking a holistic approach to patient care. As a member of the future health workforce, David plans to focus not only on the physical well-being of pa-

tients, but on the social and emotional aspects of patient health. Taking advantage of the skills and opportunities provided through the United Health Diverse Scholars Initiative, David intends to provide high-quality health care services to impoverished communities and third-world countries.

Victoria, who is excelling at the Massachusetts Institute of Technology, strives to make a difference by working to expand mental health research and services for disadvantaged/low resource communities, particularly among youth and adolescents. Through the United Health Diverse Scholars Initiative, Victoria has been able to take advantage of rewarding opportunities such as academic research internships and experiences in international public service.

Both David and Victoria are examples of academic excellence and personal determination. And as scholars of the United Health Foundation’s Diverse Scholars Initiative, they will be great representatives of a multicultural and diverse health care workforce. I want to congratulate them on their achievements and look forward to their promising futures. ●

TRIBUTE TO MICHAEL MCSHANE

● Mr. LIEBERMAN. Mr. President, today I wish to honor my long-time friend and advisor, Michael McShane, who will be retiring next month after 40 remarkable years working in government, the private sector, and in Democratic politics.

I first got to know Michael when he and I worked together to advance the goals of the Democratic Leadership Council and Third Way. He was responsible for all the DLC activities at both Clinton inaugurations and the 1996 and 2000 Democratic Conventions. Later, when I decided to run for President in 2004, I was honored to have Michael serve as the vice chair of my campaign.

Michael has built a long and impressive record of public service. As a young man, he served in the Air Force for 6 years, where he flew B-52s and served in Vietnam. After leaving the military in 1972, Michael worked as press secretary for Congressman John J. Rooney and then as a Foreign Service Officer before joining the Carter-Mondale 1976 Presidential campaign. Following that election, he served in the Carter White House as a Special Assistant to Vice President Mondale. Michael was later a White House advisor to President Clinton. He recently returned to public service, joining the Congressional Liaison Office at the United States Agency for International Development.

Mike McShane has also had a notable career in the private sector. After leaving the Carter administration in 1979, he began managing government relations programs for trade associations and Fortune 500 companies including System Development Corporation, National Computer Systems, and TRW.

He also founded and led The Policy Institute, and, later, the McShane Group International.

The academic and nonprofit communities have also benefitted greatly from Michael’s talents and experience. He has served on the faculty of the Bryce Harlow Foundation, which seeks to promote the highest standards within the profession of lobbying and government relations, as Visiting Lecturer in American Political History at Boston University, and as a teacher of politics at Stanford, Notre Dame, Villanova, Georgetown, American, and East Carolina, his alma mater. A proud alum, Michael presently serves as vice chair of the Board of Visitors at East Carolina and the Board of the ECU Alumni Association. In 1998, he was named the East Carolina University Alumni of the Year.

I can’t help but view Michael McShane’s departure from Washington through a bittersweet lens. For while I am excited that he and his wonderful wife Susan will get to enjoy a much deserved retirement, I will miss Michael’s wise counsel and thoughtful insights. Still, I am confident that his example will live on in all of us who were lucky enough to know him, and I wish Michael and Susan much happiness and success in their retirement in Charlottesville.●

REMEMBERING CHERYLL HEINZE

● Ms. MURKOWSKI. Mr. President, I am saddened to inform the Senate of the death of a friend and former member of the Alaska Legislature Cheryll Heinze. Cheryll died last week when a float plane that was carrying her and colleagues to a fishing outing cartwheeled on landing and became submerged on Beluga Lake near Homer. At the time Cheryll was working as Director of Human Resources and Public Relations for the Matanuska Electric Association.

It is appropriate that we remember those whose lives end in tragedy for the way they lived their lives so I want to take the next few minutes to speak in tribute to an Alaskan who lived life to the fullest.

Cheryll Heinze was born in Wewoka, OK. She spent part of her childhood in Anchorage when her father was an Army Chaplain at Fort Richardson. In 1985, Cheryll returned to be an Alaskan for life. Most of her time in Alaska was spent in Anchorage but she also lived in Slana, Talkeetna and Valdez. Cheryll was married to Harold Heinze, the former President of ARCO Alaska. The two met when Harold was serving as Alaska’s Commissioner of Natural Resources under former Governor Walter Hickel. Cheryll served as Press Secretary on Governor Hickel’s 1990 campaign. The two made quite a power couple.

In 2002, Cheryll was elected to the 23rd Alaska Legislature representing House District 24 in Anchorage. Although she served a single 2-year term,

she accomplished a great deal during her time in Juneau. During that term she chaired the Special Committee on Economic Development, International Trade and Tourism and was Vice Chair of the Resources Committee.

Cheryll is best known for working with colleagues across the aisle in moving Alaska's anti-stalking law out of the legislature and to the Governor's desk. Her bill allowed victims of stalking to obtain protective orders in the same way that victims of domestic violence could in the State of Alaska. Cheryll was also a strong supporter of therapeutic courts and passed a resolution encouraging prosecutors and public defenders to take full advantage of this important resource. She worked to make health insurance more affordable to small employers and helped promote trade relations between Alaska and Taiwan.

Cheryll was well liked by those inside and outside of the political circle and was viewed as a genuinely nice person. A mutual friend, Mike Chenault of Nikiski, who served with Cheryll in the Alaska House and is today the House Speaker had this to say about Cheryll: "She had a light smile and an easy way about her that made her popular not only inside, but outside the Capitol."

Alaska takes pride in the fact that our Legislature is composed of citizens who come to Juneau for a few months each year to do the business of the State and then return home to carry on their own lives. Art was central to Cheryll Heinze's life. In fact, her official legislative biography lists her profession as "Artist." In fact, she was a world class oil painter who took inspiration from Alaska's fabulous scenery. Her painting of Mount Foraker hung in the offices of the Foraker Group, a consulting group that supports Alaska's non-profit sector. We also took pride in Cheryll's poetry.

In addition to all of her other activities she was a former President of the Anchorage Symphony League, a board member of the Pacific Northern Academy and Breast Cancer Focus, Inc., a member of the Alaska Pacific University President's Steering Committee, and an Art Instructor at the University of Alaska Rural Extension. She was a member of the Anchorage Opera Board, the World Affairs Council and the Matanuska Charitable Foundation Board. Cheryll brought energy and enthusiasm to all she did.

I extend the Senate's deepest condolences to Harold and other members of the family. Cheryll left us well before her time but in a way that is so appropriate for Alaskans—in pursuit of adventure. Alaskans have lost a friend and a leader and she will be greatly missed.●

TRIBUTE TO MAYOR TED JENNINGS

● Mr. SESSIONS. Mr. President, today I wish to pay tribute to a dedicated individual in Alabama, Mayor Ted Jen-

nings of Brewton, AL. Ted has been a successful businessman, pharmacist, and community, State, and national leader.

When he retires this year, he will have served as the mayor of Brewton for 24 years. During that time, he has grown Brewton both economically and technologically. But in addition to his success as a mayor, he has been a successful business owner and pharmacist. He is also well known in Alabama as former president and an active officer of the Alabama League of Municipalities and nationally has served on the board and in many other positions in the National League of Cities. He has, in both capacities, represented Brewton and Alabama as a strong advocate on matters of economic development. On a personal level, I want to express my appreciation to Ted for his friendship, advice, and counsel on matters critical to the area.

All of us who have come to know him over the years have observed his dedication to public service, his hard work, and his effective leadership. He has a host of friends and admirers—this Senator is one. I thank him for his service and know that, even in retirement, he will be a strong advocate for rural economic development and Alabama. I extend my best wishes to Ted and family as you begin your next adventure.●

RECOGNIZING BALDWIN APPLE LADDERS

● Ms. SNOWE. Mr. President, small, local businesses play a critical role in our economy, creating two-thirds of all jobs across the Nation. Nowhere is small businesses' value more evident than in my home State of Maine. Even during these challenging economic times, entrepreneurs across the State continue to make headlines for their perseverance and can-do attitude in the face of adversity. I rise today to recognize and commend Baldwin Apple Ladders and owner Peter Baldwin for their tremendous contribution to the local economy and for resilience in the face of disaster that struck a mere 2 months ago.

Mr. Baldwin founded Baldwin Apple Ladders in 1984, in his hometown of Brooks, ME. Since its opening, Baldwin Apple Ladders has built approximately 30,000 ladders, which have been used in orchards throughout Maine, Massachusetts, Michigan, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Virginia, and Wisconsin. Famous for their durability and signature style, the ladders were even featured in Martha Stewart Magazine. Mr. Baldwin's business purchases the lumber used in ladder production from local sources, generates jobs through shipping and delivery, and supplies customers nationwide, giving it a national as well local presence. While business was at its peak, the Baldwin Apple Ladders manufactured and sold an average of 1,200 ladders annually.

On May 8th 2012, Mr. Baldwin was contacted by a neighbor with the dev-

astating news that Baldwin's ladder building facility was on fire. Along with the stock inventory of finished ladders, production equipment, and stacks of unused materials, the fire consumed the 6,500 square foot dairy barn which housed his manufacturing operations.

After the smoke cleared and the remaining assets were assessed, Mr. Baldwin was faced with a difficult decision to retire after 30 years in business, or rebuild. Mr. Baldwin chose to rebuild, refusing to let the fire dictate his future. Mr. Baldwin is committed to making ladders for as long as possible; recently building his first post-fire ladder, using tools that are no more advanced than what he had to work with when he first opened, back in 1984. Though this manner of manufacturing is considerably more arduous and time consuming, Mr. Baldwin is continuing his business and hoping to emerge stronger than ever.

Generous local donations, assistance, and support have helped in making tremendous strides in the rejuvenation of Baldwin Apple Ladders, a testament to the goodwill Mr. Baldwin has earned throughout the community. Mr. Baldwin's dedication to starting over and his perseverance in the face of such unimaginable obstacles is inspiring and a true example of the grit and incomparable spirit of Maine's entrepreneurs. I will eagerly follow Mr. Baldwin's progress in rebuilding, and extend my best wishes to him and Baldwin Apple Ladders and their future success.●

TRIBUTE TO TYLER DUTTON

● Mr. THUNE. Mr. President, today I recognize Tyler Dutton, a legal intern in my Washington, DC, office, for all the hard work he has done for me, my staff, and the State of South Dakota over the past several weeks.

Tyler is a graduate of South Dakota State University in Brookings, SD. Currently, he is attending Emory University Law School in Atlanta, GA. He is a hard worker who has been dedicated to getting the most out of his internship experience.

I would like to extend my sincere thanks and appreciation to Tyler for all the fine work he has done and wish him continued success in the years to come.●

MESSAGE FROM THE HOUSE

ENROLLED BILLS 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 had signed the following enrolled bills:

S. 2009. An act to improve the administration of programs in the insular areas, and for other purposes.

S. 2165. An act to enhance strategic cooperation between the United States and Israel, and for other purposes.

H.R. 205. An act to amend the Act title An Act to authorize the leasing of restricted Indian lands for public, religious, educational,

recreational, residential, business, and other purposes requiring the grant of long-term leases", approved August 9, 1955, to provide for Indian tribes to enter into certain leases without prior express approval from the Secretary of the Interior, and for other purposes.

H.R. 3001. An act to award a Congressional Gold Medal to Raoul Wallenberg, in recognition of his achievements and heroic actions during the Holocaust.

The enrolled bills were subsequently signed by the President pro tempore (Mr. INOUE).

ENROLLED BILL SIGNED

At 11:35 a.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the speaker had signed the following enrolled bill:

H.R. 4155. An act to direct the head of each Federal department and agency to treat relevant military training as sufficient to satisfy training or certification requirements for Federal licenses.

The enrolled bill was subsequently signed by the President pro tempore (Mr. INOUE).

At 12:08 p.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5872. An act to require the President to provide a report detailing the sequester required by the Budget Control Act of 2011 on January 2, 2013.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 3401. A bill to amend the Internal Revenue Code of 1986 to temporarily extend tax relief provisions enacted in 2001 and 2003, to provide for temporary alternative minimum tax relief, to extend increased expensing limitations, and to provide instructions for tax reform.

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

S. 3412. A bill to amend the Internal Revenue Code of 1986 to provide tax relief to middle-class families.

S. 3413. A bill to amend the Internal Revenue Code of 1986 to temporarily extend tax relief provisions enacted in 2001 and 2003, to provide for temporary alternative minimum tax relief, to extend increased expensing limitations, and to provide instructions for tax reform.

MEASURES READ THE FIRST TIME

The following bills were read the first time:

H.R. 5872. An act to require the President to provide a report detailing the sequester required by the Budget Control Act of 2011 on January 2, 2013.

S. 3414. A bill to enhance the security and resiliency of the cyber and communications infrastructure of the United States.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 19, 2012, she had

presented to the President of the United States the following enrolled bills:

S. 2009. An act to improve the administration of programs in the insular areas, and for other purposes.

S. 2165. An act to enhance strategic cooperation between the United States and Israel, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC-6882. A communication from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, the second quarter of fiscal year 2011 quarterly report of the Department of Justice's Office of Privacy and Civil Liberties; to the Committee on the Judiciary.

EC-6883. A communication from the Secretary of Defense, transmitting a report on the approved retirement of General Norton A. Schwartz, United States Air Force, and his advancement to the grade of general on the retired list; to the Committee on Armed Services.

EC-6884. A communication from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting, pursuant to law, an annual report relative to recruitment incentives; to the Committee on Armed Services.

EC-6885. A communication from the Secretary of Defense, transmitting, pursuant to law, a report entitled "A Report on Policies and Practices of the U.S. Navy for Naming the Vessels of the Navy; to the Committee on Armed Services.

EC-6886. A communication from the Chairman of the Board of Governors, Federal Reserve System, transmitting, pursuant to law, the Board's semiannual Monetary Policy Report to Congress; to the Committee on Banking, Housing, and Urban Affairs.

EC-6887. A communication from the Attorney, Office of the General Counsel, Bureau of Consumer Financial Protection, transmitting, pursuant to law, the report of a rule entitled "Rules of Practice for Adjudication Proceedings" ((RIN3170-AA05) (Docket No. CFPB-2011-0006)) received in the Office of the President of the Senate on July 17, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC-6888. A communication from the Attorney, Office of the General Counsel, Bureau of Consumer Financial Protection, transmitting, pursuant to law, the report of a rule entitled "State Official Notification Rule" ((RIN3170-AA02) (Docket No. CFPB-2011-0006)) received in the Office of the President of the Senate on July 17, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC-6889. A communication from the Attorney, Office of the General Counsel, Bureau of Consumer Financial Protection, transmitting, pursuant to law, the report of a rule entitled "Rules Relating to Investigations" ((RIN3170-AA03) (Docket No. CFPB-2011-0007)) received in the Office of the President of the Senate on July 17, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC-6890. A communication from the Attorney, Office of the General Counsel, Bureau of Consumer Financial Protection, transmitting, pursuant to law, the report of a rule entitled "Equal Access to Justice Act Implementation Rule" ((RIN3170-AA27) (Docket

No. CFPB-2012-0020)) received in the Office of the President of the Senate on July 17, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC-6891. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Update of Weighted Average Interest Rates, Yield Curves, and Segment Rates" (Notice 2012-47) received in the Office of the President of the Senate on July 16, 2012; to the Committee on Finance.

EC-6892. A communication from the Chief of the Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Notice Requirements under Section 101(j) of ERISA for Funding-Related Benefit Limitations in Single-Employer Defined Benefit Pension Plans" (Notice 2012-46) received in the Office of the President of the Senate on July 16, 2012; to the Committee on Finance.

EC-6893. A communication from the Assistant General Counsel for Regulatory Services, Office of Special Education and Rehabilitative Services, Department of Education, transmitting, pursuant to law, the report of a rule entitled "National Institute on Disability and Rehabilitation Research (NIDRR)—Disability and Rehabilitation Research Projects and Centers Program—Disability and Rehabilitation Research Project—Employment of Individuals with Disabilities" (CFDA No. 84.133A-1) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Health, Education, Labor, and Pensions.

EC-6894. A communication from the Assistant General Counsel for Regulatory Services, Office of Postsecondary Education, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Federal Pell Grant Program" (RIN1840-AD11) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Health, Education, Labor, and Pensions.

EC-6895. A communication from the Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "D and C Red No. 6 and D and C Red No. 7; Change in Specification" (Docket No. FDA-2011-C-0050) received in the Office of the President of the Senate on July 16, 2012; to the Committee on Health, Education, Labor, and Pensions.

EC-6896. A communication from the Director of Regulations and Policy Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Effective Date of Requirement for Premarket Approval for Cardiovascular Permanent Pacemaker Electrode" (Docket No. FDA-2011-N-0505) received in the Office of the President of the Senate on July 16, 2012; to the Committee on Health, Education, Labor, and Pensions.

EC-6897. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Significant New Use Rule for Phenol, 2,4 dimethyl-6-(1-methylpentadecyl)-" (FRL No. 9649-4) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Environment and Public Works.

EC-6898. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Indiana" (FRL No. 9699-1) received in the Office of the

President of the Senate on July 12, 2012; to the Committee on Environment and Public Works.

EC-6899. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Idaho: Infrastructure Requirements for the 1997 8-Hour Ozone National Ambient Air Quality Standard; Prevention of Significant Deterioration Greenhouse Gas Permitting Authority and Tailoring Rule" (FRL No. 9676-6) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Environment and Public Works.

EC-6900. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Oil and Natural Gas Sector: New Source Performance Standards and National Emission Standards for Hazardous Air Pollutants Reviews" (FRL No. 9665-1) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Environment and Public Works.

EC-6901. A communication from the Acting Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Comprehensive Ecosystem-Based Amendment 2 for the South Atlantic Region; Correction" (RIN0648-BB26) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Commerce, Science, and Transportation.

EC-6902. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska; Deep-Water Species Fishery by Vessels Using Trawl Gear in the Gulf of Alaska" (RIN0648-XC001) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Commerce, Science, and Transportation.

EC-6903. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species; Commercial Porbeagle Shark Fishery Closure" (RIN0648-XC044) received in the Office of the President of the Senate on July 10, 2012; to the Committee on Commerce, Science, and Transportation.

EC-6904. A communication from the Acting Director, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Snapper-Grouper Fishery of the South Atlantic; 2012 Commercial Accountability Measure and Closure for the South Atlantic Lesser Amberjack, Almaco Jack, and Banded Rudderfish Complex" (RIN0648-XC060) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Commerce, Science, and Transportation.

EC-6905. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Atlantic Sea Scallop Fishery; Closure of the Delmarva Access Area" (RIN0648-BC04) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Commerce, Science, and Transportation.

EC-6906. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department

of Commerce, transmitting, pursuant to law, the report of a rule entitled "Temporary Rule To Delay Start Date of 2012-2013 South Atlantic Black Sea Bass Commercial Fishing Season" (RIN0648-BB98) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Commerce, Science, and Transportation.

EC-6907. A communication from the Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Northeast Multispecies Fishery; Exempted Fishery for the Southern New England Skate Bait Trawl Fishery" (RIN0648-BB35) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Commerce, Science, and Transportation.

EC-6908. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Reef Fish Fishery of the Gulf of Mexico; Gray Triggerfish Management Measures" (RIN0648-BB90) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Commerce, Science, and Transportation.

EC-6909. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Northeast Multispecies, Monkfish, Atlantic Sea Scallop; Amendment 17" (RIN0648-BB34) received in the Office of the President of the Senate on July 12, 2012; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. 2104. A bill to amend the Water Resources Research Act of 1984 to reauthorize grants for and require applied water supply research regarding the water resources research and technology institutes established under that Act (Rept. No. 112-189).

H.R. 1160. A bill to require the Secretary of the Interior to convey the McKinney Lake National Fish Hatchery to the State of North Carolina, and for other purposes (Rept. No. 112-190).

By Mr. LEAHY, from the Committee on the Judiciary, with an amendment:

S. 285. A bill for the relief of Sopuruchi Chukwueke.

By Mr. LEAHY, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 3276. An original bill to extend certain amendments made by the FISA Amendments Act of 2008, and for other purposes.

By Mr. BAUCUS, from the Committee on Finance, without amendment:

S. 3406. An original bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to products of the Russian Federation and Moldova, to require reports on the compliance of the Russian Federation with its obligations as a member of the World Trade Organization, and to impose sanctions on persons responsible for gross violations of human rights, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of nominations were submitted:

By Mr. LEAHY for the Committee on the Judiciary.

Frank Paul Geraci, Jr., of New York, to be United States District Judge for the Western District of New York.

Fernando M. Olguin, of California, to be United States District Judge for the Central District of California.

Matthew W. Brann, of Pennsylvania, to be United States District Judge for the Middle District of Pennsylvania.

Malachy Edward Mannion, of Pennsylvania, to be United States District Judge for the Middle District of Pennsylvania.

Charles R. Breyer, of California, to be a Member of the United States Sentencing Commission for a term expiring October 31, 2015.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

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. BOOZMAN:

S. 3403. A bill to repeal the Federal estate and gift taxes; to the Committee on Finance.

By Mr. COATS (for himself and Mr. VITTER):

S. 3404. A bill to establish within the Department of Energy an Office of Federal Energy Production, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HELLER (for himself and Mr. BURR):

S. 3405. A bill to amend title 38, United States Code, to treat small businesses bequeathed to spouses and dependents by members of the Armed Forces killed in line of duty as small business concerns owned and controlled by veterans for purposes of Department of Veterans Affairs contracting goals and preferences, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BAUCUS:

S. 3406. An original bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to products of the Russian Federation and Moldova, to require reports on the compliance of the Russian Federation with its obligations as a member of the World Trade Organization, and to impose sanctions on persons responsible for gross violations of human rights, and for other purposes; from the Committee on Finance; placed on the calendar.

By Mr. WYDEN:

S. 3407. A bill to amend the Public Health Service Act to increase the number of permanent faculty in palliative care at accredited allopathic and osteopathic medical schools, nursing schools, and other programs, to promote education in palliative care and hospice, and to support the development of faculty careers in academic palliative medicine; to the Committee on Health, Education, Labor, and Pensions.

By Mr. JOHANNIS:

S. 3408. A bill to prohibit the Secretary of Energy from enforcing regulations pertaining to certain battery chargers; to the Committee on Energy and Natural Resources.

By Mr. LEE:

S. 3409. A bill to address the forest health, public safety, and wildlife habitat threat presented by the risk of wildfire, including catastrophic wildfire, on National Forest System land and public land managed by the Bureau of Land Management by requiring the Secretary of Agriculture and the Secretary of the Interior to expedite forest management projects relating to hazardous fuels reduction, forest health, and economic development, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PRYOR (for himself and Ms. AYOTTE):

S. 3410. A bill to extend the Undertaking Spam, Spyware, And Fraud Enforcement With Enforcers beyond Borders Act of 2006, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LEE:

S. 3411. A bill to provide that the individual mandate under the Patient Protection and Affordable Care Act shall not be construed as a tax; to the Committee on Finance.

By Mr. REID:

S. 3412. A bill to amend the Internal Revenue Code of 1986 to provide tax relief to middle-class families; placed on the calendar.

By Mr. HATCH (for himself and Mr. MCCONNELL):

S. 3413. A bill to amend the Internal Revenue Code of 1986 to temporarily extend tax relief provisions enacted in 2001 and 2003, to provide for temporary alternative minimum tax relief, to extend increased expensing limitations, and to provide instructions for tax reform; placed on the calendar.

By Mr. LIEBERMAN (for himself, Ms. COLLINS, Mr. ROCKEFELLER, Mrs. FEINSTEIN, and Mr. CARPER):

S. 3414. A bill to enhance the security and resiliency of the cyber and communications infrastructure of the United States; read the first time.

By Mr. INHOFE (for himself and Mr. VITTER):

S. 3415. A bill to require the disclosure of all payments made under the Equal Access to Justice Act; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LEE:

S. Con. Res. 52. A concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2013 and setting forth the appropriate budgetary levels for fiscal years 2014 through 2022; placed on the calendar.

ADDITIONAL COSPONSORS

S. 19

At the request of Mr. HATCH, the name of the Senator from Nevada (Mr. HELLER) was added as a cosponsor of S. 19, a bill to restore American's individual liberty by striking the Federal mandate to purchase insurance.

S. 424

At the request of Mr. SCHUMER, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 424, a bill to amend title XVIII of the Social Security Act to preserve access to ambulance services under the Medicare program.

S. 581

At the request of Mr. BURR, the name of the Senator from Illinois (Mr. KIRK) was added as a cosponsor of S. 581, a bill to amend the Child Care and Development Block Grant Act of 1990 to require criminal background checks for child care providers.

S. 657

At the request of Mr. CARDIN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 657, a bill to encourage, enhance, and integrate Blue Alert plans throughout the United States in order to disseminate information when a law enforcement officer is seriously injured or killed in the line of duty.

S. 687

At the request of Mr. CONRAD, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 687, a bill to amend the Internal Revenue Code of 1986 to permanently extend the 15-year recovery period for qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property.

S. 1167

At the request of Mr. JOHNSON of South Dakota, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1167, a bill to amend the Public Health Service Act to improve the diagnosis and treatment of hereditary hemorrhagic telangiectasia, and for other purposes.

S. 1381

At the request of Mr. BLUMENTHAL, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1381, a bill to provide for the expansion of Federal efforts concerning the prevention, education, treatment, and research activities related to Lyme and other tick-borne disease, including the establishment of a Tick-Borne Diseases Advisory Committee.

S. 1460

At the request of Mr. BAUCUS, the name of the Senator from Nevada (Mr. HELLER) was added as a cosponsor of S. 1460, a bill to grant the congressional gold medal, collectively, to the First Special Service Force, in recognition of its superior service during World War II.

S. 1555

At the request of Mr. VITTER, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1555, a bill to authorize the use of certain offshore oil and gas platforms in the Gulf of Mexico for artificial reefs, and for other purposes.

S. 1577

At the request of Mr. BAUCUS, the name of the Senator from New Hampshire (Mrs. SHAHEEN) was added as a cosponsor of S. 1577, a bill to amend the Internal Revenue Code of 1986 to increase and make permanent the alternative simplified research credit, and for other purposes.

S. 1744

At the request of Ms. KLOBUCHAR, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 1744, a bill to provide funding for State courts to assess and improve the handling of proceedings relating to adult guardianship and conservatorship, to authorize the Attorney General to carry out a pilot program for the conduct of background checks on individuals to be appointed as guardians or conservators, and to promote the widespread adoption of information technology to better monitor, report, and audit conservatorships of protected persons.

S. 1884

At the request of Mr. DURBIN, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 1884, a bill to provide States with incentives to require elementary schools and secondary schools to maintain, and permit school personnel to administer, epinephrine at schools.

S. 1929

At the request of Mr. BLUMENTHAL, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1929, a bill to require the Secretary of the Treasury to mint coins in commemoration of Mark Twain.

S. 1990

At the request of Mr. LIEBERMAN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1990, a bill to require the Transportation Security Administration to comply with the Uniformed Services Employment and Reemployment Rights Act.

S. 2137

At the request of Mrs. BOXER, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 2137, a bill to prohibit the issuance of a waiver for commissioning or enlistment in the Armed Forces for any individual convicted of a felony sexual offense.

S. 2205

At the request of Mr. MORAN, the name of the Senator from Utah (Mr. LEE) was added as a cosponsor of S. 2205, a bill to prohibit funding to negotiate a United Nations Arms Trade Treaty that restricts the Second Amendment rights of United States citizens.

S. 2253

At the request of Mr. DURBIN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 2253, a bill to require individuals who file under the Ethics in Government Act of 1978 to disclose any financial accounts that are or have been deposited in a country that is a tax haven.

S. 2264

At the request of Mr. HOEVEN, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 2264, a bill to provide liability protection for claims based on the design,

manufacture, sale, offer for sale, introduction into commerce, or use of certain fuels and fuel additives, and for other purposes.

S. 2620

At the request of Mr. SCHUMER, the names of the Senator from Connecticut (Mr. BLUMENTHAL) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 2620, a bill to amend title XVIII of the Social Security Act to provide for an extension of the Medicare-dependent hospital (MDH) program and the increased payments under the Medicare low-volume hospital program.

S. 3280

At the request of Mr. JOHANNIS, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 3280, a bill to preserve the companionship services exemption for minimum wage and overtime pay under the Fair Labor Standards Act of 1938.

S. 3332

At the request of Mr. BEGICH, the names of the Senator from Florida (Mr. NELSON) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 3332, a bill to provide for the establishment of nationally uniform and environmentally sound standards governing discharges incidental to the normal operation of a vessel in the navigable waters of the United States.

S. 3340

At the request of Mrs. MURRAY, the name of the Senator from Alaska (Mr. BEGICH) was added as a cosponsor of S. 3340, a bill to improve and enhance the programs and activities of the Department of Defense and the Department of Veterans Affairs regarding suicide prevention and resilience and behavioral health disorders for members of the Armed Forces and veterans, and for other purposes.

S. 3356

At the request of Mr. PORTMAN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 3356, a bill to strengthen the role of the United States in the international community of nations in conserving natural resources to further global prosperity and security.

S. 3366

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. KIRK) was added as a cosponsor of S. 3366, a bill to designate the Haqqani network as a foreign terrorist organization.

S. 3394

At the request of Mr. JOHNSON of South Dakota, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 3394, a bill to address fee disclosure requirements under the Electronic Fund Transfer Act, to amend the Federal Deposit Insurance Act with respect to information provided to the Bureau of Consumer Financial Protection, and for other purposes.

S. 3397

At the request of Mr. HATCH, the name of the Senator from Utah (Mr. LEE) was added as a cosponsor of S. 3397, a bill to prohibit waivers relating to compliance with the work requirements for the program of block grants to States for temporary assistance for needy families, and for other purposes.

S.J. RES. 42

At the request of Mr. DEMINT, the name of the Senator from Kansas (Mr. MORAN) was added as a cosponsor of S.J. Res. 42, a joint resolution proposing an amendment to the Constitution of the United States relative to parental rights.

S.J. RES. 43

At the request of Mr. MCCONNELL, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S.J. Res. 43, a joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003, and for other purposes.

S.J. RES. 45

At the request of Mrs. HUTCHISON, the name of the Senator from Colorado (Mr. UDALL) was added as a cosponsor of S.J. Res. 45, a joint resolution amending title 36, United States Code, to designate June 19 as "Juneteenth Independence Day".

S.J. RES. 46

At the request of Mr. RUBIO, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S.J. Res. 46, a joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rules submitted by the Department of the Treasury and the Internal Revenue Service relating to the reporting requirements for interest that relates to deposits maintained at United States offices of certain financial institutions and is paid to certain nonresident alien individuals.

S. CON. RES. 50

At the request of Mr. RUBIO, the names of the Senator from Tennessee (Mr. ALEXANDER), the Senator from Wyoming (Mr. BARRASSO), the Senator from Georgia (Mr. ISAKSON), the Senator from Minnesota (Ms. KLOBUCHAR), the Senator from Alaska (Ms. MURKOWSKI), the Senator from Montana (Mr. TESTER) and the Senator from Louisiana (Mr. VITTER) were added as cosponsors of S. Con. Res. 50, a concurrent resolution expressing the sense of Congress regarding actions to preserve and advance the multistakeholder governance model under which the Internet has thrived.

S. RES. 494

At the request of Mr. CORNYN, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. Res. 494, a resolution condemning the Government of the Russian Federation for providing weapons to the regime of President Bashar al-Assad of Syria.

AMENDMENT NO. 2556

At the request of Mrs. HUTCHISON, the names of the Senator from Wyoming (Mr. ENZI), the Senator from Tennessee (Mr. ALEXANDER) and the Senator from South Dakota (Mr. THUNE) were added as cosponsors of amendment No. 2556 intended to be proposed to S. 3364, a bill to provide an incentive for businesses to bring jobs back to America.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HELLER (for himself and Mr. BURR):

S. 3405. A bill to amend title 38, United States Code, to treat small businesses bequeathed to spouses and dependents by members of the Armed Forces killed in line of duty as small business concerns owned and controlled by veterans for purposes of Department of Veterans Affairs contracting goals and preferences, and for other purposes; to the Committee on Veterans' Affairs.

Mr. HELLER. Mr. President, last month was yet another disappointing month of job growth. Over 12 million Americans are unemployed, close to 6 million have been unemployed for over 27 weeks, and 8 million have been forced to work part time because they have been unable to find full-time work.

To put this in context, since this administration came into office, the number of Americans who are unemployed has increased by 700,000. This is a 5-percent increase in our national unemployment rate. Home values and middle-class income have decreased, and America has dropped from being the most competitive Nation in the world to the fourth most competitive Nation in the world.

After this administration's failed policies of bailout after bailout, Senate Democrats are endorsing the idea of letting America go off the so-called fiscal cliff at the end of this year instead of letting businesses maintain their existing tax rates. This would effectively raise taxes on every American during one of the slowest economic recoveries in modern times.

While I support extending these taxes and giving our Nation's job creators certainty, I believe we need tax reform. Our Tax Code is too complex. We need to close loopholes, broaden the base, and lower rates.

As a member of the Committee on Ways and Means in the House, I worked on this issue, and I will continue to advocate for comprehensive reform while I am in the Senate. While I recognize that sometimes comprehensive policies may be difficult to move forward, especially in an election year, I believe we can find consensus on commonsense solutions.

Since coming to the Senate, I have advocated for policies that create jobs for Nevadans and for all Americans. My State has been one of the hardest hit in this current economic climate. Nevada

has had the distinction of leading the Nation in unemployment for over 2 years, as well as in foreclosures and bankruptcies. One part of our population has been especially hit hard, and that is our veterans.

Over 13 percent of the Nation's bravest who put their lives on the line are unable to find a job in this economy. They come home from overseas to find their homes underwater or chronic unemployment in their communities. While a number of veterans have fallen on tough times financially, some have had difficulty adjusting to civilian life. Congress should make it a priority that necessary resources are made available to those who have bravely served our Nation. We must also not forget the families of our veterans, particularly those who have lost loved ones in combat.

So I am proud to join with Senator BURR to introduce the Veterans Small Business Act, which simply ensures that surviving spouses and children are eligible for small business benefits. Congress has provided numerous benefits to our Nation's veterans who own small businesses, including sole-source contracting, low-interest loans, and other resources in order to help these small businesses grow and create jobs. However, should a spouse or a child of a veteran lose a loved one in combat, they can no longer receive these benefits or enroll in these programs.

My legislation closes this large gap in Federal law that does little for those who own businesses before their activation and were killed in the line of duty. As a Member of Congress, we must honor our Nation's fallen as well as ensuring that the loved ones they leave behind have the same economic opportunities afforded to that veteran.

We should be doing all we can to provide all of our Nation's small businesses with the tools needed to survive in this current economic climate. Congress needs to stop worrying about the next election and put in place policies that will not only ignite economic growth, but also get our country back to work.

While there are larger issues we must address, such as tax reform, there are smaller commonsense measures, such as this bill, that we can pass right now if given the opportunity. Measures such as this will make a big difference in our Nation's veterans and job creators.

If it is any indication of how important these issues are to Nevada, I had a constituent, Dan Lyons, who walked from Reno, NV, to Washington, DC, because he didn't think Washington was doing enough for veterans. This was a 6-month walk from Reno, NV, to Washington, DC. He felt he was not getting through to his elected officials via phone or e-mails. So Dan, with a tent, a map, and a plan, started walking across America to see his elected officials face to face.

He walked 25 miles a day, battling treacherous weather, snakes, long,

lonely miles, and probably a few blisters just for the chance to sit down and ask that we do more to help struggling veterans. I was proud to meet with Dan, and he is a reminder of what is right with society. He reminds us that we must honor our obligation to our veterans. When they have sacrificed so much to preserve and protect our freedoms, we should at least ensure their needs are met when they and their surviving families fall on hard economic times.

By Mr. WYDEN:

S. 3407. A bill to amend the Public Health Service Act to increase the number of permanent faculty in palliative care at accredited allopathic and osteopathic medical schools, nursing schools, and other programs, to promote education in palliative care and hospice, and to support the development of faculty careers in academic palliative medicine; to the Committee on Health, Education, Labor, and Pensions.

Mr. WYDEN. Mr. President, I rise today to discuss the critical need in today's health care workforce for additional training related to palliative care. Palliative care is an interdisciplinary model of care focused on relieving the pain, stress and other debilitating symptoms of serious illness, such as cancer, cardiac disease, respiratory disease, kidney failure, Alzheimer's, AIDS, ALS, and MS. Its goal is to relieve suffering and provide the best possible quality of life for patients and their families.

Many people mistakenly believe that palliative care is only beneficial when a cure is not possible. Actually, palliative care is not dependent on a life-limiting prognosis and may actually help individuals recover by relieving symptoms—such as pain, anxiety or loss of appetite—while they are undergoing sometimes difficult medical treatments or procedures, such as surgery or chemotherapy. Palliative care is provided by a team of doctors, nurses, social workers, and other specialists who work with a patient's other health care providers to provide an extra layer of support, including assistance with difficult medical decision-making and coordination of care among specialists. Palliative care is appropriate for people of any age and at any stage in an illness, whether that illness is curable, chronic or life-threatening.

There is a specific type of palliative care, called hospice, for people for whom a cure is no longer possible and who likely have 6 months or less to live. Hospice care can be provided at one's home, a hospice facility, a hospital or a nursing home. Hospice care is about giving patients control, dignity and comfort so they have the best possible quality of life during the time they have. Hospice care also provides support and grief therapy for loved ones whose struggles are often cast aside or forgotten during treatment.

A growing evidence base has demonstrated that palliative care, includ-

ing hospice, improves quality, controls cost and enhances patient and family satisfaction for the rapidly expanding population of individuals with serious or life-threatening illness. Palliative care may also prolong the lives of some seriously ill patients.

Over the last 10 years, the number of hospital-based palliative care programs has more than doubled due to the increasing number of Americans living with serious, complex and chronic illnesses and the realities of the care responsibilities faced by their families. Studies suggest that in states with more hospital-based palliative care programs, patients are less likely to die in the hospital, are likely to spend fewer days in the ICU, have better pain management and higher satisfaction with their health care.

As usual, Oregon is ahead of the curve and I am proud to say that in a 2011 report ranking states on their citizens' access to hospital-based palliative care programs, Oregon was among the seven states who earned an "A" rating, with 88 percent of Oregon hospitals offering palliative care.

Unfortunately, many seriously ill patients and their families lack the access available to Oregonians. Palliative care is a relatively new medical specialty and more must be done to ensure an adequate, well-trained palliative care workforce is available to provide comprehensive symptom management, intensive communication and a level of care coordination that addresses the episodic and long-term nature of serious, chronic illness. I believe that, with Federal support, we can help address the workforce gap between those currently practicing in palliative care and hospice and the number of health care professionals required to care for this expanding patient population. That is why today I am introducing the Palliative Care and Hospice Education and Training Act or PCHETA. This authorizing legislation focuses on three key areas to grow the palliative care and hospice workforce.

Education centers to expand interdisciplinary training in palliative and hospice care.

Training of physicians who plan to teach palliative medicine and fellowships to encourage re-training for mid-career physicians, and academic career awards and career incentive awards to support physicians and other health care providers who provide palliative and hospice care training.

With this legislation, patients and families who are facing serious or life-threatening illness will have access to the high-quality palliative care and hospice services that can maximize their quality of life. I urge my colleagues to join me in this effort.

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. 3407

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 “Palliative Care and Hospice Education and Training Act”.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Health care providers need better education about pain management and palliative care. Students graduating from medical school have very little, if any, training in the core precepts of pain and symptom management, advance care planning, communication skills, and care coordination for patients with serious, life-threatening, or terminal illness.

(2) Palliative care is interdisciplinary, patient- and family-centered health care for people with serious illnesses. This type of care is focused on providing patients with relief from the symptoms, pain, and stress of a serious illness, whatever the diagnosis. The goal of palliative care is to relieve suffering and improve quality of life for both patients and their families. Palliative care is provided by a team of doctors, nurses, social workers, chaplains, and other specialists who work with a patient’s other health care providers to provide an extra layer of support, including assistance with difficult medical decisionmaking and coordination of care among specialists. Palliative care is appropriate at any age and at any stage in a serious illness, and can be provided together with curative treatment. Palliative care is not dependent on a life-limiting prognosis and may actually help an individual recover from illness by relieving symptoms, such as pain, anxiety, or loss of appetite, while undergoing sometimes difficult medical treatments or procedures, such as surgery or chemotherapy. There were 1,623 hospitals with palliative care programs in 2012.

(3) Hospice is palliative care for patients in their last year of life. Considered the model for quality compassionate care for individuals facing a life-limiting illness, hospice provides expert medical care, pain management, and emotional and spiritual support expressly tailored to the patient’s needs and wishes. In most cases, care is provided in the patient’s home but may also be provided in freestanding hospice centers, hospitals, nursing homes, and other long-term care facilities. In 2010, an estimated 1,580,000 patients received services from hospice or approximately 41.9 percent of all United States deaths. Hospice is a covered benefit under the Medicare program. There were 3,509 Medicare-certified hospices in 2010.

(4) A 2005 study at Michigan State University found that the formal training of United States doctors in palliative care is “grossly inadequate”. When the American Society of Clinical Oncology surveyed their members, 65 percent said they had received inadequate education in controlling symptoms associated with cancer, and 81 percent felt they had inadequate mentoring in discussing a poor prognosis with their patients and families. Training in pediatric palliative care is also seriously lacking according to physicians, residents, and medical students responding to a survey presented at a meeting of American Federation for Medical Research.

(5) The American Board of Medical Specialties (ABMS) and the Accreditation Council for Graduate Medical Education (ACGME) provided formal subspecialty status for hospice and palliative medicine (HPM) in 2006, and the Centers for Medicare & Medicaid Services recognized hospice and palliative medicine as a medical subspecialty in October of 2008.

(6) As of June 2012, there were a total of 86 hospice and palliative medicine training programs. Seventy-eight programs have been accredited by the Accreditation Council for Graduate Medical Education and seven programs have been accredited by the American Osteopathic Association. For the 2011–2012 academic year, these programs were training 176 physicians in hospice and palliative medicine. Some programs include an additional track in research, geriatrics, or public health.

(7) There is a large gap between those practicing in the palliative medicine field and the number of physicians needed. A mid-range estimate by the American Academy of Hospice and Palliative Medicine’s Workforce Task Force calls for 6,000 or more full time equivalents to serve current needs in hospice and palliative care programs. At maximum capacity, the current system would produce roughly 4,600 new hospice and palliative medicine certified physicians over the next 20 years, during which time some 70,000,000 new Medicare beneficiaries will enter the Medicare program. At the same time, there is expected to be increasing acceptance of the hospice and palliative approach to care among the general population and health care providers.

SEC. 3. PALLIATIVE CARE AND HOSPICE EDUCATION AND TRAINING.

(a) IN GENERAL.—Part D of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) is amended by adding at the end the following:

“SEC. 759A. PALLIATIVE CARE AND HOSPICE EDUCATION AND TRAINING.

“(a) PALLIATIVE CARE AND HOSPICE EDUCATION CENTERS.—

“(1) IN GENERAL.—The Secretary shall award grants or contracts under this section to entities described in paragraph (1), (3), or (4) of section 799B, and section 801(2), for the establishment or operation of Palliative Care and Hospice Education Centers that meet the requirements of paragraph (2).

“(2) REQUIREMENTS.—A Palliative Care and Hospice Education Center meets the requirements of this paragraph if such Center—

“(A) improves the training of health professionals in palliative care, including residencies, traineeships, or fellowships;

“(B) develops and disseminates curricula relating to the palliative treatment of the complex health problems of individuals with serious or life threatening illnesses;

“(C) supports the training and retraining of faculty to provide instruction in palliative care;

“(D) supports continuing education of health professionals who provide palliative care to patients with serious or life threatening illness;

“(E) provides students (including residents, trainees, and fellows) with clinical training in palliative care in the home, long-term care facilities, home care, hospices, chronic and acute disease hospitals, and ambulatory care centers;

“(F) establishes traineeships for individuals who are preparing for advanced education nursing degrees in palliative care nursing, home care, hospice, in the home, long-term care, or other nursing areas that specialize in palliative care; and

“(G) does not duplicate the activities of existing education centers funded under this section or under section 753 or 865.

“(3) EXPANSION OF EXISTING CENTERS.—Nothing in this section shall be construed to—

“(A) prevent the Secretary from providing grants to expand existing education centers, including geriatric education centers established under section 753 or 865, to provide for education and training focused specifically

on palliative care, including for non-geriatric populations; or

“(B) limit the number of education centers that may be funded in a community.

“(b) PALLIATIVE MEDICINE PHYSICIAN TRAINING.—

“(1) IN GENERAL.—The Secretary may make grants to, and enter into contracts with, schools of medicine, schools of osteopathic medicine, teaching hospitals, and graduate medical education programs, for the purpose of providing support for projects that fund the training of physicians (including residents, trainees, and fellows) who plan to teach palliative medicine.

“(2) REQUIREMENTS.—Each project for which a grant or contract is made under this subsection shall—

“(A) be staffed by full-time teaching physicians who have experience or training in palliative medicine;

“(B) be based in a hospice and palliative medicine fellowship program accredited by the Accreditation Council for Graduate Medical Education;

“(C) provide training in palliative medicine through a variety of service rotations, such as consultation services, acute care services, extended care facilities, ambulatory care and comprehensive evaluation units, hospice, home health, and community care programs;

“(D) develop specific performance-based measures to evaluate the competency of trainees; and

“(E) provide training in palliative medicine through one or both of the training options described in subparagraphs (A) and (B) of paragraph (3).

“(3) TRAINING OPTIONS.—The training options referred to in subparagraph (E) of paragraph (2) shall be as follows:

“(A) 1-year retraining programs in hospice and palliative medicine for physicians who are faculty at schools of medicine and osteopathic medicine, or others determined appropriate by the Secretary.

“(B) 1- or 2-year training programs that shall be designed to provide training in hospice and palliative medicine for physicians who have completed graduate medical education programs in any medical specialty leading to board eligibility in hospice and palliative medicine pursuant to the American Board of Medical Specialties.

“(4) DEFINITIONS.—For purposes of this subsection the term ‘graduate medical education’ means a program sponsored by a school of medicine, a school of osteopathic medicine, a hospital, or a public or private institution that—

“(A) offers postgraduate medical training in the specialties and subspecialties of medicine; and

“(B) has been accredited by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association through its Committee on Postdoctoral Training.

“(c) PALLIATIVE MEDICINE AND HOSPICE ACADEMIC CAREER AWARDS.—

“(1) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to provide awards, to be known as the ‘Palliative Medicine and Hospice Academic Career Awards’, to eligible individuals to promote the career development of such individuals as academic hospice and palliative care physicians.

“(2) ELIGIBLE INDIVIDUALS.—To be eligible to receive an award under paragraph (1), an individual shall—

“(A) be board certified or board eligible in hospice and palliative medicine; and

“(B) have a junior (non-tenured) faculty appointment at an accredited (as determined by the Secretary) school of medicine or osteopathic medicine.

“(3) LIMITATIONS.—No award under paragraph (1) may be made to an eligible individual unless the individual—

“(A) has submitted to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, and the Secretary has approved such application;

“(B) provides, in such form and manner as the Secretary may require, assurances that the individual will meet the service requirement described in paragraph (6); and

“(C) provides, in such form and manner as the Secretary may require, assurances that the individual has a full-time faculty appointment in a health professions institution and documented commitment from such institution to spend a majority of the total funded time of such individual on teaching and developing skills in interdisciplinary education in palliative care.

“(4) MAINTENANCE OF EFFORT.—An eligible individual who receives an award under paragraph (1) shall provide assurances to the Secretary that funds provided to the eligible individual under this subsection will be used only to supplement, not to supplant, the amount of Federal, State, and local funds otherwise expended by the eligible individual.

“(5) AMOUNT AND TERM.—

“(A) AMOUNT.—The amount of an award under this subsection shall be equal to the award amount provided for under section 753(c)(5)(A) for the fiscal year involved.

“(B) TERM.—The term of an award made under this subsection shall not exceed 5 years.

“(C) PAYMENT TO INSTITUTION.—The Secretary shall make payments for awards under this subsection to institutions which include schools of medicine and osteopathic medicine.

“(6) SERVICE REQUIREMENT.—An individual who receives an award under this subsection shall provide training in palliative care and hospice, including the training of interdisciplinary teams of health care professionals. The provision of such training shall constitute a majority of the total funded obligations of such individual under the award.

“(d) PALLIATIVE CARE WORKFORCE DEVELOPMENT.—

“(1) IN GENERAL.—The Secretary shall award grants or contracts under this subsection to entities that operate a Palliative Care and Hospice Education Center pursuant to subsection (a)(1).

“(2) APPLICATION.—To be eligible for an award under paragraph (1), an entity described in such paragraph shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(3) USE OF FUNDS.—Amounts awarded under a grant or contract under paragraph (1) shall be used to carry out the fellowship program described in paragraph (4).

“(4) FELLOWSHIP PROGRAM.—

“(A) IN GENERAL.—Pursuant to paragraph (3), a Palliative Care and Hospice Education Center that receives an award under this subsection shall use such funds to offer short-term intensive courses (referred to in this subsection as a ‘fellowship’) that focus on palliative care that provide supplemental training for faculty members in medical schools and other health professions schools with programs in psychology, pharmacy, nursing, social work, chaplaincy, or other health disciplines, as approved by the Secretary. Such a fellowship shall be open to current faculty, and appropriately credentialed volunteer faculty and practitioners, who do not have formal training in palliative care, to upgrade their knowledge and clinical skills for the care of individuals with serious or life-threatening illness and

to enhance their interdisciplinary teaching skills.

“(B) LOCATION.—A fellowship under this paragraph shall be offered either at the Palliative Care and Hospice Education Center that is sponsoring the course, in collaboration with other Palliative Care and Hospice Education Centers, or at medical schools, schools of nursing, schools of pharmacy, schools of social work, schools of chaplaincy or pastoral care education, graduate programs in psychology, or other health professions schools approved by the Secretary with which the Centers are affiliated.

“(C) CME CREDIT.—Participation in a fellowship under this paragraph shall be accepted with respect to complying with continuing health profession education requirements. As a condition of such acceptance, the recipient shall subsequently provide a minimum of 18 hours of voluntary instruction in palliative care content (that has been approved by a palliative care and hospice education center) to students or trainees in health-related educational, home, hospice, or long-term care settings.

“(5) TARGETS.—A Palliative Care and Hospice Education Center that receives an award under this subsection shall meet targets approved by the Secretary for providing palliative care training to a certain number of faculty or practitioners during the term of the award, as well as other parameters established by the Secretary.

“(6) AMOUNT OF AWARD.—An award under this subsection shall be in an amount of \$150,000. Not more than 24 Palliative Care and Hospice Education Centers may receive an award under this subsection.

“(7) MAINTENANCE OF EFFORT.—A Palliative Care and Hospice Education Center that receives an award under this subsection shall provide assurances to the Secretary that funds provided to the Center under the award will be used only to supplement, not to supplant, the amount of Federal, State, and local funds otherwise expended by such Center.

“(e) PALLIATIVE CARE AND HOSPICE CAREER INCENTIVE AWARDS.—

“(1) IN GENERAL.—The Secretary shall award grants or contracts under this subsection to individuals described in paragraph (2) to foster greater interest among a variety of health professionals in entering the field of palliative care.

“(2) ELIGIBLE INDIVIDUALS.—To be eligible to receive an award under paragraph (1), an individual shall—

“(A) be an advanced practice nurse, a clinical social worker, a pharmacist, a chaplain, or student of psychology who is pursuing a doctorate or other advanced degree in palliative care or related fields in an accredited health professions school; and

“(B) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(3) CONDITIONS OF AWARD.—As a condition of receiving an award under this subsection, an individual shall agree that, following completion of the award period, the individual will teach or practice palliative care in health-related educational, home, hospice or long-term care settings for a minimum of 5 years under guidelines established by the Secretary.

“(4) PAYMENT TO INSTITUTION.—The Secretary shall make payments for awards under this subsection to institutions which include schools of medicine, osteopathic medicine, nursing, social work, psychology, chaplaincy or pastoral care education, dentistry, and pharmacy, or other allied health discipline in an accredited health professions school that is approved by the Secretary.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$44,100,000 for each of the fiscal years 2013 through 2017.”

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective beginning on the date that is 90 days after the date of enactment of this Act.

SEC. 4. APPLICATION TO ADVANCED PRACTICE NURSES.

(a) ADVANCED EDUCATION NURSING GRANTS.—Section 811(a) of the Public Health Service Act (42 U.S.C. 296j(a)) is amended—

(1) in paragraph (1), by striking “and” at the end;

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1), the following:

“(2) palliative care and hospice career incentive awards authorized under section 759A(e); and”.

(b) IN GENERAL.—Part D of title VIII of the Public Health Service Act (42 U.S.C. 296p et seq.) is amended by adding at the end the following:

“SEC. 832. PALLIATIVE CARE AND HOSPICE EDUCATION AND TRAINING.

“(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to eligible entities to develop and implement, in coordination with programs under section 759A, programs and initiatives to train and educate individuals in providing palliative care in health related educational, hospice, home, or long-term care settings.

“(b) USE OF FUNDS.—An eligible entity that receives a grant under subsection (a) shall use funds under such grant to—

“(1) provide training to individuals who will provide palliative care in health-related educational, home, hospice, or long-term care settings;

“(2) develop and disseminate curricula relating to palliative care in health-related educational, home, hospice, or long-term care settings;

“(3) train faculty members in palliative care in health related educational, home, hospice, or long-term care settings; or

“(4) provide continuing education to individuals who provide palliative care in health-related educational, home, hospice, or long-term care settings.

“(c) APPLICATION.—An eligible entity desiring a grant under subsection (a) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(d) ELIGIBLE ENTITY.—For purposes of this section, the term ‘eligible entity’ shall include a school of nursing, a health care facility, a program leading to certification as a certified nurse assistant, a partnership of such a school and facility, or a partnership of such a program and facility.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2013 through 2017.”

By Mr. REID:

S. 3412. A bill to amend the Internal Revenue Code of 1986 to provide tax relief to middle-class families; placed on the calendar.

Mr. REID. 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. 3412

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

SECTION 1. SHORT TITLE; ETC.

(a) **SHORT TITLE.**—This Act may be cited as the “Middle Class Tax Cut Act”.

(b) **AMENDMENT OF 1986 CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) **TABLE OF CONTENTS.**—The table of contents of this Act is as follows:

Sec. 1. Short title; etc.

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

Sec. 101. Temporary extension of 2001 tax relief.

Sec. 102. Temporary extension of 2003 tax relief.

Sec. 103. Temporary extension of 2010 tax relief.

Sec. 104. Temporary extension of election to expense certain depreciable business assets.

TITLE II—ALTERNATIVE MINIMUM TAX RELIEF

Sec. 201. Temporary extension of increased alternative minimum tax exemption amount.

Sec. 202. Temporary extension of alternative minimum tax relief for non-refundable personal credits.

TITLE III—BUDGETARY EFFECTS

Sec. 301. Budgetary effects.

TITLE I—TEMPORARY EXTENSION OF TAX RELIEF

SEC. 101. TEMPORARY EXTENSION OF 2001 TAX RELIEF.

(a) **TEMPORARY EXTENSION.**—

(1) **IN GENERAL.**—Section 901(a)(1) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking “December 31, 2012” and inserting “December 31, 2013”.

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(b) **APPLICATION TO CERTAIN HIGH-INCOME TAXPAYERS.**—

(1) **INCOME TAX RATES.**—

(A) **TREATMENT OF 25- AND 28- PERCENT RATE BRACKETS.**—Paragraph (2) of section 1(i) is amended to read as follows:

“(2) 25- AND 28- PERCENT RATE BRACKETS.—The tables under subsections (a), (b), (c), (d), and (e) shall be applied—

“(A) by substituting ‘25%’ for ‘28%’ each place it appears (before the application of subparagraph (B)), and

“(B) by substituting ‘28%’ for ‘31%’ each place it appears.”.

(B) **33-PERCENT RATE BRACKET.**—Subsection (i) of section 1 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

“(3) 33-PERCENT RATE BRACKET.—

“(A) **IN GENERAL.**—In the case of taxable years beginning after December 31, 2012—

“(i) the rate of tax under subsections (a), (b), (c), and (d) on a taxpayer’s taxable income in the fourth rate bracket shall be 33 percent to the extent such income does not exceed an amount equal to the excess of—

“(I) the applicable amount, over

“(II) the dollar amount at which such bracket begins, and

“(ii) the 36 percent rate of tax under such subsections shall apply only to the taxpayer’s taxable income in such bracket in excess of the amount to which clause (i) applies.

“(B) **APPLICABLE AMOUNT.**—For purposes of this paragraph, the term ‘applicable amount’ means the excess of—

“(i) the applicable threshold, over

“(ii) the sum of the following amounts in effect for the taxable year:

“(I) the basic standard deduction (within the meaning of section 63(c)(2)), and

“(II) the exemption amount (within the meaning of section 151(d)(1) (or, in the case of subsection (a), 2 such exemption amounts)).

“(C) **APPLICABLE THRESHOLD.**—For purposes of this paragraph, the term ‘applicable threshold’ means—

“(i) \$250,000 in the case of subsection (a),

“(ii) \$225,000 in the case of subsection (b),

“(iii) \$200,000 in the case of subsections (c), and

“(iv) ½ the amount applicable under clause (i) (after adjustment, if any, under subparagraph (E)) in the case of subsection (d).

“(D) **FOURTH RATE BRACKET.**—For purposes of this paragraph, the term ‘fourth rate bracket’ means the bracket which would (determined without regard to this paragraph) be the 36-percent rate bracket.

“(E) **INFLATION ADJUSTMENT.**—For purposes of this paragraph, with respect to taxable years beginning in calendar years after 2012, each of the dollar amounts under clauses (i), (ii), and (iii) of subparagraph (C) shall be adjusted in the same manner as under paragraph (1)(C), except that subsection (f)(3)(B) shall be applied by substituting ‘2008’ for ‘1992’.”.

(2) **PHASEOUT OF PERSONAL EXEMPTIONS AND ITEMIZED DEDUCTIONS.**—

(A) **OVERALL LIMITATION ON ITEMIZED DEDUCTIONS.**—Section 68 is amended—

(i) by striking “the applicable amount” the first place it appears in subsection (a) and inserting “the applicable threshold in effect under section 1(i)(3)”,

(ii) by striking “the applicable amount” in subsection (a)(1) and inserting “such applicable threshold”,

(iii) by striking subsection (b) and redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d), respectively, and

(iv) by striking subsections (f) and (g).

(B) **PHASEOUT OF DEDUCTIONS FOR PERSONAL EXEMPTIONS.**—

(1) **IN GENERAL.**—Paragraph (3) of section 151(d) is amended—

(I) by striking “the threshold amount” in subparagraphs (A) and (B) and inserting “the applicable threshold in effect under section 1(i)(3)”,

(II) by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C), and

(III) by striking subparagraphs (E) and (F).

(ii) **CONFORMING AMENDMENTS.**—Paragraph (4) of section 151(d) is amended—

(I) by striking subparagraph (B),

(II) by redesignating clauses (i) and (ii) of subparagraph (A) as subparagraphs (A) and (B), respectively, and by indenting such subparagraphs (as so redesignated) accordingly, and

(III) by striking all that precedes “in a calendar year after 1989,” and inserting the following:

“(4) **INFLATION ADJUSTMENT.**—In the case of any taxable year beginning”.

(c) **EFFECTIVE DATE.**—Except as otherwise provided, the amendments made by this section shall apply to taxable years beginning after December 31, 2012.

(d) **APPLICATION OF EGTRRA SUNSET.**—Each amendment made by subsection (b) shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as if such amendment was included in title I of such Act.

SEC. 102. TEMPORARY EXTENSION OF 2003 TAX RELIEF.

(a) **EXTENSION.**—

(1) **IN GENERAL.**—Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking “December 31, 2012” and inserting “December 31, 2013”.

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall take effect as if included in the enactment of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

(b) **20-PERCENT CAPITAL GAINS RATE FOR CERTAIN HIGH INCOME INDIVIDUALS.**—

(1) **IN GENERAL.**—Paragraph (1) of section 1(h) is amended by striking subparagraph (C), by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F) and by inserting after subparagraph (B) the following new subparagraphs:

“(C) 15 percent of the lesser of—

“(i) so much of the adjusted net capital gain (or, if less, taxable income) as exceeds the amount on which a tax is determined under subparagraph (B), or

“(ii) the excess (if any) of—

“(I) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 36 percent, over

“(II) the sum of the amounts on which a tax is determined under subparagraphs (A) and (B),

“(D) 20 percent of the adjusted net capital gain (or, if less, taxable income) in excess of the sum of the amounts on which tax is determined under subparagraphs (B) and (C).”.

(2) **MINIMUM TAX.**—Paragraph (3) of section 55(b) is amended by striking subparagraph (C), by redesignating subparagraph (D) as subparagraph (E), and by inserting after subparagraph (B) the following new subparagraphs:

“(C) 15 percent of the lesser of—

“(i) so much of the adjusted net capital gain (or, if less, taxable excess) as exceeds the amount on which tax is determined under subparagraph (B), or

“(ii) the excess described in section

1(h)(1)(C)(ii), plus

“(D) 20 percent of the adjusted net capital gain (or, if less, taxable excess) in excess of the sum of the amounts on which tax is determined under subparagraphs (B) and (C), plus”.

(c) **CONFORMING AMENDMENTS.**—

(1) The following provisions are each amended by striking “15 percent” and inserting “20 percent”:

(A) Section 531.

(B) Section 541.

(C) Section 1445(e)(1).

(D) The second sentence of section 7518(g)(6)(A).

(E) Section 53511(f)(2) of title 46, United States Code.

(2) Sections 1(h)(1)(B) and 55(b)(3)(B) are each amended by striking “5 percent (0 percent in the case of taxable years beginning after 2007)” and inserting “0 percent”.

(3) Section 1445(e)(6) is amended by striking “15 percent (20 percent in the case of taxable years beginning after December 31, 2010)” and inserting “20 percent”.

(d) **EFFECTIVE DATES.**—

(1) **IN GENERAL.**—Except as otherwise provided, the amendments made by subsections (b) and (c) shall apply to taxable years beginning after December 31, 2012.

(2) **WITHHOLDING.**—The amendments made by paragraphs (1)(C) and (3) of subsection (c) shall apply to amounts paid on or after January 1, 2013.

(e) **APPLICATION OF JGTRRA SUNSET.**—Each amendment made by subsections (b) and (c) shall be subject to section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 to the same extent and in the same manner as if such amendment was included in title III of such Act.

SEC. 103. TEMPORARY EXTENSION OF 2010 TAX RELIEF.

(a) AMERICAN OPPORTUNITY TAX CREDIT.—

(1) IN GENERAL.—Section 25A(i) is amended by striking “or 2012” and inserting “2012, or 2013”.

(2) TREATMENT OF POSSESSIONS.—Section 1004(c)(1) of division B of the American Recovery and Reinvestment Tax Act of 2009 is amended by striking “and 2012” each place it appears and inserting “2012, and 2013”.

(b) CHILD TAX CREDIT.—Section 24(d)(4) is amended—

(1) by striking “AND 2012” in the heading and inserting “2012, AND 2013”, and

(2) by striking “or 2012” and inserting “2012, or 2013”.

(c) EARNED INCOME TAX CREDIT.—Section 32(b)(3) is amended—

(1) by striking “AND 2012” in the heading and inserting “2012, AND 2013”, and

(2) by striking “or 2012” and inserting “2012, or 2013”.

(d) TEMPORARY EXTENSION OF RULE DISREGARDING REFUNDS IN THE ADMINISTRATION OF FEDERAL PROGRAMS AND FEDERALLY ASSISTED PROGRAMS.—Subsection (b) of section 6409 is amended by striking “December 31, 2012” and inserting “December 31, 2013”.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2012.

(2) RULE DISREGARDING REFUNDS IN THE ADMINISTRATION OF CERTAIN PROGRAMS.—The amendment made by subsection (d) shall apply to amounts received after December 31, 2012.

SEC. 104. TEMPORARY EXTENSION OF ELECTION TO EXPENSE CERTAIN DEPRECIABLE BUSINESS ASSETS.

(a) IN GENERAL.—

(1) DOLLAR LIMITATION.—Section 179(b)(1) is amended—

(A) by striking “and” at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

(C) by inserting after subparagraph (C) the following new subparagraph:

“(D) \$250,000 in the case of taxable years beginning in 2013, and”, and

(D) in subparagraph (E), as so redesignated, by striking “2012” and inserting “2013”.

(2) REDUCTION IN LIMITATION.—Section 179(b)(2) is amended—

(A) by striking “and” at the end of subparagraph (C),

(B) by redesignating subparagraph (D) as subparagraph (E),

(C) by inserting after subparagraph (C) the following new subparagraph:

“(D) \$800,000 in the case of taxable years beginning in 2013, and”, and

(D) in subparagraph (E), as so redesignated, by striking “2012” and inserting “2013”.

(b) COMPUTER SOFTWARE.—Section 179(d)(1)(A)(ii) is amended by striking “2013” and inserting “2014”.

(c) ELECTION.—Section 179(c)(2) is amended by striking “2013” and inserting “2014”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

TITLE II—ALTERNATIVE MINIMUM TAX RELIEF**SEC. 201. TEMPORARY EXTENSION OF INCREASED ALTERNATIVE MINIMUM TAX EXEMPTION AMOUNT.**

(a) IN GENERAL.—Paragraph (1) of section 55(d) is amended—

(1) by striking “\$72,450” and all that follows through “2011” in subparagraph (A) and inserting “\$78,750 in the case of taxable years beginning in 2012”, and

(2) by striking “\$47,450” and all that follows through “2011” in subparagraph (B) and

inserting “\$50,600 in the case of taxable years beginning in 2012”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

SEC. 202. TEMPORARY EXTENSION OF ALTERNATIVE MINIMUM TAX RELIEF FOR NONREFUNDABLE PERSONAL CREDITS.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking “or 2011” and inserting “2011, or 2012”, and

(2) by striking “2011” in the heading thereof and inserting “2012”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2011.

TITLE III—BUDGETARY EFFECTS**SEC. 301. BUDGETARY EFFECTS.**

(a) PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on either PAYGO scorecard maintained pursuant to section 4(d) of the Statutory Pay-As-You-Go Act of 2010.

(b) SENATE PAYGO SCORECARD.—The budgetary effects of this Act shall not be entered on any PAYGO scorecard maintained for purposes of section 201 of S. Con Res. 21 (110th Congress).

By Mr. INHOFE (for himself and Mr. VITTER):

S. 3415. A bill to require the disclosure of all payments made under the Equal Access to Justice Act; to the Committee on the Judiciary.

Mr. INHOFE. Mr. President, I rise today to introduce the Government Transparency and Recordkeeping Act along with Senator VITTER.

The purpose of this bill is to require that all records of individual payments under 31 U.S.C. 1304, which is the Judgment Fund, are reported to Congress and made available to the public. It further requires that agencies provide this information by keeping accurate and thorough records.

Simply put, most Americans have a checking account. When you write a check, you also record it in your checking book. This checking book is your record of how much you paid and to whom you paid. Simply put, the Federal Government does not do this in terms of the Judgment Fund. The Federal government has not been keeping track of its Judgment Fund payments because they are not required to do so. In this age of technology, shouldn't the federal government keep track of its finances?

If the Federal Government is named as a defendant and the plaintiffs are successful then the plaintiffs may be awarded for certain attorney fees and costs. Such payments are made from the Judgment Fund.

The Judgment Fund was created in 1956 and is a permanent fund available to pay judgments against the government and settlements resulting from lawsuits.

As the Ranking Member of the Senate Environment and Public Works Committee, I had to request that GAO investigate how much the Judgment Fund has paid related to the environmental statutes in our jurisdiction and get back to me. Even GAO had trouble

getting complete records over the past ten years. This is federal taxpayers' money that we are spending without keeping accurate and up to date records. This information needs to be readily available and accessible to the public.

Federal agencies that are impacted by these costs as well as policymakers and taxpayers should be able to track payments from the Judgment Fund to determine who is suing a particular Federal agency, the nature of their claims, how often agencies settle and agree to pay plaintiffs' legal fees, and so forth. If Congress and the public had access to this information in a useable form, they could identify problem areas and work to save taxpayer money by bringing loss rates down.

Article I, section 9 of the U.S. Constitution provides “that a regular Statement and Account of the Receipts of all public money shall be published from time to time.” The operation and payment of Judgment fund monies should not be an exception. This bill will ensure that Congress and the public have access to such information.

SUBMITTED RESOLUTIONS**SENATE CONCURRENT RESOLUTION 52—SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2013 AND SETTING FORTH THE APPROPRIATE BUDGETARY LEVELS FOR FISCAL YEARS 2014 THROUGH 2022**

Mr. LEE submitted the following concurrent resolution; which was placed on the calendar:

S. CON. RES. 52

*Resolved by the Senate (the House of Representatives concurring),***SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2013.**

(a) DECLARATION.—Congress declares that this resolution is the concurrent resolution on the budget for fiscal year 2013 and that this resolution sets forth the appropriate budgetary levels for fiscal years 2014 through 2022.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 2013.

TITLE I—RECOMMENDED LEVELS AND AMOUNTSSec. 101. Recommended levels and amounts.
Sec. 102. Social Security.

Sec. 103. Major functional categories.

TITLE II—RESERVE FUNDS

Sec. 201. Deficit-reduction reserve fund for the sale of unused or vacant Federal properties.

Sec. 202. Deficit-reduction reserve fund for selling excess Federal land.

Sec. 203. Deficit-reduction reserve fund for the repeal of Davis-Bacon prevailing wage laws.

Sec. 204. Deficit-reduction reserve fund for the reduction of purchasing and maintaining Federal vehicles.

Sec. 205. Deficit-reduction reserve fund for the sale of financial assets purchased through the Troubled Asset Relief Program.

Sec. 206. Reserve fund for the repeal of the 2010 health care laws.

TITLE III—BUDGET PROCESS

Subtitle A—Budget Enforcement

Sec. 301. Discretionary spending limits for fiscal years 2013 through 2022, program integrity initiatives, and other adjustments.

Sec. 302. Point of order against advance appropriations.

Subtitle B—Other Provisions

Sec. 311. Oversight of government performance.

Sec. 312. Application and effect of changes in allocations and aggregates.

Sec. 313. Adjustments to reflect changes in concepts and definitions.

TITLE IV—RECONCILIATION

Sec. 401. Reconciliation in the Senate.

TITLE V—CONGRESSIONAL POLICY CHANGES

Sec. 501. Policy statement on social security.

Sec. 502. Policy statement on Medicare.

Sec. 503. Policy statement on Medicaid.

Sec. 504. Policy statement on tax reform.

Sec. 505. Policy statement on government asset sales.

Sec. 506. Policy on repealing Obamacare.

TITLE VI—SENSE OF CONGRESS

Sec. 601. Regulatory reform.

Sec. 602. Rescind unspent or unobligated balances after 36 months.

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for each of fiscal years 2013 through 2022:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution:

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2013: \$1,961,929,000,000.
 Fiscal year 2014: \$2,144,992,000,000.
 Fiscal year 2015: \$2,376,945,000,000.
 Fiscal year 2016: \$2,558,632,000,000.
 Fiscal year 2017: \$2,715,114,000,000.
 Fiscal year 2018: \$2,846,304,000,000.
 Fiscal year 2019: \$2,984,528,000,000.
 Fiscal year 2020: \$3,135,231,000,000.
 Fiscal year 2021: \$3,292,091,000,000.
 Fiscal year 2022: \$3,453,764,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2013: —\$328,000,000,000.
 Fiscal year 2014: —\$440,000,000,000.
 Fiscal year 2015: —\$421,000,000,000.
 Fiscal year 2016: —\$406,000,000,000.
 Fiscal year 2017: —\$457,000,000,000.
 Fiscal year 2018: —\$484,000,000,000.
 Fiscal year 2019: —\$513,000,000,000.
 Fiscal year 2020: —\$541,000,000,000.
 Fiscal year 2021: —\$585,000,000,000.
 Fiscal year 2022: —\$631,000,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2013: \$2,602,345,000,000.
 Fiscal year 2014: \$2,498,340,000,000.
 Fiscal year 2015: \$2,584,430,000,000.
 Fiscal year 2016: \$2,598,024,000,000.
 Fiscal year 2017: \$2,712,605,000,000.
 Fiscal year 2018: \$2,834,797,000,000.
 Fiscal year 2019: \$2,991,342,000,000.
 Fiscal year 2020: \$3,124,945,000,000.
 Fiscal year 2021: \$3,216,804,000,000.
 Fiscal year 2022: \$3,326,195,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2013: \$2,658,535,000,000.
 Fiscal year 2014: \$2,540,263,000,000.
 Fiscal year 2015: \$2,600,001,000,000.
 Fiscal year 2016: \$2,600,898,000,000.
 Fiscal year 2017: \$2,698,998,000,000.
 Fiscal year 2018: \$2,817,023,000,000.
 Fiscal year 2019: \$2,960,794,000,000.
 Fiscal year 2020: \$3,092,448,000,000.
 Fiscal year 2021: \$3,181,088,000,000.
 Fiscal year 2022: \$3,289,369,000,000.

(4) DEFICITS.—For purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 2013: \$696,606,000,000.
 Fiscal year 2014: \$395,271,000,000.
 Fiscal year 2015: \$223,056,000,000.
 Fiscal year 2016: \$42,265,000,000.
 Fiscal year 2017: —\$16,115,000,000.
 Fiscal year 2018: —\$29,282,000,000.
 Fiscal year 2019: —\$23,735,000,000.
 Fiscal year 2020: —\$42,783,000,000.
 Fiscal year 2021: —\$111,004,000,000.
 Fiscal year 2022: —\$164,394,000,000.

(5) PUBLIC DEBT.—Pursuant to section 301(a)(5) of the Congressional Budget Act of 1974, the appropriate levels of the public debt are as follows:

Fiscal year 2013: \$11,871,000,000,000.
 Fiscal year 2014: \$12,368,000,000,000.
 Fiscal year 2015: \$12,679,000,000,000.
 Fiscal year 2016: \$12,799,000,000,000.
 Fiscal year 2017: \$12,855,000,000,000.
 Fiscal year 2018: \$12,888,000,000,000.
 Fiscal year 2019: \$12,928,000,000,000.
 Fiscal year 2020: \$12,932,000,000,000.
 Fiscal year 2021: \$12,874,000,000,000.
 Fiscal year 2022: \$12,770,000,000,000.

(6) DEBT HELD BY THE PUBLIC.—The appropriate levels of debt held by the public are as follows:

Fiscal year 2013: \$16,782,000,000,000.
 Fiscal year 2014: \$17,423,000,000,000.
 Fiscal year 2015: \$17,908,000,000,000.
 Fiscal year 2016: \$18,210,000,000,000.
 Fiscal year 2017: \$18,468,000,000,000.
 Fiscal year 2018: \$18,729,000,000,000.
 Fiscal year 2019: \$18,943,000,000,000.
 Fiscal year 2020: \$19,112,000,000,000.
 Fiscal year 2021: \$19,204,000,000,000.
 Fiscal year 2022: \$19,224,000,000,000.

SEC. 102. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2013: \$675,120,000,000.
 Fiscal year 2014: \$731,427,000,000.
 Fiscal year 2015: \$772,640,000,000.
 Fiscal year 2016: \$821,698,000,000.
 Fiscal year 2017: \$872,014,000,000.
 Fiscal year 2018: \$919,303,000,000.
 Fiscal year 2019: \$965,008,000,000.
 Fiscal year 2020: \$1,010,593,000,000.
 Fiscal year 2021: \$1,055,547,000,000.
 Fiscal year 2022: \$1,102,093,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2013: \$720,436,000,000.
 Fiscal year 2014: \$758,457,000,000.
 Fiscal year 2015: \$797,609,000,000.
 Fiscal year 2016: \$839,879,000,000.
 Fiscal year 2017: \$887,426,000,000.
 Fiscal year 2018: \$939,147,000,000.
 Fiscal year 2019: \$995,537,000,000.
 Fiscal year 2020: \$1,032,447,000,000.
 Fiscal year 2021: \$1,093,921,000,000.
 Fiscal year 2022: \$1,153,017,000,000.

(c) SOCIAL SECURITY ADMINISTRATIVE EXPENSES.—In the Senate, the amounts of new

budget authority and budget outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund for administrative expenses are as follows:

Fiscal year 2013:

(A) New budget authority, \$5,539,000,000.
 (B) Outlays, \$5,543,000,000.

Fiscal year 2014:

(A) New budget authority, \$5,701,000,000.
 (B) Outlays, \$5,709,000,000.

Fiscal year 2015:

(A) New budget authority, \$5,868,000,000.
 (B) Outlays, \$5,842,000,000.

Fiscal year 2016:

(A) New budget authority, \$6,047,000,000.
 (B) Outlays, \$6,019,000,000.

Fiscal year 2017:

(A) New budget authority, \$6,231,000,000.
 (B) Outlays, \$6,201,000,000.

Fiscal year 2018:

(A) New budget authority, \$6,434,000,000.
 (B) Outlays, \$6,402,000,000.

Fiscal year 2019:

(A) New budget authority, \$6,651,000,000.
 (B) Outlays, \$6,617,000,000.

Fiscal year 2020:

(A) New budget authority, \$6,867,000,000.
 (B) Outlays, \$6,832,000,000.

Fiscal year 2021:

(A) New budget authority, \$7,088,000,000.
 (B) Outlays, \$7,052,000,000.

Fiscal year 2022:

(A) New budget authority, \$7,320,000,000.
 (B) Outlays, \$7,283,000,000.

SEC. 103. MAJOR FUNCTIONAL CATEGORIES.

Congress determines and declares that the appropriate levels of new budget authority and outlays for fiscal years 2013 through 2022 for each major functional category are:

(1) National Defense (050):

Fiscal year 2013:

(A) New budget authority, \$696,600,000,000.
 (B) Outlays, \$713,500,000,000.

Fiscal year 2014:

(A) New budget authority, \$699,900,000,000.
 (B) Outlays, \$713,900,000,000.

Fiscal year 2015:

(A) New budget authority, \$724,900,000,000.
 (B) Outlays, \$732,100,000,000.

Fiscal year 2016:

(A) New budget authority, \$749,500,000,000.
 (B) Outlays, \$749,500,000,000.

Fiscal year 2017:

(A) New budget authority, \$766,700,000,000.
 (B) Outlays, \$759,100,000,000.

Fiscal year 2018:

(A) New budget authority, \$784,800,000,000.
 (B) Outlays, \$777,100,000,000.

Fiscal year 2019:

(A) New budget authority, \$812,700,000,000.
 (B) Outlays, \$796,700,000,000.

Fiscal year 2020:

(A) New budget authority, \$835,600,000,000.
 (B) Outlays, \$819,800,000,000.

Fiscal year 2021:

(A) New budget authority, \$857,900,000,000.
 (B) Outlays, \$841,500,000,000.

Fiscal year 2022:

(A) New budget authority, \$881,100,000,000.
 (B) Outlays, \$864,300,000,000.

(2) International Affairs (150):

Fiscal year 2013:

(A) New budget authority, \$38,024,000,000.
 (B) Outlays, \$41,175,000,000.

Fiscal year 2014:

(A) New budget authority, \$36,214,000,000.
 (B) Outlays, \$41,078,000,000.

Fiscal year 2015:

(A) New budget authority, \$32,615,000,000.
 (B) Outlays, \$37,851,000,000.

Fiscal year 2016:

(A) New budget authority, \$34,605,000,000.
 (B) Outlays, \$39,104,000,000.

Fiscal year 2017:

(A) New budget authority, \$36,288,000,000.
 (B) Outlays, \$39,950,000,000.

- Fiscal year 2018:
 (A) New budget authority, \$36,754,000,000.
 (B) Outlays, \$39,928,000,000.
- Fiscal year 2019:
 (A) New budget authority, \$38,239,000,000.
 (B) Outlays, \$41,199,000,000.
- Fiscal year 2020:
 (A) New budget authority, \$39,017,000,000.
 (B) Outlays, \$42,036,000,000.
- Fiscal year 2021:
 (A) New budget authority, \$39,856,000,000.
 (B) Outlays, \$42,873,000,000.
- Fiscal year 2022:
 (A) New budget authority, \$40,168,000,000.
 (B) Outlays, \$43,043,000,000.
- (3) General Science, Space, and Technology (250):
 Fiscal year 2013:
 (A) New budget authority, \$11,390,000,000.
 (B) Outlays, \$11,875,000,000.
- Fiscal year 2014:
 (A) New budget authority, \$10,781,000,000.
 (B) Outlays, \$10,925,000,000.
- Fiscal year 2015:
 (A) New budget authority, \$10,190,000,000.
 (B) Outlays, \$10,175,000,000.
- Fiscal year 2016:
 (A) New budget authority, \$10,043,000,000.
 (B) Outlays, \$9,984,000,000.
- Fiscal year 2017:
 (A) New budget authority, \$10,281,000,000.
 (B) Outlays, \$10,200,000,000.
- Fiscal year 2018:
 (A) New budget authority, \$10,953,000,000.
 (B) Outlays, \$10,850,000,000.
- Fiscal year 2019:
 (A) New budget authority, \$11,201,000,000.
 (B) Outlays, \$11,075,000,000.
- Fiscal year 2020:
 (A) New budget authority, \$10,976,000,000.
 (B) Outlays, \$10,848,000,000.
- Fiscal year 2021:
 (A) New budget authority, \$11,231,000,000.
 (B) Outlays, \$11,064,000,000.
- Fiscal year 2022:
 (A) New budget authority, \$11,044,000,000.
 (B) Outlays, \$10,879,000,000.
- (4) Energy (270):
 Fiscal year 2013:
 (A) New budget authority, \$1,924,000,000.
 (B) Outlays, \$8,075,000,000.
- Fiscal year 2014:
 (A) New budget authority, \$1,765,000,000.
 (B) Outlays, \$4,807,000,000.
- Fiscal year 2015:
 (A) New budget authority, \$934,000,000.
 (B) Outlays, \$2,035,000,000.
- Fiscal year 2016:
 (A) New budget authority, \$1,043,000,000.
 (B) Outlays, \$2,080,000,000.
- Fiscal year 2017:
 (A) New budget authority, \$1,260,000,000.
 (B) Outlays, \$2,125,000,000.
- Fiscal year 2018:
 (A) New budget authority, \$1,292,000,000.
 (B) Outlays, \$2,170,000,000.
- Fiscal year 2019:
 (A) New budget authority, \$1,323,000,000.
 (B) Outlays, \$2,215,000,000.
- Fiscal year 2020:
 (A) New budget authority, \$1,081,000,000.
 (B) Outlays, \$1,808,000,000.
- Fiscal year 2021:
 (A) New budget authority, \$1,105,000,000.
 (B) Outlays, \$1,844,000,000.
- Fiscal year 2022:
 (A) New budget authority, \$1,138,000,000.
 (B) Outlays, \$1,892,000,000.
- (5) Natural Resources and Environment (300):
 Fiscal year 2013:
 (A) New budget authority, \$24,988,000,000.
 (B) Outlays, \$28,975,000,000.
- Fiscal year 2014:
 (A) New budget authority, \$23,662,000,000.
 (B) Outlays, \$27,094,000,000.
- Fiscal year 2015:
 (A) New budget authority, \$20,775,000,000.
 (B) Outlays, \$24,013,000,000.
- Fiscal year 2016:
 (A) New budget authority, \$22,093,000,000.
 (B) Outlays, \$24,128,000,000.
- Fiscal year 2017:
 (A) New budget authority, \$23,753,000,000.
 (B) Outlays, \$25,075,000,000.
- Fiscal year 2018:
 (A) New budget authority, \$25,130,000,000.
 (B) Outlays, \$25,172,000,000.
- Fiscal year 2019:
 (A) New budget authority, \$26,291,000,000.
 (B) Outlays, \$26,137,000,000.
- Fiscal year 2020:
 (A) New budget authority, \$26,460,000,000.
 (B) Outlays, \$26,216,000,000.
- Fiscal year 2021:
 (A) New budget authority, \$27,487,000,000.
 (B) Outlays, \$27,199,000,000.
- Fiscal year 2022:
 (A) New budget authority, \$27,265,000,000.
 (B) Outlays, \$26,961,000,000.
- (6) Agriculture (350):
 Fiscal year 2013:
 (A) New budget authority, \$9,822,000,000.
 (B) Outlays, \$9,775,000,000.
- Fiscal year 2014:
 (A) New budget authority, \$9,390,000,000.
 (B) Outlays, \$9,357,000,000.
- Fiscal year 2015:
 (A) New budget authority, \$8,666,000,000.
 (B) Outlays, \$8,620,000,000.
- Fiscal year 2016:
 (A) New budget authority, \$8,760,000,000.
 (B) Outlays, \$8,710,000,000.
- Fiscal year 2017:
 (A) New budget authority, \$8,423,000,000.
 (B) Outlays, \$8,375,000,000.
- Fiscal year 2018:
 (A) New budget authority, \$8,506,000,000.
 (B) Outlays, \$8,456,000,000.
- Fiscal year 2019:
 (A) New budget authority, \$8,588,000,000.
 (B) Outlays, \$8,537,000,000.
- Fiscal year 2020:
 (A) New budget authority, \$8,671,000,000.
 (B) Outlays, \$8,618,000,000.
- Fiscal year 2021:
 (A) New budget authority, \$9,687,000,000.
 (B) Outlays, \$9,621,000,000.
- Fiscal year 2022:
 (A) New budget authority, \$9,822,000,000.
 (B) Outlays, \$9,753,000,000.
- (7) Commerce and Housing Credit (370):
 Fiscal year 2013:
 (A) New budget authority, \$13,261,000,000.
 (B) Outlays, \$13,001,000,000.
- Fiscal year 2014:
 (A) New budget authority, -\$1,068,000,000.
 (B) Outlays, -\$1,118,000,000.
- Fiscal year 2015:
 (A) New budget authority, -\$3,900,000,000.
 (B) Outlays, -\$3,894,000,000.
- Fiscal year 2016:
 (A) New budget authority, -\$5,351,000,000.
 (B) Outlays, -\$5,362,000,000.
- Fiscal year 2017:
 (A) New budget authority, -\$7,049,000,000.
 (B) Outlays, -\$7,080,000,000.
- Fiscal year 2018:
 (A) New budget authority, -\$6,172,000,000.
 (B) Outlays, -\$6,210,000,000.
- Fiscal year 2019:
 (A) New budget authority, -\$9,909,000,000.
 (B) Outlays, -\$9,972,000,000.
- Fiscal year 2020:
 (A) New budget authority, -\$9,578,000,000.
 (B) Outlays, -\$9,647,000,000.
- Fiscal year 2021:
 (A) New budget authority, -\$2,999,000,000.
 (B) Outlays, -\$3,087,000,000.
- Fiscal year 2022:
 (A) New budget authority, -\$1,184,000,000.
 (B) Outlays, -\$1,302,000,000.
- (8) Transportation (400):
 Fiscal year 2013:
 (A) New budget authority, \$17,078,000,000.
 (B) Outlays, \$27,075,000,000.
- Fiscal year 2014:
 (A) New budget authority, \$6,958,000,000.
 (B) Outlays, \$18,791,000,000.
- Fiscal year 2015:
 (A) New budget authority, \$8,203,000,000.
 (B) Outlays, \$19,129,000,000.
- Fiscal year 2016:
 (A) New budget authority, \$8,169,000,000.
 (B) Outlays, \$19,136,000,000.
- Fiscal year 2017:
 (A) New budget authority, \$8,275,000,000.
 (B) Outlays, \$19,125,000,000.
- Fiscal year 2018:
 (A) New budget authority, \$8,439,000,000.
 (B) Outlays, \$19,096,000,000.
- Fiscal year 2019:
 (A) New budget authority, \$8,657,000,000.
 (B) Outlays, \$19,049,000,000.
- Fiscal year 2020:
 (A) New budget authority, \$9,401,000,000.
 (B) Outlays, \$20,792,000,000.
- Fiscal year 2021:
 (A) New budget authority, \$10,926,000,000.
 (B) Outlays, \$22,128,000,000.
- Fiscal year 2022:
 (A) New budget authority, \$9,793,000,000.
 (B) Outlays, \$22,231,000,000.
- (9) Community and Regional Development (450):
 Fiscal year 2013:
 (A) New budget authority, \$10,459,000,000.
 (B) Outlays, \$19,000,000,000.
- Fiscal year 2014:
 (A) New budget authority, \$8,265,000,000.
 (B) Outlays, \$17,043,000,000.
- Fiscal year 2015:
 (A) New budget authority, \$8,348,000,000.
 (B) Outlays, \$13,838,000,000.
- Fiscal year 2016:
 (A) New budget authority, \$10,611,000,000.
 (B) Outlays, \$14,144,000,000.
- Fiscal year 2017:
 (A) New budget authority, \$12,652,000,000.
 (B) Outlays, \$14,875,000,000.
- Fiscal year 2018:
 (A) New budget authority, \$14,022,000,000.
 (B) Outlays, \$15,190,000,000.
- Fiscal year 2019:
 (A) New budget authority, \$14,349,000,000.
 (B) Outlays, \$15,062,000,000.
- Fiscal year 2020:
 (A) New budget authority, \$14,365,000,000.
 (B) Outlays, \$14,916,000,000.
- Fiscal year 2021:
 (A) New budget authority, \$15,547,000,000.
 (B) Outlays, \$16,135,000,000.
- Fiscal year 2022:
 (A) New budget authority, \$15,512,000,000.
 (B) Outlays, \$16,082,000,000.
- (10) Education, Training, Employment, and Social Services (500):
 Fiscal year 2013:
 (A) New budget authority, \$56,341,000,000.
 (B) Outlays, \$57,875,000,000.
- Fiscal year 2014:
 (A) New budget authority, \$52,978,000,000.
 (B) Outlays, \$53,499,000,000.
- Fiscal year 2015:
 (A) New budget authority, \$50,710,000,000.
 (B) Outlays, \$50,180,000,000.
- Fiscal year 2016:
 (A) New budget authority, \$54,699,000,000.
 (B) Outlays, \$54,080,000,000.
- Fiscal year 2017:
 (A) New budget authority, \$56,797,000,000.
 (B) Outlays, \$56,100,000,000.
- Fiscal year 2018:
 (A) New budget authority, \$57,622,000,000.
 (B) Outlays, \$56,854,000,000.
- Fiscal year 2019:
 (A) New budget authority, \$58,400,000,000.
 (B) Outlays, \$57,590,000,000.
- Fiscal year 2020:
 (A) New budget authority, \$59,907,000,000.
 (B) Outlays, \$59,059,000,000.
- Fiscal year 2021:
 (A) New budget authority, \$60,799,000,000.
 (B) Outlays, \$59,930,000,000.

Fiscal year 2022:
 (A) New budget authority, \$60,885,000,000.
 (B) Outlays, \$60,071,000,000.

(11) Health (550):
 Fiscal year 2013:
 (A) New budget authority, \$353,800,000,000.
 (B) Outlays, \$348,000,000,000.

Fiscal year 2014:
 (A) New budget authority, \$337,591,000,000.
 (B) Outlays, \$326,887,000,000.

Fiscal year 2015:
 (A) New budget authority, \$351,655,000,000.
 (B) Outlays, \$330,821,000,000.

Fiscal year 2016:
 (A) New budget authority, \$361,046,000,000.
 (B) Outlays, \$340,432,000,000.

Fiscal year 2017:
 (A) New budget authority, \$374,026,000,000.
 (B) Outlays, \$349,175,000,000.

Fiscal year 2018:
 (A) New budget authority, \$385,327,000,000.
 (B) Outlays, \$360,180,000,000.

Fiscal year 2019:
 (A) New budget authority, \$399,456,000,000.
 (B) Outlays, \$371,797,000,000.

Fiscal year 2020:
 (A) New budget authority, \$413,929,000,000.
 (B) Outlays, \$383,778,000,000.

Fiscal year 2021:
 (A) New budget authority, \$443,416,000,000.
 (B) Outlays, \$411,012,000,000.

Fiscal year 2022:
 (A) New budget authority, \$472,571,000,000.
 (B) Outlays, \$438,342,000,000.

(12) Medicare (570):
 Fiscal year 2013:
 (A) New budget authority, \$585,288,000,000.
 (B) Outlays, \$585,220,000,000.

Fiscal year 2014:
 (A) New budget authority, \$617,452,000,000.
 (B) Outlays, \$617,414,000,000.

Fiscal year 2015:
 (A) New budget authority, \$650,316,000,000.
 (B) Outlays, \$650,265,000,000.

Fiscal year 2016:
 (A) New budget authority, \$624,673,000,000.
 (B) Outlays, \$624,626,000,000.

Fiscal year 2017:
 (A) New budget authority, \$623,319,000,000.
 (B) Outlays, \$623,271,000,000.

Fiscal year 2018:
 (A) New budget authority, \$625,754,000,000.
 (B) Outlays, \$625,706,000,000.

Fiscal year 2019:
 (A) New budget authority, \$653,437,000,000.
 (B) Outlays, \$653,384,000,000.

Fiscal year 2020:
 (A) New budget authority, \$665,758,000,000.
 (B) Outlays, \$665,702,000,000.

Fiscal year 2021:
 (A) New budget authority, \$632,639,000,000.
 (B) Outlays, \$632,583,000,000.

Fiscal year 2022:
 (A) New budget authority, \$663,152,000,000.
 (B) Outlays, \$663,095,000,000.

(13) Income Security (600):
 Fiscal year 2013:
 (A) New budget authority, \$458,510,000,000.
 (B) Outlays, \$462,945,000,000.

Fiscal year 2014:
 (A) New budget authority, \$388,595,000,000.
 (B) Outlays, \$391,402,000,000.

Fiscal year 2015:
 (A) New budget authority, \$382,123,000,000.
 (B) Outlays, \$383,981,000,000.

Fiscal year 2016:
 (A) New budget authority, \$384,516,000,000.
 (B) Outlays, \$385,762,000,000.

Fiscal year 2017:
 (A) New budget authority, \$385,722,000,000.
 (B) Outlays, \$386,070,000,000.

Fiscal year 2018:
 (A) New budget authority, \$394,436,000,000.
 (B) Outlays, \$394,212,000,000.

Fiscal year 2019:
 (A) New budget authority, \$400,998,000,000.
 (B) Outlays, \$400,516,000,000.

Fiscal year 2020:
 (A) New budget authority, \$416,931,000,000.
 (B) Outlays, \$416,354,000,000.

Fiscal year 2021:
 (A) New budget authority, \$405,108,000,000.
 (B) Outlays, \$404,451,000,000.

Fiscal year 2022:
 (A) New budget authority, \$417,175,000,000.
 (B) Outlays, \$416,541,000,000.

(14) Social Security (650):
 Fiscal year 2013:
 (A) New budget authority, \$53,216,000,000.
 (B) Outlays, \$53,296,000,000.

Fiscal year 2014:
 (A) New budget authority, \$31,892,000,000.
 (B) Outlays, \$32,002,000,000.

Fiscal year 2015:
 (A) New budget authority, \$35,135,000,000.
 (B) Outlays, \$35,210,000,000.

Fiscal year 2016:
 (A) New budget authority, \$38,953,000,000.
 (B) Outlays, \$38,991,000,000.

Fiscal year 2017:
 (A) New budget authority, \$43,140,000,000.
 (B) Outlays, \$43,140,000,000.

Fiscal year 2018:
 (A) New budget authority, \$47,590,000,000.
 (B) Outlays, \$47,590,000,000.

Fiscal year 2019:
 (A) New budget authority, \$52,429,000,000.
 (B) Outlays, \$52,429,000,000.

Fiscal year 2020:
 (A) New budget authority, \$57,425,000,000.
 (B) Outlays, \$57,425,000,000.

Fiscal year 2021:
 (A) New budget authority, \$62,604,000,000.
 (B) Outlays, \$62,604,000,000.

Fiscal year 2022:
 (A) New budget authority, \$68,079,000,000.
 (B) Outlays, \$68,079,000,000.

(15) Veterans Benefits and Services (700):
 Fiscal year 2013:
 (A) New budget authority, \$119,099,000,000.
 (B) Outlays, \$119,750,000,000.

Fiscal year 2014:
 (A) New budget authority, \$121,154,000,000.
 (B) Outlays, \$121,456,000,000.

Fiscal year 2015:
 (A) New budget authority, \$123,497,000,000.
 (B) Outlays, \$123,506,000,000.

Fiscal year 2016:
 (A) New budget authority, \$131,075,000,000.
 (B) Outlays, \$130,702,000,000.

Fiscal year 2017:
 (A) New budget authority, \$128,369,000,000.
 (B) Outlays, \$127,870,000,000.

Fiscal year 2018:
 (A) New budget authority, \$127,819,000,000.
 (B) Outlays, \$127,274,000,000.

Fiscal year 2019:
 (A) New budget authority, \$134,992,000,000.
 (B) Outlays, \$134,425,000,000.

Fiscal year 2020:
 (A) New budget authority, \$139,848,000,000.
 (B) Outlays, \$139,274,000,000.

Fiscal year 2021:
 (A) New budget authority, \$142,925,000,000.
 (B) Outlays, \$142,327,000,000.

Fiscal year 2022:
 (A) New budget authority, \$142,670,000,000.
 (B) Outlays, \$142,079,000,000.

(16) Administration of Justice (750):
 Fiscal year 2013:
 (A) New budget authority, \$47,182,000,000.
 (B) Outlays, \$48,925,000,000.

Fiscal year 2014:
 (A) New budget authority, \$45,833,000,000.
 (B) Outlays, \$48,070,000,000.

Fiscal year 2015:
 (A) New budget authority, \$45,232,000,000.
 (B) Outlays, \$46,805,000,000.

Fiscal year 2016:
 (A) New budget authority, \$46,682,000,000.
 (B) Outlays, \$47,840,000,000.

Fiscal year 2017:
 (A) New budget authority, \$47,921,000,000.
 (B) Outlays, \$48,875,000,000.

Fiscal year 2018:
 (A) New budget authority, \$48,995,000,000.
 (B) Outlays, \$49,910,000,000.

Fiscal year 2019:
 (A) New budget authority, \$50,690,000,000.
 (B) Outlays, \$50,945,000,000.

Fiscal year 2020:
 (A) New budget authority, \$51,208,000,000.
 (B) Outlays, \$51,980,000,000.

Fiscal year 2021:
 (A) New budget authority, \$52,229,000,000.
 (B) Outlays, \$53,015,000,000.

Fiscal year 2022:
 (A) New budget authority, \$52,207,000,000.
 (B) Outlays, \$52,976,000,000.

(17) General Government (800):
 Fiscal year 2013:
 (A) New budget authority, \$17,292,000,000.
 (B) Outlays, \$19,000,000,000.

Fiscal year 2014:
 (A) New budget authority, \$18,113,000,000.
 (B) Outlays, \$18,791,000,000.

Fiscal year 2015:
 (A) New budget authority, \$17,574,000,000.
 (B) Outlays, \$17,908,000,000.

Fiscal year 2016:
 (A) New budget authority, \$17,752,000,000.
 (B) Outlays, \$17,888,000,000.

Fiscal year 2017:
 (A) New budget authority, \$19,100,000,000.
 (B) Outlays, \$19,125,000,000.

Fiscal year 2018:
 (A) New budget authority, \$19,082,000,000.
 (B) Outlays, \$19,096,000,000.

Fiscal year 2019:
 (A) New budget authority, \$19,466,000,000.
 (B) Outlays, \$19,049,000,000.

Fiscal year 2020:
 (A) New budget authority, \$20,345,000,000.
 (B) Outlays, \$19,888,000,000.

Fiscal year 2021:
 (A) New budget authority, \$20,278,000,000.
 (B) Outlays, \$19,823,000,000.

Fiscal year 2022:
 (A) New budget authority, \$20,320,000,000.
 (B) Outlays, \$19,866,000,000.

(18) Net Interest (900):
 Fiscal year 2013:
 (A) New budget authority, \$226,273,000,000.
 (B) Outlays, \$226,273,000,000.

Fiscal year 2014:
 (A) New budget authority, \$241,665,000,000.
 (B) Outlays, \$241,665,000,000.

Fiscal year 2015:
 (A) New budget authority, \$278,158,000,000.
 (B) Outlays, \$278,158,000,000.

Fiscal year 2016:
 (A) New budget authority, \$329,553,000,000.
 (B) Outlays, \$329,553,000,000.

Fiscal year 2017:
 (A) New budget authority, \$377,828,000,000.
 (B) Outlays, \$377,828,000,000.

Fiscal year 2018:
 (A) New budget authority, \$419,849,000,000.
 (B) Outlays, \$419,849,000,000.

Fiscal year 2019:
 (A) New budget authority, \$456,458,000,000.
 (B) Outlays, \$456,458,000,000.

Fiscal year 2020:
 (A) New budget authority, \$483,401,000,000.
 (B) Outlays, \$483,401,000,000.

Fiscal year 2021:
 (A) New budget authority, \$497,066,000,000.
 (B) Outlays, \$497,066,000,000.

Fiscal year 2022:
 (A) New budget authority, \$508,481,000,000.
 (B) Outlays, \$508,481,000,000.

(19) Allowances (920):
 Fiscal year 2013:
 (A) New budget authority, \$0.
 (B) Outlays, \$0.

Fiscal year 2014:
 (A) New budget authority, \$0.
 (B) Outlays, \$0.

Fiscal year 2015:
 (A) New budget authority, \$0.
 (B) Outlays, \$0.

Fiscal year 2016:
 (A) New budget authority, \$0.
 (B) Outlays, \$0.

Fiscal year 2017:

(A) New budget authority, \$0.

(B) Outlays, \$0.

Fiscal year 2018:

(A) New budget authority, \$0.

(B) Outlays, \$0.

Fiscal year 2019:

(A) New budget authority, \$0.

(B) Outlays, \$0.

Fiscal year 2020:

(A) New budget authority, \$0.

(B) Outlays, \$0.

Fiscal year 2021:

(A) New budget authority, \$0.

(B) Outlays, \$0.

Fiscal year 2022:

(A) New budget authority, \$0.

(B) Outlays, \$0.

(20) Undistributed Offsetting Receipts (950):

Fiscal year 2013:

(A) New budget authority,
-\$138,200,000,000.

(B) Outlays, -\$138,200,000,000.

Fiscal year 2014:

(A) New budget authority,
-\$152,800,000,000.

(B) Outlays, -\$152,800,000,000.

Fiscal year 2015:

(A) New budget authority,
-\$160,700,000,000.

(B) Outlays, -\$160,700,000,000.

Fiscal year 2016:

(A) New budget authority,
-\$230,400,000,000.

(B) Outlays, -\$230,400,000,000.

Fiscal year 2017:

(A) New budget authority,
-\$204,200,000,000.

(B) Outlays, -\$204,200,000,000.

Fiscal year 2018:

(A) New budget authority,
-\$175,400,000,000.

(B) Outlays, -\$175,400,000,000.

Fiscal year 2019:

(A) New budget authority,
-\$145,800,000,000.

(B) Outlays, -\$145,800,000,000.

Fiscal year 2020:

(A) New budget authority,
-\$119,800,000,000.

(B) Outlays, -\$119,800,000,000.

Fiscal year 2021:

(A) New budget authority, -\$71,000,000,000.

(B) Outlays, -\$71,000,000,000.

Fiscal year 2022:

(A) New budget authority, -\$74,000,000,000.

(B) Outlays, -\$74,000,000,000.

TITLE II—RESERVE FUNDS

SEC. 201. DEFICIT-REDUCTION RESERVE FUND FOR THE SALE OF UNUSED OR VACANT FEDERAL PROPERTIES.

The Chairman of the Committee on the Budget of the Senate may reduce the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for 1 or more bills, joint resolutions, amendments, motions, or conference reports that achieve savings by selling any unused or vacant Federal properties. The Chairman may also make adjustments to the Senate's pay-as-you-go ledger over 10 years to ensure that the deficit reduction achieved is used for deficit reduction only. The adjustments authorized under this section shall be of the amount of deficit reduction achieved.

SEC. 202. DEFICIT-REDUCTION RESERVE FUND FOR SELLING EXCESS FEDERAL LAND.

The Chairman of the Committee on the Budget of the Senate may reduce the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for 1 or more bills, joint resolutions, amendments, motions, or conference reports that achieve savings by selling any excess Federal land. The Chairman

may also make adjustments to the Senate's pay-as-you-go ledger over 10 years to ensure that the deficit reduction achieved is used for deficit reduction only. The adjustments authorized under this section shall be of the amount of deficit reduction achieved.

SEC. 203. DEFICIT-REDUCTION RESERVE FUND FOR THE REPEAL OF DAVIS-BACON PREVAILING WAGE LAWS.

The Chairman of the Committee on the Budget of the Senate may reduce the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for 1 or more bills, joint resolutions, amendments, motions, or conference reports from savings achieved by repealing the Davis-Bacon prevailing wage laws. The Chairman may also make adjustments to the Senate's pay-as-you-go ledger over 10 years to ensure that the deficit reduction achieved is used for deficit reduction only. The adjustments authorized under this section shall be of the amount of deficit reduction achieved.

SEC. 204. DEFICIT-REDUCTION RESERVE FUND FOR THE REDUCTION OF PURCHASING AND MAINTAINING FEDERAL VEHICLES.

The Chairman of the Committee on the Budget of the Senate may reduce the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for 1 or more bills, joint resolutions, amendments, motions, or conference reports that achieve savings by reducing the Federal vehicles fleet. The Chairman may also make adjustments to the Senate's pay-as-you-go ledger over 10 years to ensure that the deficit reduction achieved is used for deficit reduction only. The adjustments authorized under this section shall be of the amount of deficit reduction achieved.

SEC. 205. DEFICIT-REDUCTION RESERVE FUND FOR THE SALE OF FINANCIAL ASSETS PURCHASED THROUGH THE TROUBLED ASSET RELIEF PROGRAM.

The Chairman of the Committee on the Budget of the Senate may reduce the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for 1 or more bills, joint resolutions, amendments, motions, or conference reports that achieve savings by selling financial instruments and equity accumulated through the Troubled Asset Relief Program. The Chairman may also make adjustments to the Senate's pay-as-you-go ledger over 10 years to ensure that the deficit reduction achieved is used for deficit reduction only. The adjustments authorized under this section shall be of the amount of deficit reduction achieved.

SEC. 206. RESERVE FUND FOR THE REPEAL OF THE 2010 HEALTH CARE LAWS.

The Chairman of the Committee on the Budget of the Senate may reduce the allocations of a committee or committees, aggregates, and other appropriate levels and limits in this resolution for 1 or more bills, joint resolutions, amendments, motions, or conference reports that achieve savings by repealing the Patient Protection and Affordable Care Act of 2010. The Chairman may also make adjustments to the Senate's pay-as-you-go ledger over 10 years to ensure that the deficit reduction achieved is used for deficit reduction only. The adjustments authorized under this section shall be of the amount of deficit reduction achieved.

TITLE III—BUDGET PROCESS

Subtitle A—Budget Enforcement

SEC. 301. DISCRETIONARY SPENDING LIMITS FOR FISCAL YEARS 2013 THROUGH 2022, PROGRAM INTEGRITY INITIATIVES, AND OTHER ADJUSTMENTS.

(a) SENATE POINT OF ORDER.—

(1) IN GENERAL.—Except as otherwise provided in this section, it shall not be in order in the Senate to consider any bill or joint resolution (or amendment, motion, or conference report on that bill or joint resolution) that would cause the discretionary spending limits in this section to be exceeded.

(2) SUPERMAJORITY WAIVER AND APPEALS.—

(A) WAIVER.—This subsection may be waived or suspended in the Senate only by the affirmative vote of two-thirds of the Members, duly chosen and sworn.

(B) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this subsection shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution. An affirmative vote of two-thirds of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this subsection.

(b) SENATE DISCRETIONARY SPENDING LIMITS.—In the Senate and as used in this section, the term “discretionary spending limit” means—

(1) for fiscal year 2013, \$996,000,000,000 in new budget authority and \$1,084,000,000,000 in outlays;

(2) for fiscal year 2014, \$986,000,000,000 in new budget authority and \$1,099,000,000,000 in outlays;

(3) for fiscal year 2015, \$1,017,000,000,000 in new budget authority and \$1,086,000,000,000 in outlays;

(4) for fiscal year 2016, \$1,062,000,000,000 in new budget authority and \$1,112,000,000,000 in outlays;

(5) for fiscal year 2017, \$1,096,000,000,000 in new budget authority and \$1,130,000,000,000 in outlays;

(6) for fiscal year 2018, \$1,127,000,000,000 in new budget authority and \$1,157,000,000,000 in outlays;

(7) for fiscal year 2019, \$1,166,000,000,000 in new budget authority and \$1,186,000,000,000 in outlays;

(8) for fiscal year 2020, \$1,196,000,000,000 in new budget authority and \$1,217,000,000,000 in outlays;

(9) for fiscal year 2021, \$1,232,000,000,000 in new budget authority and \$1,248,000,000,000 in outlays; and

(10) for fiscal year 2022, \$1,255,000,000,000 in new budget authority and \$1,279,000,000,000 in outlays.

SEC. 302. POINT OF ORDER AGAINST ADVANCE APPROPRIATIONS.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, or conference report that would provide an advance appropriation.

(b) DEFINITION.—In this section, the term “advance appropriation” means any new budget authority provided in a bill or joint resolution making appropriations for fiscal year 2013 that first becomes available for any fiscal year after 2012, or any new budget authority provided in a bill or joint resolution making general appropriations or continuing appropriations for fiscal year 2013, that first becomes available for any fiscal year after 2013.

Subtitle B—Other Provisions

SEC. 311. OVERSIGHT OF GOVERNMENT PERFORMANCE.

In the Senate, all committees are directed to review programs and tax expenditures within their jurisdiction to identify waste, fraud, abuse, or duplication, and increase the use of performance data to inform committee work. Committees are also directed

to review the matters for congressional consideration identified on the High Risk list reports of the Government Accountability Office. Based on these oversight efforts and performance reviews of programs within their jurisdiction, committees are directed to include recommendations for improved governmental performance in their annual views and estimates reports required under section 301(d) of the Congressional Budget Act of 1974 to the Committees on the Budget.

SEC. 312. APPLICATION AND EFFECT OF CHANGES IN ALLOCATIONS AND AGGREGATES.

(a) APPLICATION.—Any adjustments of allocations and aggregates made pursuant to this resolution shall—

(1) apply while that measure is under consideration;

(2) take effect upon the enactment of that measure; and

(3) be published in the Congressional Record as soon as practicable.

(b) EFFECT OF CHANGED ALLOCATIONS AND AGGREGATES.—Revised allocations and aggregates resulting from these adjustments shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) BUDGET COMMITTEE DETERMINATIONS.—For purposes of this resolution the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

SEC. 313. ADJUSTMENTS TO REFLECT CHANGES IN CONCEPTS AND DEFINITIONS.

Upon the enactment of a bill or joint resolution providing for a change in concepts or definitions, the Chairman of the Committee on the Budget of the Senate may make adjustments to the levels and allocations in this resolution in accordance with section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as in effect prior to September 30, 2002).

TITLE IV—RECONCILIATION

SEC. 401. RECONCILIATION IN THE SENATE.

(a) SUBMISSION TO PROVIDE FOR THE REFORM OF MANDATORY SPENDING.—

(1) IN GENERAL.—Not later than September 1, 2012, the Senate committees named in paragraph (2) shall submit their recommendations to the Committee on the Budget of the Senate of the United States. After receiving those recommendations from the applicable committees of the Senate, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without substantive revision.

(2) INSTRUCTIONS.—

(A) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Committee on Commerce, Science, and Transportation shall report changes in law within its jurisdiction sufficient to reduce direct spending outlays by \$59,000,000,000 for the period of fiscal years 2013 through 2022.

(B) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Committee on Agriculture, Nutrition, and Forestry shall report changes in law within its jurisdiction sufficient to reduce direct spending outlays by \$563,000,000,000 for the period of fiscal years 2013 through 2022.

(C) COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS.—The Committee on Health, Education, Labor, and Pensions shall report changes in laws within its jurisdiction sufficient to reduce direct spending outlays by \$6,000,000,000 for the period of fiscal years 2013 through 2022.

(D) COMMITTEE ON FINANCE.—The Committee on Finance shall report changes in

laws within its jurisdiction sufficient to reduce direct spending outlays by \$159,000,000,000 for the period of fiscal years 2013 through 2022.

(b) SUBMISSION OF REVISED ALLOCATIONS.—Upon the submission to the Committee on the Budget of the Senate of a recommendation that has complied with its reconciliation instructions solely by virtue of section 310(c) of the Congressional Budget Act of 1974, the chairman of that committee may file with the Senate revised allocations under section 302(a) of such Act and revised functional levels and aggregates.

TITLE V—CONGRESSIONAL POLICY CHANGES

SEC. 501. POLICY STATEMENT ON SOCIAL SECURITY.

It is the policy of this concurrent resolution that Congress and the relevant committees of jurisdiction enact legislation to ensure the Social Security System achieves solvency over the 75-year window as follows:

(1) The legislation must modify the Primary Insurance Amount formula starting in 2013 to smoothly phase down so that starting with workers born after 1985, it will reach a flat benefit of \$1,200 in 2012 dollars indexed between 2012 and the year in question by the increase in average wages.

(2) Effective 2013, reduce benefits on a progressive basis for single beneficiaries with incomes over \$55,000 and married couples with incomes over \$110,000 so that individuals and married couples who file taxes jointly, with more than \$110,000 and \$165,000, respectively, in non-Social Security income will receive no benefit.

(3) From 2013 to 2022, the normal retirement age will rise to 68 for workers born in or after 1959. After 2031, the normal retirement age will be indexed to longevity, adding about 1 month every 2 years according to current projections.

(4) The normal retirement age will be increased by 4 months per year starting with individuals born in 1954 and stopping when it reaches age 68 for individuals born in or after 1959.

(5) From 2013 to 2031, the early retirement age rises to 65 for workers born in or after 1964. After 2031, the early retirement age will be indexed to longevity, adding about 1 month every 2 years according to current projections.

(6) The early eligibility age will be increased by 3 months per year starting with individuals born in 1953 and stopping when it reaches age 65 for individuals born in or after 1964.

SEC. 502. POLICY STATEMENT ON MEDICARE.

It is the policy of this concurrent resolution that Congress and the relevant committees of jurisdiction enact legislation to ensure a reduction in the unfunded liabilities of Medicare as follows:

(1) In 2017, Medicare is reformed to provide a premium support payment and a selection of guaranteed health coverage options from which recipients can choose a plan that best suits their needs overseen by a separate independent agency.

(2) Preserves the traditional Medicare fee for service option administered by the Department of Health and Human Services.

(3) For each region, the base Federal premium support would be initially set at 88 percent of the average of 3 lowest bids.

(4) Provides for enhanced risk adjustment to ensure continuity in coverage and market stability.

(5) Raises the age of eligibility gradually over 10 years, increasing from 65 to 68, resulting in a 3.6 month increase per year and subsequently increased or decreased based on longevity.

(6) The Federal-based premium support amount would be reduced or phased out for

upper income seniors and increased for lower income seniors.

SEC. 503. POLICY STATEMENT ON MEDICAID.

It is the policy of this concurrent resolution that Congress and the relevant committees of jurisdiction enact legislation to ensure fiscal sustainability at the Federal level while protecting the most vulnerable and promoting beneficiary independence as follows:

(1) Medicaid is reformed to provide direct Federal premium support for low-income, nondisabled, nonelderly individuals.

(2) The Federal Government would provide at least \$2,000 for an individual and at least \$3,500 in premium support for a family and up to \$9,000 for the lowest income families.

(3) Current Federal Medicaid funding for acute and long-term care services provided to the disabled and elderly (dual eligibles) would be converted into a fixed payment to the States adjusted on a per capita basis for medical inflation.

(4) States would be permitted to design and manage more appropriate care and service delivery to the disabled and elderly populations remaining in the program.

SEC. 504. POLICY STATEMENT ON TAX REFORM.

It is the policy of this concurrent resolution that Congress and the relevant committees of jurisdiction shall enact legislation to ensure the adoption of a new tax system that replaces all existing taxes collected by the Federal Government including but not limited to income, payroll, gift and estate taxes, and excises except those dedicated to specific Trust Funds, with a new flat tax featuring a consumed-income tax base structure that is economically neutral with respect to saving and investment, reduces tax complexity, and provides for a globally competitive single tax rate as follows:

(1) The new tax will have a single flat tax rate consistent with and sufficient to collect the annual revenue levels specified herein. The individual tax code shall include no deductions, exemptions, exclusions, or credits except as follows:

(A) A deduction for charitable contributions to institutions qualifying as charitable organizations under current law.

(B) An elective deduction for home mortgage interest subject to the condition that if and only if the borrower elects the deduction the lender would then owe tax on all resulting income.

(C) A deduction for higher education tuition and fees.

(D) A standard deduction for seniors equal to the sum of the flat Social Security benefit amount plus the value of the Medicare defined contributions.

(E) An exclusion for seniors of up to \$10,000 in wage and salary income.

(F) The current law Earned Income Credit.

(G) A \$3,500 nonrefundable tax credit for families (\$2,000 for individuals) to purchase health insurance. The new individual tax would tax all income and other proceeds used for consumption and exclude all savings.

(2) The business tax code shall apply the same rate as the individual tax code, and shall levy tax on total revenue from the domestic sale of goods and services less purchases of goods and services from other firms less wages, salaries, and related employee costs. All credits currently applicable to business income would be repealed except the Alternative Simplified Credit for research and development expenditures.

(3) Individuals and businesses would be subject to taxation solely on income generated within the United States. A border tax adjustment system would be developed in consultation with the World Trade Organization to neutralize tax differences for goods and services entering and leaving the United States proper.

(4) Tax reform shall be enacted with due care through transition provisions to avoid insofar as possible retroactive tax increases or decreases arising from the accrued tax consequences of decisions made under current tax law.

SEC. 505. POLICY STATEMENT ON GOVERNMENT ASSET SALES.

(a) FINDINGS.—The Senate finds the following:

(1) The Federal Government owns and controls vast assets, including huge swaths of commercial land, especially in the West; power generation facilities; valuable portions of the electromagnetic spectrum; underutilized buildings; and financial assets.

(2) Control of these numerous and varied assets is 1 key expression of a government much too large and intrusive.

(3) Given the Federal Government's excessive spending, which has driven trillion-dollar-plus deficits for 4 straight years, and generated debt burdens that are stifling present-day economic growth and threatening the Nation's future prosperity.

(4) Divesting itself of these assets would make an important contribution to reducing Government's debt and interest costs.

(b) POLICY ON ASSET SALES.—It is the policy of this budget resolution that the House and Senate shall each develop a package of asset sales and transfers of government activities to the private sector. These proposals, which are to yield revenues or savings of at least \$260,000,000,000 through fiscal year 2028, shall be submitted to the respective chambers for enactment in fiscal year 2013.

(c) ASSUMPTIONS REGARDING ASSET SALES.—The assets in the package must include, though not be limited to, the following:

(1) Land administered by the Bureau of Land Management and the Department of Agriculture.

(2) Federal buildings and other real estate.

(3) Mineral rights.

(4) Electromagnetic spectrum.

(5) Facilities administered by the Power Marketing Administrations and by the Tennessee Valley Authority.

(6) Federal loans and other financial assets.

(7) Amtrak.

(d) ASSUMPTIONS REGARDING TRANSFER OF GOVERNMENT ACTIVITIES.—Transfers of government activities to the private must include, though not be limited to, the following:

(1) The Neighborhood Reinvestment Corporation.

(2) The Government Printing Office.

(3) The Architect of the Capitol.

(4) The Bureau of Reclamation.

SEC. 506. POLICY ON REPEALING OBAMACARE.

(a) FINDINGS.—The Senate finds the following:

(1) The quality of United States health care, as well as the stability of the nation's economy and the Federal budget, depend on solving the genuine cost and delivery challenges in the health sector.

(2) But the pervasive government intrusiveness and \$1,390,000,000,000 cost of Obamacare are precisely the wrong prescription for problems that have developed grown from faulty government policy, particularly on the part of the Federal Government.

(3) Obamacare will generate fewer choices, less access, and greater dependence on the Government for health care, while increasing taxes, regulation and mandates on individuals and businesses.

(4) A majority of Americans continue to oppose this one-size-fits-all "remedy," a Government takeover of one sixth of the economy that was rammed through Congress despite a clear lack of consensus.

(b) POLICY ON OBAMACARE.—It is the policy of this budget resolution that Congress should repeal Obamacare and develop a fresh strategy built on a patient-centered, market-based solution.

TITLE VI—SENSE OF CONGRESS

SEC. 601. REGULATORY REFORM.

It is the policy of this concurrent resolution that Congress and the relevant committees of jurisdiction enact legislation to ensure a regulatory reform as follows:

(1) APPLY REGULATORY ANALYSIS REQUIREMENTS TO INDEPENDENT AGENCIES.—It shall be the policy of Congress to pass into law a requirement for independent agencies to abide by the same regulatory analysis requirement as those required by executive branch agencies.

(2) ADOPT THE REGULATIONS FROM THE EXECUTIVE IN NEED OF SCRUTINY ACT (REINS).—It shall be the policy of Congress to vote on the Regulations From the Executive in Need of Scrutiny Act of 2011, legislation that would require all regulations that impose a burden greater than \$100 million in economic aggregate may not be implemented as law unless Congress gives their consent by voting on the rule.

(3) SUNSET ALL REGULATIONS.—It shall be the policy of Congress that regulations imposed by the Federal Government shall automatically sunset every 2 years unless re promulgated by Congress.

(4) PROCESS REFORM.—It shall be the policy of Congress to implement regulatory process reform by instituting statutorily required regulatory impact analysis for all agencies, require the publication of regulatory impact analysis before the regulation is finalized, and ensure that not only are regulatory impact analysis conducted, but applied to the issued regulation or rulemaking.

(5) INCORPORATION OF FORMAL RULEMAKING FOR MAJOR RULES.—It shall be the policy of Congress to apply formal rulemaking procedures to all major regulations or those regulations that exceed \$100,000,000 in aggregate economic costs.

SEC. 602. RESCIND UNSPENT OR UNOBLIGATED BALANCES AFTER 36 MONTHS.

It is the sense of Congress that—

(1) any adjustments of allocations and aggregates made pursuant to this resolution shall require that any unobligated or unspent allocations be rescinded after 36 months;

(2) revised allocations and aggregates resulting from these adjustments resulting from the required rescissions shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution; and

(3) for purposes of this resolution the levels of new budget authority, outlays, direct spending, new entitlement authority, revenues, deficits, and surpluses for a fiscal year or period of fiscal years shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2561. Mrs. SHAHEEN (for herself and Mr. PORTMAN) submitted an amendment intended to be proposed by her to the bill S. 3364, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table.

SA 2562. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill S. 3364, supra; which was ordered to lie on the table.

SA 2563. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 3364, supra; which was ordered to lie on the table.

SA 2564. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 3364, supra; which was ordered to lie on the table.

SA 2565. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 3364, supra; which was ordered to lie on the table.

SA 2566. Mr. MCCAIN (for himself and Mrs. HAGAN) submitted an amendment intended to be proposed by him to the bill S. 3364, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2561. Mrs. SHAHEEN (for herself and Mr. PORTMAN) submitted an amendment intended to be proposed by her to the bill S. 3364, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE II—ENERGY SAVINGS AND INDUSTRIAL COMPETITIVENESS

SEC. 201. SHORT TITLE.

This title may be cited as the "Energy Savings and Industrial Competitiveness Act of 2012".

Subtitle A—Buildings

PART 1—BUILDING ENERGY CODES

SEC. 211. GREATER ENERGY EFFICIENCY IN BUILDING CODES.

(a) DEFINITIONS.—Section 303 of the Energy Conservation and Production Act (42 U.S.C. 6832) is amended—

(1) by striking paragraph (14) and inserting the following:

"(14) MODEL BUILDING ENERGY CODE.—The term 'model building energy code' means a voluntary building energy code and standards developed and updated through a consensus process among interested persons, such as the IECC or the code used by—

"(A) the Council of American Building Officials;

"(B) the American Society of Heating, Refrigerating, and Air-Conditioning Engineers; or

"(C) other appropriate organizations.";

(2) by adding at the end the following:

"(17) IECC.—The term 'IECC' means the International Energy Conservation Code.

"(18) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103)."

(b) STATE BUILDING ENERGY EFFICIENCY CODES.—Section 304 of the Energy Conservation and Production Act (42 U.S.C. 6833) is amended to read as follows:

"SEC. 304. UPDATING STATE BUILDING ENERGY EFFICIENCY CODES.

"(a) IN GENERAL.—The Secretary shall—

"(1) encourage and support the adoption of building energy codes by States, Indian tribes, and, as appropriate, by local governments that meet or exceed the model building energy codes, or achieve equivalent or greater energy savings; and

"(2) support full compliance with the State and local codes.

"(b) STATE AND INDIAN TRIBE CERTIFICATION OF BUILDING ENERGY CODE UPDATES.—

"(1) REVIEW AND UPDATING OF CODES BY EACH STATE AND INDIAN TRIBE.—

"(A) IN GENERAL.—Not later than 2 years after the date on which a model building energy code is updated, each State or Indian tribe shall certify whether or not the State or Indian tribe, respectively, has reviewed and updated the energy provisions of the building code of the State or Indian tribe, respectively.

“(B) DEMONSTRATION.—The certification shall include a demonstration of whether or not the energy savings for the code provisions that are in effect throughout the State or Indian tribal territory meet or exceed—

“(i) the energy savings of the updated model building energy code; or

“(ii) the targets established under section 307(b)(2).

“(C) NO MODEL BUILDING ENERGY CODE UPDATE.—If a model building energy code is not updated by a target date established under section 307(b)(2)(D), each State or Indian tribe shall, not later than 2 years after the specified date, certify whether or not the State or Indian tribe, respectively, has reviewed and updated the energy provisions of the building code of the State or Indian tribe, respectively, to meet or exceed the target in section 307(b)(2).

“(2) VALIDATION BY SECRETARY.—Not later than 90 days after a State or Indian tribe certification under paragraph (1), the Secretary shall—

“(A) determine whether the code provisions of the State or Indian tribe, respectively, meet the criteria specified in paragraph (1); and

“(B) if the determination is positive, validate the certification.

“(c) IMPROVEMENTS IN COMPLIANCE WITH BUILDING ENERGY CODES.—

“(1) REQUIREMENT.—

“(A) IN GENERAL.—Not later than 3 years after the date of a certification under subsection (b), each State and Indian tribe shall certify whether or not the State and Indian tribe, respectively, has—

“(i) achieved full compliance under paragraph (3) with the applicable certified State and Indian tribe building energy code or with the associated model building energy code; or

“(ii) made significant progress under paragraph (4) toward achieving compliance with the applicable certified State and Indian tribe building energy code or with the associated model building energy code.

“(B) REPEAT CERTIFICATIONS.—If the State or Indian tribe certifies progress toward achieving compliance, the State or Indian tribe shall repeat the certification until the State or Indian tribe certifies that the State or Indian tribe has achieved full compliance, respectively.

“(2) MEASUREMENT OF COMPLIANCE.—A certification under paragraph (1) shall include documentation of the rate of compliance based on—

“(A) independent inspections of a random sample of the buildings covered by the code in the preceding year; or

“(B) an alternative method that yields an accurate measure of compliance.

“(3) ACHIEVEMENT OF COMPLIANCE.—A State or Indian tribe shall be considered to achieve full compliance under paragraph (1) if—

“(A) at least 90 percent of building space covered by the code in the preceding year substantially meets all the requirements of the applicable code specified in paragraph (1), or achieves equivalent or greater energy savings level; or

“(B) the estimated excess energy use of buildings that did not meet the applicable code specified in paragraph (1) in the preceding year, compared to a baseline of comparable buildings that meet this code, is not more than 5 percent of the estimated energy use of all buildings covered by this code during the preceding year.

“(4) SIGNIFICANT PROGRESS TOWARD ACHIEVEMENT OF COMPLIANCE.—A State or Indian tribe shall be considered to have made significant progress toward achieving compliance for purposes of paragraph (1) if the State or Indian tribe—

“(A) has developed and is implementing a plan for achieving compliance during the 8-year-period beginning on the date of enactment of this paragraph, including annual targets for compliance and active training and enforcement programs; and

“(B) has met the most recent target under subparagraph (A).

“(5) VALIDATION BY SECRETARY.—Not later than 90 days after a State or Indian tribe certification under paragraph (1), the Secretary shall—

“(A) determine whether the State or Indian tribe has demonstrated meeting the criteria of this subsection, including accurate measurement of compliance; and

“(B) if the determination is positive, validate the certification.

“(d) STATES OR INDIAN TRIBES THAT DO NOT ACHIEVE COMPLIANCE.—

“(1) REPORTING.—A State or Indian tribe that has not made a certification required under subsection (b) or (c) by the applicable deadline shall submit to the Secretary a report on—

“(A) the status of the State or Indian tribe with respect to meeting the requirements and submitting the certification; and

“(B) a plan for meeting the requirements and submitting the certification.

“(2) FEDERAL SUPPORT.—For any State or Indian tribe for which the Secretary has not validated a certification by a deadline under subsection (b) or (c), the lack of the certification may be a consideration for Federal support authorized under this section for code adoption and compliance activities.

“(3) LOCAL GOVERNMENT.—In any State or Indian tribe for which the Secretary has not validated a certification under subsection (b) or (c), a local government may be eligible for Federal support by meeting the certification requirements of subsections (b) and (c).

“(4) ANNUAL REPORTS BY SECRETARY.—

“(A) IN GENERAL.—The Secretary shall annually submit to Congress, and publish in the Federal Register, a report on—

“(i) the status of model building energy codes;

“(ii) the status of code adoption and compliance in the States and Indian tribes;

“(iii) implementation of this section; and

“(iv) improvements in energy savings over time as result of the targets established under section 307(b)(2).

“(B) IMPACTS.—The report shall include estimates of impacts of past action under this section, and potential impacts of further action, on—

“(i) upfront financial and construction costs, cost benefits and returns (using investment analysis), and lifetime energy use for buildings;

“(ii) resulting energy costs to individuals and businesses; and

“(iii) resulting overall annual building ownership and operating costs.

“(e) TECHNICAL ASSISTANCE TO STATES AND INDIAN TRIBES.—The Secretary shall provide technical assistance to States and Indian tribes to implement the goals and requirements of this section, including procedures and technical analysis for States and Indian tribes—

“(1) to improve and implement State residential and commercial building energy codes;

“(2) to demonstrate that the code provisions of the States and Indian tribes achieve equivalent or greater energy savings than the model building energy codes and targets;

“(3) to document the rate of compliance with a building energy code; and

“(4) to otherwise promote the design and construction of energy efficient buildings.

“(f) AVAILABILITY OF INCENTIVE FUNDING.—

“(1) IN GENERAL.—The Secretary shall provide incentive funding to States and Indian tribes—

“(A) to implement the requirements of this section;

“(B) to improve and implement residential and commercial building energy codes, including increasing and verifying compliance with the codes and training of State, tribal, and local building code officials to implement and enforce the codes; and

“(C) to promote building energy efficiency through the use of the codes.

“(2) ADDITIONAL FUNDING.—Additional funding shall be provided under this subsection for implementation of a plan to achieve and document full compliance with residential and commercial building energy codes under subsection (c)—

“(A) to a State or Indian tribe for which the Secretary has validated a certification under subsection (b) or (c); and

“(B) in a State or Indian tribe that is not eligible under subparagraph (A), to a local government that is eligible under this section.

“(3) TRAINING.—Of the amounts made available under this subsection, the State may use amounts required, but not to exceed \$750,000 for a State, to train State and local building code officials to implement and enforce codes described in paragraph (2).

“(4) LOCAL GOVERNMENTS.—States may share grants under this subsection with local governments that implement and enforce the codes.

“(g) STRETCH CODES AND ADVANCED STANDARDS.—

“(1) IN GENERAL.—The Secretary shall provide technical and financial support for the development of stretch codes and advanced standards for residential and commercial buildings for use as—

“(A) an option for adoption as a building energy code by local, tribal, or State governments; and

“(B) guidelines for energy-efficient building design.

“(2) TARGETS.—The stretch codes and advanced standards shall be designed—

“(A) to achieve substantial energy savings compared to the model building energy codes; and

“(B) to meet targets under section 307(b), if available, at least 3 to 6 years in advance of the target years.

“(h) STUDIES.—The Secretary, in consultation with building science experts from the National Laboratories and institutions of higher education, designers and builders of energy-efficient residential and commercial buildings, code officials, and other stakeholders, shall undertake a study of the feasibility, impact, economics, and merit of—

“(1) code improvements that would require that buildings be designed, sited, and constructed in a manner that makes the buildings more adaptable in the future to become zero-net-energy after initial construction, as advances are achieved in energy-saving technologies;

“(2) code procedures to incorporate measured lifetimes, not just first-year energy use, in trade-offs and performance calculations; and

“(3) legislative options for increasing energy savings from building energy codes, including additional incentives for effective State and local action, and verification of compliance with and enforcement of a code other than by a State or local government.

“(i) EFFECT ON OTHER LAWS.—Nothing in this section or section 307 supersedes or modifies the application of sections 321 through 346 of the Energy Policy and Conservation Act (42 U.S.C. 6291 et seq.).

“(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to

carry out this section and section 307 \$200,000,000, to remain available until expended.”

(C) FEDERAL BUILDING ENERGY EFFICIENCY STANDARDS.—Section 305 of the Energy Conservation and Production Act (42 U.S.C. 6834) is amended by striking “voluntary building energy code” each place it appears in subsections (a)(2)(B) and (b) and inserting “model building energy code”.

(d) MODEL BUILDING ENERGY CODES.—Section 307 of the Energy Conservation and Production Act (42 U.S.C. 6836) is amended to read as follows:

“SEC. 307. SUPPORT FOR MODEL BUILDING ENERGY CODES.

“(a) IN GENERAL.—The Secretary shall support the updating of model building energy codes.

“(b) TARGETS.—

“(1) IN GENERAL.—The Secretary shall support the updating of the model building energy codes to enable the achievement of aggregate energy savings targets established under paragraph (2).

“(2) TARGETS.—

“(A) IN GENERAL.—The Secretary shall work with State, Indian tribes, local governments, nationally recognized code and standards developers, and other interested parties to support the updating of model building energy codes by establishing 1 or more aggregate energy savings targets to achieve the purposes of this section.

“(B) SEPARATE TARGETS.—The Secretary may establish separate targets for commercial and residential buildings.

“(C) BASELINES.—The baseline for updating model building energy codes shall be the 2009 IECC for residential buildings and ASHRAE Standard 90.1-2010 for commercial buildings.

“(D) SPECIFIC YEARS.—

“(i) IN GENERAL.—Targets for specific years shall be established and revised by the Secretary through rulemaking and coordinated with nationally recognized code and standards developers at a level that—

“(I) is at the maximum level of energy efficiency that is technologically feasible and life-cycle cost effective, while accounting for the economic considerations under paragraph (4);

“(II) is higher than the preceding target; and

“(III) promotes the achievement of commercial and residential high-performance buildings through high performance energy efficiency (within the meaning of section 401 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17061)).

“(ii) INITIAL TARGETS.—Not later than 1 year after the date of enactment of this clause, the Secretary shall establish initial targets under this subparagraph.

“(iii) DIFFERENT TARGET YEARS.—Subject to clause (i), prior to the applicable year, the Secretary may set a later target year for any of the model building energy codes described in subparagraph (A) if the Secretary determines that a target cannot be met.

“(iv) SMALL BUSINESS.—When establishing targets under this paragraph through rulemaking, the Secretary shall ensure compliance with the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note; Public Law 104-121).

“(3) APPLIANCE STANDARDS AND OTHER FACTORS AFFECTING BUILDING ENERGY USE.—In establishing building code targets under paragraph (2), the Secretary shall develop and adjust the targets in recognition of potential savings and costs relating to—

“(A) efficiency gains made in appliances, lighting, windows, insulation, and building envelope sealing;

“(B) advancement of distributed generation and on-site renewable power generation technologies;

“(C) equipment improvements for heating, cooling, and ventilation systems;

“(D) building management systems and SmartGrid technologies to reduce energy use; and

“(E) other technologies, practices, and building systems that the Secretary considers appropriate regarding building plug load and other energy uses.

“(4) ECONOMIC CONSIDERATIONS.—In establishing and revising building code targets under paragraph (2), the Secretary shall consider the economic feasibility of achieving the proposed targets established under this section and the potential costs and savings for consumers and building owners, including a return on investment analysis.

“(c) TECHNICAL ASSISTANCE TO MODEL BUILDING ENERGY CODE-SETTING AND STANDARD DEVELOPMENT ORGANIZATIONS.—

“(1) IN GENERAL.—The Secretary shall, on a timely basis, provide technical assistance to model building energy code-setting and standard development organizations consistent with the goals of this section.

“(2) ASSISTANCE.—The assistance shall include, as requested by the organizations, technical assistance in—

“(A) evaluating code or standards proposals or revisions;

“(B) building energy analysis and design tools;

“(C) building demonstrations;

“(D) developing definitions of energy use intensity and building types for use in model building energy codes to evaluate the efficiency impacts of the model building energy codes;

“(E) performance-based standards;

“(F) evaluating economic considerations under subsection (b)(4); and

“(G) developing model building energy codes by Indian tribes in accordance with tribal law.

“(3) AMENDMENT PROPOSALS.—The Secretary may submit timely model building energy code amendment proposals to the model building energy code-setting and standard development organizations, with supporting evidence, sufficient to enable the model building energy codes to meet the targets established under subsection (b)(2).

“(4) ANALYSIS METHODOLOGY.—The Secretary shall make publicly available the entire calculation methodology (including input assumptions and data) used by the Secretary to estimate the energy savings of code or standard proposals and revisions.

“(d) DETERMINATION.—

“(1) REVISION OF MODEL BUILDING ENERGY CODES.—If the provisions of the IECC or ASHRAE Standard 90.1 regarding building energy use are revised, the Secretary shall make a preliminary determination not later than 90 days after the date of the revision, and a final determination not later than 15 months after the date of the revision, on whether or not the revision will—

“(A) improve energy efficiency in buildings compared to the existing model building energy code; and

“(B) meet the applicable targets under subsection (b)(2).

“(2) CODES OR STANDARDS NOT MEETING TARGETS.—

“(A) IN GENERAL.—If the Secretary makes a preliminary determination under paragraph (1)(B) that a code or standard does not meet the targets established under subsection (b)(2), the Secretary may at the same time provide the model building energy code or standard developer with proposed changes that would result in a model building energy code that meets the targets and with supporting evidence, taking into consideration—

“(i) whether the modified code is technically feasible and life-cycle cost effective;

“(ii) available appliances, technologies, materials, and construction practices; and

“(iii) the economic considerations under subsection (b)(4).

“(B) INCORPORATION OF CHANGES.—

“(i) IN GENERAL.—On receipt of the proposed changes, the model building energy code or standard developer shall have an additional 270 days to accept or reject the proposed changes of the Secretary to the model building energy code or standard for the Secretary to make a final determination.

“(ii) FINAL DETERMINATION.—A final determination under paragraph (1) shall be on the modified model building energy code or standard.

“(e) ADMINISTRATION.—In carrying out this section, the Secretary shall—

“(1) publish notice of targets and supporting analysis and determinations under this section in the Federal Register to provide an explanation of and the basis for such actions, including any supporting modeling, data, assumptions, protocols, and cost-benefit analysis, including return on investment; and

“(2) provide an opportunity for public comment on targets and supporting analysis and determinations under this section.

“(f) VOLUNTARY CODES AND STANDARDS.—Notwithstanding any other provision of this section, any model building code or standard established under this section shall not be binding on a State, local government, or Indian tribe as a matter of Federal law.”

PART II—WORKER TRAINING AND CAPACITY BUILDING

SEC. 221. BUILDING TRAINING AND ASSESSMENT CENTERS.

(a) IN GENERAL.—The Secretary of Energy shall provide grants to institutions of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)) and Tribal Colleges or Universities (as defined in section 316(b) of that Act (20 U.S.C. 1059c(b))) to establish building training and assessment centers—

(1) to identify opportunities for optimizing energy efficiency and environmental performance in buildings;

(2) to promote the application of emerging concepts and technologies in commercial and institutional buildings;

(3) to train engineers, architects, building scientists, building energy permitting and enforcement officials, and building technicians in energy-efficient design and operation;

(4) to assist institutions of higher education and Tribal Colleges or Universities in training building technicians;

(5) to promote research and development for the use of alternative energy sources and distributed generation to supply heat and power for buildings, particularly energy-intensive buildings; and

(6) to coordinate with and assist State-credited technical training centers, community colleges, Tribal Colleges or Universities, and local offices of the National Institute of Food and Agriculture and ensure appropriate services are provided under this section to each region of the United States.

(b) COORDINATION AND NONDUPLICATION.—

(1) IN GENERAL.—The Secretary shall coordinate the program with the Industrial Assessment Centers program and with other Federal programs to avoid duplication of effort.

(2) COLLOCATION.—To the maximum extent practicable, building, training, and assessment centers established under this section shall be collocated with Industrial Assessment Centers.

Subtitle B—Building Efficiency Finance**SEC. 231. LOAN PROGRAM FOR ENERGY EFFICIENCY UPGRADES TO EXISTING BUILDINGS.**

Title XVII of the Energy Policy Act of 2005 (42 U.S.C. 16511 et seq.) is amended by adding at the end the following:

“SEC. 1706. BUILDING RETROFIT FINANCING PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) CREDIT SUPPORT.—The term ‘credit support’ means a guarantee or commitment to issue a guarantee or other forms of credit enhancement to ameliorate risks for efficiency obligations.

“(2) EFFICIENCY OBLIGATION.—The term ‘efficiency obligation’ means a debt or repayment obligation incurred in connection with financing a project, or a portfolio of such debt or payment obligations.

“(3) PROJECT.—The term ‘project’ means the installation and implementation of efficiency, advanced metering, distributed generation, or renewable energy technologies and measures in a building (or in multiple buildings on a given property) that are expected to increase the energy efficiency of the building (including fixtures) in accordance with criteria established by the Secretary.

“(b) ELIGIBLE PROJECTS.—

“(1) IN GENERAL.—Notwithstanding sections 1703 and 1705, the Secretary may provide credit support under this section, in accordance with section 1702.

“(2) INCLUSIONS.—Buildings eligible for credit support under this section include commercial, multifamily residential, industrial, municipal, government, institution of higher education, school, and hospital facilities that satisfy criteria established by the Secretary.

“(c) GUIDELINES.—

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section, the Secretary shall—

“(A) establish guidelines for credit support provided under this section; and

“(B) publish the guidelines in the Federal Register; and

“(C) provide for an opportunity for public comment on the guidelines.

“(2) REQUIREMENTS.—The guidelines established by the Secretary under this subsection shall include—

“(A) standards for assessing the energy savings that could reasonably be expected to result from a project;

“(B) examples of financing mechanisms (and portfolios of such financing mechanisms) that qualify as efficiency obligations;

“(C) the threshold levels of energy savings that a project, at the time of issuance of credit support, shall be reasonably expected to achieve to be eligible for credit support;

“(D) the eligibility criteria the Secretary determines to be necessary for making credit support available under this section; and

“(E) notwithstanding subsections (d)(3) and (g)(2)(B) of section 1702, any lien priority requirements that the Secretary determines to be necessary, in consultation with the Director of the Office of Management and Budget, which may include—

“(i) requirements to preserve priority lien status of secured lenders and creditors in buildings eligible for credit support;

“(ii) remedies available to the Secretary under chapter 176 of title 28, United States Code, in the event of default on the efficiency obligation by the borrower; and

“(iii) measures to limit the exposure of the Secretary to financial risk in the event of default, such as—

“(I) the collection of a credit subsidy fee from the borrower as a loan loss reserve, taking into account the limitation on credit support under subsection (d);

“(II) minimum debt-to-income levels of the borrower;

“(III) minimum levels of value relative to outstanding mortgage or other debt on a building eligible for credit support;

“(IV) allowable thresholds for the percent of the efficiency obligation relative to the amount of any mortgage or other debt on an eligible building;

“(V) analysis of historic and anticipated occupancy levels and rental income of an eligible building;

“(VI) requirements of third-party contractors to guarantee energy savings that will result from a retrofit project, and whether financing on the efficiency obligation will amortize from the energy savings;

“(VII) requirements that the retrofit project incorporate protocols to measure and verify energy savings; and

“(VIII) recovery of payments equally by the Secretary and the retrofit.

“(3) EFFICIENCY OBLIGATIONS.—The financing mechanisms qualified by the Secretary under paragraph (2)(B) may include—

“(A) loans, including loans made by the Federal Financing Bank;

“(B) power purchase agreements, including energy efficiency power purchase agreements;

“(C) energy services agreements, including energy performance contracts;

“(D) property assessed clean energy bonds and other tax assessment-based financing mechanisms;

“(E) aggregate on-meter agreements that finance retrofit projects; and

“(F) any other efficiency obligations the Secretary determines to be appropriate.

“(4) PRIORITIES.—In carrying out this section, the Secretary shall prioritize—

“(A) the maximization of energy savings with the available credit support funding;

“(B) the establishment of a clear application and approval process that allows private building owners, lenders, and investors to reasonably expect to receive credit support for projects that conform to guidelines;

“(C) the distribution of projects receiving credit support under this section across States or geographical regions of the United States; and

“(D) projects designed to achieve whole-building retrofits.

“(d) LIMITATION.—Notwithstanding section 1702(c), the Secretary shall not issue credit support under this section in an amount that exceeds—

“(1) 90 percent of the principal amount of the efficiency obligation that is the subject of the credit support; or

“(2) \$10,000,000 for any single project.

“(e) AGGREGATION OF PROJECTS.—To the extent provided in the guidelines developed in accordance with subsection (c), the Secretary may issue credit support on a portfolio, or pool of projects, that are not required to be geographically contiguous, if each efficiency obligation in the pool fulfills the requirements described in this section.

“(f) APPLICATION.—

“(1) IN GENERAL.—To be eligible to receive credit support under this section, the applicant shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary determines to be necessary.

“(2) CONTENTS.—An application submitted under this section shall include assurances by the applicant that—

“(A) each contractor carrying out the project meets minimum experience level criteria, including local retrofit experience, as determined by the Secretary;

“(B) the project is reasonably expected to achieve energy savings, as set forth in the application using any methodology that

meets the standards described in the program guidelines;

“(C) the project meets any technical criteria described in the program guidelines;

“(D) the recipient of the credit support and the parties to the efficiency obligation will provide the Secretary with—

“(i) any information the Secretary requests to assess the energy savings that result from the project, including historical energy usage data, a simulation-based benchmark, and detailed descriptions of the building work, as described in the program guidelines; and

“(ii) permission to access information relating to building operations and usage for the period described in the program guidelines; and

“(E) any other assurances that the Secretary determines to be necessary.

“(3) DETERMINATION.—Not later than 90 days after receiving an application, the Secretary shall make a final determination on the application, which may include requests for additional information.

“(g) FEES.—

“(1) IN GENERAL.—In addition to the fees required by section 1702(h)(1), the Secretary may charge reasonable fees for credit support provided under this section.

“(2) AVAILABILITY.—Fees collected under this section shall be subject to section 1702(h)(2).

“(h) UNDERWRITING.—The Secretary may delegate the underwriting activities under this section to 1 or more entities that the Secretary determines to be qualified.

“(i) REPORT.—Not later than 1 year after commencement of the program, the Secretary shall submit to the appropriate committees of Congress a report that describes in reasonable detail—

“(1) the manner in which this section is being carried out;

“(2) the number and type of projects supported;

“(3) the types of funding mechanisms used to provide credit support to projects;

“(4) the energy savings expected to result from projects supported by this section;

“(5) any tracking efforts the Secretary is using to calculate the actual energy savings produced by the projects; and

“(6) any plans to improve the tracking efforts described in paragraph (5).

“(j) FUNDING.—

“(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section \$400,000,000 for the period of fiscal years 2012 through 2021, to remain available until expended.

“(2) ADMINISTRATIVE COSTS.—Not more than 1 percent of any amounts made available to the Secretary under paragraph (1) may be used by the Secretary for administrative costs incurred in carrying out this section.”

Subtitle C—Industrial Efficiency and Competitiveness**PART I—MANUFACTURING ENERGY EFFICIENCY****SEC. 241. STATE PARTNERSHIP INDUSTRIAL ENERGY EFFICIENCY REVOLVING LOAN PROGRAM.**

Section 399A of the Energy Policy and Conservation Act (42 U.S.C. 6371h–1) is amended—

(1) in the section heading, by inserting “AND INDUSTRY” before the period at the end;

(2) by redesignating subsections (h) and (i) as subsections (j) and (k), respectively; and

(3) by inserting after subsection (g) the following:

“(h) STATE PARTNERSHIP INDUSTRIAL ENERGY EFFICIENCY REVOLVING LOAN PROGRAM.—

“(1) IN GENERAL.—The Secretary shall carry out a program under which the Secretary shall provide grants to eligible lenders to pay the Federal share of creating a revolving loan program under which loans are provided to commercial and industrial manufacturers to implement commercially available technologies or processes that significantly—

“(A) reduce systems energy intensity, including the use of energy-intensive feedstocks; and

“(B) improve the industrial competitiveness of the United States.

“(2) ELIGIBLE LENDERS.—To be eligible to receive cost-matched Federal funds under this subsection, a lender shall—

“(A) be a community and economic development lender that the Secretary certifies meets the requirements of this subsection;

“(B) lead a partnership that includes participation by, at a minimum—

“(i) a State government agency; and

“(ii) a private financial institution or other provider of loan capital;

“(C) submit an application to the Secretary, and receive the approval of the Secretary, for cost-matched Federal funds to carry out a loan program described in paragraph (1); and

“(D) ensure that non-Federal funds are provided to match, on at least a dollar-for-dollar basis, the amount of Federal funds that are provided to carry out a revolving loan program described in paragraph (1).

“(3) AWARD.—The amount of cost-matched Federal funds provided to an eligible lender shall not exceed \$100,000,000 for any fiscal year.

“(4) RECAPTURE OF AWARDS.—

“(A) IN GENERAL.—An eligible lender that receives an award under paragraph (1) shall be required to repay to the Secretary an amount of cost-match Federal funds, as determined by the Secretary under subparagraph (B), if the eligible lender is unable or unwilling to operate a program described in this subsection for a period of not less than 10 years beginning on the date on which the eligible lender first receives funds made available through the award.

“(B) DETERMINATION BY SECRETARY.—The Secretary shall determine the amount of cost-match Federal funds that an eligible lender shall be required to repay to the Secretary under subparagraph (A) based on the consideration by the Secretary of—

“(i) the amount of non-Federal funds matched by the eligible lender;

“(ii) the amount of loan losses incurred by the revolving loan program described in paragraph (1); and

“(iii) any other appropriate factor, as determined by the Secretary.

“(C) USE OF RECAPTURED COST-MATCH FEDERAL FUNDS.—The Secretary may distribute to eligible lenders under this subsection each amount received by the Secretary under this paragraph.

“(5) ELIGIBLE PROJECTS.—A program for which cost-matched Federal funds are provided under this subsection shall be designed to accelerate the implementation of industrial and commercial applications of technologies or processes (including distributed generation, applications or technologies that use sensors, meters, software, and information networks, controls, and drives or that have been installed pursuant to an energy savings performance contract, project, or strategy) that—

“(A) improve energy efficiency, including improvements in efficiency and use of water, power factor, or load management;

“(B) enhance the industrial competitiveness of the United States; and

“(C) achieve such other goals as the Secretary determines to be appropriate.

“(6) EVALUATION.—The Secretary shall evaluate applications for cost-matched Federal funds under this subsection on the basis of—

“(A) the description of the program to be carried out with the cost-matched Federal funds;

“(B) the commitment to provide non-Federal funds in accordance with paragraph (2)(D);

“(C) program sustainability over a 10-year period;

“(D) the capability of the applicant;

“(E) the quantity of energy savings or energy feedstock minimization;

“(F) the advancement of the goal under this Act of 25-percent energy avoidance;

“(G) the ability to fund energy efficient projects not later than 120 days after the date of the grant award; and

“(H) such other factors as the Secretary determines appropriate.

“(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection, \$400,000,000 for the period of fiscal years 2012 through 2021.”

SEC. 242. COORDINATION OF RESEARCH AND DEVELOPMENT OF ENERGY EFFICIENT TECHNOLOGIES FOR INDUSTRY.

(a) IN GENERAL.—As part of the research and development activities of the Industrial Technologies Program of the Department of Energy, the Secretary shall establish, as appropriate, collaborative research and development partnerships with other programs within the Office of Energy Efficiency and Renewable Energy (including the Building Technologies Program), the Office of Electricity Delivery and Energy Reliability, and the Office of Science that—

(1) leverage the research and development expertise of those programs to promote early stage energy efficiency technology development;

(2) support the use of innovative manufacturing processes and applied research for development, demonstration, and commercialization of new technologies and processes to improve efficiency (including improvements in efficient use of water), reduce emissions, reduce industrial waste, and improve industrial cost-competitiveness; and

(3) apply the knowledge and expertise of the Industrial Technologies Program to help achieve the program goals of the other programs.

(b) REPORTS.—Not later than 2 years after the date of enactment of this Act and biennially thereafter, the Secretary shall submit to Congress a report that describes actions taken to carry out subsection (a) and the results of those actions.

SEC. 243. REDUCING BARRIERS TO THE DEPLOYMENT OF INDUSTRIAL ENERGY EFFICIENCY.

(a) DEFINITIONS.—In this section:

(1) INDUSTRIAL ENERGY EFFICIENCY.—The term “industrial energy efficiency” means the energy efficiency derived from commercial technologies and measures to improve energy efficiency or to generate or transmit electric power and heat, including electric motor efficiency improvements, demand response, direct or indirect combined heat and power, and waste heat recovery.

(2) INDUSTRIAL SECTOR.—The term “industrial sector” means any subsector of the manufacturing sector (as defined in North American Industry Classification System codes 31-33 (as in effect on the date of enactment of this Act)) establishments of which have, or could have, thermal host facilities with electricity requirements met in whole, or in part, by onsite electricity generation, including direct and indirect combined heat and power or waste recovery.

(3) SECRETARY.—The term “Secretary” means the Secretary of Energy.

(b) REPORT ON THE DEPLOYMENT OF INDUSTRIAL ENERGY EFFICIENCY.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing—

(A) the results of the study conducted under paragraph (2); and

(B) recommendations and guidance developed under paragraph (3).

(2) STUDY.—The Secretary, in coordination with the industrial sector, shall conduct a study of the following:

(A) The legal, regulatory, and economic barriers to the deployment of industrial energy efficiency in all electricity markets (including organized wholesale electricity markets, and regulated electricity markets), including, as applicable, the following:

(i) Transmission and distribution interconnection requirements.

(ii) Standby, back-up, and maintenance fees (including demand ratchets).

(iii) Exit fees.

(iv) Life of contract demand ratchets.

(v) Net metering.

(vi) Calculation of avoided cost rates.

(vii) Power purchase agreements.

(viii) Energy market structures.

(ix) Capacity market structures.

(x) Other barriers as may be identified by the Secretary, in coordination with the industrial sector.

(B) Examples of—

(i) successful State and Federal policies that resulted in greater use of industrial energy efficiency;

(ii) successful private initiatives that resulted in greater use of industrial energy efficiency; and

(iii) cost-effective policies used by foreign countries to foster industrial energy efficiency.

(C) The estimated economic benefits to the national economy of providing the industrial sector with Federal energy efficiency matching grants of \$5,000,000,000 for 5- and 10-year periods, including benefits relating to—

(i) estimated energy and emission reductions;

(ii) direct and indirect jobs saved or created;

(iii) direct and indirect capital investment;

(iv) the gross domestic product; and

(v) trade balance impacts.

(D) The estimated energy savings available from increased use of recycled material in energy-intensive manufacturing processes.

(3) RECOMMENDATIONS AND GUIDANCE.—The Secretary, in coordination with the industrial sector, shall develop policy recommendations regarding the deployment of industrial energy efficiency, including proposed regulatory guidance to States and relevant Federal agencies to address barriers to deployment.

SEC. 244. FUTURE OF INDUSTRY PROGRAM.

(a) IN GENERAL.—Section 452 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17111) is amended by striking the section heading and inserting the following: “future of industry program”.

(b) DEFINITION OF ENERGY SERVICE PROVIDER.—Section 452(a) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17111(a)) is amended—

(1) by redesignating paragraphs (3) through (5) as paragraphs (4) through (6), respectively; and

(2) by inserting after paragraph (3):

“(5) ENERGY SERVICE PROVIDER.—The term ‘energy service provider’ means any private company or similar entity providing technology or services to improve energy efficiency in an energy-intensive industry.”.

(c) INDUSTRIAL RESEARCH AND ASSESSMENT CENTERS.—

(1) IN GENERAL.—Section 452(e) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17111(e)) is amended—

(A) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively, and indenting appropriately;

(B) by striking “The Secretary” and inserting the following:

“(1) IN GENERAL.—The Secretary”;

(C) in subparagraph (A) (as redesignated by subparagraph (A)), by inserting before the semicolon at the end the following: “, including assessments of sustainable manufacturing goals and the implementation of information technology advancements for supply chain analysis, logistics, system monitoring, industrial and manufacturing processes, and other purposes”;

(D) by adding at the end the following:

“(2) CENTERS OF EXCELLENCE.—

“(A) IN GENERAL.—The Secretary shall establish a Center of Excellence at up to 10 of the highest performing industrial research and assessment centers, as determined by the Secretary.

“(B) DUTIES.—A Center of Excellence shall coordinate with and advise the industrial research and assessment centers located in the region of the Center of Excellence.

“(C) FUNDING.—Subject to the availability of appropriations, of the funds made available under subsection (f), the Secretary shall use to support each Center of Excellence not less than \$500,000 for fiscal year 2012 and each fiscal year thereafter, as determined by the Secretary.

“(3) EXPANSION OF CENTERS.—The Secretary shall provide funding to establish additional industrial research and assessment centers at institutions of higher education that do not have industrial research and assessment centers established under paragraph (1), taking into account the size of, and potential energy efficiency savings for, the manufacturing base within the region of the proposed center.

“(4) COORDINATION.—

“(A) IN GENERAL.—To increase the value and capabilities of the industrial research and assessment centers, the centers shall—

(i) coordinate with Manufacturing Extension Partnership Centers of the National Institute of Standards and Technology;

(ii) coordinate with the Building Technologies Program of the Department of Energy to provide building assessment services to manufacturers;

(iii) increase partnerships with the National Laboratories of the Department of Energy to leverage the expertise and technologies of the National Laboratories for national industrial and manufacturing needs;

(iv) increase partnerships with energy service providers and technology providers to leverage private sector expertise and accelerate deployment of new and existing technologies and processes for energy efficiency, power factor, and load management;

(v) identify opportunities for reducing greenhouse gas emissions; and

(vi) promote sustainable manufacturing practices for small- and medium-sized manufacturers.

“(5) OUTREACH.—The Secretary shall provide funding for—

(A) outreach activities by the industrial research and assessment centers to inform small- and medium-sized manufacturers of the information, technologies, and services available; and

(B) a full-time equivalent employee at each center of excellence whose primary mission shall be to coordinate and leverage the efforts of the center with—

(i) Federal and State efforts;

“(ii) the efforts of utilities and energy service providers;

“(iii) the efforts of regional energy efficiency organizations; and

“(iv) the efforts of other centers in the region of the center of excellence.

“(6) WORKFORCE TRAINING.—

“(A) IN GENERAL.—The Secretary shall pay the Federal share of associated internship programs under which students work with or for industries, manufacturers, and energy service providers to implement the recommendations of industrial research and assessment centers.

“(B) FEDERAL SHARE.—The Federal share of the cost of carrying out internship programs described in subparagraph (A) shall be 50 percent.

“(C) FUNDING.—Subject to the availability of appropriations, of the funds made available under subsection (f), the Secretary shall use to carry out this paragraph not less than \$5,000,000 for fiscal year 2012 and each fiscal year thereafter.

“(7) SMALL BUSINESS LOANS.—The Administrator of the Small Business Administration shall, to the maximum practicable, expedite consideration of applications from eligible small business concerns for loans under the Small Business Act (15 U.S.C. 631 et seq.) to implement recommendations of industrial research and assessment centers established under paragraph (1).”

SEC. 245. SUSTAINABLE MANUFACTURING INITIATIVE.

(a) IN GENERAL.—Part E of title III of the Energy Policy and Conservation Act (42 U.S.C. 6341) is amended by adding at the end the following:

“SEC. 376. SUSTAINABLE MANUFACTURING INITIATIVE.

“(a) IN GENERAL.—As part of the Industrial Technologies Program of the Department of Energy, the Secretary shall carry out a sustainable manufacturing initiative under which the Secretary, on the request of a manufacturer, shall conduct onsite technical assessments to identify opportunities for—

(1) maximizing the energy efficiency of industrial processes and cross-cutting systems;

(2) preventing pollution and minimizing waste;

(3) improving efficient use of water in manufacturing processes;

(4) conserving natural resources; and

(5) achieving such other goals as the Secretary determines to be appropriate.

“(b) COORDINATION.—The Secretary shall carry out the initiative in coordination with the private sector and appropriate agencies, including the National Institute of Standards and Technology to accelerate adoption of new and existing technologies or processes that improve energy efficiency.

“(c) RESEARCH AND DEVELOPMENT PROGRAM FOR SUSTAINABLE MANUFACTURING AND INDUSTRIAL TECHNOLOGIES AND PROCESSES.—As part of the Industrial Technologies Program of the Department of Energy, the Secretary shall carry out a joint industry-government partnership program to research, develop, and demonstrate new sustainable manufacturing and industrial technologies and processes that maximize the energy efficiency of industrial systems, reduce pollution, and conserve natural resources.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be to carry out this section \$10,000,000 for the period of fiscal years 2012 through 2021.”

(b) TABLE OF CONTENTS.—The table of contents of the Energy Policy and Conservation Act (42 U.S.C. prec. 6201) is amended by adding at the end of the items relating to part E of title III the following:

“Sec. 376. Sustainable manufacturing initiative.”

SEC. 246. STUDY OF ADVANCED ENERGY TECHNOLOGY MANUFACTURING CAPABILITIES IN THE UNITED STATES.

(a) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy shall conduct a study of the development of advanced manufacturing capabilities for various energy technologies, including—

(1) an assessment of the manufacturing supply chains of established and emerging industries;

(2) an analysis of—

(A) the manner in which supply chains have changed over the 25-year period ending on the date of enactment of this Act;

(B) current trends in supply chains; and

(C) the energy intensity of each part of the supply chain and opportunities for improvement;

(3) for each technology or manufacturing sector, an analysis of which sections of the supply chain are critical for the United States to retain or develop to be competitive in the manufacturing of the technology;

(4) an assessment of which emerging energy technologies the United States should focus on to create or enhance manufacturing capabilities; and

(5) recommendations on leveraging the expertise of energy efficiency and renewable energy user facilities so that best materials and manufacturing practices are designed and implemented.

(b) REPORT.—Not later than 2 years after the date on which the Secretary enters into the agreement with the Academy described in subsection (a), the Academy shall submit to the Committee on Energy and Natural Resources of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Secretary a report describing the results of the study required under this section, including any findings and recommendations.

SEC. 247. INDUSTRIAL TECHNOLOGIES STEERING COMMITTEE.

The Secretary shall establish an advisory steering committee that includes national trade associations representing energy-intensive industries or energy service providers to provide recommendations to the Secretary on planning and implementation of the Industrial Technologies Program of the Department of Energy.

PART II—SUPPLY STAR

SEC. 251. SUPPLY STAR.

Part B of title III of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended by inserting after section 324A (42 U.S.C. 6294a) the following:

“SEC. 324B. SUPPLY STAR PROGRAM.

“(a) IN GENERAL.—There is established within the Department of Energy a Supply Star program to identify and promote practices, recognize companies, and, as appropriate, recognize products that use highly efficient supply chains in a manner that conserves energy, water, and other resources.

“(b) COORDINATION.—In carrying out the program described in subsection (a), the Secretary shall—

(1) consult with other appropriate agencies; and

(2) coordinate efforts with the Energy Star program established under section 324A.

“(c) DUTIES.—In carrying out the Supply Star program described in subsection (a), the Secretary shall—

(1) promote practices, recognize companies, and, as appropriate, recognize products that comply with the Supply Star program as the preferred practices, companies, and products in the marketplace for maximizing supply chain efficiency;

“(2) work to enhance industry and public awareness of the Supply Star program;

“(3) collect and disseminate data on supply chain energy resource consumption;

“(4) develop and disseminate metrics, processes, and analytical tools (including software) for evaluating supply chain energy resource use;

“(5) develop guidance at the sector level for improving supply chain efficiency;

“(6) work with domestic and international organizations to harmonize approaches to analyzing supply chain efficiency, including the development of a consistent set of tools, templates, calculators, and databases; and

“(7) work with industry, including small businesses, to improve supply chain efficiency through activities that include—

“(A) developing and sharing best practices; and

“(B) providing opportunities to benchmark supply chain efficiency.

“(d) EVALUATION.—In any evaluation of supply chain efficiency carried out by the Secretary with respect to a specific product, the Secretary shall consider energy consumption and resource use throughout the entire lifecycle of a product, including production, transport, packaging, use, and disposal.

“(e) GRANTS AND INCENTIVES.—

“(1) IN GENERAL.—The Secretary may award grants or other forms of incentives on a competitive basis to eligible entities, as determined by the Secretary, for the purposes of—

“(A) studying supply chain energy resource efficiency; and

“(B) demonstrating and achieving reductions in the energy resource consumption of commercial products through changes and improvements to the production supply and distribution chain of the products.

“(2) USE OF INFORMATION.—Any information or data generated as a result of the grants or incentives described in paragraph (1) shall be used to inform the development of the Supply Star Program.

“(f) TRAINING.—The Secretary shall use funds to support professional training programs to develop and communicate methods, practices, and tools for improving supply chain efficiency.

“(g) EFFECT OF IMPACT ON CLIMATE CHANGE.—For purposes of this section, the impact on climate change shall not be a factor in determining supply chain efficiency.

“(h) EFFECT OF OUTSOURCING OF AMERICAN JOBS.—For purposes of this section, the outsourcing of American jobs in the production of a product shall not count as a positive factor in determining supply chain efficiency.

“(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$10,000,000 for the period of fiscal years 2012 through 2021.”

PART III—ELECTRIC MOTOR REBATE PROGRAM

SEC. 261. ENERGY SAVING MOTOR CONTROL REBATE PROGRAM.

(a) ESTABLISHMENT.—Not later than January 1, 2012, the Secretary of Energy (referred to in this section as the “Secretary”) shall establish a program to provide rebates for expenditures made by entities for the purchase and installation of a new constant speed electric motor control that reduces motor energy use by not less than 5 percent.

(b) REQUIREMENTS.—

(1) APPLICATION.—To be eligible to receive a rebate under this section, an entity shall submit to the Secretary an application in such form, at such time, and containing such information as the Secretary may require, including—

(A) demonstrated evidence that the entity purchased a constant speed electric motor

control that reduces motor energy use by not less than 5 percent; and

(B) the physical nameplate of the installed motor of the entity to which the energy saving motor control is attached.

(2) AUTHORIZED AMOUNT OF REBATE.—The Secretary may provide to an entity that meets the requirements of paragraph (1) a rebate the amount of which shall be equal to the product obtained by multiplying—

(A) the nameplate horsepower of the electric motor to which the energy saving motor control is attached; and

(B) \$25.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2012 and 2013, to remain available until expended.

PART IV—TRANSFORMER REBATE PROGRAM

SEC. 271. ENERGY EFFICIENT TRANSFORMER REBATE PROGRAM.

(a) DEFINITION OF QUALIFIED TRANSFORMER.—In this section, the term “qualified transformer” means a transformer that meets or exceeds the National Electrical Manufacturers Association (NEMA) Premium Efficiency designation, calculated to 2 decimal points, as having 30 percent fewer losses than the NEMA TP-1-2002 efficiency standard for a transformer of the same number of phases and capacity, as measured in kilovolt-amperes.

(b) ESTABLISHMENT.—Not later than January 1, 2012, the Secretary of Energy (referred to in this section as the “Secretary”) shall establish a program to provide rebates for expenditures made by owners of commercial buildings and multifamily residential buildings for the purchase and installation of a new energy efficient transformers.

(c) REQUIREMENTS.—

(1) APPLICATION.—To be eligible to receive a rebate under this section, an owner shall submit to the Secretary an application in such form, at such time, and containing such information as the Secretary may require, including demonstrated evidence that the owner purchased a qualified transformer.

(2) AUTHORIZED AMOUNT OF REBATE.—For qualified transformers, rebates, in dollars per kilovolt-ampere (referred to in this paragraph as “kVA”) shall be—

(A) for 3-phase transformers—

(i) with a capacity of not greater than 10 kVA, \$15;

(ii) with a capacity of not less than 10 kVA and not greater than 100 kVA, the difference between 15 and the quotient obtained by dividing—

(I) the difference between—

(aa) the capacity of the transformer in kVA; and

(bb) 10; by

(II) 9; and

(iii) with a capacity greater than or equal to 100 kVA, \$5; and

(B) for single-phase transformers, 75 percent of the rebate for a 3-phase transformer of the same capacity.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2012 and 2013, to remain available until expended.

Subtitle D—Federal Agency Energy Efficiency

SEC. 281. ADOPTION OF PERSONAL COMPUTER POWER SAVINGS TECHNIQUES BY FEDERAL AGENCIES.

(a) IN GENERAL.—Not later than 360 days after the date of enactment of this Act, the Secretary of Energy, in consultation with the Secretary of Defense, the Secretary of Veterans Affairs, and the Administrator of General Services, shall issue guidance for

Federal agencies to employ advanced tools allowing energy savings through the use of computer hardware, energy efficiency software, and power management tools.

(b) REPORTS ON PLANS AND SAVINGS.—Not later than 180 days after the date of the issuance of the guidance under subsection (a), each Federal agency shall submit to the Secretary of Energy a report that describes—

(1) the plan of the agency for implementing the guidance within the agency; and

(2) estimated energy and financial savings from employing the tools described in subsection (a).

SEC. 282. AVAILABILITY OF FUNDS FOR DESIGN UPDATES.

Section 3307 of title 40, United States Code, is amended—

(1) by redesignating subsections (d) through (h) as subsections (e) through (i), respectively; and

(2) by inserting after subsection (c) the following:

“(d) AVAILABILITY OF FUNDS FOR DESIGN UPDATES.—

“(1) IN GENERAL.—Subject to paragraph (2), for any project for which congressional approval is received under subsection (a) and for which the design has been substantially completed but construction has not begun, the Administrator of General Services may use appropriated funds to update the project design to meet applicable Federal building energy efficiency standards established under section 305 of the Energy Conservation and Production Act (42 U.S.C. 6834) and other requirements established under section 3312.

“(2) LIMITATION.—The use of funds under paragraph (1) shall not exceed 125 percent of the estimated energy or other cost savings associated with the updates as determined by a life-cycle cost analysis under section 544 of the National Energy Conservation Policy Act (42 U.S.C. 8254).”

SEC. 283. BEST PRACTICES FOR ADVANCED METERING.

Section 543(e) of the National Energy Conservation Policy Act (42 U.S.C. 8253(e)) is amended by striking paragraph (3) and inserting the following:

“(3) PLAN.—

“(A) IN GENERAL.—Not later than 180 days after the date on which guidelines are established under paragraph (2), in a report submitted by the agency under section 548(a), each agency shall submit to the Secretary a plan describing the manner in which the agency will implement the requirements of paragraph (1), including—

(i) how the agency will designate personnel primarily responsible for achieving the requirements; and

(ii) a demonstration by the agency, complete with documentation, of any finding that advanced meters or advanced metering devices (as those terms are used in paragraph (1)), are not practicable.

“(B) UPDATES.—Reports submitted under subparagraph (A) shall be updated annually.

“(4) BEST PRACTICES REPORT.—

“(A) IN GENERAL.—Not later than 180 days after the date of enactment of the Energy Savings and Industrial Competitiveness Act of 2012, the Secretary of Energy, in consultation with the Secretary of Defense and the Administrator of General Services, shall develop, and issue a report on, best practices for the use of advanced metering of energy use in Federal facilities, buildings, and equipment by Federal agencies.

“(B) UPDATING.—The report described under subparagraph (A) shall be updated annually.

“(C) COMPONENTS.—The report shall include, at a minimum—

(i) summaries and analysis of the reports by agencies under paragraph (3);

“(ii) recommendations on standard requirements or guidelines for automated energy management systems, including—

“(I) potential common communications standards to allow data sharing and reporting;

“(II) means of facilitating continuous commissioning of buildings and evidence-based maintenance of buildings and building systems; and

“(III) standards for sufficient levels of security and protection against cyber threats to ensure systems cannot be controlled by unauthorized persons; and

“(iii) an analysis of—

“(I) the types of advanced metering and monitoring systems being piloted, tested, or installed in Federal buildings; and

“(II) existing techniques used within the private sector or other non-Federal government buildings.”.

SEC. 284. FEDERAL ENERGY MANAGEMENT AND DATA COLLECTION STANDARD.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended—

(1) by redesignating the second subsection (f) (as added by section 434(a) of Public Law 110-140 (121 Stat. 1614)) as subsection (g); and

(2) in subsection (f)(7), by striking subparagraph (A) and inserting the following:

“(A) IN GENERAL.—For each facility that meets the criteria established by the Secretary under paragraph (2)(B), the energy manager shall use the web-based tracking system under subparagraph (B)—

“(i) to certify compliance with the requirements for—

“(I) energy and water evaluations under paragraph (3);

“(II) implementation of identified energy and water measures under paragraph (4); and

“(III) follow-up on implemented measures under paragraph (5); and

“(ii) to publish energy and water consumption data on an individual facility basis.”.

SEC. 285. ELECTRIC VEHICLE CHARGING INFRASTRUCTURE.

Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended—

(1) in subparagraph (A), by striking “or” after the semicolon;

(2) in subparagraph (B), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(C) a measure to support the use of electric vehicles or the fueling or charging infrastructure necessary for electric vehicles.”.

SEC. 286. FEDERAL PURCHASE REQUIREMENT.

Section 203 of the Energy Policy Act of 2005 (42 U.S.C. 15852) is amended—

(1) in subsections (a) and (b)(2), by striking “electric energy” each place it appears and inserting “electric, direct, and thermal energy”;

(2) in subsection (b)(2)—

(A) by inserting “, or avoided by,” after “generated from”; and

(B) by inserting “(including ground-source, reclaimed, and ground water)” after “geothermal”;

(3) by redesignating subsection (d) as subsection (e); and

(4) by inserting after subsection (c) the following:

“(d) SEPARATE CALCULATION.—Renewable energy produced at a Federal facility, on Federal land, or on Indian land (as defined in section 2601 of the Energy Policy Act of 1992 (25 U.S.C. 3501))—

“(1) shall be calculated (on a BTU-equivalent basis) separately from renewable energy used; and

“(2) may be used individually or in combination to comply with subsection (a).”.

SEC. 287. STUDY ON FEDERAL DATA CENTER CONSOLIDATION.

(a) IN GENERAL.—The Secretary of Energy shall conduct a study on the feasibility of a government-wide data center consolidation, with an overall Federal target of a minimum of 800 Federal data center closures by October 1, 2015.

(b) COORDINATION.—In conducting the study, the Secretary shall coordinate with Federal data center program managers, facilities managers, and sustainability officers.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study, including a description of agency best practices in data center consolidation.

Subtitle E—Miscellaneous

SEC. 291. OFFSETS.

(a) ZERO-NET ENERGY COMMERCIAL BUILDINGS INITIATIVE.—Section 422(f) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17082(f)) is amended by striking paragraphs (2) through (4) and inserting the following:

“(2) \$50,000,000 for each of fiscal years 2009 through 2012;

“(3) \$100,000,000 for fiscal year 2013; and

“(4) \$200,000,000 for each of fiscal years 2014 through 2018.”.

(b) ENERGY SUSTAINABILITY AND EFFICIENCY GRANTS AND LOANS FOR INSTITUTIONS.—Subsection (j) of section 399A of the Energy Policy and Conservation Act (42 U.S.C. 6371h-1) (as redesignated by section 241(2)) is amended—

(1) in paragraph (1), by striking “through 2013” and inserting “and 2010, \$100,000,000 for each of fiscal years 2011 and 2012, and \$250,000,000 for fiscal year 2013”; and

(2) in paragraph (2), by striking “through 2013” and inserting “and 2010, \$100,000,000 for each of fiscal years 2011 and 2012, and \$425,000,000 for fiscal year 2013”.

(c) WASTE ENERGY RECOVERY INCENTIVE PROGRAM.—Section 373(f)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6343(f)(1)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (D); and

(2) by striking subparagraph (A) and inserting the following:

“(A) \$100,000,000 for fiscal year 2008;

“(B) \$200,000,000 for each of fiscal years 2009 and 2010;

“(C) \$100,000,000 for each of fiscal years 2011 and 2012; and”.

(d) ENERGY-INTENSIVE INDUSTRIES PROGRAM.—Section 452(f)(1) of the Energy Independence and Security Act of 2007 (42 U.S.C. 17111(f)(1)) is amended—

(1) in subparagraph (D), by striking “\$202,000,000” and inserting “\$102,000,000”; and

(2) in subparagraph (E), by striking “\$208,000,000” and inserting “\$108,000,000”.

SEC. 292. BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the Senate Budget Committee, provided that such statement has been submitted prior to the vote on passage.

SEC. 293. ADVANCE APPROPRIATIONS REQUIRED.

The authorization of amounts under this title and the amendments made by this title shall be effective for any fiscal year only to the extent and in the amount provided in advance in appropriations Acts.

SA 2562. Ms. COLLINS submitted an amendment intended to be proposed by

her to the bill S. 3364, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . EXTENSION OF 2001 AND 2003 TAX RELIEF.

(a) IN GENERAL.—Paragraph (1) of section 901(a) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking “December 31, 2012” and inserting “December 31, 2013”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

SEC. . SURTAX ON MILLIONAIRES.

(a) IN GENERAL.—Subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new part:

“PART VIII—SURTAX ON MILLIONAIRES

“Sec. 59B. Surtax on millionaires.

“SEC. 59B. SURTAX ON MILLIONAIRES.

“(a) GENERAL RULE.—In the case of a taxpayer other than a corporation for any taxable year beginning after 2012 and before 2014, there is hereby imposed (in addition to any other tax imposed by this subtitle) a tax equal to 2 percent of so much of the modified adjusted gross income of the taxpayer for such taxable year as exceeds \$1,000,000 (\$500,000, in the case of a married individual filing a separate return).

“(b) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this section—

“(1) IN GENERAL.—The term ‘modified adjusted gross income’ means adjusted gross income reduced by the excess of—

“(A) gross income from a small business (as defined in section 6654(d)(1)(D)(iii))—

“(i) which is not a passive activity with respect to the taxpayer (within the meaning of section 469(c)), and

“(ii) which pays wages to at least 1 full-time equivalent employee (as defined in section 45R(d)(2)), other than the taxpayer, the taxpayer’s spouse, or an individual who bears a relationship to the taxpayer described in section 152(d)(2), over

“(B) the deductions which are properly allocable to such income.

“(2) AGGREGATION RULE.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as one employer for purposes of paragraph (1)(A).

“(3) REGULATIONS.—The Secretary shall prescribe regulations similar to the regulations under section 469(l) for determining the income that is taken into account under paragraph (1)(A).

“(c) SPECIAL RULES.—

“(1) NONRESIDENT ALIEN.—In the case of a nonresident alien individual, only amounts taken into account in connection with the tax imposed under section 871(b) shall be taken into account under this section.

“(2) CITIZENS AND RESIDENTS LIVING ABROAD.—The applicable dollar amount under subsection (a) shall be decreased by the excess of—

“(A) the amounts excluded from the taxpayer’s gross income under section 911, over

“(B) the amounts of any deductions or exclusions disallowed under section 911(d)(6) with respect to the amounts described in subparagraph (A).

“(3) CHARITABLE TRUSTS.—Subsection (a) shall not apply to a trust all the unexpired interests in which are devoted to one or more of the purposes described in section 170(c)(2)(B).

“(4) NOT TREATED AS TAX IMPOSED BY THIS CHAPTER FOR CERTAIN PURPOSES.—The tax

imposed under this section shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this chapter or for purposes of section 55.”

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“PART VIII. SURTAX ON MILLIONAIRES.”

(c) SECTION 15 NOT TO APPLY.—The amendment made by subsection (a) shall not be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

SA 2563. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 3364, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____ . POINT OF ORDER ON LEGISLATION THAT RAISES INCOME TAX RATES ON SMALL BUSINESSES.

(a) POINT OF ORDER.—

(1) IN GENERAL.—In the Senate, it shall not be in order to consider any bill, joint resolution, amendment, motion, or conference report that includes any provision which increases Federal income tax rates.

(2) DEFINITION.—In this section, the term “Federal income tax rates” means any rate of tax under—

(A) subsection (a), (b), (c), (d), or (e) of section 1 of the Internal Revenue Code of 1986,

(B) section 11(b) of such Code, or

(C) section 55(b) of such Code.

(b) SUPERMAJORITY WAIVER AND APPEALS.—

(1) WAIVER.—This section may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) APPEALS.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

SA 2564. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 3364, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “United States Job Creation and International Tax Reform Act of 2012”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—PARTICIPATION EXEMPTION SYSTEM FOR TAXATION OF FOREIGN INCOME

Sec. 101. Deduction for dividends received by domestic corporations from certain foreign corporations.

Sec. 102. Application of dividends received deduction to certain sales and exchanges of stock.

Sec. 103. Deduction for foreign intangible income derived from trade or business within the United States.

Sec. 104. Treatment of deferred foreign income upon transition to participation exemption system of taxation.

TITLE II—OTHER INTERNATIONAL TAX REFORMS

Subtitle A—Modifications of Subpart F

Sec. 201. Treatment of low-taxed foreign income as subpart F income.

Sec. 202. Permanent extension of look-thru rule for controlled foreign corporations.

Sec. 203. Permanent extension of exceptions for active financing income.

Sec. 204. Foreign base company income not to include sales or services income.

Subtitle B—Modifications Related to Foreign Tax Credit

Sec. 211. Modification of application of sections 902 and 960 with respect to post-2012 earnings.

Sec. 212. Separate foreign tax credit basket for foreign intangible income.

Sec. 213. Inventory property sales source rule exceptions not to apply for foreign tax credit limitation.

Subtitle C—Allocation of Interest on Worldwide Basis

Sec. 221. Acceleration of election to allocate interest on a worldwide basis.

TITLE I—PARTICIPATION EXEMPTION SYSTEM FOR TAXATION OF FOREIGN INCOME

SEC. 101. DEDUCTION FOR DIVIDENDS RECEIVED BY DOMESTIC CORPORATIONS FROM CERTAIN FOREIGN CORPORATIONS.

(a) ALLOWANCE OF DEDUCTION.—Part VIII of subchapter B of chapter 1 is amended by inserting after section 245 the following new section:

“SEC. 245A. DIVIDENDS RECEIVED BY DOMESTIC CORPORATIONS FROM CERTAIN FOREIGN CORPORATIONS.

“(a) IN GENERAL.—In the case of any dividend received from a controlled foreign corporation by a domestic corporation which is a United States shareholder with respect to such controlled foreign corporation, there shall be allowed as a deduction an amount equal to 95 percent of the qualified foreign-source portion of the dividend.

“(b) TREATMENT OF ELECTING NONCONTROLLED SECTION 902 CORPORATIONS AS CONTROLLED FOREIGN CORPORATIONS.—

“(1) IN GENERAL.—If a domestic corporation elects the application of this subsection for any noncontrolled section 902 corporation with respect to the domestic corporation, then, for purposes of this title—

“(A) the noncontrolled section 902 corporation shall be treated as a controlled foreign corporation with respect to the domestic corporation, and

“(B) the domestic corporation shall be treated as a United States shareholder with respect to the noncontrolled section 902 corporation.

“(2) ELECTION.—

“(A) TIME OF ELECTION.—Any election under this subsection with respect to any noncontrolled section 902 corporation shall be made not later than the due date for filing the return of tax for the first taxable year of the taxpayer with respect to which the foreign corporation is a noncontrolled section 902 corporation with respect to the taxpayer (or, if later, the first taxable year of the taxpayer for which this section is in effect).

“(B) REVOCATION OF ELECTION.—Any election under this subsection, once made, may be revoked only with the consent of the Secretary.

“(C) CONTROLLED GROUPS.—If a domestic corporation making an election under this subsection with respect to any noncontrolled section 902 corporation is a member of a controlled group of corporations (within the meaning of section 1563(a), except that ‘more than 50 percent’ shall be substituted for ‘at least 80 percent’ each place it appears therein), then, except as otherwise provided by the Secretary, such election shall apply to all members of such group.

“(C) QUALIFIED FOREIGN-SOURCE PORTION OF DIVIDENDS.—For purposes of this section—

“(1) QUALIFIED FOREIGN-SOURCE PORTION.—

“(A) IN GENERAL.—The qualified foreign-source portion of any dividend is an amount which bears the same ratio to such dividend as—

“(i) the post-2012 undistributed qualified foreign earnings, bears to

“(ii) the total post-2012 undistributed earnings.

“(B) POST-2012 UNDISTRIBUTED EARNINGS.—The term ‘post-2012 undistributed earnings’ means the amount of the earnings and profits of a controlled foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2012—

“(i) as of the close of the taxable year of the controlled foreign corporation in which the dividend is distributed, and

“(ii) without diminution by reason of dividends distributed during such taxable years.

“(C) POST-2012 UNDISTRIBUTED QUALIFIED FOREIGN EARNINGS.—The term ‘post-2012 undistributed qualified foreign earnings’ means the portion of the post-2012 undistributed earnings which is attributable to income other than—

“(i) income described in section 245(a)(5)(A), or

“(ii) dividends described in section 245(a)(5)(B).

“(2) ORDERING RULE FOR DISTRIBUTIONS OF EARNINGS AND PROFITS.—Distributions shall be treated as first made out of earnings and profits of a controlled foreign corporation which are not post-2012 undistributed earnings and then out of post-2012 undistributed earnings.

“(d) DISALLOWANCE OF FOREIGN TAX CREDIT, ETC.—

“(1) IN GENERAL.—No credit shall be allowed under section 901 for any taxes paid or accrued (or treated as paid or accrued) with respect to the qualified foreign-source portion of any dividend.

“(2) DENIAL OF DEDUCTION.—No deduction shall be allowed under this chapter for any tax for which credit is not allowable under section 901 by reason of paragraph (1).

“(3) COORDINATION WITH SECTION 78.—Section 78 shall not apply to any tax for which credit is not allowable under section 901 by reason of paragraph (1).

“(4) TREATMENT OF NONDEDUCTIBLE PORTION IN APPLYING FOREIGN TAX CREDIT LIMIT.—For purposes of applying the limitation under section 904(a), the remaining 5 percent of the qualified foreign-source portion of any dividend with respect to which a deduction is not allowable to the domestic corporation under subsection (a) shall be treated as income from sources within the United States.

“(e) SPECIAL RULES FOR HYBRID DIVIDENDS.—

“(1) IN GENERAL.—Subsection (a) shall not apply to any dividend received by a United States shareholder from a controlled foreign corporation if the dividend is a hybrid dividend.

“(2) HYBRID DIVIDENDS OF TIERED CONTROLLED FOREIGN CORPORATIONS.—If a controlled foreign corporation with respect to which a domestic corporation is a United States shareholder receives a hybrid dividend from any other controlled foreign corporation with respect to which such domestic corporation is also a United States shareholder, then, notwithstanding any other provision of this title—

“(A) the hybrid dividend shall be treated for purposes of section 951(a)(1)(A) as subpart F income of the receiving controlled foreign corporation for the taxable year of the controlled foreign corporation in which the dividend was received, and

“(B) the United States shareholder shall include in gross income an amount equal to the shareholder’s pro rata share (determined in the same manner as under section 951(a)(2)) of the subpart F income described in subparagraph (A).

“(3) DENIAL OF FOREIGN TAX CREDIT, ETC.—The rules of subsection (d) shall apply to any hybrid dividend received by, or any amount included under paragraph (2) in the gross income of, a United States shareholder, except that, for purposes of applying subsection (d)(4), all of such dividend or amount shall be treated as income from sources within the United States.

“(4) HYBRID DIVIDEND.—The term ‘hybrid dividend’ means an amount received from a controlled foreign corporation—

“(A) which is treated as a dividend for purposes of this title, and

“(B) for which the controlled foreign corporation received a deduction (or similar tax benefit) under the laws of the country in which the controlled foreign corporation was created or organized.

“(f) DEFINITIONS.—For purposes of this section—

“(1) UNITED STATES SHAREHOLDER.—The term ‘United States shareholder’ has the meaning given such term in section 951(b).

“(2) CONTROLLED FOREIGN CORPORATION.—The term ‘controlled foreign corporation’ has the meaning given such term in section 957(a).

“(3) NONCONTROLLED SECTION 902 CORPORATION.—The term ‘noncontrolled section 902 corporation’ has the meaning given such term in section 904(d)(2)(E)(i).

“(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section.”

(b) APPLICATION OF HOLDING PERIOD REQUIREMENT.—Subsection (c) of section 246 is amended—

(1) by striking “or 245” in paragraph (1) and inserting “245, or 245A”, and

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

“(5) SPECIAL RULES FOR QUALIFIED FOREIGN-SOURCE PORTION OF DIVIDENDS RECEIVED FROM CONTROLLED FOREIGN CORPORATIONS.—

“(A) 1-YEAR HOLDING PERIOD REQUIREMENT.—For purposes of section 245A—

“(i) paragraph (1)(A) shall be applied—

“(I) by substituting ‘365 days’ for ‘45 days’ each place it appears, and

“(II) by substituting ‘731-day period’ for ‘91-day period’, and

“(ii) paragraph (2) shall not apply.

“(B) STATUS MUST BE MAINTAINED DURING HOLDING PERIOD.—For purposes of section 245A, the holding period requirement of this subsection shall be treated as met only if—

“(i) the controlled foreign corporation referred to in section 245A(a) is a controlled foreign corporation at all times during such period, and

“(ii) the taxpayer is a United States shareholder (as defined in section 951) with respect to such controlled foreign corporation at all times during such period.

“(C) SPECIAL RULES FOR ELECTING NONCONTROLLED SECTION 902 CORPORATIONS.—In the case of an election under section 245A(b) to treat a noncontrolled section 902 corporation as a controlled foreign corporation, the requirements of subparagraph (B) shall be treated as met for any continuous period ending on the day before the effective date of the election for which the taxpayer met the ownership requirements of section 904(d)(2)(E) with respect to such corporation.”

(c) APPLICATION OF RULES GENERALLY APPLICABLE TO DEDUCTIONS FOR DIVIDENDS RECEIVED.—

(1) TREATMENT OF DIVIDENDS FROM TAX-EXEMPT CORPORATIONS.—Paragraph (1) of section 246(a) is amended by striking “and 245” and inserting “245, and 245A”.

(2) ASSETS GENERATING TAX-EXEMPT PORTION OF DIVIDEND NOT TAKEN INTO ACCOUNT IN ALLOCATING AND APPORTIONING DEDUCTIBLE EXPENSES.—Paragraph (3) of section 864(e) is amended by striking “or 245(a)” and inserting “, 245(a), or 245A”.

(3) COORDINATION WITH SECTION 1059.—Subparagraph (B) of section 1059(b)(2) is amended by striking “or 245” and inserting “245, or 245A”.

(d) CONFORMING AMENDMENTS.—

(1) Clause (vi) of section 56(g)(4)(C) is amended by inserting “245A or” before “965”.

(2) Subsection (b) of section 951 is amended—

(A) by striking “subpart” and inserting “title”, and

(B) by adding at the end the following: “Such term shall include, with respect to any entity treated as a controlled foreign corporation under section 245A(b), any domestic corporation treated as a United States shareholder with respect to such entity under such section.”

(3) Subsection (a) of section 957 is amended—

(A) by striking “subpart” in the matter preceding paragraph (1) and inserting “title”, and

(B) by adding at the end the following: “Such term shall include any entity treated as a controlled foreign corporation under section 245A(b).”

(4) The table of sections for part VIII of subchapter B of chapter 1 is amended by inserting after the item relating to section 245 the following new item:

“Sec. 245A. Dividends received by domestic corporations from certain foreign corporations.”

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2012, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 102. APPLICATION OF DIVIDENDS RECEIVED DEDUCTION TO CERTAIN SALES AND EXCHANGES OF STOCK.

(a) SALES BY UNITED STATES PERSONS OF STOCK IN CFC.—Section 1248 is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

“(j) COORDINATION WITH DIVIDENDS RECEIVED DEDUCTION.—

“(1) IN GENERAL.—In the case of the sale or exchange by a domestic corporation of stock in a foreign corporation held for 1 year or more, any amount received by the domestic corporation which is treated as a dividend by reason of this section shall be treated as a dividend for purposes of applying section 245A.

“(2) LOSSES DISALLOWED.—If a domestic corporation—

“(A) sells or exchanges stock in a foreign corporation in a taxable year of the domestic

corporation with or within which a taxable year of the foreign corporation beginning after December 31, 2012, ends, and

“(B) met the ownership requirements of subsection (a)(2) with respect to such stock, no deduction shall be allowed to the domestic corporation with respect to any loss from the sale or exchange.”

(b) SALE BY A CFC OF A LOWER TIER CFC.—Section 964(e) is amended by adding at the end the following new paragraph:

“(4) COORDINATION WITH DIVIDENDS RECEIVED DEDUCTION.—

“(A) IN GENERAL.—If, for any taxable year of a controlled foreign corporation beginning after December 31, 2012, any amount is treated as a dividend under paragraph (1) by reason of a sale or exchange by the controlled foreign corporation of stock in another foreign corporation held for 1 year or more, then, notwithstanding any other provision of this title—

“(i) the qualified foreign-source portion of such dividend shall be treated for purposes of section 951(a)(1)(A) as subpart F income of the selling controlled foreign corporation for such taxable year,

“(ii) a United States shareholder with respect to the selling controlled foreign corporation shall include in gross income for the taxable year of the shareholder with or within which such taxable year of the controlled foreign corporation ends an amount equal to the shareholder’s pro rata share (determined in the same manner as under section 951(a)(2)) of the amount treated as subpart F income under clause (i), and

“(iii) the deduction under section 245A(a) shall be allowable to the United States shareholder with respect to the subpart F income included in gross income under clause (ii) in the same manner as if such subpart F income were a dividend received by the shareholder from the selling controlled foreign corporation.

“(B) EFFECT OF LOSS ON EARNINGS AND PROFITS.—For purposes of this title, in the case of a sale or exchange by a controlled foreign corporation of stock in another foreign corporation in a taxable year of the selling controlled foreign corporation beginning after December 31, 2012, to which this paragraph would apply if gain were recognized, the earnings and profits of the selling controlled foreign corporation shall not be reduced by reason of any loss from such sale or exchange.

“(C) QUALIFIED FOREIGN-SOURCE PORTION.—For purposes of this paragraph, the qualified foreign-source portion of any amount treated as a dividend under paragraph (1) shall be determined in the same manner as under section 245A(c).”

SEC. 103. DEDUCTION FOR FOREIGN INTANGIBLE INCOME DERIVED FROM TRADE OR BUSINESS WITHIN THE UNITED STATES.

(a) IN GENERAL.—Part VIII of subchapter B of chapter 1 is amended by adding at the end the following new section:

“SEC. 250. FOREIGN INTANGIBLE INCOME DERIVED FROM TRADE OR BUSINESS WITHIN THE UNITED STATES.

“(a) IN GENERAL.—In the case of a domestic corporation, there shall be allowed as a deduction an amount equal to 50 percent of the qualified foreign intangible income of such domestic corporation for the taxable year.

“(b) QUALIFIED FOREIGN INTANGIBLE INCOME.—

“(1) IN GENERAL.—The term ‘qualified foreign intangible income’ means, with respect to any domestic corporation, foreign intangible income which is derived by the domestic corporation from the active conduct of a trade or business within the United States with respect to the intangible property giving rise to the income.

“(2) REQUIREMENTS RELATING TO TRADE OR BUSINESS WITHIN THE UNITED STATES.—For purposes of this section, foreign intangible income shall be treated as derived by a domestic corporation from the active conduct of a trade or business within the United States only if—

“(A) the domestic corporation developed, created, or produced within the United States the intangible property giving rise to the income, or

“(B) in any case in which the domestic corporation acquired such intangible property, the domestic corporation added substantial value to the property through the active conduct of such trade or business within the United States.

“(C) FOREIGN INTANGIBLE INCOME.—For purposes of this section—

“(1) IN GENERAL.—The term ‘foreign intangible income’ means any intangible income which is derived in connection with—

“(A) property which is sold, leased, licensed, or otherwise disposed of for use, consumption, or disposition outside the United States, or

“(B) services provided with respect to persons or property located outside the United States.

“(2) EXCEPTIONS FOR CERTAIN INCOME.—The following amounts shall not be taken into account in computing foreign intangible income:

“(A) Any amount treated as received by the domestic corporation under section 367(d)(2) with respect to any intangible property.

“(B) Any payment under a cost-sharing arrangement entered into under section 482.

“(C) Any amount received from a controlled foreign corporation with respect to which the domestic corporation is a United States shareholder to the extent such amount is attributable or properly allocable to income which is—

“(i) effectively connected with the conduct of a trade or business within the United States and subject to tax under this chapter, or

“(ii) subpart F income.

For purposes of clause (ii), amounts not otherwise treated as subpart F income shall be so treated if the amount creates (or increases) a deficit which under section 952(c) may reduce the subpart F income of the payor or any other controlled foreign corporation.

“(3) INTANGIBLE INCOME.—The term ‘intangible income’ means gross income from—

“(A) the sale, lease, license, or other disposition of property in which intangible property is used directly or indirectly, or

“(B) the provision of services related to intangible property or in connection with property in which intangible property is used directly or indirectly,

to the extent that such gross income is properly attributable to such intangible property.

“(4) DEDUCTIONS TO BE TAKEN INTO ACCOUNT.—The gross income of a domestic corporation taken into account under this subsection shall be reduced, under regulations prescribed by the Secretary, so as to take into account deductions properly allocable to such income.

“(5) INTANGIBLE PROPERTY.—The term ‘intangible property’ has the meaning given such term by section 936(h)(3)(B).

“(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section.”

(b) CONFORMING AMENDMENT.—The table of sections for part VIII of subchapter B of chapter 1 is amended by adding at the end the following new item:

“Sec. 250. Foreign intangible income derived from trade or business within the United States.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of domestic corporations beginning after December 31, 2012.

SEC. 104. TREATMENT OF DEFERRED FOREIGN INCOME UPON TRANSITION TO PARTICIPATION EXEMPTION SYSTEM OF TAXATION.

(a) IN GENERAL.—Section 965 is amended to read as follows:

“SEC. 965. TREATMENT OF DEFERRED FOREIGN INCOME UPON TRANSITION TO PARTICIPATION EXEMPTION SYSTEM OF TAXATION.

“(a) DEDUCTION ALLOWED.—In the case of a domestic corporation which elects the application of this section to any controlled foreign corporation with respect to which it is a United States shareholder, there shall be allowed as a deduction for the taxable year of the United States shareholder with or within which the first taxable year of the controlled foreign corporation beginning after December 31, 2012, ends an amount equal to 70 percent of the amount determined under subsection (b) for the taxable year.

“(b) ELIGIBLE AMOUNT.—For purposes of subsection (a)—

“(1) IN GENERAL.—The amount determined under this subsection for a United States shareholder with respect to any controlled foreign corporation for the taxable year of the shareholder described in subsection (a) is the lesser of—

“(A) the shareholder’s pro rata share of the earnings and profits of the controlled foreign corporation described in section 959(c)(3) as of the close of the taxable year preceding the first taxable year of the controlled foreign corporation beginning after December 31, 2012, or

“(B) an amount equal to the sum of—

“(i) the dividends received by the shareholder during such taxable year from the controlled foreign corporation which are attributable to the earnings and profits described in subparagraph (A), plus

“(ii) the increase in subpart F income required to be included in gross income of the shareholder for the taxable year by reason of the election under paragraph (2).

“(2) ELECTION OF DEEMED SUBPART F INCLUSION.—A United States shareholder may elect for purposes of paragraph (1)(B)(ii) to treat all (or any portion) of the shareholder’s pro rata share of the earnings and profits of a controlled foreign corporation described in paragraph (1)(A) as subpart F income includible in the gross income of the shareholder for the taxable year of the shareholder described in subsection (a).

“(3) ORDERING RULE.—For purposes of paragraph (1)(B)(i), distributions shall be treated as first made out of earnings and profits of a controlled foreign corporation described in paragraph (1)(A).

“(4) DIVIDEND.—The term ‘dividend’ shall not include amounts includible in gross income as a dividend under section 78.

“(c) DISALLOWANCE OF FOREIGN TAX CREDIT, ETC.—In the case of a domestic corporation making an election under subsection (a) with respect to any controlled foreign corporation—

“(1) IN GENERAL.—No credit shall be allowed under section 901 for any taxes paid or accrued (or treated as paid or accrued) with respect to the earnings and profits taken into account in determining the amount under subsection (b).

“(2) DENIAL OF DEDUCTION.—No deduction shall be allowed under this chapter for any tax for which credit is not allowable under section 901 by reason of paragraph (1).

“(3) COORDINATION WITH SECTION 78.—Section 78 shall not apply to any tax for which credit is not allowable under section 901 by reason of paragraph (1).

“(4) TREATMENT OF NONDEDUCTIBLE PORTION IN APPLYING FOREIGN TAX CREDIT LIMIT.—For purposes of applying the limitation under section 904(a), the remaining 30 percent of the amount determined under subsection (b) with respect to which a deduction is not allowable under subsection (a) shall be treated as income from sources within the United States.

“(d) ELECTION TO PAY LIABILITY FOR DEEMED SUBPART F INCOME IN INSTALLMENTS.—

“(1) IN GENERAL.—In the case of a United States shareholder with respect to 1 or more controlled foreign corporations to which elections under subsections (a) and (b)(2) apply, such United States shareholder may elect to pay the net tax liability determined with respect to its deemed subpart F inclusions with respect to such corporations under subsection (b)(2) for the taxable year described in subsection (a) in 2 or more (but not exceeding 8) equal installments.

“(2) DATE FOR PAYMENT OF INSTALLMENTS.—If an election is made under paragraph (1), the first installment shall be paid on the due date (determined without regard to any extension of time for filing the return) for the return of tax for the taxable year for which the election was made and each succeeding installment shall be paid on the due date (as so determined) for the return of tax for the taxable year following the taxable year with respect to which the preceding installment was made.

“(3) ACCELERATION OF PAYMENT.—If there is an addition to tax for failure to pay timely assessed with respect to any installment required under this subsection, a liquidation or sale of substantially all the assets of the taxpayer (including in a title 11 or similar case), a cessation of business by the taxpayer, or any similar circumstance, then the unpaid portion of all remaining installments shall be due on the date of such event (or in the case of a title 11 or similar case, the day before the petition is filed).

“(4) PRORATION OF DEFICIENCY TO INSTALLMENTS.—If an election is made under paragraph (1) to pay the net tax liability described in paragraph (1) in installments and a deficiency has been assessed which increases such net tax liability, the increase shall be prorated to the installments payable under paragraph (1). The part of the increase so prorated to any installment the date for payment of which has not arrived shall be collected at the same time as, and as a part of, such installment. The part of the increase so prorated to any installment the date for payment of which has arrived shall be paid upon notice and demand from the Secretary. This subsection shall not apply if the deficiency is due to negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax.

“(5) TIME FOR PAYMENT OF INTEREST.—Interest payable under section 6601 on the unpaid portion of any amount of tax the time for payment of which has been extended under this subsection shall be paid annually at the same time as, and as part of, each installment payment of such tax. In the case of a deficiency to which paragraph (4) applies, interest with respect to such deficiency which is assigned under the preceding sentence to any installment the date for payment of which has arrived on or before the date of the assessment of the deficiency, shall be paid upon notice and demand from the Secretary.

“(6) NET TAX LIABILITY FOR DEEMED SUBPART F INCLUSIONS.—For purposes of this subsection—

“(A) IN GENERAL.—The net tax liability described in paragraph (1) with respect to any United States shareholder for any taxable year is the excess (if any) of—

“(i) such taxpayer’s net income tax for the taxable year, over

“(ii) such taxpayer’s net income tax for such taxable year determined as if the elections under subsection (b)(2) with respect to 1 or more controlled foreign corporations had not been made.

“(B) NET INCOME TAX.—The term ‘net income tax’ means the net income tax (as defined in section 38(c)(1)) reduced by the credit allowed under section 38.

“(e) SPECIAL RULES.—For purposes of this section—

“(1) ELECTIONS.—Any election under subsection (a), (b)(2), or (d)(1) shall be made not later than the due date (including extensions) for the return of tax for the taxable year for which made and shall be made in such manner as the Secretary may provide.

“(2) SECTION NOT TO APPLY TO NONCONTROLLED SECTION 902 CORPORATIONS TREATED AS CFCS.—No election may be made under subsection (a) with respect to a controlled foreign corporation which was a noncontrolled section 902 corporation which a United States shareholder elected under section 245A(b) to treat as a controlled foreign corporation.

“(3) PRO RATA SHARE.—A shareholder’s pro rata share of any earnings and profits shall be determined in the same manner as under section 951(a)(2).”.

(b) CONFORMING AMENDMENTS.—

(1) Clause (vi) of section 56(g)(4)(C), as amended by this Act, is amended—

(A) by striking “965” and inserting “965(b)”, and

(B) by inserting “AND INCLUSIONS” after “CERTAIN DISTRIBUTIONS” in the heading thereof.

(2) Paragraph (2) of section 6601(b) is amended—

(A) by striking “section 6156(a)” in the matter preceding subparagraph (A) and inserting “section 965(d)(1) or 6156(a)”, and

(B) by striking “section 6156(b)” in subparagraph (A) and inserting “section 965(d)(2) or 6156(b), as the case may be”.

(3) The table of section for subpart F of part III of subchapter N of chapter 1 is amended by striking the item relating to section 965 and inserting the following:

“Sec. 965. Treatment of deferred foreign income upon transition to participation exemption system of taxation.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2012, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

TITLE II—OTHER INTERNATIONAL TAX REFORMS

Subtitle A—Modifications of Subpart F

SEC. 201. TREATMENT OF LOW-TAXED FOREIGN INCOME AS SUBPART F INCOME.

(a) IN GENERAL.—Subsection (a) of section 952 is amended by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively, and by inserting after paragraph (2) the following new paragraph:

“(3) low-taxed income (as defined under subsection (e)).”.

(b) LOW-TAXED INCOME.—Section 952 is amended by adding at the end the following new subsection:

“(e) LOW-TAXED INCOME.—

“(1) IN GENERAL.—For purposes of subsection (a), except as provided in paragraph (2), the term ‘low-taxed income’ means, with respect to any taxable year of a controlled

foreign corporation, the entire gross income of the controlled foreign corporation unless the taxpayer establishes to the satisfaction of the Secretary that such income was subject to an effective rate of income tax (determined under rules similar to the rules of section 954(b)(4)) imposed by a foreign country in excess of one-half of the highest rate of tax under section 11(b) for taxable years of United States corporations beginning in the same calendar year as the taxable year of the controlled foreign corporation begins.

“(2) EXCEPTION FOR QUALIFIED BUSINESS INCOME.—For purposes of paragraph (1), qualified business income—

“(A) shall be taken into account in determining the effective rate of income tax at which the entire gross income of the controlled foreign corporation is taxed, but

“(B) the amount of gross income treated as low-taxed income under paragraph (1) shall be reduced by the amount of the qualified business income.

“(3) QUALIFIED BUSINESS INCOME.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified business income’ means, with respect to any controlled foreign corporation, income derived by the controlled foreign corporation in a foreign country but only if—

“(i) such income is attributable to the active conduct of a trade or business of such corporation in such foreign country,

“(ii) the corporation maintains an office or fixed place of business in such foreign country, and

“(iii) officers and employees of the corporation physically located at such office or place of business in such foreign country conducted (or significantly contributed to the conduct of) activities within the foreign country which are substantial in relation to the activities necessary for the active conduct of the trade or business to which such income is attributable.

“(B) EXCEPTION FOR INTANGIBLE INCOME.—For purposes of subparagraph (A), qualified business income of a controlled foreign corporation shall not include intangible income (as defined in section 250(c)(3)).

“(4) DETERMINATION OF EFFECTIVE RATE OF FOREIGN INCOME TAX AND QUALIFIED BUSINESS INCOME.—

“(A) COUNTRY-BY-COUNTRY DETERMINATION.—For purposes of determining the effective rate of income tax imposed by any foreign country under paragraph (1) and qualified business income under paragraph (3), each such paragraph shall be applied separately with respect to—

“(i) each foreign country in which a controlled foreign corporation conducts any trade or business, and

“(ii) the entire gross income and qualified business income derived with respect to such foreign country.

“(B) TREATMENT OF LOSSES.—For purposes of determining the effective rate of income tax imposed by any foreign country under paragraph (1)—

“(i) such effective rate shall be determined without regard to any losses carried to the relevant taxable year, and

“(ii) to the extent the income of the controlled foreign corporation reduces losses in the relevant taxable year, such effective rate shall be treated as being the effective rate which would have been imposed on such income without regard to such losses.

“(5) DEDUCTIONS TO BE TAKEN INTO ACCOUNT.—The gross income of a controlled foreign corporation taken into account under this subsection shall be reduced, under regulations prescribed by the Secretary, so as to take into account deductions (including taxes) properly allocable to such income.”.

(c) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 952 is amended—

(A) by striking “paragraph (4)” in the next to last sentence and inserting “paragraph (5)”, and

(B) by striking “paragraph (5)” in the last sentence and inserting “paragraph (6)”.

(2) Subsection (d) of section 952 is amended by striking “subsection (a)(5)” and inserting “subsection (a)(6)”.

(3) Paragraphs (1) and (2) of section 999(c) are each amended by striking “section 952(a)(3)” and inserting “section 952(a)(4)”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2012, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 202. PERMANENT EXTENSION OF LOOK-THRU RULE FOR CONTROLLED FOREIGN CORPORATIONS.

(a) IN GENERAL.—Section 954(c)(6)(C) is amended by striking “and before January 1, 2012.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2011, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 203. PERMANENT EXTENSION OF EXCEPTIONS FOR ACTIVE FINANCING INCOME.

(a) EXCEPTION FROM INSURANCE INCOME.—Section 953(e)(10) is amended—

(1) by striking “and before January 1, 2012.”, and

(2) by striking the last sentence.

(b) EXCEPTION FROM FOREIGN PERSONAL HOLDING COMPANY INCOME.—Section 954(h)(9) is amended by striking “and before January 1, 2012.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2011, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

SEC. 204. FOREIGN BASE COMPANY INCOME NOT TO INCLUDE SALES OR SERVICES INCOME.

(a) REPEAL.—Paragraphs (2) and (3) of section 954(a) are repealed.

(b) CONFORMING AMENDMENTS.—

(1) Section 954(d) is amended by adding at the end the following new paragraph:

“(5) TERMINATION.—This subsection shall not apply to taxable years of foreign corporations beginning after December 31, 2012, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.”.

(2) Section 954(e) is amended by adding at the end the following new paragraph:

“(3) TERMINATION.—This subsection shall not apply to taxable years of foreign corporations beginning after December 31, 2012, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of foreign corporations beginning after December 31, 2012, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.

Subtitle B—Modifications Related to Foreign Tax Credit

SEC. 211. MODIFICATION OF APPLICATION OF SECTIONS 902 AND 960 WITH RESPECT TO POST-2012 EARNINGS.

(a) SECTION 902 NOT TO APPLY TO DIVIDENDS FROM POST-2012 EARNINGS.—Section 902 is

amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

“(d) SECTION NOT TO APPLY TO DIVIDENDS FROM POST-2012 EARNINGS.—

“(1) IN GENERAL.—This section shall not apply to the portion of any dividend paid by a foreign corporation to the extent such portion is made out of earnings and profits of the foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2012.

“(2) COORDINATION WITH DISTRIBUTIONS FROM PRE-2013 EARNINGS AND PROFITS.—For purposes of this section—

“(A) ORDERING RULE.—Any distribution in a taxable year beginning after December 31, 2012, shall be treated as first made out of earnings and profits of the foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning before January 1, 2013.

“(B) POST-1986 UNDISTRIBUTED EARNINGS.—Post-1986 undistributed earnings shall not include earnings and profits described in paragraph (1).”

(b) DETERMINATION OF SECTION 960 CREDIT ON CURRENT YEAR BASIS.—Section 960 is amended by adding at the end the following new subsection:

“(d) DEEMED PAID CREDIT FOR SUBPART F INCLUSIONS ATTRIBUTABLE TO POST-2012 EARNINGS.—

“(1) IN GENERAL.—For purposes of this subpart, if there is included in the gross income of a domestic corporation any amount under section 951(a)—

“(A) with respect to any controlled foreign corporation with respect to which such domestic corporation is a United States shareholder, and

“(B) which is attributable to the earnings and profits of the controlled foreign corporation (computed in accordance with sections 964(a) and 986) accumulated in taxable years beginning after December 31, 2012, then subsections (a), (b), and (c) shall not apply and such domestic corporation shall be deemed to have paid so much of such foreign corporation's foreign income taxes as are properly attributable to the amount so included.

“(2) FOREIGN INCOME TAXES.—For purposes of this subsection, the term ‘foreign income taxes’ means any income, war profits, or excess profits taxes paid or accrued by the controlled foreign corporation to any foreign country or possession of the United States.

“(3) REGULATIONS.—The Secretary shall provide such regulations as may be necessary or appropriate to carry out the provisions of this subsection.”

SEC. 212. SEPARATE FOREIGN TAX CREDIT BASKET FOR FOREIGN INTANGIBLE INCOME.

(a) IN GENERAL.—Paragraph (1) of section 904(d) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) foreign intangible income (as defined in paragraph (2)(J)).”

(b) FOREIGN INTANGIBLE INCOME.—

(1) IN GENERAL.—Section 904(d)(2) is amended by redesignating subparagraphs (J) and (K) as subparagraphs (K) and (L) and by inserting after subparagraph (I) the following:

“(J) FOREIGN INTANGIBLE INCOME.—For purposes of this section—

“(i) IN GENERAL.—The term ‘foreign intangible income’ has the meaning given such term by section 250(c).

“(ii) COORDINATION.—Passive category income and general category income shall not include foreign intangible income.”

(2) GENERAL CATEGORY INCOME.—Section 904(d)(2)(A)(ii) is amended by inserting “or

foreign intangible income” after “passive category income”.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

(2) TRANSITIONAL RULE.—For purposes of section 904(d)(1) of the Internal Revenue Code of 1986 (as amended by this Act)—

(A) taxes carried from any taxable year beginning before January 1, 2013, to any taxable year beginning on or after such date, with respect to any item of income, shall be treated as described in the subparagraph of such section 904(d)(1) in which such income would be described without regard to the amendments made by this section, and

(B) any carryback of taxes with respect to foreign intangible income from a taxable year beginning on or after January 1, 2013, to a taxable year beginning before such date shall be allocated to the general income category.

SEC. 213. INVENTORY PROPERTY SALES SOURCE RULE EXCEPTIONS NOT TO APPLY FOR FOREIGN TAX CREDIT LIMITATION.

(a) IN GENERAL.—Section 904 is amended by redesignating subsection (l) as subsection (m) and by inserting after subsection (k) the following new subsection:

“(1) INVENTORY PROPERTY SALES SOURCE RULE EXCEPTIONS NOT TO APPLY.—Any amount which would be treated as derived from sources without the United States by reason of the application of section 862(a)(6) or 863(b)(2) for any taxable year shall be treated as derived from sources within the United States for purposes of this section.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2012.

Subtitle C—Allocation of Interest on Worldwide Basis

SEC. 221. ACCELERATION OF ELECTION TO ALLOCATE INTEREST ON A WORLDWIDE BASIS.

Section 864(f)(6) is amended by striking “December 31, 2020” and inserting “December 31, 2012”.

SA 2565. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 3364, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE — TAX RETURN DUE DATE SIMPLIFICATION AND MODERNIZATION

SEC. 01. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This title may be cited as the “Tax Return Due Date Simplification and Modernization Act of 2012”.

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 02. NEW DUE DATE FOR PARTNERSHIP FORM 1065, S CORPORATION FORM 1120S, AND C CORPORATION FORM 1120.

(a) PARTNERSHIPS.—

(1) IN GENERAL.—Section 6072 is amended by adding at the end the following new subsection:

“(f) RETURNS OF PARTNERSHIPS.—Returns of partnerships under section 6031 made on the basis of the calendar year shall be filed on or before the 15th day of March following the close of the calendar year, and such returns made on the basis of a fiscal year shall be filed on or before the 15th day of the third

month following the close of the fiscal year.”

(2) CONFORMING AMENDMENT.—Section 6072(a) is amended by striking “6017, or 6031” and inserting “or 6017”.

(b) S CORPORATIONS.—

(1) IN GENERAL.—So much of subsection (b) of 6072 as precedes the second sentence thereof is amended to read as follows:

“(b) RETURNS OF CERTAIN CORPORATIONS.—Returns of S corporations under sections 6012 and 6037 made on the basis of the calendar year shall be filed on or before the 31st day of March following the close of the calendar year, and such returns made on the basis of a fiscal year shall be filed on or before the last day of the third month following the close of the fiscal year.”

(2) CONFORMING AMENDMENTS.—

(A) Section 1362(b) is amended—

(i) by striking “15th” each place it appears and inserting “last”;

(ii) by striking “2½” each place it appears and inserting “3”, and

(iii) by striking “2 months and 15 days” in paragraph (4) and inserting “3 months”.

(B) Section 1362(d)(1)(C)(i) is amended by striking “15th” and inserting “last”.

(C) Section 1362(d)(1)(C)(ii) is amended by striking “such 15th day” and inserting “the last day of the 3d month thereof”.

(c) CONFORMING AMENDMENTS RELATING TO C CORPORATIONS.—

(1) Section 170(a)(2)(B) is amended by striking “third month” and inserting “4th month”.

(2) Section 563 is amended by striking “third month” each place it appears and inserting “4th month”.

(3) Section 1354(d)(1)(B)(i) is amended by striking “3d month” and inserting “4th month”.

(4) Subsection (a) and (c) of section 6167 are each amended by striking “third month” and inserting “4th month”.

(5) Section 6425(a)(1) is amended by striking “third month” and inserting “4th month”.

(6) Subsections (b)(2)(A), (g)(3), and (h)(1) of section 6655 are each amended by striking “3rd month” and inserting “4th month”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to returns for taxable years beginning after December 31, 2012.

SEC. 03. MODIFICATION OF DUE DATES BY REGULATION.

In the case of returns for taxable years beginning after December 31, 2012, the Secretary of the Treasury or the Secretary's delegate shall modify appropriate regulations to provide as follows:

(1) The maximum extension for the returns of partnerships filing Form 1065 shall be a 6-month period ending on September 15 for calendar year taxpayers.

(2) The maximum extension for the returns of trusts filing Form 1041 shall be a 5½-month period ending on September 30 for calendar year taxpayers.

(3) The maximum extension for the returns of employee benefit plans filing Form 5500 shall be an automatic 3½-month period ending on November 15 for calendar year taxpayers.

(4) The maximum extension for the returns of organizations exempt from income tax filing Form 990 shall be an automatic 6-month period ending on November 15 for calendar year filers.

(5) The due date of Form 3520-A (relating to the Annual Information Return of Foreign Trust with a United States Owner) for calendar year filers shall be April 15 with a maximum extension for a 6-month period ending on October 15.

(6) The due date of Form TD F 90-22.1 (relating to Report of Foreign Bank and Financial Accounts) shall be April 15 with a maximum extension for a 6-month period ending on October 15 and with provision for an extension under rules similar to the rules in Treas. Reg. 1.6081-5. For any taxpayer required to file such Form for the first time, any penalty for failure to timely request for, or file, an extension, may be waived by the Secretary of the Treasury or the Secretary's delegate.

SEC. 04. CORPORATIONS PERMITTED STATUTORY AUTOMATIC 6-MONTH EXTENSION OF INCOME TAX RETURNS.

(a) IN GENERAL.—Section 6081(b) is amended by striking “3 months” and inserting “6 months”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to returns for taxable years beginning after December 31, 2012.

SA 2566. Mr. MCCAIN (for himself and Mrs. HAGAN) submitted an amendment intended to be proposed by him to the bill S. 3364, to provide an incentive for businesses to bring jobs back to America; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE —FOREIGN EARNINGS REINVESTMENT

SEC. 01. SHORT TITLE.

This title may be cited as the “Foreign Earnings Reinvestment Act”.

SEC. 02. ALLOWANCE OF TEMPORARY DIVIDENDS RECEIVED DEDUCTION FOR DIVIDENDS RECEIVED FROM A CONTROLLED FOREIGN CORPORATION.

(a) APPLICABILITY OF PROVISION.—

(1) IN GENERAL.—Subsection (f) of section 965 is amended to read as follows:

“(f) ELECTION; ELECTION YEAR.—

“(1) IN GENERAL.—The taxpayer may elect to apply this section to—

“(A) the taxpayer's last taxable year which begins before the date of the enactment of the Foreign Earnings Reinvestment Act, or

“(B) the taxpayer's first taxable year which begins during the 1-year period beginning on such date.

Such election may be made for a taxable year only if made on or before the due date (including extensions) for filing the return of tax for such taxable year.

“(C) ELECTION YEAR.—For purposes of this section, the term ‘election year’ means the taxable year—

“(i) which begins after the date that is one year before the date of the enactment of the Foreign Earnings Reinvestment Act, and

“(ii) to which the taxpayer elects under paragraph (1) to apply this section.”.

(2) CONFORMING AMENDMENTS.—

(A) EXTRAORDINARY DIVIDENDS.—Section 965(b)(2) of such Code is amended—

(i) by striking “June 30, 2003” and inserting “September 30, 2011”, and

(ii) by adding at the end the following new sentence: “The amounts described in clauses (i), (ii), and (iii) shall not include any amounts which were taken into account in determining the deduction under subsection (a) for any prior taxable year.”.

(B) DETERMINATIONS RELATING TO RELATED PARTY INDEBTEDNESS.—Section 965(b)(3)(B) of such Code is amended by striking “October 3, 2004” and inserting “September 30, 2011”.

(C) APPLICABLE FINANCIAL STATEMENT.—Section 965(c)(1) of such Code is amended by striking “June 30, 2003” each place it appears and inserting “September 30, 2011”.

(D) DETERMINATIONS RELATING TO BASE PERIOD.—Section 965(c)(2) of such Code is amended by striking “June 30, 2003” and inserting “September 30, 2011”.

(b) DEDUCTION INCLUDES CURRENT AND ACCUMULATED FOREIGN EARNINGS.—

(1) IN GENERAL.—Paragraph (1) of section 965(b) of the Internal Revenue Code of 1986 is amended to read as follows:

“(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the sum of the current and accumulated earnings and profits described in section 959(c)(3) for the year a deduction is claimed under subsection (a), without diminution by reason of any distributions made during the election year, for all controlled foreign corporations of the United States shareholder.”.

(2) CONFORMING AMENDMENTS.—

(A) Section 965(c) of such Code, as amended by subsection (a), is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5), as paragraphs (1), (2), (3), and (4), respectively.

(B) Paragraph (4) of section 965(c) of such Code, as redesignated by subparagraph (A), is amended to read as follows:

“(4) CONTROLLED GROUPS.—All United States shareholders which are members of an affiliated group filing a consolidated return under section 1501 shall be treated as one United States shareholder.”.

(c) AMOUNT OF DEDUCTION.—

(1) IN GENERAL.—Paragraph (1) of section 965(a) of the Internal Revenue Code of 1986 is amended by striking “85 percent” and inserting “75 percent”.

(2) BONUS DEDUCTION IN SUBSEQUENT TAXABLE YEAR FOR INCREASING JOBS.—Section 965 of such Code is amended by adding at the end the following new subsection:

“(g) BONUS DEDUCTION.—

“(1) IN GENERAL.—In the case of any taxpayer who makes an election to apply this section, there shall be allowed as a deduction for the first taxable year following the election year an amount equal to the applicable percentage of the cash dividends which are taken into account under subsection (a) with respect to such taxpayer for the election year.

“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is the amount which bears the same ratio (not greater than 1) to 10 percent as—

“(A) the excess (if any) of—

“(i) the qualified payroll of the taxpayer for the calendar year which begins with or within the first taxable year following the election year, over

“(ii) the qualified payroll of the taxpayer for calendar year 2010, bears to

“(B) 10 percent of the qualified payroll of the taxpayer for calendar year 2010.

“(3) QUALIFIED PAYROLL.—For purposes of this paragraph:

“(A) IN GENERAL.—The term ‘qualified payroll’ means, with respect to a taxpayer for any calendar year, the aggregate wages (as defined in section 3121(a)) paid by the corporation during such calendar year.

“(B) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—

“(i) ACQUISITIONS.—If, after December 31, 2009, and before the close of the first taxable year following the election year, a taxpayer acquires the trade or business of a predecessor, then the qualified payroll of such taxpayer for any calendar year shall be increased by so much of the qualified payroll of the predecessor for such calendar year as was attributable to the trade or business acquired by the taxpayer.

“(ii) DISPOSITIONS.—If, after December 31, 2009, and before the close of the first taxable year following the election year, a taxpayer disposes of a trade or business, then—

“(I) the qualified payroll of such taxpayer for calendar year 2010 shall be decreased by the amount of wages for such calendar year

as were attributable to the trade or business which was disposed of by the taxpayer, and

“(II) if the disposition occurs after the beginning of the first taxable year following the election year, the qualified payroll of such taxpayer for the calendar year which begins with or within such taxable year shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer.

“(C) SPECIAL RULE.—For purposes of determining qualified payroll for any calendar year after calendar year 2011, such term shall not include wages paid to any individual if such individual received compensation from the taxpayer for services performed—

“(i) after the date of the enactment of this paragraph, and

“(ii) at a time when such individual was not an employee of the taxpayer.”.

(3) REDUCTION FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—Paragraph (4) of section 965(b) of such Code (relating to limitations) is amended to read as follows:

“(4) REDUCTION IN BENEFITS FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—

“(A) IN GENERAL.—If, during the period consisting of the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1) and the succeeding 23 calendar months, the taxpayer does not maintain an average employment level at least equal to the taxpayer's prior average employment, an additional amount equal to \$75,000 multiplied by the number of employees by which the taxpayer's average employment level during such period falls below the prior average employment (but not exceeding the aggregate amount allowed as a deduction pursuant to subsection (a)(1)) shall be taken into income by the taxpayer during the taxable year that includes the final day of such period.

“(B) AVERAGE EMPLOYMENT LEVEL.—For purposes of this paragraph, the taxpayer's average employment level for a period shall be the average number of full-time United States employees of the taxpayer, measured at the end of each month during the period.

“(C) PRIOR AVERAGE EMPLOYMENT.—For purposes of this paragraph, the taxpayer's ‘prior average employment’ shall be the average number of full-time United States employees of the taxpayer during the period consisting of the 24 calendar months immediately preceding the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1).

“(D) FULL-TIME UNITED STATES EMPLOYEE.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘full-time United States employee’ means an individual who provides services in the United States as a full-time employee, based on the employer's standards and practices; except that regardless of the employer's classification of the employee, an employee whose normal schedule is 40 hours or more per week is considered a full-time employee.

“(ii) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—Such term does not include—

“(I) any individual who was an employee, on the date of acquisition, of any trade or business acquired by the taxpayer during the 24-month period referred to in subparagraph (A), and

“(II) any individual who was an employee of any trade or business disposed of by the taxpayer during the 24-month period referred to in subparagraph (A) or the 24-month period referred to in subparagraph (C).

“(E) AGGREGATION RULES.—In determining the taxpayer's average employment level and prior average employment, all domestic members of a controlled group shall be treated as a single taxpayer.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on July 19, 2012, at 9:30 a.m.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor and Pensions be authorized to meet during the session of the Senate to conduct a hearing entitled “Making College Affordability a Priority: Promising Practices and Strategies” on July 19, 2012, at 10 a.m. in room 430 of the Dirksen Senate Office Building.

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

COMMITTEE ON INDIAN AFFAIRS

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on July 19, 2012, in room SD-628 of the Dirksen Senate Office Building, at 2:15 p.m., to conduct a hearing entitled “Impacts of Environmental Changes on Treaty Rights, Traditional Lifestyles, and Tribal Homelands.”

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

COMMITTEE ON THE JUDICIARY

Ms. STABENOW. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 19, 2012, at 10 a.m., in SD-226 of the Dirksen Senate Office Building, to conduct an executive business meeting.

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

SELECT COMMITTEE ON INTELLIGENCE

Ms. STABENOW. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on July 19, 2012, at 2:30 p.m.

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

PRIVILEGES OF THE FLOOR

Mr. MERKLEY. Mr. President, I ask unanimous consent that Steven Kirby, a member of my staff who is serving as an intern this summer, be granted the privilege of the floor for the balance of today.

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

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent that Jennifer Parsons, a member of my staff, be granted floor privileges during today’s session of the Senate.

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

MEASURES PLACED ON THE CALENDAR—S. 3412 AND S. 3413

Mr. REID. Mr. President, I ask unanimous consent that S. 3412 and S. 3413, which are both at the desk, be considered as having been read twice and placed on the calendar.

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

MEASURES READ THE FIRST TIME—S. 3414 AND H.R. 5872

Mr. REID. Mr. President, there are two bills at the desk, and I ask for their first reading.

The PRESIDING OFFICER. The clerk will report the bills by title for the first time.

The assistant legislative clerk read as follows:

A bill (S. 3414) to enhance the security and resiliency of the cyber and communications infrastructure of the United States.

A bill (H.R. 5872) to require the President to provide a report detailing the sequester

required by the Budget Control Act of 2011 on January 2, 2013.

Mr. REID. Mr. President, I now ask for a second reading on both these matters but object to my own request.

The PRESIDING OFFICER. Objection having been heard, the bills will be read for a second time on the next legislative day.

ORDERS FOR MONDAY, JULY 23, 2012

Mr. REID. Mr. President, I now ask unanimous consent that when the Senate completes its business today, it adjourn until 2 p.m. on Monday, July 23; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day, and at that time I be recognized; that at 5 p.m. the Senate proceed to executive session to consider Calendar No. 663, the nomination of Michael A. Shipp to be U.S. district judge for the District of New Jersey, with 30 minutes of debate equally divided and controlled in the usual form; further, that the cloture vote on the Shipp nomination be at 5:30 p.m. on Monday.

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

PROGRAM

Mr. REID. Mr. President, the next rollcall vote will be at 5:30 p.m. on Monday on the motion to invoke cloture on the Shipp nomination.

ADJOURNMENT UNTIL MONDAY, JULY 23, 2012, AT 2 P.M.

The PRESIDING OFFICER. Mr. President, if there is no further business to come before the Senate, I ask that it adjourn under the previous order.

There being no objection, the Senate, at 5:46 p.m., adjourned until Monday, July 23, 2012, at 2 p.m.